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Ordinary Meeting 19 April 2016 - Item 38



## Monthly Report

# Shoalhaven City Council

March 2016





### Market

We refer to our more detailed *Economic Commentary* for the month.

#### International Markets

Data was more positive in March. Central banks guided even easier policy to boost sentiment. Commodities led a sharp recovery.

The US S&P 500 and Dow Jones gained 6.78% and 7.22% respectively. The NASDAQ surged 6.94%.

The MSCI World ex-AUS returned 5.28% while the MSCI Emerging Markets Index finished up 8.33% (both in local currency).

The US economy added a stronger 242,000 jobs after some late 2015 weakness, although higher participation took the unemployment rate back up to 5%. The final GDP reading for Q4 was revised up to +1.4%, and business confidence turned above 50 again. Inflation remained within target. This spooked bonds early in the month, with US 10-year bonds almost hitting 2% before recovering to close at 1.78%. With core CPI rising from 1.3% to 1.7% in 6 months – a breach of 2% is no longer unthinkable.

With Japan's economy shrinking in Q4, manufacturing sentiment fell to a 3-year low. Negative rates are also thought to hurt bank margins.

China's foreign exchange reserves shrank another \$US28.57bn in February, with smaller intervention to defend the RMB.

#### Domestic

The RBA kept the cash rate unchanged at a record low 2% in March. The board commented on a sustained low inflation outlook. Citing an improving non-mining economy suggests the RBA is on hold but with scope to react to future weakness.

The current account deficit worsened from \$18.8bn in Q3 to \$21.1bn in Q4, seasonally adjusted, with a January trade deficit of -\$3.364bn setting a new cyclical low in trend terms.

Manufacturing achieved its strongest growth in 6 years, aided by lower commodity input costs and a low \$A.

The May budget was moved forward by a week, to allow for a potential election trigger bill to be debated. If the legislation for a building industry regulator is rejected, an early double dissolution election will occur on July 2nd.

Australian 10-year bond yields closed higher at 2.49%, up +9bp for the month, following global yields.

#### **Other Markets**

The \$A closed higher at US76.57 cents, surging from US71.40 cents.

WTI Crude Oil closed higher at \$38.19/bbl (+13.16%) after setting new cyclical lows earlier this year. Reports of record US stockpiles were offset by reports of Iran strategising with OPEC.

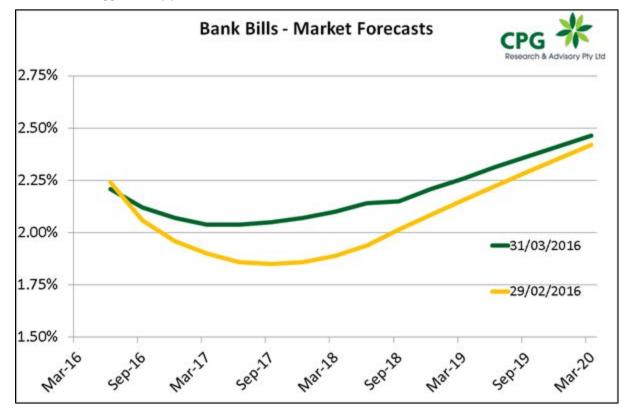
Gold closed the month relatively flat at around US\$1,230, up over 17% since its cyclical low in late November.

Iron Ore closed at \$52.00 (up +6.45%) with producers like Fortescue trading at double recent lows.





The rate cuts aggressively priced into last month's forward curve is still there:



#### Credit Market

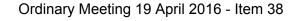
Investment grade credit indices staged a dramatic comeback in March.

The offshore indices tightened over 25bp during the month. While the iTraxx Australia lagged, it was still 20bp lower as the panic of early February continued to ease.

Credit Indices	31 Mar 16	29 Feb 16	31 Mar 15
iTraxx Australia 5 Yr CDS	137bp	157bp	91bp
iTraxx European 5 Yr CDS	73bp	99bp	56bp
CDX North American 5 Yr CDS	79bp	108bp	64bp

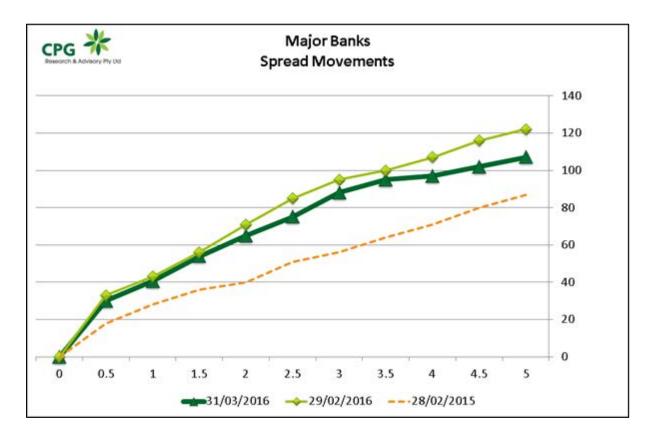
Source: MarkIt

This was generally matched in the physical market. AA bank senior FRNs tightened although there was limited movement in the single-A space.









### Council's Portfolio

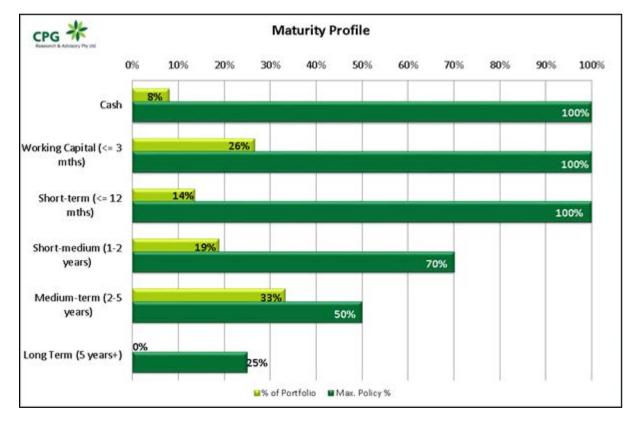
The portfolio has 8% of investments available at-call and a further 26% of assets maturing within 3 months. Additional short-dated funds have been gradually redeployed into a portfolio now well diversified by term – ahead of what has been a considerable decline in deposit rates.

Approximately 33% of the portfolio is now in medium-term assets, with some capacity now freed up after previously being close to the maximum limits.

We currently recommend that this be deployed to new FRN issues as they are launched, although do note the greater volatility being experienced in this sector.







Council's portfolio is dominated by term deposits across a broad range of counterparties; credit assets are around 19% of the portfolio and gradually growing.

Over the past few years, our advice has focused on fixed rate deposits as the core investment theme, supplemented by other fixed rate investments. This was justified by the significant downtrend in deposit yields, with 2014's new longer-dated investments now well above market returns. Council's deposit duration was significantly extended.

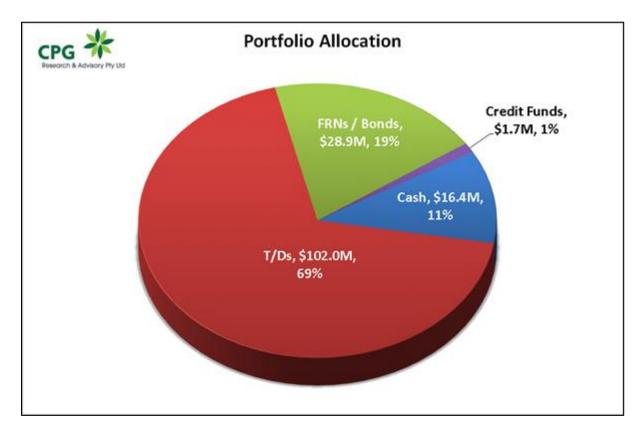
We have discussed a greater role for FRNs for 2016. These opened the year with some price weakness as spreads widened to mid-February; that has since largely reversed as data and sentiment improved.

