



**Planning &
Infrastructure**

MAJOR PROJECT ASSESSMENT:

***Expansion and Upgrade of the Existing
Marrickville Metro Centre***

***34 Victoria Road and 13-55 Edinburgh
Road, Marrickville***

MP09_0191



Director General's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

December 2011

ABBREVIATIONS

CIV	Capital Investment Value
Department	Department of Planning & Infrastructure
DGRs	Director-General's Requirements
Director General	Director-General of the Department of Planning & Infrastructure
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	<i>Environmental Planning and Assessment Regulation 2000</i>
EPI	Environmental Planning Instrument
MD SEPP	State Environmental Planning Policy (Major Development) 2005
Minister	Minister for Planning & Infrastructure
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PEA	Preliminary Environmental Assessment
PPR	Preferred Project Report
Proponent	AMP Capital Investors
RtS	Response to Submissions

Cover Photograph: Proposed view of Smidmore Street from Murray Street (Source: PPR)

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EXECUTIVE SUMMARY

This is a report on a Concept Plan Application seeking approval for the expansion and upgrade of the Marrickville Metro Shopping Centre on two parcels of land within the Marrickville LGA. The Proponent is AMP Capital Investors.

The sites are zoned “General Business 3(A)” and “General Industrial 4(A)” under the Marrickville Local Environmental Plan (LEP) 2001 (in force at the time of lodgement and exhibition of the proposal) and “B2 Local Centre” and “IN1 General Industrial” under the Marrickville LEP 2011 which was published on 12 December 2011. The proposed retail land use is permissible with consent in the 3(A) and B2 zones, but prohibited in the 4(A) and IN1 zones.

The proposal as exhibited sought approval for the following:

- construction of an additional 29,010m² of retail floor space comprising a first floor extension to the existing shopping centre and 2 levels of retail on the adjacent site;
- provision of an additional 715 car parking spaces within 2 levels of rooftop parking over both buildings with associated new circular access ramps; and
- closure of part of Smidmore Street including a 2 storey retail link and public plaza.

The Environmental Assessment (EA) was exhibited for 45 days between 28 July 2010 and 10 September 2010. As a result, the department received 6 submissions from public authorities, including Marrickville Council, and 548 public submissions, including a petition with 4,830 signatures objecting to the proposal. 30 submissions of support were received.

On 23 December 2010, the Proponent submitted a Preferred Project Report (PPR). Key PPR revisions include:

- deletion of all works within the Smidmore Street road reserve;
- a 22% reduction in the proposed additional floor space (from 21,470m² to 16,767m²);
- deletion of the circular access ramp in the north east corner of the site; and
- a 26% reduction in the proposed additional car parking by (from 715 spaces to 528 spaces).

The PPR proposes 21,780m² of additional retail floor space to provide a total gross leasable floor area of 50,705m². The proposal has a Capital Investment Value (CIV) estimated at \$165 million and would create up to 625 full time equivalent operational jobs.

The PPR was exhibited for 31 days between 16 February 2011 and 18 March 2011. A total of 740 submissions were received, including 720 submissions from the public objecting to the PPR, 15 submissions from the public in support of the PPR, and 5 submissions from public authorities, including Marrickville Council.

The key issues in respect of the proposal are the economic impact of the proposal on surrounding local shopping strips, traffic and local road network capacity, and visual and amenity impacts.

The department obtained independent advice from economic and traffic consultants to inform its assessment of the key issues. The department considers that the proposal will not have unreasonable impacts on the viability of the nearby local shopping strips and retail centres or the range of facilities provided to the community. The department is also satisfied that the additional traffic generated by the proposal can be accommodated within the local road network and that the proposal includes measures to minimise impacts on the surrounding residential area.

On balance, the department considers that the proposed expansion will deliver public benefits including improved accessibility to the centre; active shop fronts; new bus facilities; and an increase to the number, quality and range of retail facilities in the area to the benefit of the wider community.

The department has assessed the merits of the application, taking into account the issues raised by the public and relevant public authorities. It is considered that identified impacts have been addressed in the PPR and by way of conditions of approval. The Concept Plan is recommended for approval without the need for any future environmental assessment.

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1. BACKGROUND

1.1 Site Description

The site comprises of two parcels of land at 34 Victoria Road and 13-55 Edinburgh Road, Marrickville (refer **Figure 1** and **2** below). The site is within the Marrickville Local Government Area.

The site is located approximately 5km south west of Sydney CBD, and approximately 1.5km north east of the Marrickville Road town centre. St Peters Railway Station is located approximately 800 metres to the east of the site. Bus services are available from the Marrickville Metro Shopping Centre to the CBD and Bondi.

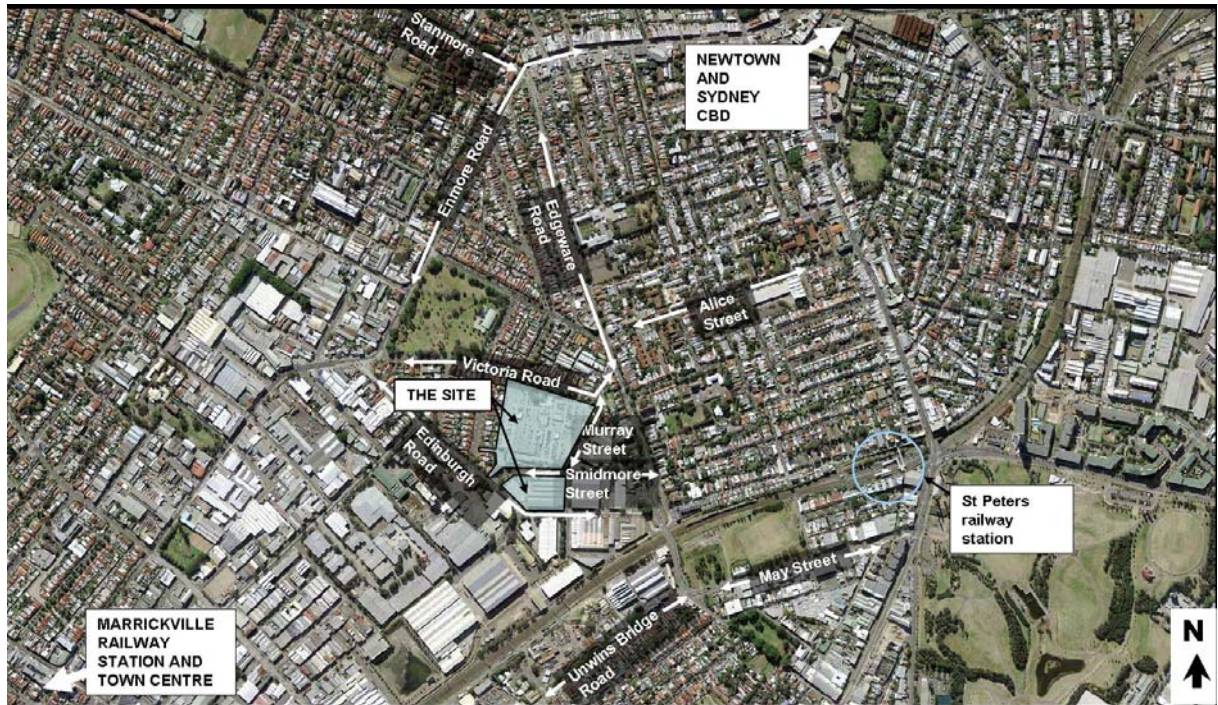


Figure 1 Local Context Plan (Base Photo Source: Land & Property Management Authority, 2011)

The site is irregular in shape and comprises two separate parcels of land separated by Smidmore Street, known as the 'Victoria Road site' and 'Edinburgh Road site'.

Victoria Road site

The Victoria Road site has an area of approximately 3.5 hectares, with frontages of approximately 215 metres to Victoria Road, 160 metres to Murray Street, 165 metres to Smidmore Street, and 12 metres to Bourne Street. The site is relatively flat.

It is currently occupied by the existing Marrickville Metro Shopping Centre. The existing centre comprises of 28,925m² of retail floor space (22,933m² gross leasable floor space) over a single level with roof top parking over predominantly one level. The shopping centre contains Woolworths, K-Mart, Aldi and a number of specialty retail shops. The shopping centre operates from 9:00am to 5:30pm on Monday to Wednesday and Friday; 9:00am to 9:00pm on Thursday, 9:00am to 5:00pm on Saturday and 10:00am to 4:00pm on Sunday.

The site was formerly occupied by a woollen mills factory. A dwelling associated with the factory (the Mill House) and remnants of the former factory walls were retained and integrated as part of the existing shopping centre development.

The Mill House is a locally listed heritage item under the Marrickville LEP 2001 and is located on the Victoria Street frontage. Its curtilage includes a fig tree and brick paving. The Mill House is currently used as office space for centre management.

Vehicular access to the site is gained from Smidmore Street and Murray Street. Loading docks are situated at the south-western and north-eastern corners of the site, and along the Murray Street frontage.

Edinburgh Road site

The Edinburgh Road site has an area of approximately 8,800m², with frontages of approximately 130 metres to Edinburgh Road, 73 metres to Murray Street and 155 metres to Smidmore Street. The site is relatively flat.

The Edinburgh Road site is currently occupied by a two storey industrial warehouse building with ancillary structures and at grade car parking.



Figure 2 Aerial photograph of the site and surrounds (Base Photo Source: Land & Property Management Authority, 2011)

1.2 Surrounding development

The site is surrounded by a mix of low density residential housing and light industrial uses. Residential development is predominantly in the form of single storey detached dwellings. Light industrial uses are primarily located along Murray Street and Smidmore Street. General industrial uses and large scale warehousing and distribution centres are located to the south of Edinburgh Road.

The proposed Llewellyn Estate Heritage Conservation Area is located immediately to the north of the site.

Photographs of the site and surrounds are provided at **Figures 3, 4 and 5.**

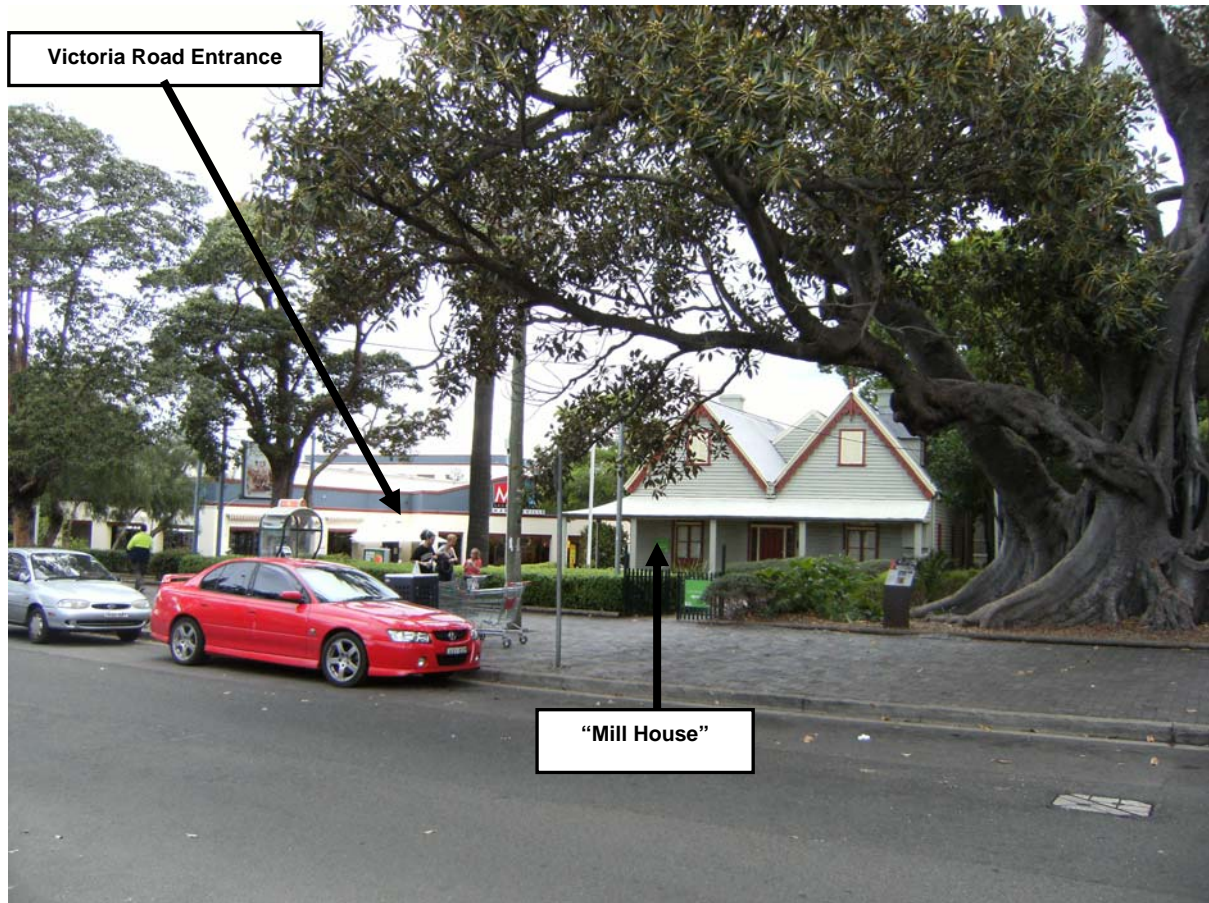


Figure 3 The existing Victoria Road entrance



Figure 4 The existing Smidmore Street entrance



Figure 5 The existing (Edinburgh Road) site looking north along Murray Street.

2. PROPOSED PROJECT

2.1. Environmental Assessment (as exhibited)

The proposal, as described in the EA and originally exhibited, sought approval for the following:

- demolition of existing warehouse buildings and associated structures at 13-55 Edinburgh Road;
- construction of a first floor extension to the existing Marrickville Metro Shopping Centre with 2 levels of roof top parking (total additional GFA of 15,545m²);
- construction of a new building at 13-55 Edinburgh Road comprising 2 levels of retail with 2 levels of roof top parking (total GFA of 13,465m²);
- 715 additional car parking spaces, resulting in a total of 1,815 spaces;
- closure of part of Smidmore Street including a 2 storey retail link and public plaza; and
- public domain upgrades.

2.2. Preferred Project Report

Following exhibition of the EA, the department advised the Proponent of a number of issues relating to the EA. The main issues related to the possible closure of part of Smidmore Street, the potential economic impact on nearby centres, traffic impact/public transport and built form.

On 23 December 2010, the Proponent submitted a response to submissions and a Preferred Project Report (PPR). The proposal as amended by the PPR is detailed in **Table 1**.

Table 1: Key Project Components

<i>Aspect</i>	<i>Description</i>
<i>Project Summary</i>	Concept Plan for an expansion of the existing Marrickville Metro Shopping Centre.
<i>Demolition</i>	Demolition of existing warehouse buildings and associated structures at 13-55 Edinburgh Road.
<i>Buildings</i>	Refurbishment and construction of an extension to the existing Marrickville Metro Shopping Centre building and construction of a new building at 13-55 Edinburgh Road. Both buildings comprise 2 levels of retail with 2 levels of car parking above each building.
<i>Parking</i>	<ul style="list-style-type: none">• Construction of 2 levels of car parking at roof level containing 1,195 spaces on the Victoria Road site.• Construction of 2 levels of car parking at roof level containing 433 spaces on the Edinburgh Road site.• Overall, an additional 528 car parking spaces resulting in a total of 1,628 spaces.
<i>Additional Gross Floor Area (GFA) and Gross Leasable Floor Area (GLFA)</i>	<ul style="list-style-type: none">• Victoria Road site – GFA 8,846m² (existing 28,925m²)• Edinburgh Road site – GFA 12,934m²• Total additional GFA 21,780m² (including existing 50,705m²)• Total additional GLFA 16,767m² (including existing 39,700m²)
<i>Retail tenancies</i>	<ul style="list-style-type: none">• 5,000m² discount department store• 4,300m² supermarket• 1,991m² mini major• 4,464m² specialty retail
<i>Loading</i>	<ul style="list-style-type: none">• Removal of existing loading docks along Murray Street and Victoria Road and creation of a new central loading dock along Murray Street;• Retention of existing loading dock accessed from Smidmore Street on the western side of existing centre; and

Aspect	Description
	<ul style="list-style-type: none"> • Creation of a new loading dock for the proposed Edinburgh Road building accessed from Murray Street.
<i>Staging</i>	<p><i>Stage 1</i></p> <ul style="list-style-type: none"> • Demolition and redevelopment of the 13-55 Edinburgh Road site (retail, parking and circular access ramp); • Creation of activated retail edges along Smidmore Street; and • Part of the refurbishment and expansion works to the existing shopping centre including public domain works. <p><i>Stage 2</i></p> <ul style="list-style-type: none"> • First floor addition to existing centre site with 2 levels of car parking above; • Reconfiguration of the ground floor of the existing centre; • Consolidation and relocation of loading docks on Murray Street (servicing the existing centre); • Relocation of existing vehicle ramp on Smidmore Street; and • Public domain works.

Key changes between the EA and the PPR include:

- retention of the Smidmore Street road reserve for the full frontage of the site. All originally proposed connecting structures between the two sites at, and above, ground level have been removed from the proposal;
- reduction of the total additional gross retail floor area by 25% (from 29,010m² to 21,780m²) and gross leasable floor area by 22% (from 21,470m² to 16,767m²);
- reduction in the number of additional car parking spaces by 187 (715 to 528);
- deletion of the circular ramp on the corner of Victoria Road and Murray Street and retention of car park access ramp on Murray Street;
- relocation of loading dock access further south along Murray Street;
- increased northern setback to the parking levels on the Victoria Road site, removing the previously proposed cantilever;
- relocation of bus operations from Smidmore Street to Edinburgh Road and increased bus stop capacity from 2 buses to 3 buses;
- additional taxi parking and space for one community shuttle bus on Smidmore Street;
- refinement to the design of buildings fronting Smidmore Street to improve pedestrian activity and connectivity between sites;
- architectural refinements to the Murray Street elevation; and
- retention of all 'Lemon Scented Eucalypt' trees along Smidmore Street and 17 'Hills Weeping Fig' trees along Murray Street.

