

Net Community Benefit Assessment

Net Community Benefit Test

Cronulla Sharks Redevelopment

Prepared on Behalf of Bluestone Capital Ventures No. 1

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The Draft Centres Policy released by the (then) NSW Department of Planning for public comment in April 2009 established that a Net Community Benefit Test should be used to assess the merits of rezoning in the following circumstances:

- proposals to develop within an existing centre where the current zoning does not permit the use;
- proposals to develop outside an existing centre where the current zoning does not permit the use; and
- proposals to create a new centre.

This proposal seeks to create a town new centre for retail and residential, and whilst the proposal does not involve a rezoning in itself, approval is sought for a land use that (but for the provisions of Part 3A) would not be otherwise permissible on the land under the current terms of Sutherland LEP 2006. Accordingly, the questions identified in the Net Community Benefit Test in the Draft Centres Policy have been identified and answered below in the context of the proposed new town centre:

Will the LEP be compatible with agreed State and regional strategic direction for development in the area (e.g. land release, strategic corridors, development within 800 metres of a transit node)?

It is anticipated that the proposed development shall act as a catalyst to provide additional public transport services within the locality by providing a new destination on a regional road with capacity to support additional bus services. In light of the strong road connection to Kurnell in particular, and with new residential development already occurring within the primary trade area, it is considered likely that there will be substantial scope to provide a viable and regular bus service which benefits not only the new centre but also surrounding residential areas.

Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/subregional strategy?

The Draft South Subregional Strategy identifies major centres within the regional context of the site including Miranda, Caringbah, and Cronulla as 'Town Centres', with the former two identified as a future potential Major Centre, whilst Sutherland is classified as a 'Town Centre' and also identified as a 'potential Major Centre' under the Sydney Metropolitan Plan 2036. Under the strategy, a town centre is defined as having "one or two supermarkets, community facilities, medical centres, schools". The Pitney Bowes report identifies a clear demand for additional retail development and in particular supermarket floorspace in to remedy a critical undersupply within the locality and Sutherland Shire due. Existing town centres within Sutherland do not adequately service residents located within the main trade area of the site due to the physical distances between these centres and capacity constraints which prevent further supermarket retail growth within these centres, and as such it is desirable to provide new supermarket and retail facilities outside of the established centres. The nearest Town Centre to the development is Cronulla. The Pitney Bowes report finds that other retail at Cronulla is generally characterised by surf shops, boutiques, food catering stores, bars and some every day shopping needs which cater to visitors to Cronulla

Beach, and are not expected to compete with the proposed supermarket-anchored centre.

The proposed retail and residential development shall be generally consistent with the Draft Centres Design Guidelines

Is the LEP likely to create a precedent or create or change the expectations of the landowner or other landholders?

The proposed centre is defined by strong boundaries on all sides of the subject site, including open space and Woollooware Bay, and there is no anticipated provision for further expansion of the centre to other sites. As such, it is not considered that the Concept Plan scheme will create a precedent or change expectations of surrounding landholders.

The Cronulla Sharks land is unique in that it represents one of the last privately-held sites within the South Subregion that is consolidated, sufficiently sized (10 hectares) and able to be connected to the existing urban framework and serviced by public transport, roads, utilities and open space. As a result of these characteristics, the subject site represents an opportunity to establish a functional and sustainable new centre to accommodate regional growth, rather than a smaller, out-of-centre retail facility to only partially service the needs of existing residents or a dormitory residential development.

Have the cumulative effects of other spot rezoning proposals in the locality been considered? What was the outcome of these considerations?

In August 2010 the NSW Minister for Planning rezoned 124ha of land on the Kurnell Peninsula for residential development and open space by way of an amendment to State Environmental Planning Policy (Kurnell Peninsula) 1989. This rezoning provides for approximately 450 new dwellings on land within the primary retail catchment of the proposed development. An initial Development Application for subdivision of 165 residential lots within this development area was approved by the Sydney East Joint Regional Planning Panel in April 2011. This residential development shall result in a substantial increase in the population living within the primary trade area of the proposed Cronulla Sutherland Leagues Club retail centre, and will create additional demand for new retail facilities. In addition, additional demand for public transport connections to support this residential rezoning will create potential for new public transport connections along Captain Cook Drive, via the proposed new town centre at the Cronulla Sutherland Leagues Club.