While some issues initially traded at a small discount, others have performed well.

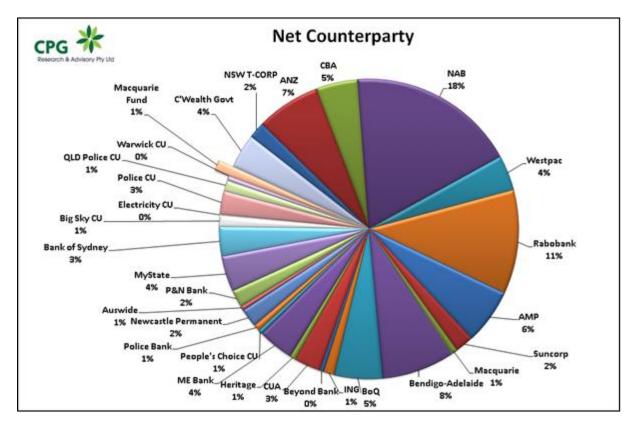
Currently we see value in <u>both</u> long deposits and FRNs. The deposit curve is steeper as banks competed more strongly at the longer end. FRNs also offer excellent initial yields with the prospect of additional gains. We have a positive view on increasing the Medium Term allocation in either major category.







The investment portfolio is well diversified in complying assets across the entire credit spectrum, with the major banks and Rabobank dominant:







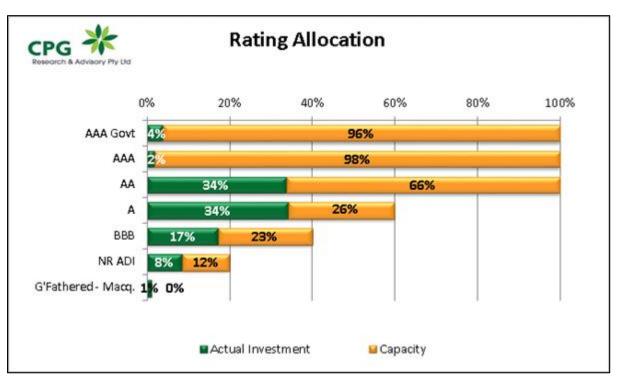
### Credit Quality

The portfolio is diversified from a rating perspective. Credit quality is diversified and is predominately invested amongst the investment grade ADIs (BBB- or higher), with a smaller allocation to unrated ADIs.

Only the Macquarie credit fund is now classified as a "Grandfathered" legacy asset.

Rating Category	Actual	Per C/Party	Aggregate	Rating Category	Actual Investment	Capacity
AAA Govt	4%	100%	100%	AAA Govt	4%	96%
ддд	2%	40%	100%	AAA	2%	98%
AA	34%	30%	100%	AA	34%	66%
A	34%	15%	60%	A	34%	26%
BBB	17%	10%	40%	BBB	17%	23%
NR ADI	8%	5%	20%	NR ADI	8%	12%
G'Fathered - Macq.	1%	1%	1%	G'Fathered - Macq.	1%	0%

There is still high capacity to invest across the investment grade counterparties.



All of these are well within Policy limits.

From time to time, broker specials continue to be offered with some BBB rated and unrated Credit Unions paying an additional premium above leading direct rates – **pricing is generally quite favourable, but often for short terms and/or restricted in parcel size**. Smaller institutions are also more inclined to publish "good until filled" orders, rather than publishing a rate for the day. This is covered in the daily emails and our advice at the time of investment.





### Compliance

We have tested the portfolio provided against Council's current investment policy and report the following:

Individual counterparty exposures comply with the Policy.

Counterparties	Exposure \$M	FCS	Net	Rating	Policy Limit	Actual	Capacity
NSW T-CORP	\$2.95M	\$0.25M	\$2.70M	AAA	40%	2%	\$56.90M
ANZ	\$10.60M	\$0.25M	\$10.35M	AA-	30%	7%	\$34.35M
CBA	\$7.00M	\$0.25M	\$6.75M	AA-	30%	5%	\$37.95M
NAB	\$27.45M	\$0.25M	\$27.20M	AA-	30%	18%	\$17.50M
Westpac	\$6.00M	\$0.25M	\$5.75M	AA-	30%	4%	\$38.95M
Rabobank	\$17.00M	\$0.25M	\$16.75M	A+	15%	11%	\$5.60M
AMP	\$9.14M	\$0.25M	\$8.89M	A+	15%	6%	\$13.46M
Suncorp	\$3.00M	\$0.00M	\$3.00M	A+	15%	2%	\$19.35M
Macquarie	\$1.00M	\$0.00M	\$1.00M	А	15%	1%	\$21.35M
Bendigo-Adelaide	\$12.00M	\$0.25M	\$11.75M	A-	15%	8%	\$10.60M
BoQ	\$8.00M	\$0.25M	\$7.75M	A-	15%	5%	\$14.60M
ING	\$2.00M	\$0.25M	\$1.75M	A-	15%	1%	\$20.60M
Beyond Bank	\$0.90M	\$0.25M	\$0.65M	BBB+	10%	0%	\$14.25M
CUA	\$4.25M	\$0.00M	\$4.25M	BBB+	10%	3%	\$10.65M
Heritage	\$1.00M	\$0.00M	\$1.00M	BBB+	10%	1%	\$13.90M
ME Bank	\$6.00M	\$0.25M	\$5.75M	BBB+	10%	4%	\$9.15M
People's Choice CU	\$1.00M	\$0.25M	\$0.75M	BBB+	10%	1%	\$14.15M
Police Bank	\$1.00M	\$0.00M	\$1.00M	BBB+	5%	1%	\$6.45M
Newcastle Permanent	\$3.00M	\$0.00M	\$3.00M	BBB+	10%	2%	\$11.90M
Auswide	\$1.00M	\$0.25M	\$0.75M	BBB	10%	1%	\$14.15M
P&N Bank	\$3.00M	\$0.25M	\$2.75M	BBB	10%	2%	\$12.15M
MyState	\$6.00M	\$0.25M	\$5.75M	BBB	10%	4%	\$9.15M
Bank of Sydney	\$5.00M	\$0.25M	\$4.75M	NR	5%	3%	\$2.70M
Big Sky CU	\$2.00M	\$0.25M	\$1.75M	NR	5%	1%	\$5.70M
Police CU	\$4.00M	\$0.25M	\$3.75M	NR	5%	3%	\$3.70M
QLD Police CU	\$2.00M	\$0.25M	\$1.75M	NR	5%	1%	\$5.70M
WAW CU	\$1.00M	\$0.25M	\$0.75M	NR	5%	1%	\$6.70M
Macquarie Fund	\$1.70M	\$0.00M	\$1.70M	NR	1%	1%	\$0.00M
	\$149.00M		\$143.75M			96%	
C'Wealth Govt	- 1	\$5.3M	\$5.25M	ممم	100%	4%	
Total	\$149.00M	5100.000	\$149.00M	s distance in		100%	
Check	\$0.00M		\$0.00M			7,02,020	

Subsidiaries such as Rural Bank are grouped in the exposures of the parent (Bendigo-Adelaide Bank, rated A-).

From May 2015, <u>new</u> Rabobank Australia deposits are not guaranteed by the global group, but existing deposits have their guarantee grandfathered. They are generally not accepting new investments or rollovers from institutional investors.