The revised project layout is illustrated in **Figures 5, 6 and 7**

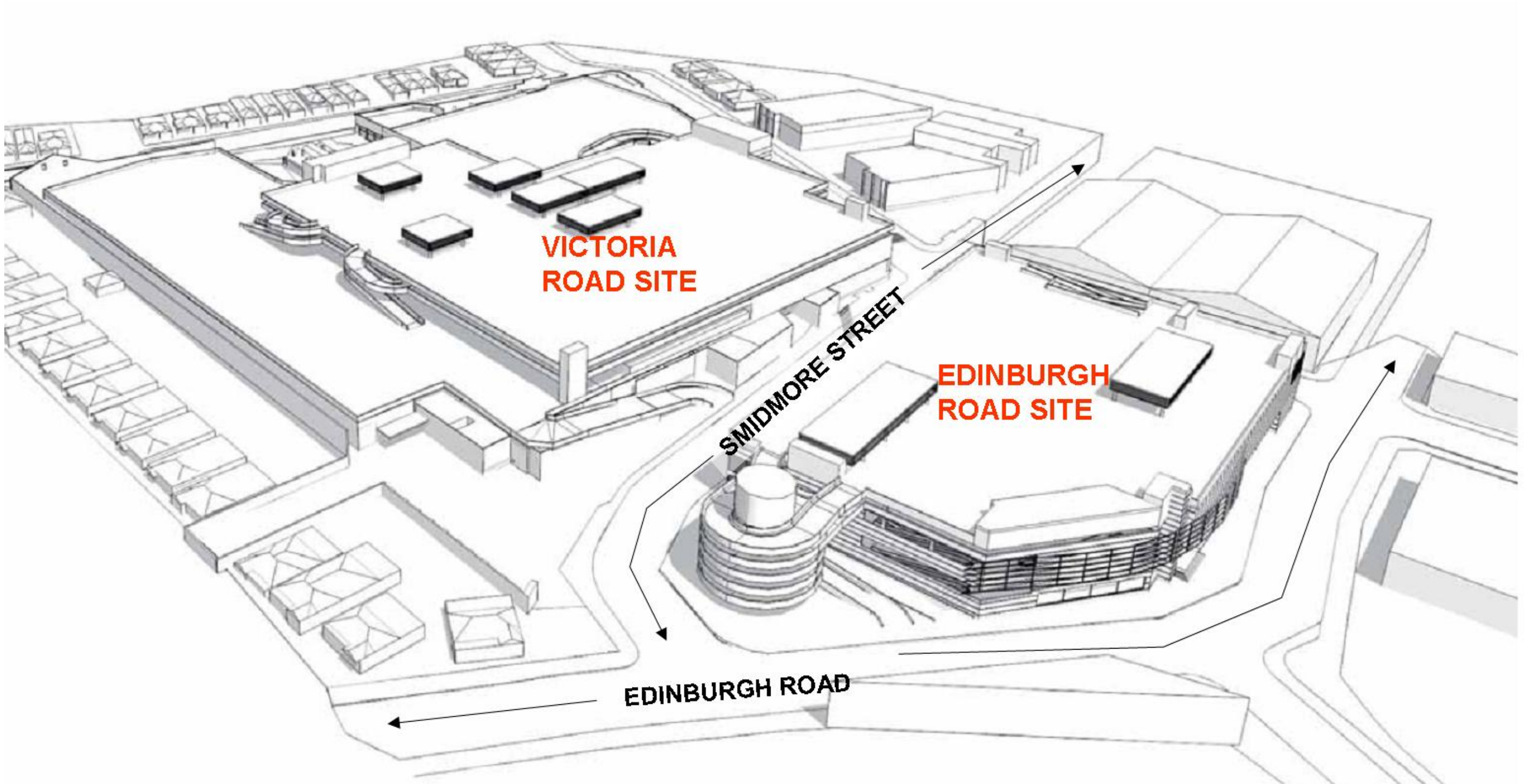


Figure 5 Perspective from Edinburgh Road (Source: Proponent's PPR)



GROUND FLOOR PLAN

Figure 6 Proposed retail floor plans (Source: Proponent's PPR)



FIRST FLOOR PLAN

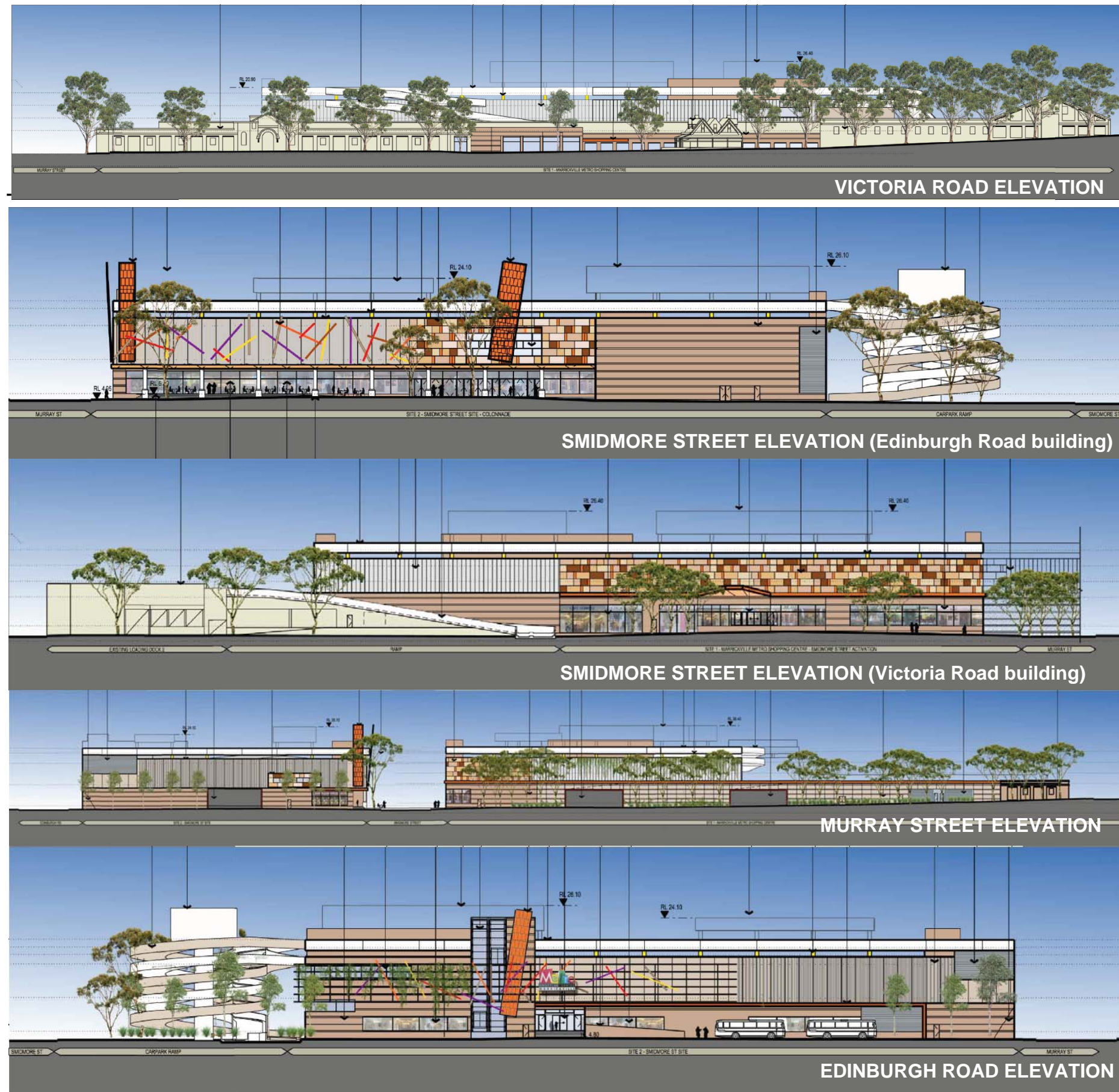


Figure 7 Proposed Streetscape Elevations to Victoria Road, Smidmore Street, Murray Street and Edinburgh Road (Source: Proponent's PPR)

2.3. Project Need and Justification

NSW 2021

NSW 2021 replaces the State Plan as the NSW Government's strategic business plan for setting priorities for action and guiding resource attention. NSW 2021 is a ten year plan to rebuild the economy, provide quality services, renovate infrastructure, restore government accountability and strengthen the local environment and communities.

The proposal supports the goals of NSW 2021 as it involves the expansion and improvement of an existing retail centre that is located in close proximity to a large residential population and is served by existing public transport routes. The proposal represents a significant investment which will contribute to increased construction phase and operational employment opportunities, improved retail services for the community and improved accessibility to the centre. The proposal will incorporate environmentally sensitive design measures that will significantly improve the performance of the centre in terms of reducing greenhouse gas emissions.

Metropolitan Plan for Sydney 2036

The Metropolitan Plan for Sydney 2036 is a strategic document that guides the development of the Sydney Metropolitan area towards 2036. The Metropolitan Plan aims to support the continued economic growth and competitiveness of Sydney, and consolidate its standing as a 'global city'. The site is within the South Subregion of Sydney.

The proposal will assist in contributing to several of the Metropolitan Plan's targets by providing additional jobs through urban renewal while maximising use of existing infrastructure.

The proposal will also contribute to the achievement of the Metropolitan Plan's environmental targets, by providing additional retail facilities in an existing residential area, improving accessibility to and from the centre, and promoting use of public transport, walking and cycling.

Draft South Subregional Strategy

The Metropolitan Plan places the Marrickville Metro Shopping Centre in the South Subregion. The Draft South Subregional Strategy identifies the site as a "Village", which is defined as a strip of shops and surrounding residential area typically containing a small supermarket and local shops and between 2,100 and 5,500 dwellings within a 600 metre walking catchment.

The Strategy also outlines the potential for the increase of retail/commercial floor space and higher density housing in and around the Marrickville Metro Shopping Centre to achieve "Town Centre" status.

The Draft Subregional Strategy provides an employment target of 29,000 additional jobs for the South Subregion, an increase from 185,500 to 214,500 jobs between 2001 and 2031. The Draft Subregional Strategy identifies that the Marrickville LGA is anticipated to make only a modest contribution of 500 jobs. However, the more recent Metropolitan Plan provides updated targets for the Draft Subregional Strategy, setting a significantly higher target of 52,000 additional jobs (total 245,000 jobs) between 2006 and 2036. It is therefore expected that Marrickville may contribute a greater proportion of jobs than the 500 identified by the Draft Subregional Strategy.

The proposal is considered to be consistent with the Draft South Subregional Strategy in terms of making a significant contribution of an additional 625 full-time equivalent operational jobs.

The Edinburgh Road site is within the Sydenham Employment Precinct, a large industrial area (81.5 hectares) with a number of major manufacturing and warehousing business. The Subregional Strategy identifies this large cluster of employment land as state significant and to be retained for industrial purposes.

The Draft Subregional Strategy however notes that the Edinburgh Road site, by virtue of its location directly adjacent to the Marrickville Metro Shopping Centre, may be appropriate for higher level employment uses, including retail, office or mixed use.

The department is of the view that the proposal to expand the Marrickville Metro Shopping Centre onto the Edinburgh Road site is appropriate in this locality given that:

- the Draft Subregional Strategy identifies that site as suitable for non-industrial uses;
- the proposed additional retail floor space would support the future growth of the area and potential future designation as a Town Centre, as identified in the Draft Subregional Strategy;
- the Edinburgh Road site is physically separated from other industrial land by public roads,
- Edinburgh Road forms a more rational boundary for the northern extent of industrial land,
- the site comprises approximately 1% of the total industrial precinct area. The loss of industrial uses on the site will have minimal impacts on the viability and on-going retention and growth of the industrial land located to the south of Edinburgh Road; and
- the proposal provides for the revitalisation and expansion of the existing centre to provide an improved relationship with the public domain, including activation of both sides of Smidmore Street by retail shop fronts.

2.4. Concept Plan

The Proponent has applied for approval of a Concept Plan under section 75M of the *Environmental Planning & Assessment Act 1979* (the Act). Although the application is a Concept Plan, the Proponent has submitted architectural plans which are sufficiently detailed to enable the project to be assessed also as a Project Application. The Proponent has requested that the Minister waive the requirement for further environmental assessment for this project, enabling the project to be carried out without the need for a separate Development Application.

The department is satisfied that the site is suitable for the proposed development and that the project will provide environmental, social and economic benefits to the locality. It is considered appropriate in this instance for the Minister to use the discretion available under Section 75P(1)(c) of the Act to approve all aspects of the project without any further environmental assessment. A number of specific conditions are recommended to be imposed to ensure development proceeds in an orderly manner and that environmental impacts are mitigated.

3. STATUTORY CONTEXT

3.1. Continuing operation of Part 3A

Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act), as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the Act, continues to apply to transitional Part 3A projects. Director-General's environmental assessment requirements (DGRs) were issued in respect of this project prior to 8 April 2011, and the project is therefore a transitional Part 3A project.

Consequently, this report has been prepared in accordance with the requirements of Part 3A and associated regulations, and the Minister (or his delegate) may approve or disapprove of the carrying out of the project under section 75O and 75 J of the EP&A Act.

3.2. Major Project

The proposal is a Major Project under Part 3A of the EP&A Act because it is development for the purpose of residential, commercial or retail project under the former provisions of clause 13 of Schedule 1 of *State Environmental Planning Policy (Major Development) 2005*.

Consequently, the Minister for Planning & Infrastructure is the approval authority for the proposal. The Minister has delegated his functions to determine Part 3A to the Planning Assessment Commission (PAC) where an application has been made by persons other than by or on behalf of a public authority.

The application is being referred to the PAC for determination as Marrickville Council has lodged a submission objecting to the proposal and 576 and 735 submissions were received from the public during exhibition of the EA and PPR.

As the application has been made by a private person it is able to be determined by the PAC under delegation from the Minister.

3.3. Permissibility

Marrickville Local Environmental Plan 2001

At the time of lodgement and exhibition of the application, the sites were subject to the provisions of the Marrickville Local Environmental Plan (LEP) 2001. Marrickville LEP 2001 was repealed with the commencement of Marrickville LEP 2011 on 12 December 2011.

The Victoria Road site was zoned "General Business 3(A)" under the Marrickville LEP 2001. The proposal is permissible with consent in this zone. The Edinburgh Road site was zoned "General Industrial 4(A)" under the Marrickville LEP 2001. Shops (other than chemists' shops, take-away food bars, fruit shops and newsagents' shops) are prohibited in this zone.

Marrickville Local Environmental Plan 2011

The Marrickville LEP 2011 was published on 12 December 2011. The LEP provides a "B2 Local Centre" zone for the Victoria Road site and an "IN1 General Industrial" zone for the Edinburgh Road site. The proposal is permissible with consent in the B2 zone, but prohibited in the IN1 zone.

The zoning for the site under Marrickville LEP 2001 and Marrickville LEP 2011 is outlined in **Figure 8**.

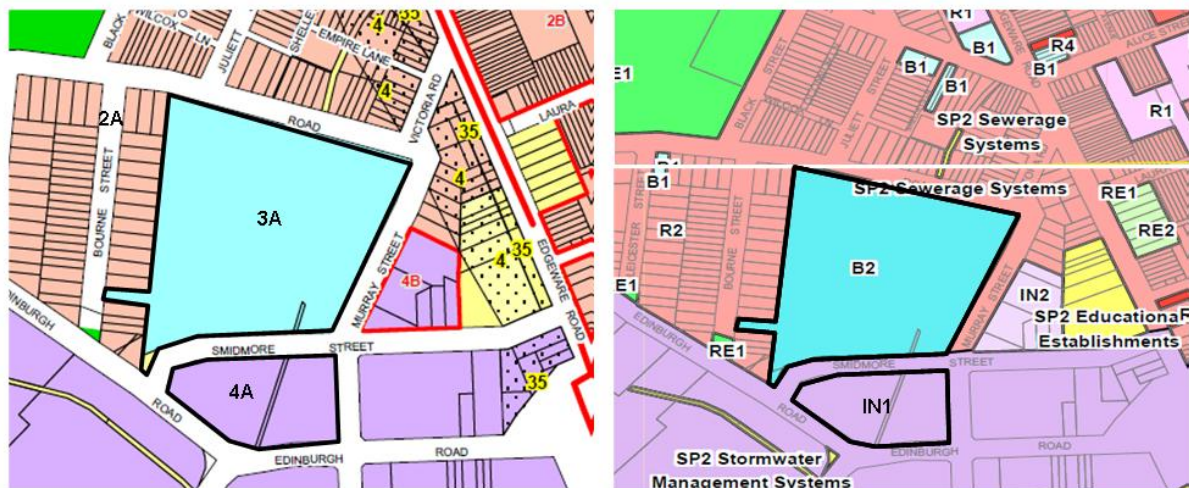


Figure 8: Former zoning under Marrickville LEP 2001 (left) and current zoning under Marrickville LEP 2011 (right) (Base Image Source: Marrickville Council)

Notwithstanding, the authorisation of a Concept Plan for the site allows the Minister to give approval for prohibited land uses where the land is not in a sensitive coastal location or is an environmentally sensitive area of State significance.

Although prohibited in the prevailing industrial zone, the proposed retail land uses on the Edinborough Road site are considered appropriate given that:

- it is identified within the draft South Subregional Strategy as suitable for retail, office or mixed uses;
- it is directly adjacent to the existing Marrickville Metro Shopping Centre and inclusion of this site within the proposal allows for significant public domain upgrades including active street fronts in Smidmore Street and improved accessibility to the shopping centre; and
- the expansion of the Marrickville Metro Shopping Centre would provide increased retail facilities to the existing community.

3.4. 75R Order

Section 75R of the EP&A Act allows the Minister to permit components of the proposal currently prohibited by making an appropriate Order under section 75R(3A) of the EP&A Act to amend the Marrickville Local Environmental Plan 2011 to authorise the carrying out of development in accordance with this Concept Plan.

If this application is approved, it is considered appropriate to prepare an Order to allow for the development to proceed efficiently and allow future applications, such as fit out/change of use, to be assessed by the Council or Certifying Authority.

3.5. Environmental Planning Instruments

Under Sections 75I(2)(d) and 75I(2)(e) of the EP&A Act, the Director-General's report for a project is required to include a copy of, or reference to, the provisions of any State Environmental Planning Policy (SEPP) that substantially governs the carrying out of the project, and the provisions of any Environmental Planning Instruments (EPI) that would (except for the application of Part 3A) substantially govern the carrying out of the project and that have been taken into consideration in the assessment of the project.

The department's consideration of relevant SEPPs and EPIs is provided in **Appendix A**.

3.6. Objects of the EP&A Act

Decisions made under the EP&A Act must have regard to the objects of the EP&A Act, as set out in Section 5. The relevant objects are:

- (a) *to encourage:*
- (i) *the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment, and*
 - (ii) *the promotion and co-ordination of the orderly and economic use and development of land, and*
 - (iii) *the protection, provision and co-ordination of communication and utility services,*
 - (iv) *the provision of land for public purposes, and*
 - (v) *the provision and co-ordination of community services and facilities, and*
 - (vi) *the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
 - (vii) *ecologically sustainable development, and*
 - (viii) *the provision and maintenance of affordable housing, and*
- (b) *to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) *to provide increased opportunity for public involvement and participation in environmental planning and assessment.*

It is considered that the proposal is consistent with the objects of the EP&A Act as it will provide:

- increased local employment opportunities throughout the construction and operational phases of the development;
- the upgrade of an existing ageing retail centre together with increased and improved shopping facilities and floorspace;
- improvements to the energy efficiency of the centre in terms of increasing its current 2 Star NABERS Retail Energy & Water rating to a 4 Star rating;
- improved public domain and landscaping works; and
- improved public transport, pedestrian and cycling facilities at the site.

3.7. Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development (ESD) found in the *Protection of the Environment Administration Act 1991* (PeEA Act). Section 6(2) of the PoEA Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) *the precautionary principle,*
- (b) *inter-generational equity,*
- (c) *conservation of biological diversity and ecological integrity,*
- (d) *improved valuation, pricing and incentive mechanisms.*

The department's consideration of relevant of ESD principles is included at **Appendix A**.

3.8. Statement of Compliance

In accordance with section 75I of the EP&A Act, the department is satisfied that the Director-General's environmental assessment requirements have been complied with.

4. CONSULTATION AND SUBMISSIONS

4.1. Exhibition

Environmental Assessment (EA)

Under section 75H(3) of the EP&A Act, the Director-General is required to make the environmental assessment (EA) of an application publicly available for at least 30 days. The department publicly exhibited the EA over an extended period from 28 July 2010 until 10 September 2010 (45 days) on the department's website, at the department's information centre, Marrickville Citizens Service Centre and Marrickville Library. The department also advertised the public exhibition in the Sydney Morning Herald, Daily Telegraph and Inner West Courier on 28 July 2010 and notified landholders, and relevant State and Local Government authorities in writing.

The department received 583 submissions during the exhibition of the EA comprising 7 submissions from public authorities and 576 submissions from the general public and special interest groups (546 objecting and 30 in support). In addition, a petition was received with 4,380 signatures objecting to the proposal.

Preferred Project Report (PPR)

Given the nature and extent of the revisions contained within the PPR, the department considered it appropriate to formally exhibit the PPR in the same manner as the EA. The PPR was publicly re-exhibited between 16 February 2011 and 18 March 2011 (31 days).

The department received 740 submissions during the exhibition of the PPR comprising 5 submissions from public authorities and 735 submissions from the general public and special interest groups.

A summary of the issues raised in submissions to the EA and PPR is provided in **Sections 4.2 and 4.3** below.

4.2. Public Authority Submissions

7 submissions were received from public authorities to the exhibition of the EA, including Marrickville Council, the Roads and Maritime Services Sydney Regional Development Advisory Committee (RMS SRDAC), RMS Property, Department of Transport (DoT), State Transit Authority (STA), RailCorp and Sydney Water.

Further submissions were received from Marrickville Council, RMS, DoT, STA and Sydney Water to the exhibition of the PPR.