Will the LEP facilitate a permanent employment generating activity or result in a loss of employment lands?

The proposal will provide for an estimated 491 full time equivalent (FTE) retail jobs on site, creating new employment opportunities on a site which is currently under-utilised. Based on the projected impact on trading at other centres as a result of the proposed development, it is expected that approximately 25 jobs may be lost at other centres within the region. The Pitney Bowes report finds that the creation of new permanent employment on the subject site will result in flow-on effects on local employment to the effect of an additional 442 FTE jobs being created within the broader community. This equates to over 900 new, permanent FTE jobs being created as a direct result of the proposed retail/club precinct, which would account for 11.25% of employment capacity target for Sutherland Shire to 2031 under the Draft South Subregional Strategy and 1.7% of the overall employment target for the South Subregion for 2036 under the Sydney Metropolitan Plan.

In addition to employment generated by the new retail development, increased activity within the precinct will further enhance the viability of the Cronulla Sutherland Leagues Club and serve to promote additional employment opportunities within the refurbished leagues club.

In addition to the increase in permanent employment, the development of the retail component only (i.e. excluding additional jobs created during construction of the residential component) will directly create 235 FTE construction jobs and further 376 FTE jobs created within the broader community indirectly.

Will the LEP impact upon the supply of residential land and therefore housing supply and affordability?

In addition to the retail/club precinct, this Concept Plan seeks approval for a quantum of residential development incorporating up to 593 dwellings immediately to the west of Toyota Stadium. This housing shall significantly contribute to the diversity of dwelling types within Sutherland Shire and Wollongore and will hence promote greater housing affordability. The co-location of new residential dwellings adjacent to the new retail centre shall enable reduced car-dependency, which is a significant component of cost of living expenses.

Is the existing public infrastructure (roads, rail, utilities) capable of servicing the proposed site?

The Traffic Management and Accessibility Plan provided at **Attachment C** and discussed at **Section 3.8** and **5.3** of the **PPR** demonstrates that the proposed development can be serviced by existing road infrastructure subject to the upgrading of the intersection of Wollongore Road and Captain Cook Drive (to be funded by the proponent). The proposal will be sufficiently sized to support a viable and regular new public transport service, with the proponent committing to fund an interim shuttle service to ensure there is no service gap between the demand for and provision of public transport to the site.

As outlined in the Stormwater and Servicing Strategy provided at **Attachment G of the Preferred Project Report (PPR)**, the proposed development is capable of being adequately serviced by existing site services and utilities subject to the necessary upgrades (to be funded by the proponent as appropriate).

Is there good pedestrian and cycling access?

The proposed development shall make significant contributions to the strengthening of local pedestrian and cycling facilities, and in particular shall extend the Wollongore cycleway along the Wollongore Bay foreshore within the site, providing access for cyclists from the site to Sutherland via cycling routes established by Sutherland Shire Council. Subsequent detailed Project Applications and Development Applications for the site shall make suitable provision for on-site cyclist facilities such as bike parking for residents, retail customers and staff.

Is public transport currently available or is there infrastructure capacity to support future public transport?

It is expected that the Cronulla Sutherland Leagues town centre will act as a catalyst to bring forward the initiation of new local bus routes servicing the site and the broader community by providing a new destination for public transport. Substantial improvements to existing bus stops are proposed as part of this

Concept Plan scheme which will facilitate the creation of a new frequent and reliable public bus service.

In addition, Woollooware Station is located approximately 15 minutes walking distance to the south via Woollooware Road and Denman Avenue, both of which have good existing pedestrian facilities. Train services via the Eastern Suburbs and Illawarra Line provide a direct connection to the city and other local centres with trains departing approximately every 15 minutes throughout the day.

Will the proposal result in changes to the car distances travelled by customers, employees and suppliers? If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?

The proposal will significantly reduce car distances travelled by customers within the main trade area who currently drive to centres such as Miranda or Caringbah, especially for trips primarily associated with grocery shopping, and it is expected that this will result in a corresponding reduction in vehicle-emitted greenhouse gases. The convenient location of the site on a significant commuter road will be able to capture existing vehicle trips and hence reduce the need for additional dedicated shopping trips. The location of the site on Captain Cook Drive provides superior access to regional roads suitable for supply vehicles, reducing the congestion and safety impacts of operating such vehicles on local roads within existing centres.