### Returns - Accrual

Actual						
	1 month	3 months	6 months	FYTD	1 year	2 years
Official Cash Rate	0.17%	0.49%	1.00%	1.50%	2.03%	2.24%
Avg. 3m BBSW	0.19%	0.57%	1.13%	1.67%	2.22%	2.43%
AusBond Bank Bill Index	0.20%	0.58%	1.13%	1.67%	2.24%	2.48%
Council Cash	0.21%	0.64%	1.29%	1.95%	2.63%	2.89%
Council T/Ds	0.32%	0.93%	1.86%	2.82%	3.79%	3.89%
Council FRNs / Bonds	0.30%	0.85%	1.67%	2.54%	3.48%	3.83%
Council Credit Funds	0.56%	-0.25%	0.73%	-0.41%	0.03%	1.62%
Council CDOs	0.00%	0.00%	0.00%	0.00%	0.00%	0.35%
Council Total Portfolio	0.30%	0.86%	1.74%	2.63%	3.55%	3.71%
Annualised	1 month	3 months	6 months	FYTD	1 year	2 years
Official Cash Rate	2.00%	2.00%	2.00%	2.00%	2.03%	and the local design of th
		210070		210070	2.0370	2.24%
Avg. 3m BBSW	2.31%	2.30%	2.27%	2.23%	2.22%	2.24% 2.43%
Avg. 3m BBSW	2.31% 2.36%					
		2.30%	2.27%	2.23%	2.22%	2.43%
Avg. 3m BBSW AusBond Bank Bill Index	2.36%	2.30% 2.34%	2.27% 2.27%	2.23% 2.23%	2.22% 2.24%	2.43% 2.48%
Avg. 3m BBSW AusBond Bank Bill Index Council Cash Council T/Ds	2.36% 2.51%	2.30% 2.34% 2.61%	2.27% 2.27% 2.59%	2.23% 2.23% 2.59%	2.22% 2.24% 2.63%	2.43% 2.48% 2.89%
Avg. 3m BBSW AusBond Bank Bill Index Council Cash Council T/Ds Council FRNs / Bonds	2.36% 2.51% 3.81%	2.30% 2.34% 2.61% 3.77%	2.27% 2.27% 2.59% 3.74%	2.23% 2.23% 2.59% 3.76%	2.22% 2.24% 2.63% 3.79%	2.43% 2.48% 2.89% 3.89%
Avg. 3m BBSW AusBond Bank Bill Index Council Cash	2.36% 2.51% 3.81% 3.56%	2.30% 2.34% 2.61% 3.77% 3.45%	2.27% 2.27% 2.59% 3.74% 3.36%	2.23% 2.23% 2.59% 3.76% 3.39%	2.22% 2.24% 2.63% 3.79% 3.48%	2,43% 2,48% 2,89% 3,89% 3,83%

The investment portfolio had another strong month, **returning +3.62% p.a. annualised**, outperforming the AusBond Bank Bill Index<sup>1</sup> which returned +2.36% p.a. Credit rebounded strongly this month with the Macquarie Fund returning +0.56% (net actual).

Council's returns, while lower in absolute terms than historically the case, remains very strong compared to short deposits rolling in the low 3%'s. Even the majority of <u>5-year</u> deposits are being offered around 3½% at best.

The portfolio's performance continues to be anchored by the longer-dated deposits invested above 4%. FRNs, purchased at attractive margins, have also contributed positively to overall performance. This has continued this month with the purchase of the Rabobank FRN at +150bp.

Despite a generally negative year for credit, the Macquarie Fund has performed well over longertime periods. Our *Economic Commentary* last month explored whether the "deflation trade" (buying bonds, and selling shares and credit) may have come to an end, and we note the improvement in sentiment throughout March. It has returned (barely) to positive territory.

Cash drag has been mitigated through the switch into higher yielding accounts (requiring notice in return for the additional yield – they are not a substitute for at-call money).

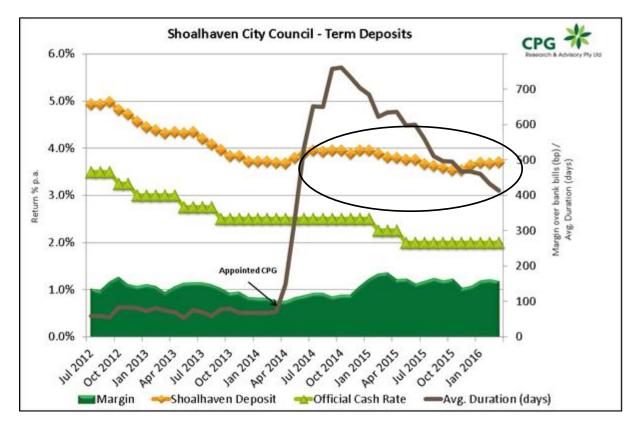
<sup>&</sup>lt;sup>1</sup> Previously UBS Bank Bill Index - the sale of the UBS index to Bloomberg, and subsequent change of names, is now effective.





### Term Deposits

At month-end, deposits accounted for approximately 68% of the total investment portfolio. The weighted average duration of the deposit portfolio stood at approximately **1.1 years** - having been significantly lengthened since the appointment of CPG as its investment advisor and now paying strong rewards. At the point of fastest falls in the interest rate outlook, Council's deposits had been lengthened to around 2 years.



This has produced a measurable uplift in yield (circled) at a time when deposit rates have plunged, and cushioned the RBA's rate cutting cycle.

It will provide strong protection to Council's budgeted income for the remainder of FY16, which we will be looking to support over the next 12 months. An average yield of 3.70% p.a. (up 2bp from the previous month) *remains close to the highest deposit of any term available today*. In fact, returns today remain close to when CPG was appointed – despite two rate cuts in 2015, with the potential of another one later in 2016.

It is inevitable that returns will again ease from here, and this will accelerate as deposit margins continue to contract. Money markets continue to factor in another rate cut by the end of 2016, although it is largely data-dependent on worsening economic data.

Three deposits matured during the month and only new deposit was placed with BoQ for 6 months at 3.10% p.a.





Apart from a handful of above market-specials, we now generally favour liquid FRNs over fixed deposits for terms greater than 2 years given they are likely to offer a higher source of return.

The case for long deposits is now less compelling, and we expect to see further migration into a more balanced and liquid portfolio with FRNs offering excellent returns on a 2-year horizon.

Relevant portfolio data follows:

#### Term Deposit Statistics

Percentage of total portfolio	68%
Weighted Average Yield	3.70%
Weighted Average Duration	1.1 years

#### Credit Quality of Deposits

AAA^	3%
AA	34%
A	33%
BBB	17%
Unrated ADI	14%
Total	100%

^ Calculation excludes the Financial Claims Scheme (FCS)

Across the longer-end of the curve, deposit margins reversed the recent trend and actually widened in March due to a number of "BBB" rated entities paying up to 20bp above previous quotes - across 2 to 5 year terms.

# At the time of writing, P&N Bank (BBB) was offering fixed term deposits at around +140-145bp over bank bills for 4-5 year terms through a broker intermediary. Newcastle PBS (BBB+) was offering 3.50% p.a. for 3 years, around 20bp above the rest of the market. We are recommending both.

Indeed, for a 5 year deposit to be paying almost 4% appears irrationally high when the bond market still has cash falling below 2% before any other moves. Outside these specials, we are generally not recommending longer-dated deposits given they are offered at lower rates.

While the "BBB" rated specials remain attractive given the interest rate outlook, this rarely persists for any length of time. The relative opportunity is being driven by a combination of lower bond yields and difficult conditions for banks attempting to finance themselves in wholesale debt markets. With debt markets improving again in March, it is likely that competition for funds could ease – deposit competition has tended to reflect the other funding options available to banks.