The submissions from public authorities are summarised as follows:

Marrickville Council objects to the project.	
EA	The Council's submission to the EA can be categorised as follows: <ul style="list-style-type: none">• resolved not to grant owner's consent to the partial closure of Smidmore Street;• retail/economic impact on existing retail shopping strips;• the need to retain industrial/employment land;• limited demand for additional retailing;• traffic and parking impacts;• heritage impacts on the Mill House;• insufficient ESD measures;• visual impact of the circular car park ramp at the corner of Victoria Road and Murray Street and the upper level extensions;• flooding and stormwater drainage; and• tree removal.
PPR	Council considers that the proposal remains substantially the same as the previously exhibited proposal. Council's objections in terms of the suitability of the proposal

	from a strategic land use perspective remain unchanged. In response to the PPR, Council also submitted a revised traffic assessment (prepared by Transport & Urban Planning) and economic assessment (prepared by Hill PDA).
<i>Proponent's response</i>	The PPR involves the deletion of all previously proposed works within Smidmore Street as Council did not support the closure of the street or the use of airspace for a pedestrian or vehicular traffic bridge. The PPR also involves a 22% reduction in gross leasable floor area and deletion of the previously proposed circular car park ramp at the corner of Victoria Road and Murray Street.
Roads and Maritime Service (RMS) (formerly RTA) does not object to the proposal.	
<i>EA</i>	<p>The Sydney Development Advisory Committee (SRDAC) required additional information in relation to the proposed modifications to the intersection of Unwins Bridge Road, Bedwin Road, May Street and Campbell Street. The RTA also requested further information in relation to the methodology used for calculating trip distribution.</p> <p>The RMS's property section also made a submission to the EA. Concern was raised in relation to potential impacts on the value of a number of RTA residential properties on the basis of height; location of new car park access ramp on Murray Street; increased traffic along Murray Street; and loss of mature trees along Murray Street.</p>
<i>PPR</i>	<p>In response to the PPR, the RMS granted 'in principle' approval to the proposed modifications to the traffic signals at the intersection of Unwins Bridge Road, Bedwin Road, May Street and Campbell Street subject to the following conditions:</p> <ul style="list-style-type: none"> the right turn bay on May Street being extended for a minimum length of 70 metres and the right turn bay on Unwins Bridge Road for a minimum of 30 metres; the Proponent must obtain approval from the Local Traffic Committee for any on-street parking which is affected by the lengthening on the right turn bays; the phasing arrangement shall be amended to incorporate a diamond overlap phase for the proposed right turn movements on May Street and Unwins Bridge Road; and the proposed modifications to the existing traffic signals and civil works shall be designed to meet RTA requirements and endorsed by a suitably qualified practitioner.
<i>Proponent's response</i>	The Proponent has agreed to these requirements.
Department of Transport (DoT) (formerly Transport NSW) does not object to the proposal.	
<i>EA</i>	<p>DoT notes the strong commitment to the use of public transport and active transport and supports the draft Statement of Commitments to implement all recommendations contained within the TMAP.</p> <p>DoT's submission raised the following key issues:</p> <ul style="list-style-type: none"> provision of 5 car share spaces with capacity to expand subject to demand; bicycle parking should be well signposted, weather protected and subject to passive surveillance; information on cycling should be made available at the Marrickville Metro Shopping Centre; and suggested two new pedestrian crossings to enhance pedestrian connectivity as roundabouts are difficult for pedestrians to negotiate.
<i>PPR</i>	<p>DoT was primarily concerned that the proposed pedestrian crossing between the two retail entrances on Smidmore Street may result in delays for buses.</p> <p>DoT also provided the following comments in response to the PPR:</p> <ul style="list-style-type: none"> public domain improvements in Smidmore Street should clearly delineate between the road and public footpath; the new bus facility on Edinburgh Road should include adequate surveillance, lighting and a shopping trolley collection point; consideration should be given to providing a bus set down point on Murray Street near Smidmore Road; consideration to a reduction in the number of parking spaces and mechanisms to minimise private vehicle trips to access the site; pedestrian refuges should be provided at the intersection of Sydney Steel Road and Edinburgh Road and within Edgeware Road, near Smidmore Street; and the construction traffic and parking management plan should mitigate potential impacts to accessibility, amenity and safety of public transport use, walking and

	cycling during construction.
<i>Proponent's response</i>	In response to the concerns of DoT and STA, the Proponent proposes to remove bus operations from Smidmore Street to Edinburgh Road.
State Transit Authority (STA) does not object to the proposal.	
<i>EA</i>	STA requested additional information from the Proponent to be able to adequately assess any potential impact on bus services, particularly relating to the proposed new bus interchange, bus operations and impacts on buses during construction.
<i>PPR</i>	<p>STA raised concern with a number of aspects of the proposed bus terminal arrangements in relation to:</p> <ul style="list-style-type: none"> the proposed pedestrian crossing in Smidmore Street may cause significant delays to bus services; proposed intersection alignment at Smidmore Street/Edinburgh Road requiring lane sharing may cause traffic delays; and the existing roundabout at the intersection of Murray Street and Edinburgh Road is not suitable for low floor bus operations. <p>STA provided two possible options to alleviate these concerns:</p> <ul style="list-style-type: none"> Option 1 involves the removal of bus operations from Smidmore Street by providing new/reconstructed roundabouts at the intersections of Edinburgh Road with Sydney Steel Road and Murray Street to enable buses to u-turn. Option 2 involves the provision of pedestrian signals in Smidmore Street to regulate the flow of pedestrians between the two buildings, redesign and reconstruction of the intersection of Edinburgh Road and Smidmore Street to remove the lane sharing issue. The roundabout at Edinburgh Road and Murray Street would also require reconstruction to allow for low floor buses to access Smidmore Street.
<i>Proponent's response</i>	In response to STA's submission to the PPR, the Proponent has proposed to remove all bus operations from Smidmore Street generally in accordance with Option 1. However, due to land restrictions at the intersection of Edinburgh Road and Murray Street, it is proposed to modify the existing roundabout at Edinburgh Road and Railway Terrace to allow buses to u-turn.
RailCorp does not object to the proposal.	
<i>EA</i>	RailCorp supports the measures proposed to improve public transport and active transport use as detailed in the TMAP. RailCorp also supports measures aimed at improving way finding and signage for pedestrians between the existing centre and St Peters and Sydenham Stations. Appropriate conditions of approval have been recommended for directional signage in accordance with RailCorp standards.
<i>Proponent's response</i>	The Proponent has agreed to these requirements.
Sydney Water does not object to the proposal.	
<i>EA</i>	<p>Sydney Water raised the following key issues in response to the EA:</p> <ul style="list-style-type: none"> the proposal impairs Sydney Water from effectively maintaining its stormwater assets; a site-specific flood emergency response plan should be prepared for the existing development; OSD is required for this proposal; and the proposed WSUD measures fail to address water quality objectives. A WSUD Strategy should be prepared.
<i>PPR</i>	Sydney Water advised that the PPR adequately addresses Sydney Water's stormwater requirements. Further assessment will take place when the Proponent applies for a Section 73 Certificate. An appropriate condition of approval has been recommended.
<i>Proponent's response</i>	The Proponent has agreed to these requirements.

4.3. Public Submissions

Submissions to the EA

A total of 576 submissions were received from the public in response to the exhibition of the EA. Of the 576 submission, 546 (95%) objected to the proposal and 30 (5%) supported the proposal. In addition, a petition containing 4,830 signatures objecting to the proposal was also received. This included submissions from the following special interest groups:

- Marrickville Chamber of Commerce;
- Metro Watch;
- The Terrace Tower Group (owner of Eastgardens Westfield).

The key issues raised in public submissions objecting to the proposal are listed in **Table 3**.

Table 3: Summary of Issues Raised in Public Submissions (EA)

Issue	Proportion of submissions (%)
Increased traffic	85.8
Economic impact on local shopping strips	61.6
Air pollution	46.0
Bulk and scale	44.8
Increased noise	43.9
Lack of on-street car parking	33.7
Management issues (eg shopping trolleys)	33.0
Site is not suitable for this type of development	24.5
Impact on village community	18.9

The submissions received in support considered that the proposal would enhance the existing Marrickville Metro Shopping Centre and be of benefit to the local community.

Submissions to the PPR

A total of 735 submissions were received from the public, 720 (98%) objected to the proposal and 15 (2%) supported the proposal. Objections were received from the following special interest groups:

- Marrickville Chamber of Commerce;
- Metro Watch; and
- The Terrace Tower Group (owner of Eastgardens Westfield).

Of the 720 objections received, 612 (85%) were form letters, in three formats. The issues raised are listed in **Table 4**.

The submissions received from the Marrickville Chamber of Commerce and the Terrace Tower Group (owner of Westfield Eastgardens) both included separate traffic reports.

The 15 submissions received in support of the proposal generally consider that the proposal will enhance the existing Marrickville Metro Centre and will be of benefit to the local community.

The department has considered the issues raised in submissions in its assessment of the PPR.

Table 4: Summary of Issues Raised in Public Submissions (PPR)

Issue	Proportion of submissions (%)
Increased traffic	98.1
Bulk and scale	92.1
Increased noise	91.9
Lack of sufficient public transport	91.8
Air pollution	91.1
Economic impact on local shopping strips	90.8
Management issues (eg shopping trolleys and litter)	87.2
Lack of consultation/inappropriate consultation by AMP	86.1
Loss of/potential loss of trees	85.7
Negative impact on amenity of neighbouring residents	8.3
Site is not suitable for this type of development	6.9
Lack of on-street car parking/loss of on-street car parking	6.1
Decrease in property values	4.9

4.4. Proponent's Response to Submissions

The Proponent provided a response to the key issues raised by the public submissions in response to the exhibition of the EA and PPR.

The Proponent's full response to submissions to the EA and PPR is included at **Appendix C** and **D**. The department is satisfied that the issues raised in submissions have been addressed and can be managed by conditions of approval as required.

5. ASSESSMENT

The department considers the key environmental issues for the project to be:

- economic impact;
- traffic, access, public transport and car parking;
- built form; and
- noise impacts.

These issues are discussed in detail below.

5.1 Economic Impact

The economic impact of the proposal on other retail centres is a key issue in the department's assessment. The existing Marrickville Metro Shopping Centre is a subregional-scale shopping centre within a residential and industrial area. The shopping centre is located near a number of shopping strips including:

- Marrickville – 217 retail shops (27,650m² GLFA) on Marrickville and Illawarra Roads;
- Newtown – 392 retail shops (35,028m² GLFA) on King Street;
- Enmore – 114 retail shops (8,680m² GLFA) on Enmore Road;
- Dulwich Hill – 95 retail shops (8,055m² GLFA) on New Canterbury and Marrickville Roads; and
- Petersham – 42 retail shops (3,335m² GLFA) on New Canterbury Road.

The location of surrounding shopping strips is shown in **Figure 9**.

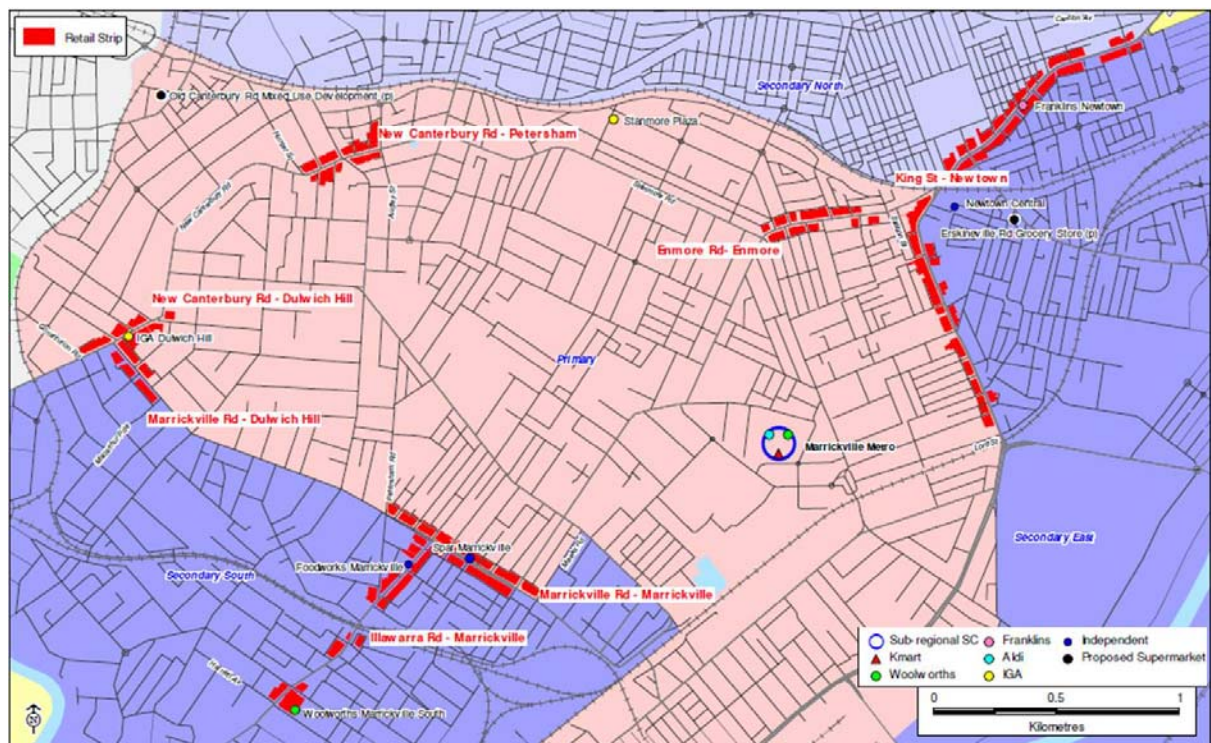


Figure 9: Local shopping strips surrounding the Marrickville Metro Shopping Centre (Source: Pitney Bowes Business Insight)

Marrickville Council and the Marrickville Chamber of Commerce strongly object to the proposal on the basis of potential economic impacts on the Marrickville Road shopping strip. The majority of public submissions were also concerned that the proposal would affect local shopping strips.

5.1.1 The Proponent's justification

The application was accompanied by an *Economic Impact Assessment* (EIA) prepared by Pitney Bowes Business Insight (PBBI).

PBBI estimates that the trade area served by Marrickville Metro Shopping Centre extends 8 to 10 kilometres in all directions, primarily encompassing the suburbs of Marrickville, Enmore, Newtown, Tempe, Sydenham, Dulwich Hill, Lewisham, Petersham, Stanmore, St Peters, Camperdown, Alexandria, Erskinvillie, and Leichhardt. The trade area also includes the Redfern/Waterloo area, Zetland/Rosebery/Mascot and the Canterbury/Kingsgrove area and has an estimated population of 222,370 people (refer to **Figure 10**). The population of the trade area is expected to reach 246,445 people by 2021.

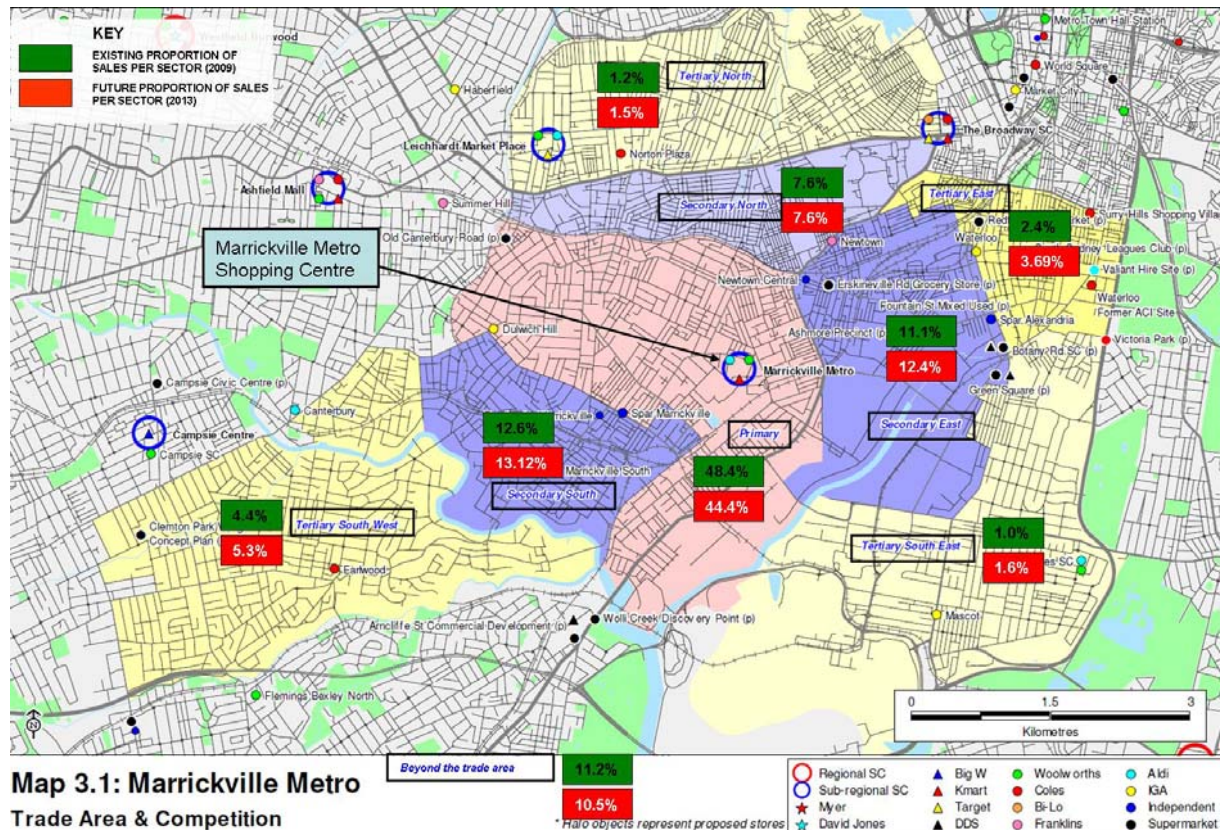


Figure 10 Marrickville Metro Trade Area (primary trade area highlighted in pink, secondary trade area in purple and tertiary trade area in yellow) (Base Image Source: Pitney Bowes Business Insight)

Total available retail expenditure within the trade areas is estimated at over \$2,900 million (2009) and is projected to increase by 1.9% per annum to \$3,176.2 million in 2013 and \$3,700 million in 2021.

The existing Marrickville Metro Shopping Centre achieved annual sales of \$204.5 million including GST (January to December 2009). The proposed expanded shopping centre is expected to achieve sales of \$294.4 million representing a \$90 million increase in sales. If the expansion of the shopping centre did not go ahead the increase in sales would be in the order of \$10.5 million in 2013. Therefore the net increase in sales created by the proposed expansion is estimated at \$79.5 million between 2009 and 2013.

PBBI has examined the potential impacts in terms of retail turnover to the following:

- existing shopping strips; and
- existing centres.

Impact on existing shopping strips

PBBI estimates that approximately 12.8% of the impact of the Marrickville Metro (\$10.2 million) would fall on the local shopping strips. The projected impact on the nearest local shopping strips is:

- 4.1% downturn at Marrickville;
- 1.6% downturn at Newtown;
- 1.6% downturn at Enmore;
- 1.2% downturn at Dulwich Hill; and
- 1.2% downturn at Petersham.

PBBI consider that the impact of the proposal on the local shopping strips would be minor given that:

- research has indicated that as much as half of the residents in the Marrickville Region currently primarily shop outside of the trade area for goods such as clothing, homewares and giftwares;
- a significant proportion of the predicted increase in sales for the proposed expanded Marrickville Metro Shopping Centre is attributed to the retention of expenditure within the trade area which is currently directed to other shopping centres;
- the local shopping strips generally contain independent operated retail shops, rather than national brand retailers (chain retailers);
- high levels of vacancies can be attributed to over-supply and lower quality retail floor space, rather than adverse competitive or economic stimulus;
- the two main retail typologies within the trade area, being the local shopping strips and the Marrickville Metro Shopping Centre, cater for a different market and currently co-exist comfortably; and
- the trade area has many localised retail shopping strips but is under supplied with shopping centres.

Impact on existing centres

The nearest sub-regional shopping centres and supermarket-based facilities are Broadway Shopping Centre, Leichhardt Market Place and Norton Plaza, Leichhardt. PBBI estimates that approximately 32% of the impact of the proposal would fall on these and other nearby centres.

The projected impact on the nearest shopping centres is:

- 5.1% downturn at Broadway Shopping Centre;
- 3.4% downturn at Leichhardt Market Place; and
- 2.5% downturn at Norton Plaza.

PBBI consider that there is additional demand for additional supermarket floorspace within the trade area given that:

- existing supermarkets within the trade area currently achieve estimated sales densities of \$13,000 per square metre per annum which is above the average across Australia (\$7,500-\$8,500);
- the provision of supermarket floor space is currently estimated at approximately 138 square metres per 1000 persons, which is below the Sydney Metropolitan average of 232 square metres per 1000 persons; and
- the trade area is expected to experience strong population growth with an increased demand for supermarket facilities.

PBBI therefore considers that these centres can absorb the projected impacts without affecting the viability of these centres.

Conclusions

In summary, PBBI argue that the main source of increased sales is forecast to come from increased expenditure of residents within the trade area that would otherwise be directed to higher order shopping facilities beyond the trade area. PBBI further considers that the local shopping strips and shopping centres are not directly substitutable for each other, given their varied nature and tenancy profiles.

PBBI is of the opinion that the economic impacts of the proposal are well within the bounds of normal competition and will not threaten the on-going viability of any of the nearby local shopping strips or centres examined in their assessment.

5.1.2 Expert economic advice accompanying submissions to the proposal

The Marrickville Chamber of Commerce and Marrickville Council commissioned Hill PDA to undertake an economic impact assessment of the proposal. Hill PDA provided a separate analysis indicating that there will be greater impacts on the shopping strips located near the Marrickville Metro Shopping Centre than that indicated by the Proponent.