Signalisation of the intersection of Woollooware Road and Captain Cook Drive as part of the Concept Plan proposal represents a significant safety improvement and will significantly improve the safety of pedestrians and cyclists travelling to the centre or nearby properties such as Woollooware High School.

Are there significant Government investments in infrastructure or services in the area whose patronage will be affected by the proposal? If so, what is the expected impact?

Government infrastructure investments in the locality include the upgrade of Captain Cook Drive (between Woollooware Rd and Elouera Rd) which has been considered in the traffic assessment, the Desalination Plant and Cronulla Sewage Treatment Plant upgrades. The proposed development will not adversely impact on these items of infrastructure or affect their patronage.

Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts? Is the land constrained by environmental factors such as flooding?

As demonstrated in the Flora and Fauna Report provided at **Appendix F of the Environmental Assessment Report (EAR)** and discussed in further detail at **Section 7.16 of that report**, the proposed development will not result in any significant adverse impacts upon local ecosystems, species or habitats. The Concept Plan proposal for residential and retail development shall protect the established buffer to the Woollooware Bay foreshore, and future detailed planning applications shall incorporate suitable stormwater treatment and environmental protection measures. Flooding, stormwater and sea level rise are addressed at **Section 7.13 of the Environmental Assessment Report** and **Attachment G of the PPR** and any environmental impacts are able to be appropriately managed and mitigated through detailed design. The proposed development was not considered a “Controlled Action” by the Commonwealth Government and was not likely to significantly impact on the Ramsar Wetlands at Towra Nature Reserve.

Will the LEP be compatible/ complementary with surrounding land uses? What is the impact on amenity in the location and wider community?

The proposed Concept Plan scheme will not result in any significant adverse environmental impacts on surrounding land uses as outlined in the **Section 5.0** of the **PPR**. The proposed new centre will greatly improve the amenity of the wider community by addressing a significant shortage of supermarket retail floorspace within the locality and Sutherland Shire more generally, increasing the diversity of residential dwelling stock within the region and providing for improvements in public transport services within the region.

Will the public domain improve?

As detailed at **Section 3.8** of the **EAR** and **Section 3.4** of the **PPR**, the proposal involves significant public domain improvements along the site frontages to Captain Cook Drive and Woollooware Bay, including new pedestrian and cyclist facilities, recreation facilities and landscaped areas including a large inclusive children's playground.

Will the proposal increase choice and competition by increasing the number of retail and commercial premises operating in the area?

The proposal will increase choice and competition in the area by increasing the number of retail premises in a region which suffers from a significant under-supply of retail floorspace.

If a stand-alone proposal and not a centre, does the proposal have the potential to develop into a centre in the future?

The proposal is not a "stand alone" proposal. This proposal shall establish a new, integrated town centre which provides for residential dwellings, entertainment, recreation and leisure experiences and retail with good access to open space, community services and transport.

What are the public interest reasons for preparing the draft plan? What are the implications of not proceeding at that time?

The public interest will be served by allowing for the establishment of a new centre, providing increased competition and choice for the public who are currently extremely limited in access to retail floorspace, with a particular shortage of supermarket floorspace within the region. The inclusion of new residential development on the site provides an opportunity to deliver a dwelling type which is in limited supply within Sutherland Shire unconstrained by the environmental impacts normally associated with providing infill residential in established low density areas. The redevelopment of the Cronulla Sharks Leagues Club site for residential and retail development, whilst preserving the existing entertainment facility, will create an integrated and easily identifiable new centre which supports employment and dwelling targets for the region.

As demonstrated in **Section 5.0** of the **PPR**, the proposed development can be progressed without any significant adverse environmental impacts, and will provide clear benefits to the public in terms of increased housing supply, employment opportunities, economic competition, consumer choice and convenience, and provision of community services.

The implications of not proceeding with the proposal are the likely financial collapse of the Cronulla Sutherland Leagues Club and the community services which it provides, and the loss of this opportunity to provide much needed retail and residential development within Sutherland Shire. In particular, protecting the status quo within the regional retail market will further entrench a severe shortage of local supermarket and retail floorspace, a situation which is not conducive to economic competition or consumer choice.

Conclusion

Having regard to the above Net Community Benefit test, it is considered that the sum of the benefits of approving the proposed Cronulla Sutherland Leagues Club redevelopment clearly outweigh the negatives of doing so.