We refer to the detailed analysis in our March *Fixed Interest Analytics*.





### Fixed Bonds & FRNs

Wholesale senior bank FRNs tightened during March, particularly those of the domestic major banks. We believe newly issued bank FRNs are likely to be the highest yielding (and complying) source of returns going forward, although at current deposit yields the advantage is less clear-cut at the longer end.

Despite the recent widening in physical credit margins at the start of the year, we continue to recommend selling any senior major bank FRNs maturing on or before 2017 as most are marked less than +55bp and the curve remains relatively steep. 2018 FRNs are now generally saleable at the higher credit qualities; lower rated institutions tend to see spreads converge only as they shorten very close to maturity – we flag the final year as the likely exit point for those. Still, switching may well be recommended opportunistically.

Apart from providing diversification and additional liquidity in a portfolio, this strategy has been highly lucrative - more so than (even unrated) ADI deposits over the past few years at times of most favourable pricing.

Primary issues continue to be favoured over secondary market offers in the wholesale market – ANZ and Credit Suisse both priced new issues substantially wider than the existing curve.

For new issues, the regional ADIs (rated A or BBB) naturally offer a higher spread compared to the major banks due to their lower credit rating. Our FRN analytics suggest that the respective curves are relatively fair, with higher spread but greater difficulty extracting capital gains from regional bank FRNs. However, again the new issue discount provides additional value to investors.

Newcastle Permanent Building Society (BBB+) and Credit Union of Australia (BBB+) issued new 3 year FRNs at +160bp in the mid-March. We saw this as good value and recommended these issues, where there was capacity to do so.

This highlights that FRNs, across the various credit spectrum, remain ahead of deposit margins even without factoring in gains at exit - and that investors are being rewarded for supporting the primary issuance market.

### We also again consider Heritage Bank bonds to pay a sufficient premium to warrant investment – provided sufficient volume is achievable.

Private placement FRNs or secondary market 'taps' can sometimes be offered, usually at a premium yield to the wholesale secondary market although we note they are generally less liquid due to their smaller issue sizes and daily turnover.

We recommend that Council retain its FRN portfolio at this stage, and add to it in combination with longer deposits.





### Other Credit

The Macquarie Global Income Opportunities Fund returned +0.56% (net actual) in March, outperforming the AusBond Bank Bill Index return of +0.20%.

The underlying valuations of the Fund's holdings of domestic and offshore credit rebounded this month, as physical assets were also marked tighter.

The Fund continues to hold a diverse range of securities across the global credit market. The manager has maintained modest credit hedges, seeking to minimise the effect of volatility on the Fund. Any spread contraction going forward allows credit and asset-backed holdings to enjoy significant capital gains. These have reduced returns but also significantly reduced risk.

Macquarie performed strongly over the longer-term and the manager feels they are well positioned going forward. We regard Macquarie's credit team as having strong research capabilities and a proven defensive style outperforming peers in down markets. At times, the fund has sacrificed some upside to protect against extreme events.

Given the solid running yield of the Fund at above 3½% p.a., and the additional liquidity it provides, we recommend Council retain this Fund. (Its performance relative to index and to peers is covered in our monthly *Performance Survey*).

While we cannot categorically state that the cycle has ended, there is a much more favourable tone in credit and equity markets since mid-February.

### Fixed Interest Market Background

US Fed Chair Yellen suggested the Fed would proceed "*cautiously*" in hiking interest rates due to the global outlook for economic growth, and skipped a previously-flagged March rate increase. She indicated "given the risks to the outlook, I consider it appropriate for the Committee to proceed cautiously in adjusting policy".

China's official factory index unexpectedly rebounded, suggesting the government's fiscal and monetary stimulus may be kicking in.

The Australian dollar hit a fresh 9 month peak surpassing US77c late last month. Its strength has been driven by better-than-expected Q4 GDP figures, a drop in the unemployment rate, firming commodity prices, resurgent foreign interest in Australian government bonds, and speculation that the US Federal Reserve will be slow to follow up its first interest rate hike in almost 10 years in December. At this stage however, the RBA has been mild in its commentary, only suggesting that there was a *"risk that the currency might be getting a bit ahead of itself."* It may be chastened by a rebuke from the US Federal Reserve, which expressed displeasure at central banks trying to manipulate currencies lower.





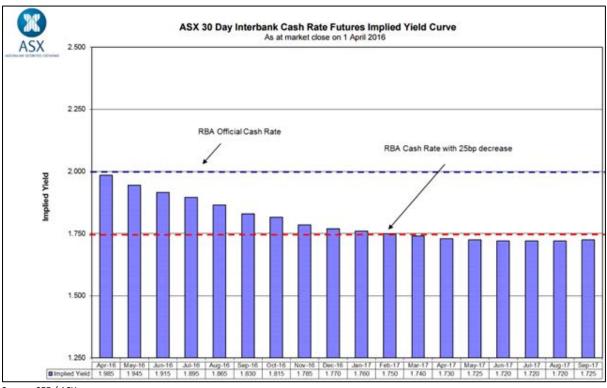
Domestic property values rose only marginally in March while annual growth was the slowest rate in 31 months, a cooling that should please policy makers worried about the risk of a bubble. Annual growth slowed to 6.4%, down from 7.6% the month before and a cycle peak of 11.5% last year.

After a prolonged run of contraction, parts of the manufacturing industry is recovering as the softer currency has helped exports and import-competing producers. Australia's weaker currency had helped factory activity hit its strongest level in 12 years, but the dollar's recent rise may limit further growth.

Market bets that the RBA will cut interest rates have weakened over March, and most economists are sticking to their "on-hold" neutral forecasts for the near term unless domestic conditions deteriorate quickly. Money markets continue to forecast that the next rate movement is down by the end of the calendar year, although it is largely dependent on news flow.

Low inflation is now projected for as much as two years. As such, this provides the RBA enough *"scope"* to cut again if needed.

The futures market is working on the assumption that 2016 will be a year of slowing data as both mining and construction investment decline further. Such an outcome would pressure the RBA to ease again – the sharp recovery in the \$A during the month increases the pressure on them to do more.