Hill PDA considers that half of the estimated marginal turnover of the Marrickville Metro Shopping Centre will fall on local shopping strips. The resultant impacts estimated by Hill PDA are:

- 14.3% downturn at Marrickville;
- 8.4% downturn at Newtown;
- 11.5% downturn at Enmore;
- 5.6% downturn at Dulwich Hill; and
- 5.5% downturn at Petersham.

Hill PDA notes that these centres are currently performing below the national average and could not absorb a greater impact. It is therefore considered that the above impacts on these centres will cause some retailers to become unviable. It is also likely that the proposal will cause increased vacancies and jobs loss within the shopping strips.

5.1.3 Independent economic assessment

The department has reviewed the economic impact assessments undertaken by the Proponent and on behalf of the Chamber of Commerce as part of its objection to the proposal. Noting that each report came to different conclusions, the department considered it appropriate to commission an independent review of economic impacts to inform its assessment.

The department commissioned Leyshon Consulting to undertake an independent review of the economic impacts of the proposal, including a peer review of the PBBI and Hill PDA assessments. The report by Leyshon Consulting is provided in **Appendix F**. As part of the review Leyshon Consulting consulted with the Proponent's economic consultant, Marrickville Council officers and representatives from the Chamber of Commerce.

Leyshon Consulting notes that the PBBI assessment and the Hill PDA assessment, undertaken on behalf of the Chamber of Commerce have adopted very different approaches and assumptions. PBBI estimate that only 12.8% of the total impact will fall on the local shopping strips at Marrickville, Newtown, Enmore, Dulwich Hill and Petersham. Hill PDA has estimated that the impact would be closer to 50%.

Leyshon Consulting considers that Hill PDA overestimates the impact on local shopping strips (up to 14.3% downturn at Marrickville Road shopping strip) whilst PBBI underestimates the impacts on turnover (up to 4.1% downturn at the Marrickville Road shopping strip). Leyshon Consulting considers that the Marrickville Road shopping strip is more likely to experience a downturn of between 8% and 10% given that:

- the local shopping strips provide a different offering to the proposed expanded shopping centre;
- the proposal is likely to have a more significant impact on similar centres which provide a more directly comparable tenancy mix;
- there is a planned increased in retail facilities, particularly in Green Square and Victoria Park, which will have an impact on the ability for the centre to achieve the projected level of sales from these areas; and
- the amount of escape spending captured by the proposal has been overestimated by PBBI.

Leyshon Consulting notes that the Marrickville Road shopping strip will be the most heavily impacted shopping strips with other strips such as King Street and Enmore Road likely to experience downturns of between 4 and 6%.

Leyshon Consulting considers the impacts on the larger centres such as Broadway Shopping Centre, Leichhardt Market Place, Norton Plaza and the Sydney CBD to be more significant than the local shopping strips because they have a more directly comparable tenancy mix. However, it is considered that the larger centres should be able to absorb the likely impacts of the proposal given their larger critical mass and current turnover.

In terms of the local shopping strips, Leyshon Consulting considers that the existing vacancy rates (between 8 and 12%) are not uncharacteristic of inner city strips. However, it was acknowledged that little information is available on whether the existing retailers in these strips are currently trading in a viable manner and therefore it is difficult to estimate the tolerance to the projected downturn in retail turnover.

Leyshon Consulting, however, notes the following key points in support of the proposal:

- the proposal is consistent with important aspects of the Draft Subregional Strategy and Draft Centres Policy, given it is within and adjacent to an existing centre served by public transport;
- the proposal is generally appropriate having regard to projected population and spending growth in the trade area;
- the Marrickville Metro Shopping Centre provides a different “offering” to the local shopping strips;
- the expanded Marrickville Metro Shopping Centre is likely to have a more significant impact on nearby shopping centres rather than the local shopping strips because they have a more directly comparable tenancy mix. The centres can absorb the impacts;
- many of the problems experienced by the local shopping strips are a consequence of lack of investment and the range and quality of retail tenants within the strip. The refusal of this proposal would not solve these problems; and
- the impact of the proposal is unlikely to be significant enough to lead to an unacceptable loss of services in existing local shopping strips.

Leyshon Consulting provides the following conclusions in relation to likely impacts of the proposal on local shopping strips:

“In summary, it is very difficult – if not impossible – to be precise about the impact of an expanded Marrickville Metro except to say that clearly any expansion will have a further negative effect on nearby strip centres. That said, we do not consider the impact will be as severe as that claimed by Hill PDA nor as that feared by the Marrickville Chamber of Commerce. On balance it is our view the impact is unlikely to be significant enough to lead to an unacceptable loss of services in existing strip centres”.

On balance, Leyshon Consulting considers that the local shopping strips will continue to be popular shopping destinations in the Marrickville area, and that the likely impacts of the

proposal are unlikely to be as significant as estimated by Hill PDA. Leyshon Consulting is of the opinion that the shopping strips will always retain competitive strengths in terms of local convenience services, cafes/restaurants and boutique shopping. In this respect, the proposal is unlikely to lead to an unacceptable loss of services in existing local shopping strips.

Leyshon Consulting also advised that staging of the proposal would allow retailers in the shopping strips to better adjust to likely changes in a more competitive environment. In response, the Proponent has confirmed that the likely construction staging would provide a 3 year lapse between the commencement of operation of Stage 1 and Stage 2, consistent with the suggestion by Leyshon Consulting.

5.1.4 Department's Consideration

The department has reviewed the economic impact assessments prepared by PBBI on behalf of the Proponent and Hill PDA on behalf of the Marrickville Council and Chamber of Commerce. Leyshon Consulting was engaged to provide an independent review of both assessments as well as an analysis of the likely impacts. The department considers that Leyshon Consulting has provided a detailed review and critique of both assessments by PBBI and Hill PDA and provided a justified analysis of the likely impacts on the local shopping strips and surrounding centres.

The department has therefore made an informed assessment of the proposal and considers that the proposed expanded Marrickville Metro Shopping Centre will compete more directly with similar higher order retail centres rather than the local shopping strips. The proposal will provide increased and improved shopping facilities which are not able to be accommodated within the local shopping strips.

As outlined in Section 2 of this report, the department considers that the proposal is consistent with key strategic policies, including NSW 2021, the Metropolitan Plan for Sydney 2036 and the Draft South Subregional Strategy.

The following draft policies are also relevant to the suitability of the site for the proposed expanded shopping centre and the assessment of economic impacts:

- Draft Centres Policy; and
- Draft State Environmental Planning Policy (Competition) 2010 (Competition SEPP).

Draft Centres Policy

The Draft Centres Policy aims to create vibrant centres that cater for the needs of business and provide the community with places to live work and shop. The policy is based on 6 key planning principles including; locating new development near transport and other infrastructure, allowing centres to grow and new centres to form, regulating location and scale of development, supplying adequate floor space to meet market demand, promoting competition, and ensuring high quality urban design.

The department considers that the proposal is consistent with the key principles within the Draft Centres Policy given that:

- the proposal is located in and adjacent to an existing retail centre which is identified by Council in Marrickville LEP 2011 as a local centre;
- the proposal will utilise existing public transport and includes measures to improve accessibility to the centre and the relationship to the surrounding public domain;
- the proposal involves the growth of an existing centre;
- the site is identified within the draft South Subregional Strategy as having potential to be a town centre;
- existing nearby shopping strips are constrained and generally unable to expand to the extent required to accommodate major retail development;

- the proposal would provide an increased variety of retail opportunities in the area and increased competition; and
- the proposal has been assessed on its merits and the location and scale is considered appropriate.

Draft Competition SEPP

The Draft Competition SEPP outlines that commercial viability of a proposal and the impact of a proposal on the commercial viability of another commercial development are not relevant planning considerations. However, consideration must be given to the overall impact on facilities available to the community.

The department considers that the proposal is unlikely to result in an unacceptable impact on the overall retail facilities available to the community given that:

- the local shopping strips provide a different offering to the proposed expanded shopping centre and are likely to remain popular destinations for the local community;
- the proposal is likely to have a greater impact on larger centres which are able to absorb the impacts;
- the independent assessment undertaken by Leyshon Consulting confirms that the proposal is unlikely to have as severe impacts on the existing shopping strips as estimated by Marrickville Council and the Chamber of Commerce; and
- the independent assessment undertaken by Leyshon Consulting supports PBBI's view that the proposal is unlikely to affect the viability of the nearby shopping strips.

On balance, it is considered that the benefit arising from the proposal in terms of increased and improved retail facilities outweighs the likely impacts on the surrounding shopping strips and centres. The shopping strips offer different services and facilities than the proposed expansion of the Marrickville Metro Shopping Centre and it is unlikely that the proposal will impact on the nearby local shopping strips to an extent that threatens their viability.

The Proponent has also advised that they are willing to enter into a voluntary arrangement with Council to support the upgrade of nearby shopping strips, including a contribution of 50 cents to every dollar generated from the Urban Centres Special Rate as defined in the Marrickville Council Operational Plan and Budget 2011-12, to a maximum of \$100,000 per year for 3 consecutive years from the date of occupancy of the first stage of the project.

Marrickville Council have requested that the contribution be increased to 75 cents to every dollar and cover a period of 10 years. Notwithstanding, the department considers that the proponent's offer is acceptable given that:

- the provision of additional funding to the Urban Centres Program during the initial 3 years of the operation of the shopping centre will allow for the offset of any impacts during the initial 'settling in period';
- it is not considered necessary to provide a longer term contribution (10 years) as suggested by Council given that Leyshon Consulting advised that the proposal was unlikely to result in an unacceptable loss of services and/or as severe impacts on the local shopping strips as estimated by Marrickville Council and the Chamber of Commerce; and
- the proponent has advised that a contribution of 50 cents to every dollar is consistent with Council's contribution to the Urban Centres Program.

The department considers that the proposed VPA, as offered by the proponent, would assist in improving the vitality of the existing shopping strips to strengthen their role and the range and quality of retail services offered to the community. An appropriate condition of approval (E21) has been recommended to require the Proponent to enter into a VPA with Council.

5.2 Traffic, access, public transport and car parking

5.1.1 Traffic Generation and Local Road Network

The Marrickville Metro Shopping Centre is located within a residential and industrial area and is accessed from local and collector streets, rather than regional or sub-arterial higher order roads. The road and intersection capacity of the local road network is therefore limited. The majority of submissions were concerned that the proposal would increase traffic congestion around the centre to an unacceptable level. The impact of the proposed traffic generation on the local road network is therefore a key consideration in the department's assessment.

The Proponent's justification

The EA documents were accompanied by a *Traffic Management and Accessibility Plan (TMAP) (incorporating a Traffic and Parking Study)* prepared by Halcrow. In response to issues raised in submissions and by the department, a number of amendments were made to the proposal. In particular the PPR proposes a reduction in floor space and the retention of Smidmore Street. Due to the extent of changes, additional traffic and transport assessment was required. A revised *Report on Transport Aspects* was submitted with the PPR.

The RTA *Guide to Traffic Generating Development* provides traffic generation rates for shopping centres, based upon extensive surveys of shopping centres. The traffic generation rates applicable for the existing and proposed shopping centre are outlined in **Table 5**.

Table 5: RTA Traffic generation rates

	Thursday between 4:30pm and 5:30pm		Saturday between 11:00am and 12:00pm	
	RTA rate	No. of trips	RTA rate	No. of trips
Existing centre (22,933m ² GLFA)	5.9 vehicle trips per hour per 100m ² of GLFA	1,353	7.5 vehicle trips per hour per 100m ² of GLFA	1,720
Proposal (total 39,700m ² GLFA)	4.6 vehicle trips per hour per 100m ² of GLFA	1,826	6.1 vehicle trips per hour per 100m ² of GLFA	2,422

To verify the traffic generated by the existing centre, Halcrow undertook surveys of traffic flows on the surrounding road network. The surveys established that the existing shopping centre generates 1,041 vehicle trips per hour on Thursday evenings (3:30pm to 6:00pm) and 1,597 vehicle trips per hour during the Saturday mid morning to mid afternoon period (11:00am to 2:00pm). The surveyed traffic volumes are lower than the prescribed rates within the RTA Guide equating to approximately 77% and 93% of the RTA generation rates on Thursdays and Saturdays respectively.

The Proponent's traffic consultant has therefore adopted the RTA's traffic rates, subject to a discount of 23% on Thursday and 7% on Saturday to account for the difference between the RTA rate and the surveyed traffic volumes.

The estimated traffic generation for the proposal is outlined in **Table 6**.

Table 6 Estimated traffic generation on Thursday and Saturday peak

	Adopted rate	Proposed traffic generation	Existing traffic generation	Net increase in traffic
Thursday 3:30pm to 6:30pm	4.6 vehicle trips per hour per 100m ² of GLFA x 0.77 (23% discount)	1406 vehicles per hour	1041 vehicles per hour	365 vehicles per hour
Saturday 11:00am to	6.1 vehicle trips per hour per	2252 vehicles per hour	1597 vehicles per hour	655 vehicles per hour

2:00pm	100m ² of GLFA x 0.93 (7% discount)			
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The Proponent's traffic consultant assigned the additional traffic to the road network, using the proportion of increased trade which would be generated in the sub-catchments surrounding the site within the retail market assessment for the proposal. The additional traffic which will be generated by two recently approved developments in the locality (Annette Kellerman Aquatic Centre and an industrial subdivision) was also assigned to the road network for the purposes of determining the overall impact of the increased traffic volumes.

An analysis of the surrounding intersections concluded that the proposal can be accommodated within the local road network. Intersection improvements have been recommended to ensure that surrounding intersections would continue to operate at satisfactory levels of service. The recommended improvements are outlined below.

- *Intersection of Unwins Bridge Road / Bedwin Road / May Street / Campbell Street*
 - Creation of dedicated right turn and through lanes on the Unwins Bridge Road and May Street approaches with associated 'diamond lead' phasing for the signals.
 - Parking restrictions for a distance of approximately 60 metres on the Unwins Bridge Road approach during the afternoon peak and Saturday morning peak.
 - Reduction in 3 car parking spaces on the northern side of May Street to account for lane realignment.
- *Intersection of Edgeware Road / Alice Street / Llewellyn Street*
 - Extension of the existing no parking restrictions (3:30pm-5:30pm weekdays) on Alice Street westbound approach for a distance of 50 metres for a further 30 minutes until 6:00pm weekdays and for the Saturday morning peak.
 - Extension of existing no parking restrictions on Edgeware Road southbound approach for a distance of 50 metres for the afternoon peak and Saturday morning peak.
- *Intersection of Edinburgh Road and Sydney Steel Road*
 - A roundabout is proposed to cater for buses.
- *Intersection of Edinburgh Road and Railway Parade*
 - A roundabout is proposed to cater for buses.

The Proponent's traffic consultant considers that the implementation of the above measures will ensure that the surrounding intersections continue to operate satisfactorily with the additional traffic generated by the proposal.

Council's consideration

Marrickville Council commissioned Transport and Urban Planning to undertake a review of the *TMAP and Traffic and Parking Study and Report on Transport Aspects* in response to the exhibition of the EA and PPR.

Council's consultant agrees that the methodology for estimating traffic generation used by the Proponent's traffic consultant, Halcrow, is satisfactory. However, concern was raised with the assignment of additional trips to the road network. Council's traffic consultant considers that Halcrow has underestimated the amount of traffic that will use Edgeware Road north of Victoria Road, Alice Street and King Street. Also that the use of Enmore Road and Edinburgh Road west of Smidmore Street has been overestimated.

Council's traffic consultant therefore considers that the impacts of the proposal on the intersection of Edgeware Road, Alice Street and Llewellyn Street are underestimated by the Proponent's traffic consultant. It is considered that higher levels of traffic will access the proposal through this intersection.

Council's traffic consultant also considers that there may be an increase in traffic along Lord Street and notes that Council intends to install traffic calming measures in this street. It is suggested that a contribution to these measures may be appropriate.

Expert traffic advice accompanying submissions to the proposal

The submissions received from the Marrickville Chamber of Commerce and the Terrace Tower Group (the owner of Westfield Eastgardens) both included separate traffic reports.

The Chamber of Commerce engaged Traffix to undertake a review of the proposal, as exhibited, and as amended within the PPR. The submission to the PPR scheme raised the following points:

- the revised traffic generation figures are considered reasonable, however some discrepancies were identified;
- the increased background traffic growth in the area (as a result of future population growth) has not been considered;
- the proposal is an overdevelopment of the site and raises an equity issue as it 'claims' the available capacity of the local road network, without regard for growth of background traffic;
- the impacts of loss of on-street parking to accommodate the proposed intersection improvements needs to be assessed;
- the need to further encourage non-car modes of transport through reducing on-site car parking provision, imposing time restricted parking on surrounding streets and improving bus services; and
- concerns were also raised with traffic volumes in Smidmore Street and the establishment of a shared pedestrian/vehicle zone.

The Terrace Tower Group commissioned Colston Budd Hunt & Kafes to undertake a review of the exhibited EA. The review highlighted the following areas of concern:

- the performance of the intersection of Edgeware Road, Alice Street and Llewellyn Street will be unsatisfactory (level of service E);
- the intersection of Enmore Road and Edgeware Road will experience further delays;
- the estimated traffic generation is based upon maintaining existing traffic generation; and
- insufficient justification/evidence that the distribution of traffic will primarily occur to/from the south and southwest, with minimal traffic to/from the north and north-east.

The department notes that the PPR made substantial changes to the EA proposal that form the basis of this review. Notwithstanding, these issues have been considered by the department in its assessment below.

Independent traffic assessment

The department has reviewed the traffic assessments undertaken by the Proponent and those on behalf of Council, the Chamber of Commerce and Westfield. The Proponent's traffic assessment was also referred to the RTA. The RTA did not highlight any areas of concern in their assessment of the traffic impact of the PPR. Notwithstanding, the department considered it appropriate to commission an independent review of traffic impacts to inform its assessment.

The department commissioned Gennaoui Consulting to undertake an independent review of the *TMAP and Traffic and Parking Study and Report on Transport Aspects* prepared by Halcrow. The report by Gennaoui Consulting is provided in **Appendix G**. As part of the review Gennaoui Consulting consulted with the Proponent's traffic consultant and Marrickville Council officers.

Gennaoui Consulting agreed that the methodology used by Halcrow for estimating future trip generation of the proposal is appropriate.

During the course of this review, the Proponent's traffic consultant provided additional information in relation to trip distribution and the discrepancies in traffic volumes identified by Traffix on behalf of the Chamber of Commerce. Also, further justification was provided for the proportion of additional vehicle trips that would be directed to and from the proposal to Edgeware Road and Alice Street.

Gennaoui Consulting reviewed the additional information and considered that the proportion of traffic generation assigned to Edgeware Road and Alice Street was reasonable given that:

- right turns are currently prohibited to/from Edgeware Road at Enmore Road; and
- the majority of additional shopping traffic is expected to use the car parking area to the south of Smidmore Street.

Gennaoui Consulting reviewed the impacts of the additional traffic (based on the adjusted traffic volumes provided by Halcrow) on the intersections surrounding the site and generally found that the recommendations made by Halcrow will maintain the current level of service at each intersection. It was considered that the following additional measures could be imposed to provide an improved level of service:

- imposition of parking restrictions for a distance of 100 metres on the northbound approach of Edgeware Road to the intersection with Alice Street and Llewellyn Street; and
- prohibiting right turns from Victoria Road into Edgeware Road.

Gennaoui Consulting also considered that there would be some impact on the intersection of Edgeware Road, Enmore Road and Stanmore Road as 25% of the traffic generation from the proposal would travel through this intersection. It was however acknowledged that the RTA did not raise any concern in this regard, nor did it require this intersection to be assessed and notes that this intersection is some 750 metres from the Marrickville Metro Shopping Centre.

On balance, Gennaoui Consulting considers that the proposal will have an acceptable impact on the local road network and that the recommendations made by Halcrow will result in the satisfactory operation of intersections surrounding the site.

The department's consideration

The department considers that the technical issues raised within the traffic assessments undertaken on behalf of Council, the Chamber of Commerce and Westfield have been adequately addressed by the Proponent. Further, Gennaoui Consulting was satisfied with the Proponent's response and justification for trip distribution and assignment within the surrounding road network. Adjusted traffic volumes accounting for changes between the EA and PPR were also provided to rectify identified discrepancies to the satisfaction of Gennaoui Consulting.

In relation to the likely traffic impacts at the intersection of Edgeware Road, Enmore Road and Stanmore Road, the department notes that 25% of the additional traffic generated by the proposal equates to approximately 1.5 additional vehicles per minute in the Thursday afternoon peak and 2.7 vehicles per minute during the Saturday peak period. The department considers that this increase in traffic is unlikely to cause significant adverse impacts given the volume of traffic which currently passes through this intersection. Further, the RTA did not raise any concerns regarding this intersection.