Source: SFE / ASX





### **Portfolio Listing**

			cil as at 31/03/2016	-		4
Authorised Deposit-Taking Institution (ADI)		Security Type	Principal/ Current MF Value	Term		Maturity Date
ANZ	A1+	FRN	\$2,000,000.00	1826	3.13%	11-Nov-19
ANZ	A1+	FRN	\$1,600,000.00	1827	3.11%	17-Apr-20
ANZ	A1+	TD	\$2,000,000.00	732	3.90%	27-Jun-16
ANZ	A1+	TD	\$4,000,000.00	1462	4.15%	27-Jun-18
ANZ	A1+	TD	\$1,000,000.00	1099	4.01%	3-Jul-17
Auswide Bank	A2	TD	\$1,000,000.00	1096	3.15%	8-Apr-18
Bank of Qld	A2	FRN	\$1,000,000.00	1826	3.36%	6-Nov-19
Bank of Qld	A2	TD	\$2,000,000.00	1827	4.75%	1-May-19
Bank of Qld	A2	TD	\$2,000,000.00	1462	4.10%	3-Sep-18
Bank of Qld	A2	TD	\$2,000,000.00	176	3.10%	24-Aug-16
Bank of Qld	A2	TD	\$1,000,000.00	1096	4.20%	9-May-17
Bank of Sydney	NR	TD	\$1,000,000.00	281	3.15%	28-Sep-16
Bank of Sydney	NR	TD	\$1,000,000.00	211	3.00%	13-Apr-16
Bank of Sydney	NR	TD	\$2,000,000.00	288	3.00%	28-Apr-16
Bank of Sydney	NR	TD	\$1,000,000.00	316	3.00%	26-May-16
Bendigo Bank	A2	FRN	\$1,000,000.00	1827	3.39%	18-Aug-20
Bendigo Bank	A2	FRN	\$1,000,000.00	1826	3.25%	17-Sep-19
Bendigo Bank	A2	TD	\$2,000,000.00	1099	4.15%	17-May-17
Bendigo Bank	A2	TD	\$1,000,000.00	1097	4.05%	5-Jun-17
Bendigo Bank (Nowra)	A2	TD	\$4,000,000.00	526	3.05%	22-Dec-16
Bendigo Bank (Nowra)	A2	TD	\$3,000,000.00	442	3.05%	29-Sep-16
Beyond Bank Australia	A2	TD	\$900,000.00	731	3.45%	3-Mar-17
Big Sky Building Society	NR	TD	\$2,000,000.00	733	3.30%	7-Mar-17
Commonwealth Bank Australia	A1+	FRN	\$1,000,000.00	1827	3.19%	17-Jul-20
Commonwealth Bank Australia	Al+	TD	\$500,000.00	1827	4.05%	6-Jul-17
	and the second se		the second s	Concernence and Concernence	the second se	
Commonwealth Bank Australia	A1+	TD	\$1,000,000.00	1097	4.05%	10-Jul-17
Commonwealth Bank Australia	A1+		\$1,000,000.00	1104	4.05%	17-Jul-17
Commonwealth Bank Australia	A1+	TD	\$1,000,000.00	1097	4.05%	17-Jul-17
Commonwealth Bank Australia	A1+	TD	\$1,000,000.00	1104	4.05%	24-Jul-17
Commonwealth Bank Australia	A1+	TD	\$500,000.00	1099	4.05%	29-Jun-17
Commonwealth Bank Australia	A1+	TD	\$500,000.00	1097	4.05%	27-Jun-17
Commonwealth Bank Australia	A1+	TD	\$500,000.00	1105	4.05%	5-Jul-17
Credit Union Australia	A2	FRN	\$2,250,000.00	1096	3.62%	20-Mar-17
Credit Union Australia	A2	FRN	\$2,000,000.00	1187	3.51%	22-Dec-17
Heritage Bank	A3	FRN	\$1,000,000.00	1096	3.43%	7-May-18
ING Bank (Australia) Ltd	A2	TD	\$2,000,000.00	183	2.90%	11-May-16
Macquarie Bank	A1	FRN	\$1,000,000.00	1096	3.33%	26-Oct-18
Members Equity Bank	A2	FRN	\$1,000,000.00	1461	3.59%	17-Apr-18
Members Equity Bank	A2	TD	\$2,000,000.00	1827	4.66%	29-May-19
Members Equity Bank	A2	TD	\$2,000,000.00	1099	4.00%	27-Jul-17
Members Equity Bank	A2	TD	\$1,000,000.00	1096	4.25%	9-May-17
My State Financial	A2	TD	\$3,000,000.00	181	3.01%	25-May-16
My State Financial	A2	TD	\$3,000,000.00	197	3.05%	15-Jun-16
National Australia Bank	A1+	BG	\$75,000.00	366	3.01%	23-Dec-16
National Australia Bank	A1+	CRD	\$3,000,000.00	733	3,38%	11-Apr-16
National Australia Bank	A1+	FRN	\$1,000,000.00	1096	3.27%	25-Feb-19
National Australia Bank	A1+	FRN	\$2,000,000.00	1827	3.11%	3-Jun-20
National Australia Bank	A1+	MATD	\$105,921.34	366	3.01%	30-Jun-16
National Australia Bank	A1+	TD	\$3,000,000.00	733	3.98%	9-May-16
National Australia Bank	A1+	TD	\$4,000,000.00	154	3.04%	27-Jul-16
National Australia Bank	A1+	TD	\$2,000,000.00	1822	4.11%	29-Aug-19
National Australia Bank	A1+	TD	\$4,000,000.00	126	3.05%	22-Jun-16
National Australia Bank	A1+	TD	\$1,000,000.00	1097	4.05%	5-Jun-17





	_		cil as at 31/03/2016		L. L. L. D. L.	and the parts
Authorised Deposit-Taking Institution (ADI)		Security Type	Principal/ Current MF Value	Term		Maturity Date
Newcastle Permanent Building Society	A2	FRN	\$2,000,000.00	1827	3.67%	7-Apr-20
Newcastle Permanent Building Society	A2	FRN	\$1,000,000.00	1095	3.92%	22-Mar-19
NSW Treasury Corp	A1+	TD	\$2,950,000.00	183	2.95%	1-Apr-16
People's Choice Credit Union	A2	TD	\$1,000,000.00	351	2.87%	30-Jun-16
Police and Nurses Bank	A2	TD	\$1,000,000.00	732	3.95%	13-Jun-16
Police and Nurses Bank	A2	TD	\$2,000,000.00	1096	4.00%	18-Sep-17
Police Bank	NR	FRN	\$1,000,000.00	1096	3.38%	21-Aug-17
Police Credit Union Ltd (SA)	NR	TD	\$2,000,000.00	1827	4.75%	30-May-19
Police Credit Union Ltd (SA)	NR	TD	\$1,000,000.00	1098	4.25%	22-May-17
Police Credit Union Ltd (SA)	NR	TD	\$1,000,000.00	731	4.15%	20-May-16
Qld Police Credit Union	NR	TD	\$1,000,000.00	729	4.00%	21-Jul-16
Qld Police Credit Union	NR	TD	\$1,000,000.00	1095	4.10%	17-Aug-17
Rabobank	A1+	FRN	\$2,000,000.00	1826	3.82%	4-Mar-21
Rabobank	A1+	TD	\$2,000,000.00	1826	4.10%	2-Sep-19
Rabobank	A1+	TD	\$1,000,000.00	1098	4.05%	22-May-17
Rabobank	A1+	TD	\$2,000,000.00	1463	4.35%	6-Jun-18
Rabobank	A1+	TD	\$2,000,000.00	1826	4.52%	19-Jun-19
Rabobank	A1+	TD	\$2,000,000.00	1097	4.00%	26-Jun-17
Rabobank	A1+	TD	\$2,000,000.00	1461	4.10%	21-Aug-18
Rabobank	A1+	TD	\$2,000,000.00	1462	3.30%	2-Sep-19
Rabobank	A1+	TD	\$2,000,000.00	1100	4.00%	30-Jun-17
St George Bank	A1+	TD	\$2,000,000.00	732	3.95%	3-May-16
St George Bank	A1+	TD	\$2,000,000.00	732	3.95%	2-May-16
Suncorp Metway Ltd Bank	A1	FRN	\$2,000,000.00	1827	3.53%	20-Oct-20
Suncorp Metway Ltd Bank	A1	FRN	\$1,000,000,00	1826	3.22%	20-Aug-19
WAW Credit Union	NR	TD	\$1,000,000.00	733	4.15%	9-May-16
Westpac Bank	A1+	FRN	\$1,000,000.00	1827	3.18%	28-Jul-20
Westpac Bank	A1+	FRN	\$1,000,000.00	1155	3.24%	10-May-19
			\$130,880,921.34			
Grandfathered	STRating	SecurityType	Current Valuation			Maturity Date
Macquarie Global Income Opportunities	NR	ME	\$1,704,891.45			T+3
macquarte orobar mcome opportunities	1505	101	\$1,704,891.45			115
Product	STRating	SecurityType	Current Valuation			Maturity Date
AMP At Call	A1	Cash	\$4,717,275.95		1. I.	At-Call
AMP Notice Account	A1	Cash	\$4,425,226.64			31 Days
NAB Transaction Account	A1+	Cash	\$7,267,403.39			At-Call
			\$16,409,905.98			
Total Investment Portfolio	1.00		\$148,995,718.77			

### Disclaimer

The information provided in this document is intended for clients of CPG Research & Advisory only and does not constitute a recommendation or an offer to invest. Market sections of this document are descriptive and do not take into account the investment objectives, financial situation or particular needs of any particular investor. Before making an investment decision or acting on any of the information or recommendations contained in this report, the investor should consider whether such recommendation is appropriate given the investor's particular investment needs, objectives and financial circumstances. We recommend you consult your CPG adviser for updated advice that addresses your specific needs and situation before making investment decisions.

All information and recommendations expressed herein constitute judgements as of the date of this report and may change without notice. Staff and associates may hold positions in the investments discussed, and these could change without notice.

### Attachment A

### Draft Chapter S2 Badgee Urban Release Area, Shoalhaven Development Control Plan 2014 Exhibition Submissions - Summary

	Doc number	Submission Summary	Comments
1	D16/76028	<ul> <li>Concern over the time taken and delays for the development.</li> <li>Asking why Council requires the Eastern Precinct to be developed first and not the Western. Requests that it is reversed.</li> </ul>	Time Delays ResponseThe primary reason that the completion of the draft DCP Chapter has been delayed is due to difficulties in getting the concept roundabout design to a point where consultation with the Roads and Maritime Services (RMS) and neighbouring landowners could be undertaken. Due to the long period of time between the original exhibition of the Draft Chapter, as well as not insignificant changes which have been made to the content and format of the DCP, re- exhibition was required.Staging Response The draft Chapter identifies the Eastern Precinct as the proposed first stage based on the precinct's proximity to existing water and sewer infrastructure in the adjoining established area. The developer has lodged a development application for subdivision for the Western Precinct, and as per the DCP the provision of infrastructure is required. The draft Chapter does not prevent the Western Precinct being developed first and therefore no change is proposed to the staging.
2	D16/77376	<ul> <li>Requests staging plan amended to allow Western Precinct first.</li> <li>Suggests requirement for an Environmental Management Plan (EMP) could cause unnecessary delays and when first stage does not integrate with Conservation Area and condition should be amended to allow 2 years from date of adoption of Chapter.</li> <li>States Council should be responsible for building of roundabout and charge developer s94 contributions as roundabout serves not only development but all existing Badgee residents who are flood bound at certain times.</li> </ul>	<u>Staging Response</u> The draft Chapter identifies the Eastern Precinct as the proposed first stage based on the precinct's proximity to existing water and sewer infrastructure in the adjoining established area. The developer has lodged a development application for subdivision for the Western Precinct, and as per the DCP the provision of infrastructure is required. The draft Chapter does not prevent the Western Precinct being

			developed first and therefore no change is proposed to the staging.
			<u>EMP Response</u> It is a requirement of legislation that any development that will potentially impact on critical habitat, threatened species, populations or endangered ecological communities and their habitats is considered during the development assessment process. As previous investigations of the site has identified a range of threatened species, EECs and their habitat within the URA it is appropriate that an EMP is prepared and approved prior to any development taking place. The first stage of development will impact upon the Central Precinct through edge effects and provision of the Flood Free Access Road (FFAR).
			<u>Roundabout Funding Response</u> The roundabout is necessary to accommodate the increase in traffic generated by the URA. Some demand for the roundabout will be generated by development in the existing Badgee area once the permanent FFAR is constructed. A detailed discussion of options in relation to funding the roundabout is considered in the body of the report.
3	D16/79823	<ul> <li>Support the Chapter S2 Badgee Plan.</li> <li>Western Precinct should be developed first.</li> <li>Concerns of delays development has suffered as Sussex needs to get moving again.</li> </ul>	<u>Staging Response</u> The draft Chapter identifies the Eastern Precinct as the proposed first stage based on the precinct's proximity to existing water and sewer infrastructure in the adjoining established area. The developer has lodged a development application for subdivision for the Western Precinct, and as per the DCP the provision of infrastructure is required. The draft Chapter does not prevent the Western Precinct being developed first and therefore no change is proposed to the staging.

			<u>Time Delays Response</u> The primary reason that the completion of the draft DCP Chapter has been delayed is due to difficulties in getting the concept roundabout design to a point where consultation with the Roads and Maritime Services (RMS) and neighbouring landowners could be undertaken. Due to the long period of time between the original exhibition of the Draft Chapter, as well as not insignificant changes which have been made to the content and format of the DCP, re- exhibition was required.
4	D16/81140	<ul> <li>5.4.1 Objectives</li> <li>Concern that impacts of roundabout intersection will have significant impacts and adverse implications for Sussex Inlet if not designed and constructed to highest standard.</li> <li>Roundabout gateway to Sussex Inlet and should be aesthetically pleasing.</li> <li>Must be sensitively landscaped and mounds or barriers to counteract light and noise pollution.</li> <li>Council and residents should choose best options for roundabout regardless of cost.</li> <li>5.4.2 C 14 Mandatory Controls</li> <li>Words are encouraging and should have been explicit rather than implicit.</li> <li>Impacts of roundabout on adjoining properties are all negative with two properties at 924 and 932 Sussex Inlet Rd mostly negatively impacted. By proposed roundabout and current roundabout concept plan.</li> <li>5.4.3 Performance Criteria and Acceptable Solutions</li> <li>Statement P7 should have the words 'of the highest standards to optimise the minimisation of all' inserted before the words'impact on nearby properties'.</li> <li>A7.1 Acceptable Solutions</li> <li>How is roundabout concept plan consistent with concept plan map which appears to not allow the property 932 Sussex Inlet Rd to enter or exit their driveway on to Sussex Inlet Rd in both directions and is just a concept? Will the concept be passed without further consideration?</li> <li>A7.2 Acceptable Solutions</li> <li>Residents most adversely affected by the proposed roundabout should as a matter of urgency have all negative impacts on their properties addressed through explicit high standard performance criteria, acceptable solutions and design of roundabout being finalised.</li> </ul>	Roundabout Design ResponseThe comments regarding the design of theroundabout are noted. The roundabout will bedesigned to AUSTROADS design standardsand the final design will go through a formalapproval process with the local TrafficManagement Committee which is comprised ofrepresentatives from Council and RMS,amongst other persons. This approval processwill ensure that the design meets appropriatestandards and is safe.Roundabout Impacts ResponseThe controls in the draft Chapter aim to ensurethat the concerns about the impact of theroundabout are addressed in the detailed designof the roundabout as part of the developmentapplication.Landscaping, lighting andscreening treatments will be incorporated intothe detailed design.Access to Properties ResponseVehicles exiting No. 932 will be able to turn leftand right out of the property. They will also havethe option of turning left and then using theroundabout to turn around towards Sussex Inlet.It is considered that the roundabout will improvethe safety of entry/exit due to the speed zonereduction from 100km/hr to 80km/hr and the fact