The Chamber of Commerce submission raised the issue of equity and considers that the proposal effectively utilises all spare capacity in the local road network without consideration of traffic generation from future background growth. The department has assessed the proposal on its merits and suitable measures have been recommended to ensure that the operation of surrounding intersections is maintained at the current or an improved level. Any future significant traffic generating development proposals in the locality would require an equivalent level of assessment and mitigating measures.

The department acknowledges that the proposal will create additional traffic within the local road network. However, the traffic impact is considered acceptable given that the proposed improvements to existing intersections will ensure that they continue to operate at an acceptable or improved level of service.

In summary, the department is satisfied that the proposal can be accommodated within the local road network with an acceptable impact, subject to the following improvement works:

- upgrade of the intersection of Unwins Bridge Road / Bedwin Road / May Street / Campbell Street in accordance with the RTA requirements;
- prohibiting right turns from Victoria Road into Edgeware Road to the satisfaction of the local traffic committee; and
- implementation of parking restrictions at key intersections surrounding the site during peak periods only, to the satisfaction of the local traffic committee.

Appropriate conditions of approval (B12 and B14) have been recommended.

The department is also satisfied that the proposal involves the following measures to improve and promote use of public transport, walking and cycling:

- relocated and improved bus terminal in Edinburgh Road (as discussed in Section 5.2.3);
- two designated car share spaces;
- a new taxi tank and community bus stop in Smidmore Street;
- provision of bicycle parking for staff and customers and showers/change facilities for staff;
- directional signposting between St Peters and Sydenham railway stations and the Marrickville Metro Shopping Centre; and
- preparation and implementation of a Green Travel Plan.

The department has also recommended a condition of approval (E23) in relation to consultation with the Department of Transport / State Transit Authority regarding the potential provision of additional bus services to the Marrickville Metro Shopping Centre.

The department considers that the measures to improve and promote non-private vehicle transport, as detailed in the proponent's statement of commitments and recommended conditions of approval, will also assist in reducing traffic generation and impacts on the local road network.

5.2.2 Vehicular Access and Loading Docks

Access to Parking

Vehicular access to the proposed rooftop parking is provided via three ramps from Murray Street, Smidmore Street and Edinburgh Road, in particular:

- the existing car park access ramp on the western side of Murray Street will be retained;
- a new car park access ramp on the northern side of Smidmore Street will be provided (relocated west of its existing location); and
- a new circular car park access ramp on the northern side of Edinburgh Road.

To ensure that vehicles can move safely and efficiently around Smidmore Street, it is proposed to restrict entry and exit to this ramp to left turns only. This restriction will be enforced by a concrete median.

Some concern has been raised by Council that the provision of two separate roof top parking areas for each building will cause excessive circulation on the street in the event that one car park is full. The independent traffic assessment carried out by Gennaoui Consulting

recommended that consideration be given to the provision of an above ground connection between the two car parks over Smidmore Street.

The department notes that the original proposal involved an overhead link between the two car parks in addition to the partial closure of Smidmore Street. However, Marrickville Council objected to both the closure of Smidmore Street and the use of airspace over Smidmore Street and resolved not to grant owners consent to the application. This was consequently deleted by the Proponent in the PPR.

In order to address Council's concern, it is recommended that the Proponent install electronic message boards visible to vehicles prior to the entry of all car parks, identifying the capacity of the car park. It is considered that the display of this information prior to entering the car park will address Council's concerns including circulation around the centre. An appropriate condition of approval (E24) has been recommended.

Loading docks

Existing loading docks are provided fronting Victoria Road, Murray Street and Smidmore Street. The existing loading dock which fronts onto Murray Street and Victoria Road are located opposite residential properties.

The proposal involves the reconfiguration of loading docks for the existing building. With the exception of the loading dock on Smidmore Street, all other loading docks will be removed and a consolidated loading dock will be provided in a revised location in Murray Street. The consolidated loading dock is proposed further to the south than the existing docks and will be located adjacent to industrial properties enabling increased separation from residential properties. A new loading dock will also be provided for the proposed Edinburgh Street building, accessed from Murray Street. The existing and proposed loading docks are shown in **Figure 11**.

A swept path analysis has been provided for each of these proposed loading docks which demonstrate that sufficient access is available for rigid and articulated heavy vehicles. No loading or public vehicular access is proposed from Victoria Road or Bourne Street.

The department considers that the proposed loading dock arrangements are appropriate given that:

- the proposal consolidates 5 separate loading docks into 3 proposed loading docks for the expanded shopping centre;
- the location of the loading dock on Murray Street for the Victoria Road site is located further south than the existing loading docks increasing the separation between the loading dock and surrounding residential properties (shaded light pink in **Figure 11**); and
- the location of the proposed loading dock for the Edinburgh Road site is adjacent to industrial properties.

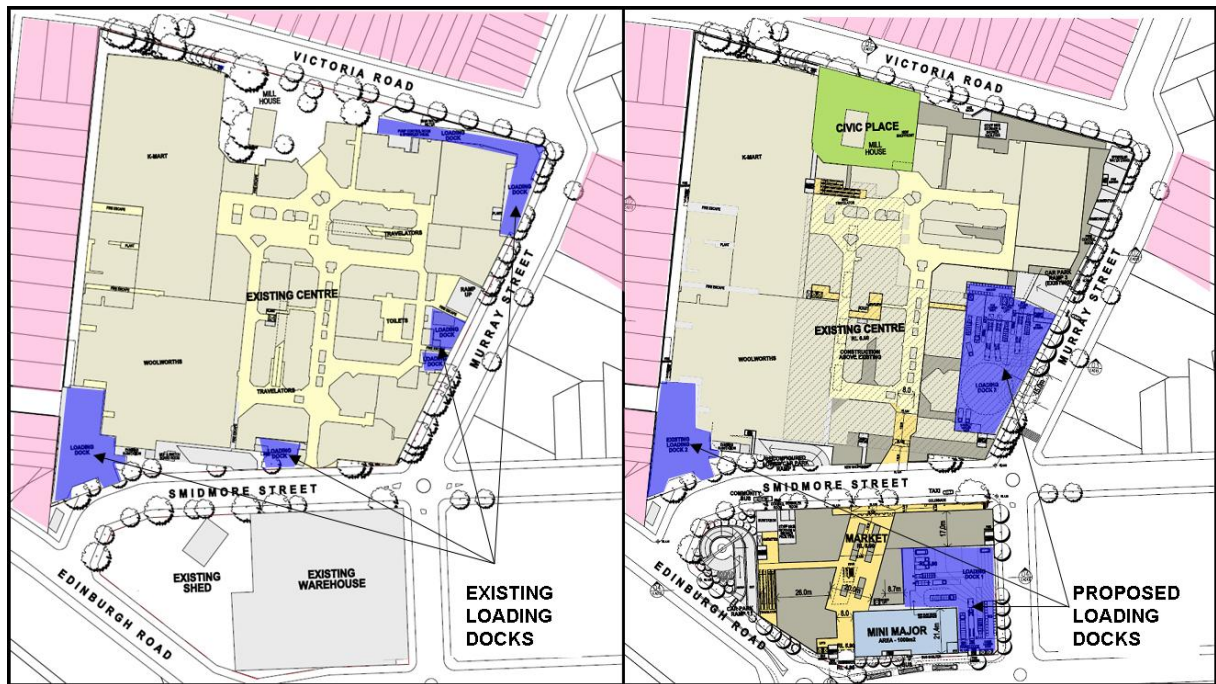


Figure 11 Existing and proposed loading dock locations (Base Image Source: Proponent's PPR)

5.2.3 Relocation of bus terminal

The Marrickville Metro Shopping Centre is located approximately 800 metres from St Peters railway station. The centre therefore relies on bus services as the primary means of public transport. The centre is serviced by 3 bus routes to and from the Sydney CBD and Bondi Junction, which provide access to the surrounding suburbs to the north and east. The existing bus stop is in Smidmore Street. The existing bus routes are mapped in **Figure 12**.

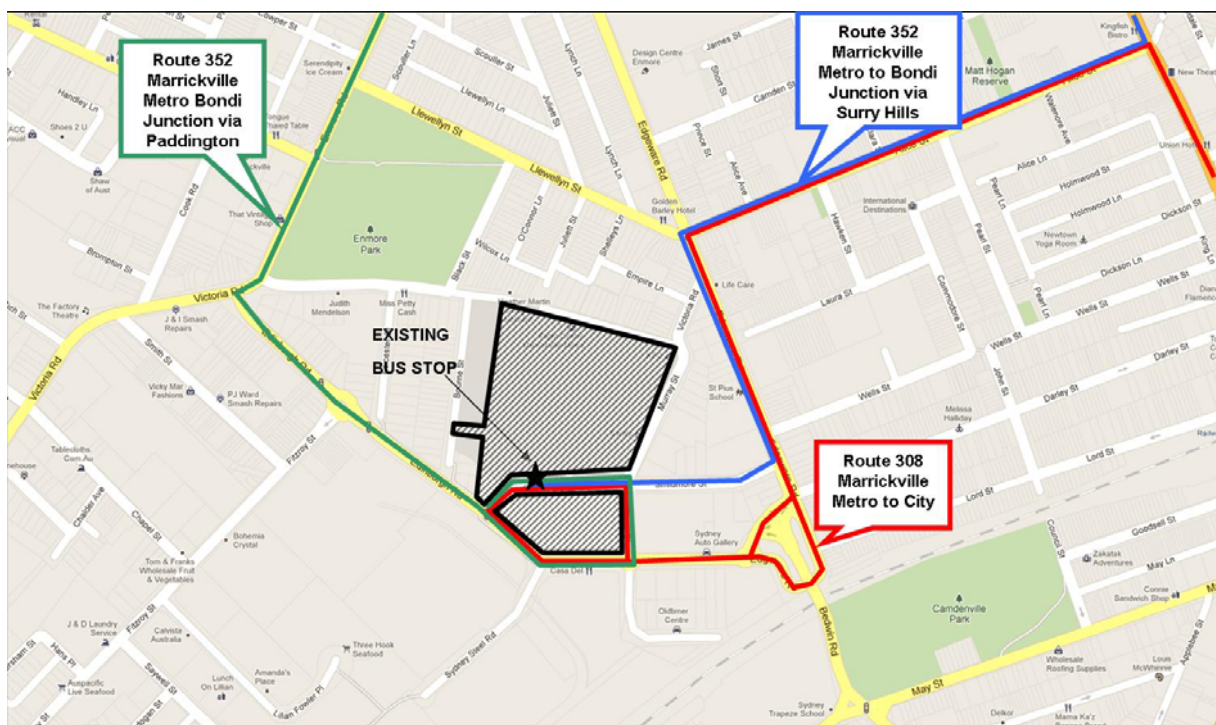


Figure 12 Existing Bus Routes servicing the site (Base Image Source: Google Maps, 2011)

The PPR proposes a new bus terminal in Edinburgh Road which will provide storage for up to 3 buses at a time. Buses will be rerouted via Edinburgh Road to access the new stop. Two new roundabouts are also proposed at Sydney Steel Road and Railway Terrace to allow

buses to u-turn. The State Transit Authority is supportive of the proposed bus routes being amended to avoid Smidmore Road. The proposed new bus stop, roundabouts and amended bus routes are outlined in **Figure 13**.

Council's submission raised concern that the proposed bus stop was in an inferior location to the existing stop in Smidmore Street. The main concern was that customers would have to cross Smidmore Street to enter the main shopping centre on the Victoria Road site.

The department considers that the ground floor layout of the centre and proposed public domain improvements in Smidmore Street including a raised pedestrian threshold will provide a high level of accessibility and connectivity throughout the centre and to the bus stop. Further, the removal of all bus operations from Smidmore Street has greater positive impacts in terms of pedestrian safety and improved efficiency of bus services.

A number of submissions outlined the need for additional public transport services. The department notes that there is currently no public bus route which services the area to the south of the Marrickville Metro Shopping Centre. A condition is recommended that the Proponent consult with the Department of Transport and State Transit Authority to determine the need for additional bus services to and from the shopping centre.

The department is satisfied that the proposed relocation of the bus terminal provides greater opportunities and capacity for increased frequency or additional services.

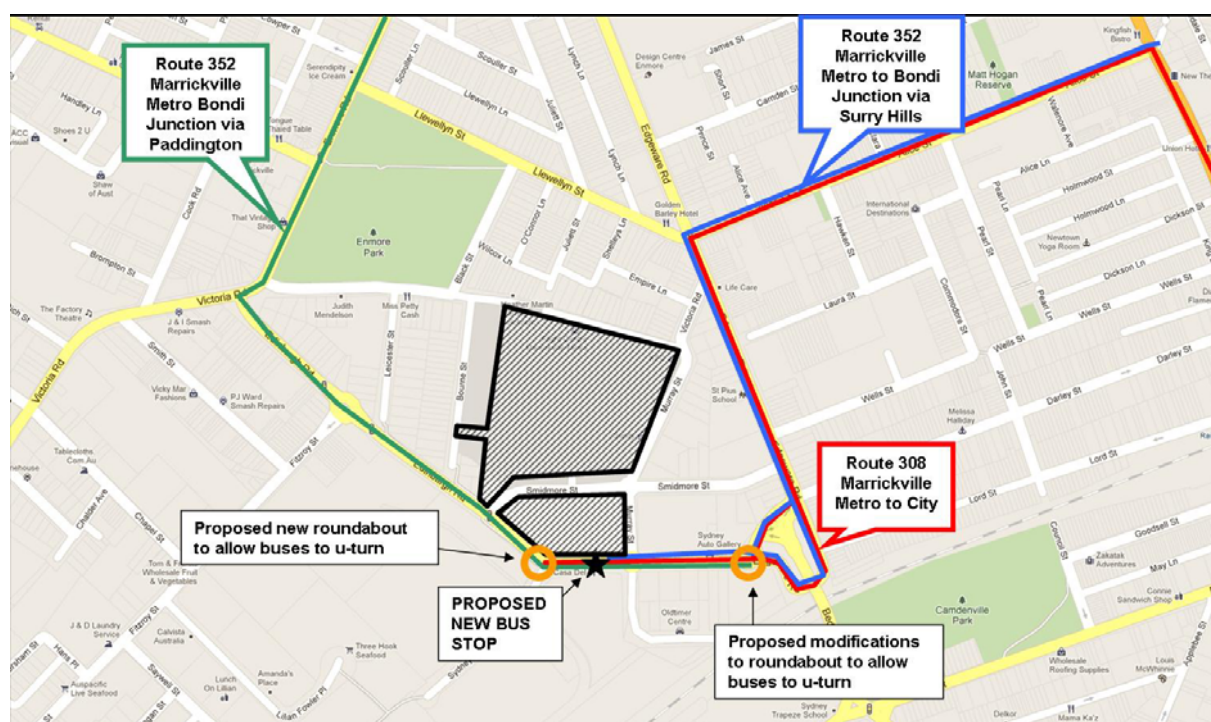


Figure 13 Proposed modifications to bus routes, including a new bus stop in Edinburgh Road and new/modified roundabouts to remove buses from Smidmore Street (Base Image Source: Google Maps, 2011)

5.2.4 Car parking

On-site parking

The existing shopping centre currently provides 1,100 car parking spaces in two levels of rooftop parking. The current parking provision equates to approximately 4.8 spaces per 100m² of gross leasable floor area (GLFA).

The Council DCP does not provide a parking rate for shopping centres. It does however specify a parking rate for 'shops' of 30 spaces per 1000m² of gross floor area (GFA) plus 1

space per 20m² of GFA over 1000m². On this basis, the required parking for the proposed additional floor space would be 1,069 spaces (total 2,169 spaces).

The RTA *Guide to Traffic Generating Development* provides a recommended car parking rate for large scale retail developments of this nature is 4.1 spaces per 100m² of GLFA. On this basis, a total of 1628 spaces are required in accordance with the RTA rate.

1,628 spaces are proposed to cater for the existing and proposed retail floor space, which complies with the RTA guide. However, the proposal does not comply with the Council DCP, with a proposed shortfall of 541 spaces.

It is considered that the provision of car parking in accordance with Council's rate is inappropriate given that:

- the DCP rate relates to retail shops, rather than large format shopping centres;
- the use of GLFA is considered a more appropriate measure for parking demand than GFA;
- the provision of car parking in accordance with the DCP would be inconsistent with the strategies to promote other modes of transport to and from the shopping centre; and
- Council have not raised any objection to the use of the RTA rate.

The traffic assessment submitted on behalf of the Chamber of Commerce recommends a further restraint on car parking. The department generally supports reduced parking rates, particularly for sites with good access to public transport. In this case, however, further reductions in parking is not considered appropriate as the nearest railway station is outside of a comfortable walking catchment and the shopping centre is only serviced by buses.

The department therefore considers that the provision of car parking in accordance with the RTA car parking rate is appropriate.

On-street parking

The proposal involves several measures to improve traffic movement in the surrounding streets. As a consequence, some on-street parking availability will be impacted by proposed parking restrictions during the weekday afternoon peak and Saturday morning peak. The main areas of impact are:

- approximately 8 on-street car parking spaces on the westbound approach of Alice Street to the intersection with Edgware Road (it is noted that there is an existing restriction that applies from 3:30pm to 5:30pm weekdays);
- approximately 10 on-street car parking spaces on the north and south approaches of Edgware Road to the intersection with Alice Street (it is noted that there is an existing restriction that applies from 6:30am to 9:00am weekdays); and
- approximately 6 on-street parking spaces on the eastbound approach of Unwins Bridge Road and westbound approach of May Street to the intersection with Campbell Street/Bedwin Road.

The impact of these restrictions is demonstrated diagrammatically in **Figure 14**.

Although a number of existing spaces will be impacted, the proposed parking restrictions during the afternoon weekday peak and Saturday morning peak will allow for the additional traffic generated by the development to be accommodated with improvements to the operation of the road network. The department considers that the changes to conditions will improve the efficiency and safety of these intersections. This is a positive impact which is considered to outway the impact of the reduction of approximately 24 on-street parking spaces.

There will also be a reduction in on-street parking as a result of the proposed public domain upgrades and bus terminal in Smidmore Street and Edinburgh Road respectively. The department considers that the loss on-street parking in this location is acceptable given that:

- the proposal provides improved public transport, taxi and drop off/pick up arrangements and
- the proposal provides sufficient on-site parking for customers and staff.



Figure 14: Proposed car parking restrictions at the intersection of Edgeware Road, Alice Street and Llewellyn Street (left) and the intersection of Unwins Bridge Road, May Street, Campbell Street and Bedwin Road (right) (Base Image Source: Google Maps 2011)

5.3 Built Form

The site is surrounded by low density residential dwellings to the north, north-east and west and light industrial uses to the south-east, south and south-west. The site also contains a heritage listed building, the 'Mill House', and residential properties generally to the north of the site are within the proposed Llewellyn Estate heritage conservation area.

The department considers that the key issues relating to built form are the proposed building height and the density, bulk and scale of the development as it relates to the surrounding area.

5.3.1 Building Height

The existing shopping centre on the Victoria Road site has a varied roof form and is approximately 10.3 metres in height, comprising a single level retail building with 2 levels of rooftop parking. Roof top plant equipment currently extends to a height of approximately 12.8 metres above ground level.

The proposed height of the building on the Victoria Road site will increase to 14.3 metres (2 levels of retail and 2 levels of rooftop parking). Proposed plant equipment increases this to 19.8 metres above ground level. The overall increase in height across the site is approximately 4 metres (excluding plant) and 7 metres (including plant).

The existing building on the Edinburgh Road site has a height of approximately 10.9 metres above ground level. The proposed building on the Edinburgh Road site has a height of 14.7 metres with 2 levels retail and 2 levels of rooftop parking.

The existing and proposed heights are outlined in RL and metres in **Table 7** below.

Table 7: Existing and proposed building heights

	Ground level	Existing building height		Proposed building height	
		Parapet height	Roof structures / plant	Parapet height	Roof structures / plant
Victoria Road site	RL 6.6	RL 16.9 (10.3 metres*)	RL 19.4 (12.8 metres*)	RL 20.9 (14.3 metres*)	RL 26.4 (19.8 metres*)
Edinburgh Road site	RL 5.9	RL 16.8 (10.9 metres*)	-	RL 20.6 (14.7 metres*)	RL 26.1 (20.2 metres*) (21.2 metres to top of the circular car park ramp)

* height in metres above ground level is expressed approximately due to slight changes in level across the site

The former Marrickville LEP 2001 (in force at the time of lodgement and exhibition of the proposal) does not specify height controls for the site. However, the Marrickville LEP 2011 introduces a 14 metre maximum height control for the Victoria Street site with no maximum height for the Edinburgh Street site. The adjoining residential area has a 9.5 metre height control.

Building height is defined within the LEP 2011 as the distance between the existing ground level and the highest point of the building, **including** plant and lift overruns. The proposed building height of 19.8 metres on the Victoria Road site does not comply with the 14 metre height control.

The Proponent's justification

The Proponent considers that the proposed height is appropriate given that:

- the proposed heights are not out of character with existing building heights on both sites;
- the proposed height (excluding plant) is generally consistent with the then draft LEP control of 14 metres; and
- the areas of increased height are well setback from the north and west boundaries that adjoin residential properties.

The department's consideration

Victoria Road site

The height of the proposed expansion on the Victoria Road site ranges from 14.3 metres (to the top of the parapet) to 19.8 metres (to the top of the rooftop plant structure). The maximum height exceeds the Council's height control by 5.8 metres or approximately 41%.

The department has considered the proposal against the relevant objectives of the LEP height control. The relevant objectives considered are:

- to ensure building height is consistent with the desired future character of an area;*
- to ensure buildings and public areas continue to receive satisfactory exposure to the sky and sunlight; and*
- to nominate heights that will provide an appropriate transition in built form and land use intensity.*

The existing building height (approx 10.3 metres) is generally maintained on the northern and western portions of the site, close to residential and heritage sensitive areas. The proposed additional height has been focused towards the southern and central portions of the site, with generous setbacks to the north (between 50 and 80 metres) and west (approximately 40 metres) to minimise the visual impact on surrounding residential properties. The department considers that the proposal provides an appropriate transition in height responding to the

existing and desired future character of the residential area (9.5 metre height control) and industrial areas (no specified height control).

The height of the proposal (excluding plant) is generally in accordance with the height control and therefore can be considered consistent with Council's desired future character of the area. Although the height to the top of the parapet exceeds the height control (by 2%), it is considered that a height of 14.3 metres above ground level would have minimal additional visual impacts to the casual observer, compared to a complying height of 14 metres.

The proposed roof top plant elements have a height of 5.5 metres above the car park level. However, these elements are not considered visually significant or prominent due to their smaller bulk and generally more centralised location on the roof. **Figure 15** outlines the location of the proposed rooftop plant on the Victoria Road site.

As the additional building height is centralised on site, the height does not have any adverse impacts on the surrounding area in terms of shadowing. On this basis, the department considers that the proposal meets the objectives of the height control despite the numerical non-compliance.

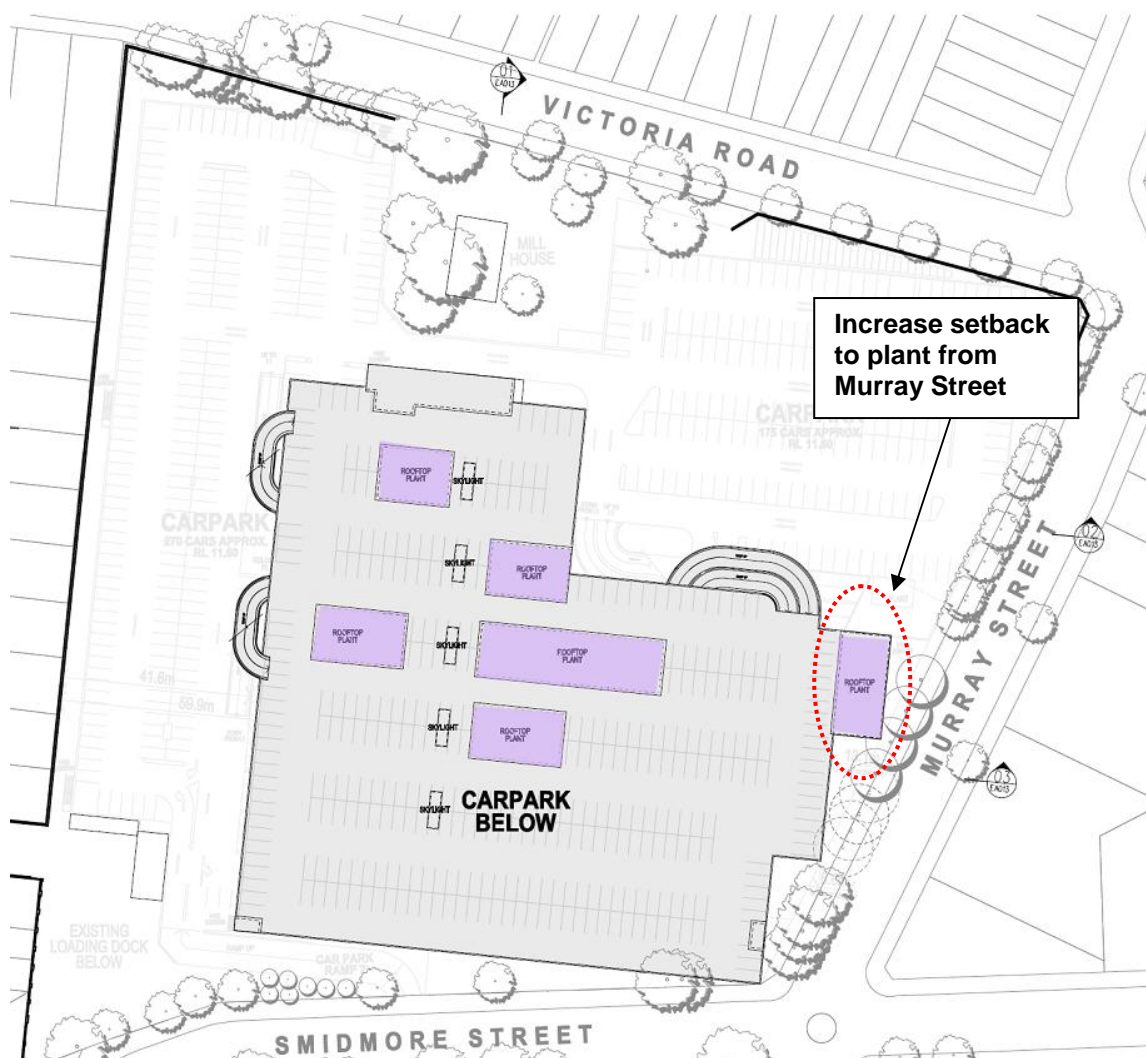


Figure 15 Location of roof top plant on the proposed building on the Victoria Street site (Base Image Source: Proponent's PPR)

It is however considered appropriate to impose a condition (B2) to improve the visual appearance of the rooftop plant including:

- the proposed plant structure on the Murray Street elevation should be no higher than the parapet and designed to integrate into the façade or if the plant is necessarily higher than the parapet it should be relocated and setback to a less visually prominent location away from the street; and
- the plant should be provided with appropriate screening and finishes to integrate with the building facades and minimise any visual impact.

Overall, the proposed height on the Victoria Road site is considered appropriate given that:

- the proposed height is approximately 2.7 metres below the height control at the northern and western portions of the site adjacent to residential properties and heritage sensitive areas;
- the height to the top of the parapet in the central, south and eastern portions of the site involves a minor non-compliance of 0.3 metres (2%);
- the areas of non-compliance (plant) are generally located in the central portion of the site (refer to **Figure 15**); and
- the proposed additional height will result in minimal visual, privacy and shadowing impacts from neighbouring properties and the public domain.

Edinburgh Road site

The department notes that the overall height for the Edinburgh Road site (approximately 21.2 metres) is not limited by the Marrickville LEP 2011 or Marrickville LEP 2011. The proposed height is considered acceptable in the context of the nearby industrial buildings of a similar height.

5.3.2 Density, bulk and scale

The Marrickville LEP 2001 (in force at the time of lodgement and exhibition of the proposal) seeks to control the density of the development by imposing a maximum FSR of 0.8:1 for the Victoria Road site and 1:1 for the Edinburgh Road site. The Marrickville LEP 2011 sets a maximum FSR of 0.75:1 for the Victoria Road site and 0.95:1 for the Edinburgh Road site.

The EA proposed an FSR of 1.25:1 on the Victoria Road site and 1:53:1 on the Edinburgh Road site, exceeding the LEP 2001 control by 56% and 53% respectively. The proposal also involved several dominant features including a significant increase in roof top parking and 2 circular car park ramps at the north-east and south-west corners of the site.

A number of submissions raised concerns with the bulk and scale of the proposal. Also, the department specifically requested the Proponent address bulk and scale and the proposal's relationship with neighbouring residential properties and the Mill House.

The Proponent's justification

The Proponent made amendments through the PPR to reduce the bulk and scale of the proposed building on the Victoria Road site by setting back the bulk of the proposed extension to the southern portion of the site to maximise separation between the surrounding residential properties.

The reduction in first floor building footprint proposed by the PPR is shown in **Figure 16**.

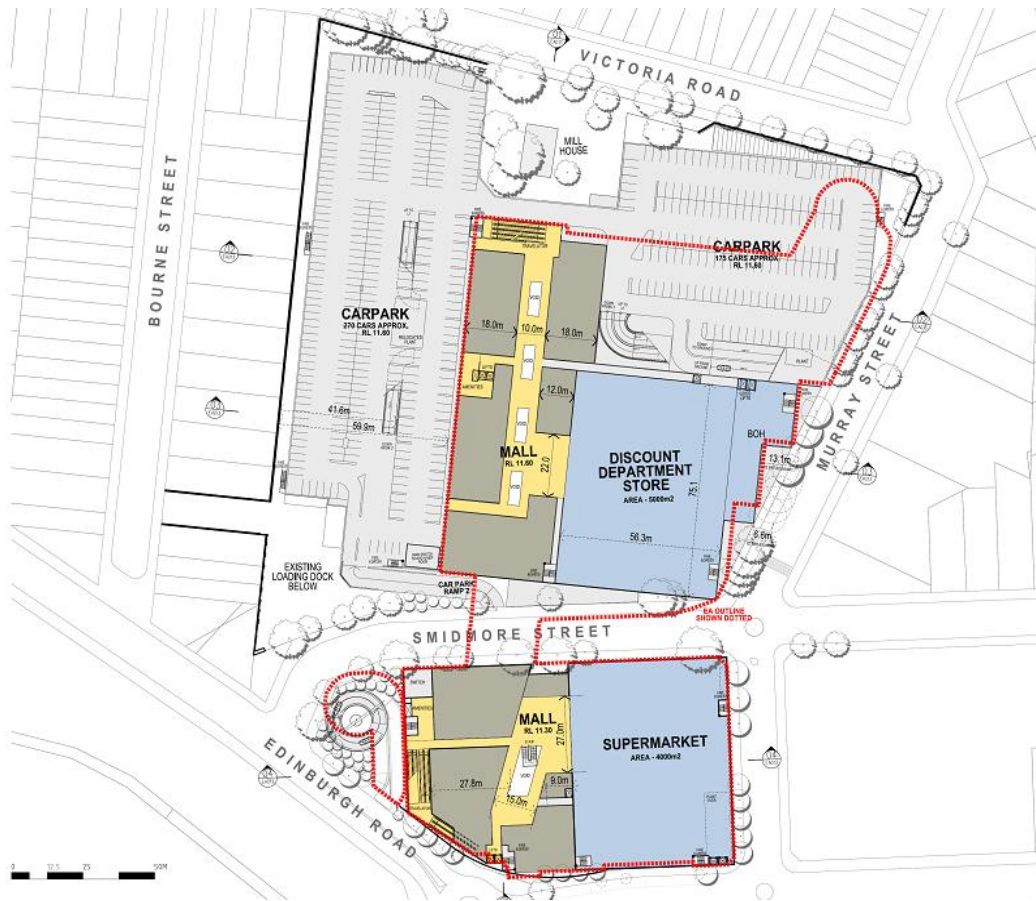


Figure 16. Comparison plan showing the reduction in building footprint proposed by the PPR. The building footprint proposed by the EA is shown outlined in red. (Source: Proponent's PPR)

Figure 17 demonstrates that the proposed expansion to the shopping centre (shaded yellow) has been designed to contain the additional bulk predominantly adjacent to industrial properties (shaded blue) with larger setbacks to residential properties (shaded pink).

Other building form reductions in the PPR include:

- deletion of the proposed circular access ramp at the corner of Murray Street and Victoria Road;
- increasing the setback of the two parking levels from the northern boundary;
- increasing the setback to the Mill House by removing the previously proposed cantilever structure; and
- deletion of all works within the Smidmore Street road reserve including the connecting bridge over and creation of new retail floor space fronting Smidmore Street.

The proposed additional GFA has been reduced by approximately 25% (GLFA has reduced by 22%) as a result of the increased setbacks. The PPR proposes a reduced FSR of 1.06:1 (previously 1.25:1) and 1.47:1 (previously 1.53:1) on the Victoria Road and Edinburgh Road sites, respectively. This however, continues to exceed the LEP 2001 FSR controls by 33% and 47% on each site.



Figure 17: Proposed built form and relationship with surrounding land uses
(Source: Proponent's PPR)

The department's consideration

Victoria Road site

Despite the fact that the proposed FSR of 1.06:1 exceeds the LEP 2001 and LEP 2011 FSR controls of 0.8:1 and 0.75:1, the department is satisfied that the proposed increase in height and bulk is concentrated towards the centre and south-eastern portions of the existing building which ensures that the visual impacts on the surrounding residential properties to the west, north and north-east are minimised.

The upper level of the proposed expansion on the Victoria Road site including the roof top parking levels are provided with varied setbacks to the Victoria Road (50 to 80 metres) and Murray Street (6 to 13 metres) frontages which assists in articulating the building and reducing bulk.

Edinburgh Road site

The department notes that the proposed FSR of 1.47:1 on this site exceeds the LEP 2001 and LEP 2011 FSR controls of 1:1 and 0.95:1 respectively.

The proposed building is less articulated with minimal building setbacks, however the bulk and scale is considered compatible with the industrial context of the site and surrounding streetscape, which is characterised by larger scale industrial buildings, many of which are built to the boundaries. The proposal seeks to utilise varied materials and finishes to create visual interest and break up the bulk of the building.

The department considers that the density, bulk and scale of the proposal is acceptable given that:

- the upper levels of the Victoria Road building are provided with adequate setbacks which respond to the neighbouring residential land uses;
- the proposed roof top parking is setback from the boundaries, suitably screened by the proposed parapet wall and 1.2 metre high safety screen and is integrated into the building design;
- the Victoria Road building is articulated to minimise the bulk of the building;
- the Edinburgh Road building responds to the industrial context of the site with a strong street edge and visual interest added through use of materials and finishes to break up the bulk of the building; and
- the proposed density can be accommodated on the site subject to appropriate measures to mitigate traffic impacts as discussed in Section 5.2 of this report.

5.3.3 Impacts on the Mill House

The PPR proposes a significant reduction in the building footprint of the first floor addition and proposed upper roof top parking levels on the Victoria Road site which is closer to nearby residential and heritage sensitive areas. The department previously raised concerns in relation to the setbacks to the Mill House, particularly the proposed cantilever car park structure. The revised proposal incorporates an increased setback of 9 metres to the upper car parking levels, removing the cantilever structure. The amendments are shown in **Figure 18**.

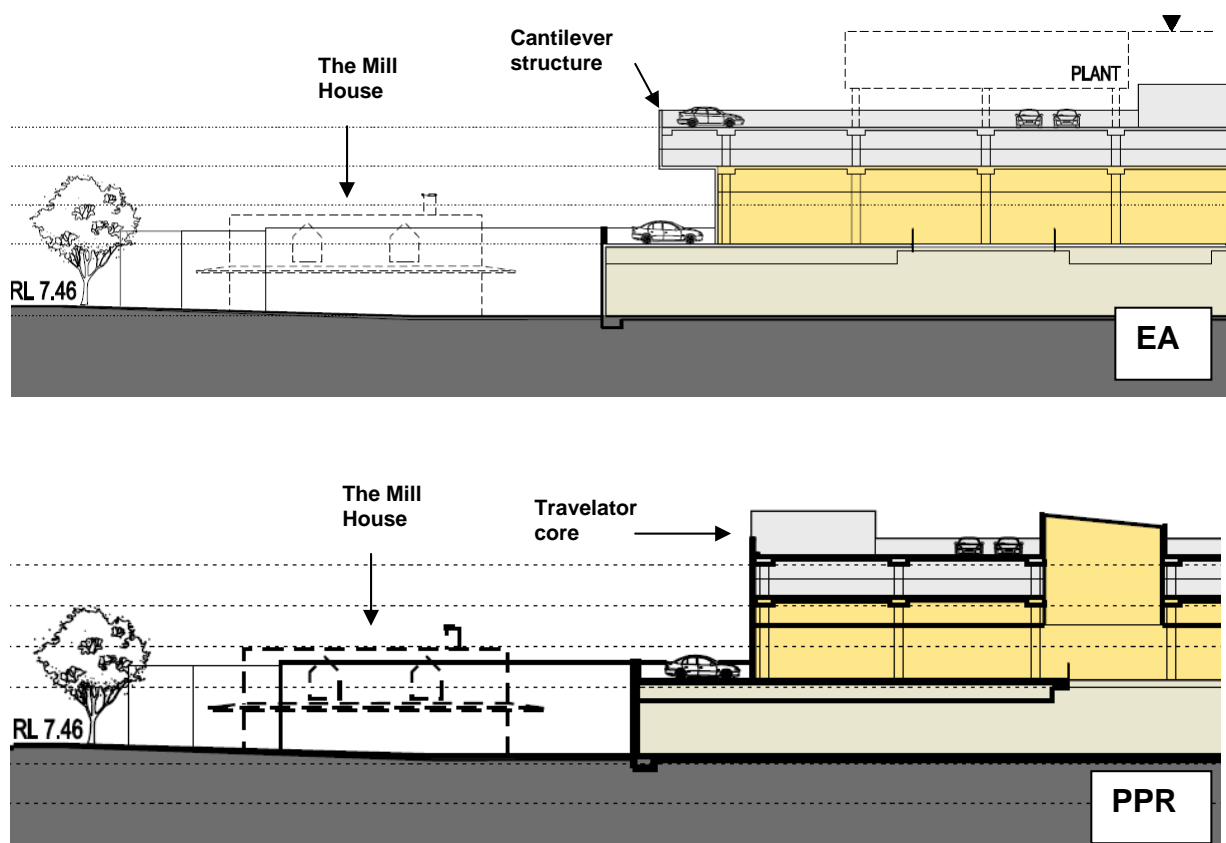


Figure 18 PPR amendments to the upper car parking levels adjacent to the Mill House (Base Image Source: Proponent's EA and PPR)

Although the cantilever structure has been removed through increased setbacks, the PPR introduces a new travelator core to provide access to the roof top parking in this location. This increases the height of the building in this location from 14.3 metres to approximately 15.5 metres above ground level. A revised Statement of Heritage Impact, prepared by

Graham Brooks & Associates, concludes that the revised form of development would have no adverse impact on the heritage significance of Mill House.

Notwithstanding, the department considers that it is more appropriate for the travelator core to be relocated to an alternative position away from the northern elevation in order to reduce the apparent bulk of the building away from the Mill House building. An appropriate condition of approval (B2) has been recommended requiring the relocation of the travelator access to the roof top car park to an alternate location setback from the curtilage of the Mill House.

Subject to the relocation of the travelator core, the department considers that the PPR has suitably reduced the bulk of the proposal to achieve an acceptable visual relationship with the Mill House. In addition, proposed public domain improvements and landscaping works at the existing Victoria Road entry to the centre will enhance the setting of Mill House and respect the heritage value of the building.

5.3.4 Circular car park access ramps

The EA originally proposed two new circular access ramps in the north-east and south-west corners of the site. In response to the department's concerns regarding the prominence and visual impact of the proposed ramps, the Proponent removed the proposed ramp in the north west corner of the site (corner of Victoria Road and Murray Street).

The PPR retains the proposed circular access ramp at the intersection of Smidmore Street and Edinburgh Road. The Proponent considers that this circular ramp identifies a key entry point to the centre and provides an architectural feature superior to long straight ramps. The proposed circular ramp will also support water tanks. The proposed ramp extends to approximately 15 metres above ground level (RL20.6). The proposed central water tanks have a height of approximately 21.2 metres above ground level (RL26).

Submissions to the PPR remain concerned that the circular ramp in this location will be unattractive and overbearing to the nearby residential properties in Bourne Street.

In addition to being a functional requirement of accessing the rooftop car park, the proposed circular ramp structure is in keeping with the scale of the building and is a design element that adds visual interest and reduces visual bulk. Further, it provides a defined identity and entry point to the shopping centre are illustrated in **Figure 7**.

The proposed landscape plan involves planting of 23 native paperbark trees around the base of the circular ramp which will grow to a mature height of up to 12 metres. This will assist in screening the ramp to soften its visual impact.