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Attachment A

			that it will not be possible for vehicles using the roundabout to safely travel at speeds greater than 60km/hr through the roundabout.
5	D16/83861	<ul> <li>Believes from submissions and meetings with Council staff that not one successful outcome.</li> <li>All issues need to be addressed for safe access in and out of properties, light pollution, noise, roundabout position, stormwater runoff and integration with intersection so it is aestheically pleasing.</li> <li>Requests Council looks after residents not just developer and that make sure best outcomes achieved.</li> </ul>	Access to Properties Response Vehicles exiting No. 932 will be able to turn left and right out of the property. They will also have the option of turning left and then using the roundabout to turn around towards Sussex Inlet. It is considered that the roundabout will improve the safety of entry/exit due to the speed zone reduction from 100km/hr to 80km/hr and the fact that it will not be possible for vehicles using the roundabout to safely travel at speeds greater than 60km/hr through the roundabout. <u>Roundabout Impacts Response</u> The controls in the draft Chapter aim to ensure that the concerns about the impact of the roundabout are addressed in the detailed design of the roundabout as part of the development application. Landscaping, lighting and screening treatments will be incorporated into the detailed design.
6	D16/86228 Allen Price & Scarratts	<ul> <li>Object to proposed plan Safety</li> <li>Safety concern, need to be able to turn left and right into and out of driveway without being worried about safety. Appears cannot turn right from our drive way as unsafe to turn west in bushfire as need to head east to river.</li> <li>Driveway turn needs to accommodate semi trailers, trailer yacht, large boats, 22 foot caravan, farm equipment, horse floats and long trailer.</li> <li>Need maintain access length so can stop long vehicles and open and close gate.</li> <li>Concerned of camber of roundabout road may cause trucks to tip over.</li> <li>Lighting</li> <li>Artfificial light for 428m. We have asked how many poles but all we know is light in middle of roundabout.</li> <li>Object to car lights lighting up properties and homes.</li> </ul>	Access to Properties Response Vehicles exiting No. 932 will be able to turn left and right out of the property. They will also have the option of turning left and then using the roundabout to turn around towards Sussex Inlet. It is considered that the roundabout will improve the safety of entry/exit due to the speed zone reduction from 100km/hr to 80km/hr and the fact that it will not be possible for vehicles using the roundabout to safely travel at speeds greater than 60km/hr through the roundabout. Long Vehicles Response The detailed roundabout design will need to provide a safe turning area for 12.5m rigid

• Screening plants do nothing to stop lights and you must be careful planting on verge where underground services and will they be expected to maintain them?	vehicles for access to 932 Sussex Inlet Road consistent with AUSTROADS requirements.
<ul> <li>Object to jersey kerb proposal is ugly band aid solution and too low to stop light pollution and limits sight line and potential for graffiti wall.</li> <li>Would like solid high sound reducing and light eliminating fencing that will restore privacy to properties.</li> </ul>	<u>Roundabout Safety Response</u> AUSTROADS design guide states that roundabouts are the safest form of intersection control as numerous studies show there to be
<ul> <li>Noise</li> <li>Has not been addressed and no consideration to rural residents of negative effects from high volume of traffic congestion and impeded flow.</li> <li>Idea of a roundabout to slow traffic down does not make it gieter it prolongs traffic noise and concentrates cars in one area.</li> <li>Traffic currently flows at 100km beautifully with no congestion with a background noise that passes quickly.</li> <li>Noise will impact on health, lifestyle and further devalue our properties.</li> <li>Suggest sound proof fence as a solution.</li> <li>Stormwater and Drainage</li> <li>Plan does not mention how drainage from road will be dealt with.</li> <li>Current stormwater is an issue with large volumes and erosion and causing problems and overflowing onto properties and has washed away driveway and caused neighbours house to flood.</li> <li>Increased surface of roundabout and clearing of reserve will make it worse if not dealt with properly.</li> <li>Aesthetic Appeal</li> <li>This intersection is being built in rural not urban environment.</li> <li>It will look like urban environment with visual pollution of 428m of street lights, signage and Jersey kerbs.</li> <li>Believes roundabout will render properties worthless and is compromising their health and that of other family members.</li> </ul>	fewer casualty crashes as speed levels are lower. The proposed roundabout is designed to require cars to slow to 60km/hr and trucks 40- 50km/hr to negotiate the roundabout. The improvement in intersection safety, with reduced speed and turning lanes, will allow adjoining property owners to safely turn into and out of their properties. <u>Roundabout Impacts Response</u> The controls in the draft Chapter aim to ensure that the concerns about the impact of the roundabout are addressed in the detailed design of the roundabout as part of the development application. Landscaping, lighting and screening treatments will be incorporated into the detailed design. <u>Noise Impacts Response</u> The proposed roundabout is designed to require cars to slow to 60km/hr and trucks 40-50km/hr to negotiate the roundabout. As speeds of vehicles are considerably lower at a well-designed roundabout, studies on sound pressure levels at roundabouts indicate that noise levels are lower than traffic travelling at 100km/hr which is the current speed limit in the vicinity. <u>Stormwater and Drainage Response</u>
	The roundabout will have kerb and guttering and a drainage plan that addresses stormwater runoff as part of the development application.
	Roundabout Design Response

			The comments regarding the design of the roundabout are noted. The roundabout will be designed to AUSTROADS design standards and the final design will go through a formal approval process with the local Traffic Management Committee which is comprised of representatives from Council and RMS, amongst other persons. This approval process will ensure that the design meets appropriate standards and is safe.
			<u>Aesthetic Appeal Response</u> Due the development of the Badgee URA and associated roundabout, it is necessary that there will be changes to the road environment. Lighting will be minimised where possible, however speed zone signage is necessary to ensure the safe use of the road and roundabout. Concerns about jersey kerbs are noted, as is the request for a high sound proof fence. However, it is not the place of a DCP to prescribe specific design outcomes, which are more appropriately dealt with at development application stage.
7	D16/84182 & D16/44501	<ul> <li>Grievances are increased traffic noise, screening of lights, their street access, aesthetic look of roundabout.</li> <li>Has taped noise levels on similar roundabout (80km speed limit) and found noise levels from traffic especially trucks and trailers rattling was far greater entering and leaving the roundabout than on a straight road without roundabout. Therefore noise level outside their home where there is no vegetation will carry down to house and affect their lives, especially at night.</li> <li>Instead of few vehicles turning into Golfcourse Way all vehicles will have to slow down and speed up in front of house.</li> <li>Nothing on roundabout to minimise extra noise.</li> <li>Not happy with great big headlight screen along front of home. Doesn't like idea of concrete jersey kerb or unkept landscape mound.</li> <li>Believes it will affect health and happiness and suggests and suggests an aesthetically pleasing noise barrier fence, noise and glare reduction glass all paid for by the developer.</li> <li>Have been advised by a valuer that will affect value of their home and resale will be less.</li> </ul>	Roundabout Impacts Response The controls in the draft Chapter aim to ensure that the concerns about the impact of the roundabout are addressed in the detailed design of the roundabout as part of the development application. Landscaping, lighting and screening treatments will be incorporated into the detailed design. <u>Noise Impacts Response</u> The proposed roundabout is designed to require cars to slow to 60km/hr and trucks 40-50km/hr to negotiate the roundabout. As speeds of vehicles are considerably lower at a well-designed roundabout, studies on sound pressure levels at roundabouts indicate that noise levels are lower than traffic travelling at