On balance, the department considers that the proposed circular access ramp is a visually appropriate structure in the largely industrial context of this section of Edinburgh Road and that it would not be visually intrusive when viewed from residential properties in Bourne Street given the separation between these properties and the site (approximately 40 metres).

5.3.5 Streetscape

The existing Marrickville Metro Shopping Centre currently provides limited street level activation to the surrounding streets. At present, the Smidmore and Murray Street facades present primarily as blank walls and loading docks.

Smidmore Street

The EA originally proposed the closure of Smidmore Street to create a new pedestrian plaza. However, as Marrickville Council resolved not to give owner's consent to the incorporation of Smidmore Street within the development, this was removed from the proposal.

The PPR seeks to enhance Smidmore Street as follows:

- Widened footpaths and new paving with a narrowed carriageway at the pedestrian crossing point between the two buildings including a raised threshold;
- a relocated car park access ramp 9 metres to the west of its current location to separate vehicle and pedestrian movements;
- provision of active shop fronts at ground level on both sides of the street; and
- increased ground level setback to the building on the Edinburgh Road site to provide a colonnade within Smidmore Street.

Images of the proposed upgrade to Smidmore Street are provided in **Figures 19** and **20**.



Figure 19 Public domain vision for Smidmore Street (Source: Proponent's PPR)



Figure 20 Artists impression of Smidmore Street (Source: Proponent's PPR)

Murray Street

The EA sought to retain existing precast panels and provide a new metal framed façade to the Murray Street elevation. The department was concerned about the quality of façade

treatments and requested that the Proponent reconsider the façade treatment of the Murray Street elevation, and provide high quality materials and finishes.

There have been several significant amendments between the EA and the PPR which have improved the streetscape appearance of the Murray Street façade, including:

- consolidated loading docks into a central loading dock located approximately 30 metres south of the originally proposed location;
- deletion of the proposed circular car park access ramp and retention of existing ramp access from Murray Street; and
- a significant reduction in the footprint of the first floor addition and roof top parking level.

The amendments are outlined in **Figure 21**.

The PPR also proposes to replace the existing precast walls with shopfronts and banded brickwork. The walls that mask the new loading dock and services area are proposed to be clad in precast panels with a grooved pattern that extends the banding effect of the brickwork. The precast panels will have the same colour oxide as the panels on the building on the Edinburgh industrial site. The revised materials are considered appropriate.



Figure 21 The Murray Street elevation as proposed in the EA (above) and PPR (below) (Source: Proponent's EA and PPR)

Victoria Road

The PPR proposes to retain the existing Vicars Walls and Mill House on the Victoria Road frontage. It is proposed to extend the Vicars Walls to the west and provide new shopfronts within the new portion of the building as illustrated in **Figure 22**.

The proposal also involves an upgrade of the landscaping and public domain around the Mill House to create a 'civic place', including:

- a centrally located raised planter including potential space for public art;
- new sitting stairs stepping down from the Mill House and the main plaza area;
- seating area to the west of the mill house; and
- new landscaping and paving.

The proposed landscape plan and an artist's impression of the proposed civic place is provided in **Appendix H**.

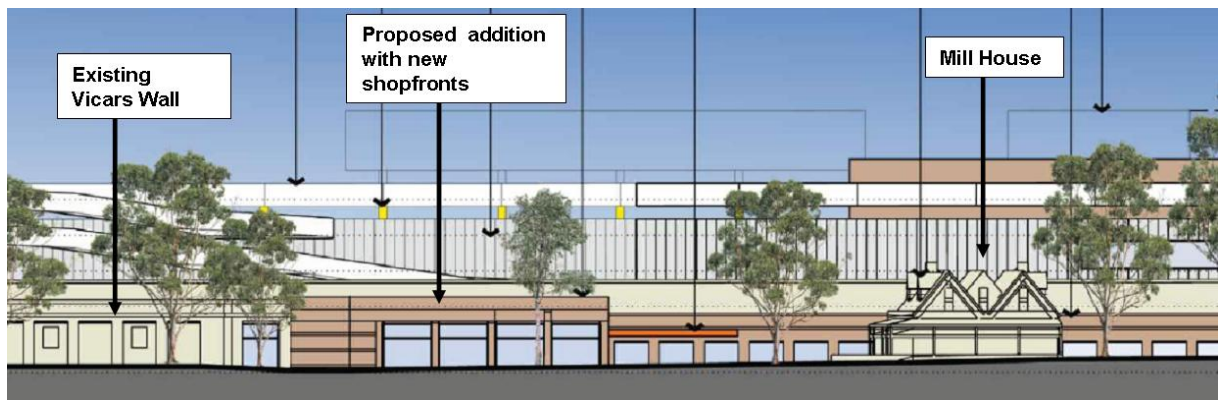


Figure 22 Part Elevation plan of the Victoria Road frontage showing new shop fronts adjacent to the Mill House (Base Image Source: Proponent's PPR)

Concern was raised within public submissions that the proposed addition of shop fronts and creation of a civic place at the Victoria Road entrance adjacent to the Mill House will impact on the amenity and privacy of residential properties located on the northern side of Victoria Road.

The department considers that the proposed new shop fronts will make a positive contribution to the Victoria Road frontage. The provision of glazed shop fronts will highlight and define the entry to the shopping centre and provide for activation of the proposed civic place. The proposed landscaping, paving and seating areas will enhance the visual appearance of this space when viewed from the adjacent properties. On this basis, it is not considered that this will result in any adverse impacts on amenity to properties in Victoria Street.

The Proponent has confirmed that the civic place will be used as a passive seating area only, in response to some resident's concerns that the space may be used to hold community events, which would impact on the residential properties opposite.

The department considers that the proposed upgrade of the Victoria Road entrance to the shopping centre is appropriate as it will enhance the appearance of the entry and provide a functional seating space activated by shop fronts.

5.4 Noise Impacts

A key issue raised in the public submissions relates to the potential increase in noise from the proposed expanded shopping centre. Residents are primarily concerned that noise impacts will result due to increased traffic, loading dock movements, general patronage and cleaning activities.

A Noise Emission Assessment was lodged with the EA which assessed the potential noise impacts from use of the loading dock, mechanical plant, on-site vehicle movements (within the ramps and roof top parking) and traffic generation on the local roads.

The assessment concludes that the noise generated by the proposal is able to comply with the amenity, intrusiveness and sleep disturbance criteria within the Department of Environment and Climate Change's *Industrial Noise Policy*.

The department is satisfied that the proposal will satisfy relevant DECC noise criteria and that the construction materials, screening and additional recommendations proposed would mitigate noise impacts and maintain residential amenity to the surrounding properties.

The Proponent's PPR proposes several amendments which will reduce the noise impact of the proposal further. These amendments include:

- reduction to the footprint of the roof top parking levels, with increased setbacks to the north and east;
- deletion of the circular access ramp in the north-east corner of the site; and
- maintenance of the Murray Street access ramp in its existing location, adjacent to industrial properties which are less sensitive to noise impacts.

The department considers that the amendment proposed in the PPR will substantially reduce the impacts on neighbouring residential properties in Victoria Road and Murray Street.

The department also considers that the improvements to loading dock facilities will result in an improvement to residential amenity and safety in the surrounding area. The proposal involves the consolidation of 4 separate loading areas into 2 loading docks accessed from Murray Street and Smidmore Street. A new loading dock is also proposed for the new building on the Edinburgh Road site. Access to the new loading dock is also from Murray Street. The new loading docks are also provided with screening.

All upper car park levels are provided with a 1.2 metre high concrete safety screen which will also assist in reducing noise from vehicles within the car park.

Appropriate conditions have been recommended to ensure that the operation of the shopping centre, including use of the car parking areas and loading docks, does not adversely affect the amenity of the surrounding residential properties. In particular, the use of the loading docks will not be permitted between 10:00pm and 7:00am, 7 days.

The acoustic consultant has also recommended that a detailed acoustic review of mechanical plant should be undertaken prior to issue of a Construction Certificate. An appropriate condition of approval (B34) has been recommended.

On balance, the department is satisfied that the proposal involves sufficient measures to ensure that the existing operation of the centre is improved and that noise from the proposed expanded centre will be mitigated and controlled to maintain residential amenity.

5.5 Other Issues

Other issues considered in the department's assessment include:

Issue	Consideration
Section 94 Contributions	<p>The EA included a draft Voluntary Planning Agreement (VPA) between the Proponent and Council involving:</p> <ul style="list-style-type: none"> • Payment of Section 94 contributions in accordance with Marrickville Section 94 Contributions Plan 2005; • Additional funding (\$800,000) or works in kinds for a new community facility to be incorporated into the development; and • Monetary contribution of \$2,000,000 for the value uplift as a result of incorporating Smidmore Street into the development. <p>The proponent also proposed to negotiate the agreed acquisition cost for the partial closure of Smidmore Street to provide both ground and upper level connections between the two buildings</p> <p>In Council's submission to the EA it was advised that Council resolved not to proceed with the sale and closure of Smidmore Street. Subsequently these works were removed from the PPR. The PPR no longer proposed a VPA with Council. The proponent proposes to pay Section 94 Contributions in accordance with Marrickville Section 94 Plan 2004.</p> <p>Council's submission to the PPR noted that the development remains</p>

	<p>substantially the same and considered that should the proposal be approved, it should provide community benefits via a VPA equivalent to those previously proposed (on a pro-rata basis commensurate with the reduced floor space of the proposal).</p> <p>The department considers that the payment of approximately \$1.2 million in accordance with Marrickville Section 94 Plan 2004 is acceptable given the reduction in floor area proposed in the PPR and the non-residential nature of the development. While a community facility was previously offered as part of the VPA, the proponent has removed this component of the proposal following Council's decision not to enter into the VPA.</p> <p>In addition to the payment of Section 94 contributions, the proponent has committed to entering into an arrangement with Council in relation to the upgrade of local shopping strips. This arrangement would be implemented through a VPA with Council which would involve a contribution of 50 cents to every dollar generated from the Urban Centres Special Rate as defined in the Marrickville Council Operational Plan and Budget 2011-12, to a maximum of \$100,000 per year for 3 consecutive years from the date of occupancy of any stage of the project. An appropriate condition of approval (E21) has been recommended.</p>
Tree removal and landscaping	<p>The original proposal, as outlined within the EA, involved the removal of 36 of 87 trees to accommodate the proposed building, vehicular access points and the closure of Smidmore Street. A number of submissions raised concern with the removal of existing street trees which are a part of the landscape character of the site.</p> <p>The PPR reduces the number of trees to be removed from 36 to 15. All existing Lemon Scented Gums in Smidmore Street and 17 existing Fig trees in Murray Street are proposed to be retained. The Proponent has committed to replacement planting for the 5 figs trees to be removed.</p> <p>The recommended conditions of approval include requirements to ensure that the trees to be retained will be protected during construction.</p> <p>The proposal involves planting of new street trees to offset the removal of trees and improve the visual appearance of the development. The department considers that the proposed landscape scheme will assist in softening the appearance of the development and will improve the overall visual character of the site and surrounds.</p>
Shadowing	<p>The Proponent submitted shadow diagrams which demonstrate both existing shadowing impacts and the shadowing impacts as a result of the proposed expansion on the Victoria Street site and new building on the Edinburgh Street site.</p> <p>The proposed setbacks to the upper levels and orientation of the site ensure that there will be no increased overshadowing to residential properties in surrounding streets. Most of the additional shadows (in mid winter) will be cast over the site and surrounding public roads and a small number of industrial buildings.</p>
Hours of operation	<p>A number of submissions were also concerned that the operating hours may be extended. The proposal does not seek to alter the existing operating hours of the Marrickville Metro Shopping Centre. Any proposed changes to operating hours will therefore be subject to assessment in a separate application to Marrickville Council.</p>
Loading Dock operating hours	<p>A number of submissions raised concern with the use of the loading docks and requested that the hours of operation be reduced to 7:00am to 7:00pm.</p>

	<p>The department considers that the proposed loading dock operating hours of 7:00am to 10:00pm are acceptable given that:</p> <ul style="list-style-type: none"> the proposal involves the consolidation of existing loading dock arrangements and relocation of loading on Murray Street further south to increase separation from the neighbouring residential properties; the acoustic consultant has advised that the proposed noise from use of the loading docks will comply with the Industrial Noise Policy criteria in both day and night time periods; it is not proposed to use the loading docks after 10:00pm as this would cause sleep disturbance; and heavy vehicle access routes to the site will avoid Murray Street to minimise disruption to residential properties.
Air pollution	<p>A large number of submissions also raised concern that the increased truck, bus and private vehicle use associated with the proposed expansion to the shopping centre would increase air pollution levels.</p> <p>Australia has had vehicle emission standards in place since the early 1970s, which have been progressively reviewed over the past 30 years. Although emissions are worse in areas with higher traffic volumes, the emissions from the level of vehicular traffic generated by the proposal will generally disperse into the atmosphere. There is no evidence to suggest that the increase in traffic as a result of the proposal would result in air pollution above levels which could be reasonably expected in an urban environment. It is unlikely that there would be any health impacts as a direct result of the proposed development.</p>
Light spillage	<p>The proposal involves external lighting to provide safety and security around the site. A number of submissions were concerned that lighting would have an adverse impact on the surrounding residential properties.</p> <p>The Proponent has advised that the lighting design will comply with the relevant Australian Standards for outdoor lighting. Measures such as light shields are proposed to be utilised to prevent glare, light spill and other obtrusive impacts to surrounding properties.</p> <p>While the detailed lighting design has not been undertaken at this stage, the department considers that any impacts can be managed through the detailed design. It is common practice for this detail to be provided at the Construction Certificate stage.</p> <p>An appropriate condition of approval has been recommended to ensure that the lighting design is further assessed prior to the issue of a Construction Certificate and that appropriate measures are implemented to protect residential amenity.</p>
Bicycle Parking	<p>The proposal involves the provision of 80 on-site bicycle spaces.</p> <p>Council's DCP requirements (1 bicycle space per 500m² GFA for customers and 1 space per 300m² for staff) apply to individual retail shops but are not appropriate to apply to a large scale shopping centre. Council's submission advised that 212 bicycle spaces would be required based on the floor area of the PPR. However, the Council's submission considered it appropriate to apply a 'discount' of 33% to the bicycle parking requirements considering the scale of the proposal. This would equate to 142 bicycle spaces.</p> <p>The Proponent has advised that there would be an opportunity to convert 10 car parking spaces to provide a total of 142 bicycle spaces in the future. This is not considered appropriate as the additional spaces would</p>

	<p>likely be placed in an inaccessible or undesirable location in the rooftop parking.</p> <p>It is considered appropriate that 142 bicycle spaces be provided in accordance with the DCP requirements, being 54 for customers and 88 for staff. The location of bicycle spaces should be carefully planned and integrated with the public domain plan. In this regard, all customer bicycle spaces should be provided at ground level and appropriately located near the entrances to ensure that this mode of transport is encouraged from the outset. Further the 88 staff bicycle parking spaces and end of trip shower and change facilities should also be provided at ground level. An appropriate condition of approval (B20) has been recommended.</p>
Trolley and litter management	<p>A number of submissions raised concern regarding the maintenance of the existing shopping centre, including existing issues of trolley management, litter and general maintenance of the shopping centre and its immediate surrounds.</p> <p>The Proponent has committed to prepare an Operational Management Plan which will include measures to address these on-going issues prior to issue of a Construction Certificate. The plan will address operational matters raised in submissions including trolley management and management of waste. The department is satisfied that the concerns in relation to litter, trolleys and impacts on the surrounding properties can be addressed by on-going management by the operator of the site.</p> <p>A detailed condition of approval has been recommended to ensure that an Operational Management Plan is prepared and implemented to effectively manage trolleys, litter, maintenance and general operation of the shopping centre to minimise impact on surrounding properties. It is considered appropriate to require that the Operational Management Plan be submitted for the approval of Marrickville Council prior to issue of a Construction Certificate for the first stage of the development.</p>

6. RECOMMENDATION

The department has assessed the merits of the proposal taking into consideration the issues raised in public submissions and is satisfied that the impacts have been addressed in the PPR, the revised Statement of Commitments and recommended conditions. The department is satisfied that the site is suitable for the proposed development and that the project will provide environmental, social, economic and public benefits to the region.

The documentation provided with the application is comprehensive and well resolved, such that it is considered appropriate for the Planning Assessment Commission, as delegate of the Minister, to use the discretion available under Section 75P(1)(c) of the EP&A Act to approve all aspects of the project without any further environmental assessment. It is considered that the impacts can be suitably mitigated and/or managed to ensure a satisfactory level of environmental performance, pursuant to Section 75J of the EP&A Act.

The key issues considered during the assessment of the proposal relate to economic impacts, traffic and parking, height and built form, residential amenity and landscaping. The department commissioned independent reports to inform its assessment of the economic impacts of the proposed expansion on local shopping strips and the impacts of additional traffic generation on the performance of the local road network. The department is satisfied that the impacts of the proposal on local shopping strips are acceptable and that the proposal will provide improved retail facilities without undermining the viability of local shopping strips which provide a different offering to the proposal. The department is also satisfied that the proposed improvements to local intersections will allow for the additional traffic generated by the proposal to be accommodated within the road network.

The proposal is considered to be in the public interest as it will provide:

- 625 additional full-time operational jobs;
- additional retail floor space, including a discount department store, full-line supermarket, mini major and specialty shops to meet the shopping needs of the local community and keep more expenditure within the local area;
- an upgrade and expansion of the existing retail centre including significant improvements to the external facades and connection with the public domain with associated improvements to accessibility and activation of streetscapes;
- improved public domain and landscaping works, particularly in Smidmore Street and Victoria Street adjacent to the Mill House; and
- improved public transport, pedestrian and bicycle access and upgraded road intersections to maintain and improve traffic conditions in the surrounding locality.

The department recommends that the Concept Plan be approved, without the need for any further environmental assessment, subject to the conditions set out in the attached instrument.



**Acting Director
Metropolitan & Regional Projects South**



**Deputy Director-General
Development Assessment & Systems Performance**

15/12/11

APPENDIX A CONSIDERATION OF STATUTORY REQUIREMENTS

Ecologically Sustainable Development

The EP&A Act adopts the definition of Ecologically Sustainable Development (ESD) found in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD requires the effective integration of economic and environmental considerations in decision-making processes and that ESD can be achieved through the implementation of:

- (a) *the precautionary principle,*
- (b) *inter-generational equity,*
- (c) *conservation of biological diversity and ecological integrity,*
- (d) *improved valuation, pricing and incentive mechanisms.*

The department has considered the proposed development in relation to the ESD principles and has made the following conclusions:

- **Precautionary Principle** – The application is supported by technical and environmental reports which conclude that the proposal's impacts can be successfully mitigated. No irreversible or serious environmental impacts have been identified. The site has a low level of environmental sensitivity and does not contain any threatened or vulnerable species, populations, communities or significant habitats. No significant climate change risks are identified as a result of this proposal.
- **Inter-Generational Principle** – The expansion of the existing retail centre, incorporating ecologically sustainable design principles, improvements to public transport and pedestrian access, and implementation of environmental management practices to be employed during construction, will ensure that the environment is protected for future generations.
- **Biodiversity Principle** – There is no threat of serious or irreversible environmental damage as a result of the proposal. The site has a low level of environmental sensitivity and does not contain any threatened or vulnerable species, populations, communities or significant habitats. The proposal is confined to the redevelopment of a site already completely occupied by retail and industrial buildings and, as such, will not impact upon biological diversity or ecological integrity.
- **Valuation Principle** – The valuation principle is more appropriately applied to strategic planning decisions and not at the scale of an application for expansion of a sub-regional shopping centre. The principle is not considered to be relevant to this particular Concept Plan application.

The Proponent is committed to ESD principles and has reinforced this through the Statement of Commitments, the Environmental Assessment and PPR which explore key ESD opportunities, including but not limited to the installation of water reduction features, use of high quality building fabric including insulation and light coloured roofing materials, energy demand metering and use of gas fired generators. As per the ESD report prepared by Bovis Lend Lease for the proposal, the existing centre will improve its current 2 Star NABERS Retail Energy & Water rating to a 4 Star rating. Consequently, the department is satisfied that the proposal is consistent with the principles of ESD.

Section 75I(2) of the Act / Clause 8B of Regulations

Section 75I(2) of the Environmental Planning and Assessment Act 1979 and clause 8B of the Environmental Planning and Assessment Regulation 2000 provides that the Director General's Report is to address a number of requirements. These matters and the department's response are set out below:

Section 75I(2) criteria	Response
Copy of the proponent's environmental assessment and any preferred project report	The Proponent's EA and PPR are located at Appendices B and C to this report respectively.
Any advice provided by public authorities on the project	All advice provided by public authorities on the project for the Minister's consideration is set out in Section 4 of this report.
Copy of any report of a panel constituted under Section 75G in respect of the project;	No statutory panel was required or convened in respect of this project.
Copy of or reference to the provisions of any State Environmental Planning Policy that substantially governs the carrying out of the project;	Each relevant SEPP that substantially governs the carrying out of the project is identified below, including an assessment of proposal against the relevant provisions of the SEPP.
Except in the case of a critical infrastructure project – a copy of or reference to the provisions of any environmental planning instrument that would (but for this Part) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project under this Division	An assessment of the development against relevant Environmental Planning Instruments is provided below.
Any environmental assessment undertaken by the Director General or other matter the Director General considers appropriate	The environmental assessment of the project application is this report in its entirety.
A statement of compliance with the environmental assessment requirements under this Division with respect to the project.	In accordance with section 75I of the EP&A Act, the department is satisfied that the Director-General's environmental assessment requirements have been complied with.
Clause 8B criteria	Response
An assessment of the environmental impact of the project	An assessment of the environmental impact of the proposal is discussed in Section 5 of this report.
Any aspect of the public interest that the Director-General considers relevant to the project	The public interest is discussed in Section 5 of this report.
The suitability of the site for the project	The site contains an existing retail centre and an industrial building that is well located to support an expansion of the retail centre. The site is well served by public transport. Overall the proposal is considered to be well suited to the proposed expansion.
Copies of submissions received by the Director-General in connection with public consultation under section 75H or a summary of the issues raised in those submissions.	A summary of the issues raised in the submissions is provided in Section 4 of this report. The Proponent's response to the submissions to the EA and PPR appear at Appendices C and D respectively. A copy of the submissions are provided at Appendix E .

State Environmental Planning Policy (Major Development) 2005

The Project remains a Part 3A project under the former provisions of Schedule 1, Clause 13, Group 5 of the Major Development SEPP, "*residential, commercial or retail projects*" as DGRs were issued prior to 8 April 2011. The project has a capital investment value (CIV) of more than \$100 million and has been determined as an important project in achieving State and regional planning objectives.

State Environmental Planning Policy 55 – Remediation of Land

A Stage 1 and Stage 2 Contamination Assessment has been undertaken by Douglas Partners in respect of the proposed development. The Stage 1 report identified the potential for contamination from former and current uses on the site, including a dry cleaner, tyre/ auto repair shop and disused underground fuel storage tank. A preliminary Stage 2 assessment was therefore undertaken including some soil and ground water testing. Extensive sampling was unable to be undertaken due to constrained access (ie. existing buildings and structures). While no widespread soil or groundwater contamination was encountered, future detailed assessment will be required prior to the issue of a Construction Certificate. The contamination consultant considers that the overall site can be made suitable for the proposed retail use subject to further assessment, testing and remediation as necessary. Appropriate conditions of approval have been recommended to ensure that the land is rendered suitable for the development to ensure no harm to the environment or humans.

State Environmental Planning Policy (Infrastructure)

The proposal involves 21,780m² of additional retail GFA and 528 additional car parking spaces. The proposal therefore exceeds both the retail floor space and car parking thresholds referred to in Clause 104 and Schedule 3 of the Infrastructure SEPP. Accordingly, the proposal was referred to the RTA as a 'Traffic Generating Development'. The RTA, in response to the PPR, have raised no objections to the proposal on traffic grounds and have given 'in principle' support of the proposed modifications to intersections to improve traffic conditions surrounding the site.

Marrickville Local Environmental Plan (LEP) 2001

The provisions of Marrickville LEP 2001 (LEP 2001) applied to the site at the time of lodgement and exhibition, until its repeal on 12 December 2011. The proposed development of the Victoria Road site is permissible within the 'General Business 3(A) zone'. However, the redevelopment of the Edinburgh Road site for business/commercial use is prohibited.

The only numerical control within the LEP applicable to the development relates to FSR. Under clause 45 and schedule 2 of the LEP, the maximum FSR for the Victoria Road site is 0.8:1 and the maximum FSR for the Edinburgh Road site is 1:1. Applicable non-numerical controls within the LEP also relate to heritage conservation, environmental management and social planning. The tables below contain a summary of the numerical compliance of the development against the LEP2001 controls.

Marrickville LEP 2001			
Victoria Road site			
	<i>Permitted</i>	<i>Proposed</i>	<i>Compliance</i>
Site Area: 3.56 ha			
Permissibility Zoning: "General Business 3(A)"	Business/ Commercial	Business/ Commercial	Yes
FSR Refer Clause 45 / Schedule 2 of LEP 2001	Max 0.8:1 (Site specific control for Marrickville Metro)** (0.81: existing)	1.06:1	No
GFA*	28,480 m ² (28,925 m ² existing)	37,771 m ²	No

Edinburgh Road site			
	Permitted	Proposed	Compliance
Site Area: 8,800 m ²			
Permissibility Zoning: "General Industrial 4(A)"	Industrial	Business/ Commercial	No
FSR	Max 1:1	1.47:1	No
GFA *	8,800 m ²	12,934 m ²	No

* Note: GFA is not an LEP control. It is included in the table to allow a comparison between the GFA permitted by the FSR control and the GFA proposed.

FSR: The proposed development of the Victoria Road site would exceed the FSR by 0.26:1 at 1.06:1. The development of the Edinburgh Street site would breach the FSR control by 0.47:1 at 1.47:1. The issues associated with the non-compliant FSR are addressed in the consideration of the overall bulk and scale of the proposal and the appropriateness of the development within the context of the surrounding area are discussed in **Section 5.3** of this report.

Heritage conservation: A revised Heritage Impact Assessment was submitted as part of the PPR. Notably, the proposal involves no physical changes to the exterior of 'Mill House'. Overall, the department considers that the revised proposal responds sympathetically to the setting of 'Mill House' and is acceptable in this regard. Further, the proposed works will not affect the heritage listed paving in Victoria Road or the heritage significance of the Draft Llewellyn Estate Heritage Conservation Area. The proposal therefore satisfies the relevant heritage provisions of LEP 2001.

Environmental Management: As per the arborists report and landscape plan submitted by the Proponent, approximately 72 trees are to be retained in and around the site together with the planting of new street trees (subject to the agreement of Council). The Proponent has also committed to a suitable range of ESD initiatives and an appropriate waste management strategy.

Social Planning: A Social Impact Assessment and a Crime Prevention Through Environmental Design (CPTED) Assessment were submitted with the EA. Overall the proposal is considered to satisfy the LEP's social planning requirements through the provision of active street frontages on Smidmore Street and improved pedestrian access throughout the site that will meet the accessibility provisions of AS1428 and the Disability Discrimination Act (DDA). The proposal involves no loss of low-cost rental accommodation.

Marrickville Local Environmental Plan (LEP) 2011

The Marrickville LEP 2011 was published on 12 December 2011.

The LEP provides a "B2 Local Centre" zone for the Victoria Road site. The proposed land uses on this site are permissible with consent. The Edinburgh Road site is zoned "IN1 General Industrial". The proposal is prohibited in this zone.

The LEP reduces the maximum FSR for the Victoria Road site from 0.8: to 0.75:1. The maximum FSR for the Edinburgh Road site is reduced from 1:1 to 0.95:1. In addition to FSR controls, the LEP introduces a 14m maximum height control for the Victoria Road site

The tables below contain a summary of the numerical compliance of the development against the LEP controls.

Marrickville LEP 2011			
Victoria Road site			
	<i>Permitted</i>	<i>Proposed</i>	<i>Compliance</i>
Site Area: 3.56 ha			
Permissibility Zoning: “B2 Local Centre”	Retail Premises	Retail Premises	Yes
FSR	Max 0.75:1	1.06:1	No
GFA *	26,700 m ²	37,771 m ²	--
Height	Max 14m	Approx 19.8 metres	No
Edinburgh Road site			
	<i>Permitted</i>	<i>Proposed</i>	<i>Compliance</i>
Site Area: 8,800 m²			
Permissibility Zoning: “IN1 General Industrial”	Industrial	Retail Premises	No
FSR	Max 0.95:1	1.47:1	No
GFA*	8,360 m ²	12,934 m ²	--
Height	N/A	Approx 20.2 metres	Yes

** Note: GFA is not an LEP control. It is included in the table to allow a comparison between the GFA permitted by the FSR control and the GFA proposed.*

The issues of FSR and height are addressed in the consideration of the overall bulk and scale of the proposal and the appropriateness of the development within the context of the surrounding area is discussed in **Section 5.3** of this report.

Applicable non-numerical provisions, such as heritage, energy efficiency, accessibility and social impacts, are similar to those contained in LEP 2001 and have been suitably addressed by the Proponent in the EA and PPR.

Clause 6.3 and associated Flood Planning Map of the LEP identifies the southern portion of the Victoria Road site and the entire Edinburgh Road site as Flood Prone Land. The control requires development of flood prone land to maintain the existing flood regime and minimise risk to human life, damage to property and impacts on the environment and waterways.

An Infrastructure & Hydrology Report was submitted with the EA and concludes that there will be no change to the existing flood hazard as a result of the development. The recommendations of which are incorporated into the proposal. In response to submissions and discussions with Council and Sydney Water, the proposed design and commitments have been further suitably modified as part of the PPR, including the provision of on-site detention measures.

Marrickville Development Control Plans

There are a number of Marrickville Development Control Plans (DCPs) that are relevant to the proposal. These are addressed below:

Parking Strategy DCP No.19: The DCP does not specify a parking rate for shopping centres. It does however specify a parking rate for ‘shops’ of 30 spaces per 1000m² of GFA plus 1 space per 20m² of GFA over 1000m². On this basis, the required parking rate for the PPR of 50,705m² GFA would be 2,515 spaces. 1,628 spaces are proposed representing a shortfall of 887 spaces.

However, the proposed 1,628 parking spaces does satisfy the RTA’s parking rate for shopping centres of 4.1 spaces per 100m² of GLFA for centres with more than 30,000m². The proposed centre would have a GLFA of 39,700m² (equalling 1,628 spaces).

It is considered the RTA rate should be applied given that:

- the RTA rate is based on GLFA rather than GFA, providing a more appropriate measure of demand;
- the DCP parking rate does not take into account the aggregation effect of large shopping centres on parking demand;
- the proposal seeks to encourage less private car use through improved public transport, pedestrian and cycling facilities; and
- Council has raised no objection to the non-compliance with the DCP parking control.

Waste Management DCP No.27: A suitable Waste Management Plan that addresses the construction and operational phases of the development has been submitted, are included in the DSoC and will be finalised prior to issue of a Construction Certificate for Stage 1 works.

Business Centres DCP No.28: Part 6 of the DCP contains Desired Future Character Guidelines for the Marrickville Metro Shopping Centre. The guidelines include preserving the character of the Marrickville Metro Shopping Centre as a stand alone motor car orientated shopping centre, specifying a maximum FSR of 0.8:1, retaining heritage items and ensuring new development is sensitive to the heritage context and scale, and discourages insensitive alterations and additions and the removal of existing fig trees and landscaping.

The proposal, as modified by the PPR, is considered to satisfy the objectives provided in Part 6 and other generic business centre provisions contained in the DCP. The issue of the non-compliant FSR is discussed in **Section 5.3** of this report.

Contaminated Land Policy DCP No.29: Stage 1 and 2 contamination assessments have been submitted. The proposal satisfies the requirements of SEPP 55.

Access & Mobility: Equity of Access and Mobility DCP No.31: The development will comply with all relevant DCP provisions, the BCA and DDA legislation.

Energy Smart Water Wise DCP No.32: Appropriate ESD measures are to be incorporated into the development and are included in the Proponent's Statement of Commitments.

Community Safety DCP No.38: A CPTED assessment of the proposal has been submitted with the EA as required by the DCP. Based on this assessment, an Operational Safety Management Plan has also been prepared and is included in the Proponent's Statement of Commitments.

Other Relevant Documents

The following Marrickville Council documents are relevant to the proposal and have been reviewed in the assessment of the Concept Plan:

Marrickville Urban Strategy (2007): The Urban Strategy provides the planning context for future development across the Marrickville LGA. It establishes a vision and co-ordinated directions addressing a range of planning, community, and environmental issues, to guide short, medium and long term strategic planning policies. The Strategy identifies the Metro as a 'stand alone shopping centre' providing a mix of supermarkets, discount department stores and speciality food and clothing.

The Strategy contains the following 8 urban strategy directions:

1. *Continue to support Marrickville's diverse community;*
2. *Focus new residential development in existing centres with good public transport and services to improve housing choice;*
3. *Strengthen and renew the Marrickville/Sydenham strategic employment lands;*
4. *Enhance the distinctive character of local centres;*
5. *Improve local public transport, walking and cycling connections to centres;*
6. *Continue to improve local parks and public domain in centres;*
7. *Investigate opportunities to increase community facilities; and*
8. *Continue to improve the environment with a focus on the Cooks River and creating new "green corridors" linking the River to the Hawthorne Canal and Sydney Park.*

The proposal is considered consistent with the above directions, particularly in relation to the proposed measures to improve local public transport, walking and cycling connections to centres and enhance the distinctive character of the centre. Although the proposal involves changing the use of the Edinburgh Road site from industrial to retail, the site represents less than 1% of the Marrickville/Sydenham strategic employment lands and given its juxtaposition with the Metro, the utilisation of this site for retail use is considered to result in numerous benefits (i.e. employment and investment in the area) that outweigh the loss of this small portion of employment land. Overall, it is considered that the proposal will not undermine the strength or importance of the Marrickville/Sydenham strategic employment lands.

The Strategy also lists the following opportunities for the Marrickville Metro Shopping Centre:

- *Improve public transport, walking and cycling access to Marrickville Metro to integrate with surrounding community.*
- *High amenity in Enmore Park.*
- *Improve connections to Newtown, Enmore, St Peters and Sydenham.*
- *Opportunities for improved community facilities and retail.*

The proposal is considered consistent with the opportunities identified for the centre.

Marrickville Employment Lands Study (2008) (MELS): The MELS was prepared to provide strategic planning advice on industrial zoned land in the Marrickville LGA. The Study did not include business zoned land such as the Victoria Road site.

The MELS identifies that large run-down areas of industrial zoned land currently exist within the LGA with approximately 170,000m² vacant and poor public domain. The Study states that,

'In the context of declining demand for land to support traditional industries, appropriately located employment land in Marrickville should be considered for alternative employment uses. Being located in Sydney's inner west with relatively high population densities in the immediate and adjacent suburbs, it is inevitable that Marrickville's economy would develop a great share of service industries to cater for the business and lifestyle needs of inner city residents.

Opportunities therefore exist to encourage new economic activity in growing economic sectors like cultural industries, business services, health and lifestyle and bulky retail, through the rezoning of appropriately located employment land, to permit more intense employment activities.'

The Study further states that locations best suited to higher employee densities are those located:

- *on or near existing public transport routes;*

- *in or near existing centres; and*
- *in close proximity to public open space and private recreation facilities.*

The Edinburgh Road site is located adjacent to the existing Marrickville Metro Shopping Centre site which is identified as a 'Village' in the draft South Subregional Strategy and as a 'Stand Alone Shopping Centre' in the Marrickville Urban Strategy. It is located on existing bus routes and within 1km of St Peters railway station, and it is located approximately 255m from Enmore Park (315m by road).

Given the MELS states that, '*employment lands that satisfy all of the above criteria are ideally suited to intensification and diversification of permissible employment uses*', there would appear to be sufficient justification under the MELS for the Edinburgh Road site to be considered appropriate for retail use through an expanded shopping centre.

It is further relevant that the MELS ' ' identifies the area south of the Marrickville Metro Shopping Centre and in the general vicinity of the railway line as having potential for conversion to a high density residential precinct, provided adequate public transport access can be provided. To achieve improved public transport provision, the Study suggests that a new or relocated rail station closer to the Bedwin Road bridge be investigated and that additional retail and commercial development would be desirable between the new station and the existing Marrickville Metro Shopping Centre.

The department considers that the proposed redevelopment and expansion of the shopping centre would not prejudice such change and would potentially act as a catalyst for it.

APPENDIX B ENVIRONMENTAL ASSESSMENT

See the department's website at

[http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=3734\](http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=3734)

APPENDIX C PREFERRED PROJECT REPORT AND RESPONSE TO SUBMISSIONS (EA)

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=3734

APPENDIX D PROPONENT'S RESPONSE TO SUBMISSIONS (PPR)

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=3734

APPENDIX E SUBMISSIONS

See the department's website at

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=3734

APPENDIX F INDEPENDENT ECONOMIC ASSESSMENT

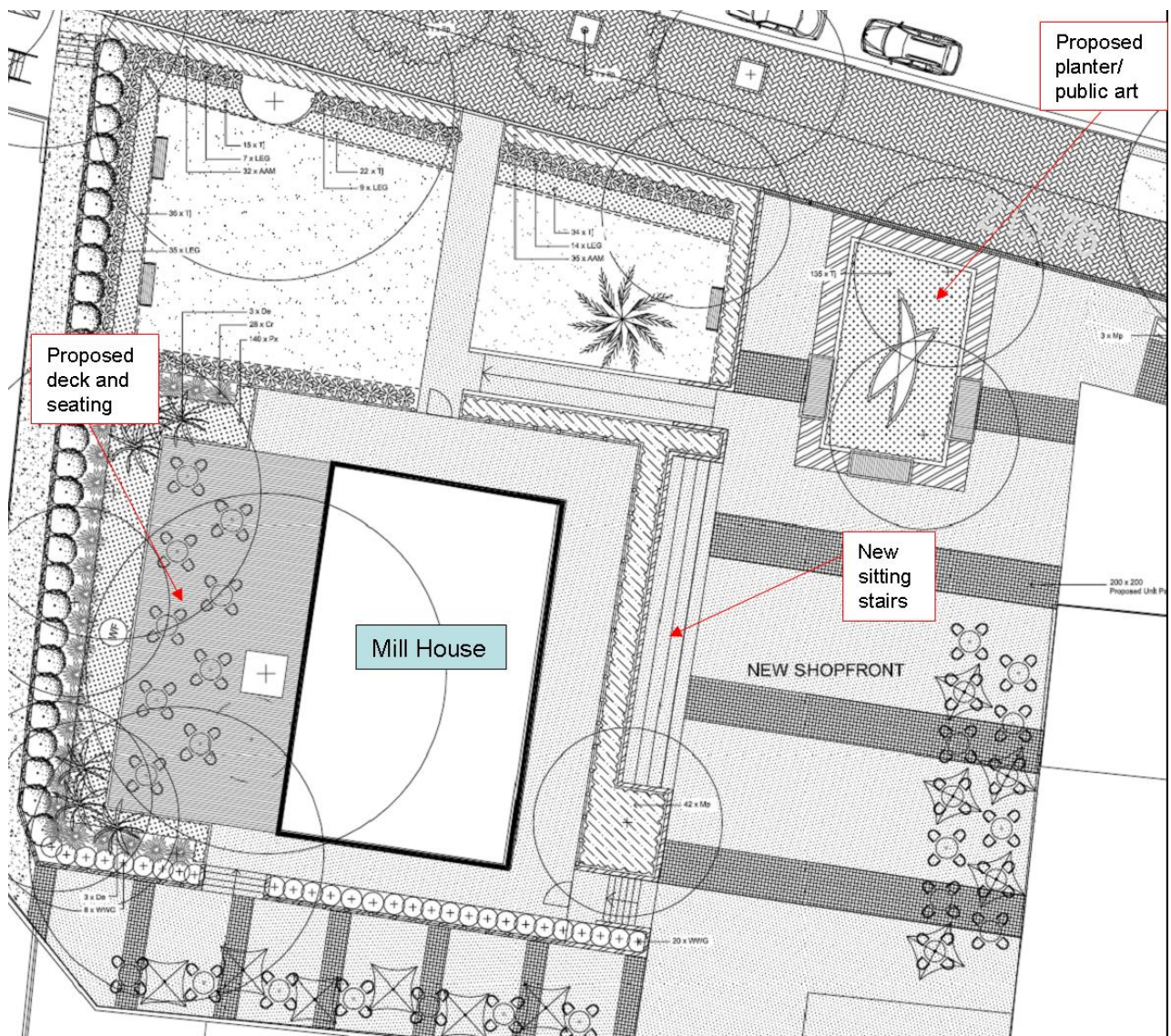
APPENDIX G INDEPENDENT TRAFFIC ASSESSMENT

APPENDIX H PROPOSED CIVIC PLACE, VICTORIA ROAD

Artist's impression of the proposed public domain upgrade to create a civic place around the Mill House on Victoria Road (Source: Proponent's PPR)



Proposed landscaping and public domain plan for the civic place
(Source: Proponent's PPR)



APPENDIX I RECOMMENDED CONDITIONS OF APPROVAL