<ul> <li>Sussex Inlet &amp; Districts</li> <li>Forum submits negative impacts created by intersection are significant.</li> <li>Current concept design plan is unsafe for motorists and residents entering and exiting roundabout.</li> <li>High risks of collisions because of proximity to existing driveways and vehicles overhanging lanes.</li> <li>Suggest one solution is to use more of Council reserve for this intersection between the proposed closed entrance of Golfcourse Way and FFAR to allow Sussex Inlet Road to be straightened, moved and widened, and moved further away from 924 and 932 Sussex Inlet Road.</li> <li>Another option is developer to purchase some land from strategic properties to allow the construction of a safer intersection</li> </ul>	lee URA and cessary tha environment ere possible necessary to roundabout oted, as is tho ce. However cribe specific appropriate!	100km/hr which is the current speed lim vicinity. <u>Aesthetic Appeal Response</u> Due the development of the Badgee Ul associated roundabout, it is necessa there will be changes to the road enviro Lighting will be minimised where po- however speed zone signage is neces ensure the safe use of the road and roun Concerns about jersey kerbs are noted, a request for a high sound proof fence. Ho it is not the place of a DCP to prescribe design outcomes, which are more appro dealt with at development application sta			
<ul> <li>Intersection treatment needs to go back to the drawing board.</li> <li>At their meeting were assured by Councillor that RTA decided on roundabout but would there be a safer option if more land were available?</li> <li>Request that whatever body oversee this that best possible and safest solution.</li> <li>Roundabout should be aesthetically pleasing as entrance to Sussex Inlet.</li> <li>Bland jersey kerbs suggested in Concept Plan are inadequate and not high or long enough to block large car or other vehicle headlights, let alone a bank of streetlights or reduce noise.</li> <li>Submit that whole front fence line of properties affected should have solid wall</li> </ul>	f intersection v there to be d levels are s designed to a trucks 40 dabout. The with reduced ow adjoining to and out of and out of has been ation of the ation of road to minimise	Roundabout Design Response The comments regarding the design roundabout are noted. Consideration of i on adjoining properties with respect location of the roundabout has undertaken. The indicative location roundabout in the draft Chapter has determined based on the application of design standards and a desire to m impacts on adjoining properties.	icts. m submits negative impacts created by intersection are significant. ent concept design plan is unsafe for motorists and residents entering and ng roundabout. risks of collisions because of proximity to existing driveways and vehicles hanging lanes. gest one solution is to use more of Council reserve for this intersection between proposed closed entrance of Golfcourse Way and FFAR to allow Sussex Inlet d to be straightened, moved and widened, and moved further away from 924 932 Sussex Inlet Road. her option is developer to purchase some land from strategic properties to allow construction of a safer intersection. section treatment needs to go back to the drawing board. eir meeting were assured by Councillor that RTA decided on roundabout but d there be a safer option if more land were available? uest that whatever body oversee this that best possible and safest solution. hdabout should be aesthetically pleasing as entrance to Sussex Inlet. d jersey kerbs suggested in Concept Plan are inadequate and not high or long ugh to block large car or other vehicle headlights, let alone a bank of streetlights duce noise. mit that whole front fence line of properties affected should have solid wall	Districts Community	8

	<ul> <li>Forum unable to establish which department or statutory authority is responsible for setting standards for noise abatement measures or how many overhead lights and how light and noise pollution will be minimised.</li> <li>Submit that Council staff, affected residents and those responsible for of roadways should choose best options as construction will be significant and cost should not be the overriding determinant of choice but optimise minimisation of negative impact.</li> </ul>	design will go through a formal approval process with the local Traffic Management Committee which is comprised of representatives from Council and RMS, amongst other persons. This approval process ensures that the design meets appropriate standards and is safe. <u>Roundabout Impacts Response</u> The controls in the draft Chapter aim to ensure that the concerns about the impact of the roundabout are addressed in the detailed design of the roundabout as part of the development application. Landscaping, lighting and screening treatments will be incorporated into the detailed design. <u>Access to Properties Response</u> It is considered that the roundabout will improve the safety of entry/exit from adjoining properties due to the speed zone reduction from 100km/hr to 80km/hr and the fact that it will not be possible for vehicles using the roundabout to safely travel at speeds greater than 60km/hr through the roundabout. <u>Aesthetic Appeal Response</u> Due the development of the Badgee URA and associated roundabout, it is necessary that there will be changes to the road environment. Lighting will be minimised where possible, however speed zone signage is necessary to ensure the safe use of the road and roundabout. Concerns about jersey kerbs are noted, as is the request for a high sound proof fence. However, it is not the place of a DCP to prescribe specific design outcomes, which are more appropriately dealt with at development application stage.
9 D16/85645	Offer general support as need development to enhance commercial viability of business in Sussex Inlet.	Staging Response

	Sussex Inlet & Districts Chamber of Commerce	<ul> <li>Staging <ul> <li>Strong consideration that Stage 1 definitely be in Western Precinct as requested by developer. Know there is strong interest/demand for golf course fronting property.</li> <li>In best interests of town and developer to proceed with Western Precinct initially and will create initial cash flow to ensure success of project.</li> </ul> </li> <li>Flood Free Access Road <ul> <li>Consider that FFAR be built in its entirety, if considered integral part of commencement in conjunction with change of Western Precinct to Stage 1 but with a boom gate until fit to open permanently.</li> <li>Suggest development needs to commence urgently before property market cools off.</li> </ul> </li> </ul>	The draft Chapter identifies the Eastern Precinct as the proposed first stage based on the precinct's proximity to existing water and sewer infrastructure in the adjoining established area. The developer has lodged a development application for subdivision for the Western Precinct, and as per the DCP the provision of infrastructure is required. The draft Chapter does not prevent the Western Precinct being developed first and therefore no change is proposed to the staging. <u>Construction of FFAR Response</u> The draft Chapter stipulates that with the first development application in the Western Precinct that the permanent FFAR must be constructed within the Western Precinct to Sussex Inlet Rd and provision of a temporary gated FFAR connecting the Western to the Eastern Precinct.
10	D16/85651	<ul> <li>Support proposal providing that Western Precinct precedes Eastern Precinct.</li> <li>Strongly believe 18 hole golf course required and could be achieved by allowing Deferred Area to be developed as extension of course. If not this way then through an off-set Agreement, VPA or similar.</li> <li>Many social/economic/environmental benefits from full sized golf course.</li> </ul>	Staging Response The draft Chapter identifies the Eastern Precinct as the proposed first stage based on the precinct's proximity to existing water and sewer infrastructure in the adjoining established area. The developer has lodged a development application for subdivision for the Western Precinct, and as per the DCP the provision of infrastructure is required. The draft Chapter does not prevent the Western Precinct being developed first and therefore no change is proposed to the staging. <u>Extension of Golf Course Response</u>
			The studies that informed the rezoning of the Badgee area identified a number of environmental constraints. There were two (2) areas in particular which were deferred from the initial rezoning at the request of the developer and are currently part of an independent rezoning process (Badgee Deferred Areas

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			Planning Proposal). The Deferred Areas Planning Proposal has not been finalised and therefore whether it is possible to extend the golf course due to environmental constraints remains unresolved.
11	D16/86288 Allen Price & Scarratts	<ul> <li>Item 5.2.2 C2 Staging and Figure 4 Staging Plan</li> <li>DCP stipulates development to start at eastern side our current DA is at odds with this control as our Precinct 1A is located in Western Precinct adjacent to golf course.</li> <li>Staging has been driven by market forces to release golf course frontage allotments. Crucial that developer delivers prime land in first stage. Requests Council modify staging in DCP to show Stage 1 as Western Precinct.</li> <li>New entry off Sussex Inlet Rd creates community feel essential for marketing.</li> <li>Figure 4 Staging Plan should be further amended to show 'hub' relocated to more central area of western precinct. Current position restricted by existing fairways and road intersections.</li> <li>Item 5.3.2 C5 Temporary fire trail to be in same location as permanent fire trail</li> <li>Believe premature to decide where permanent FFAR should be located.</li> <li>Preliminary agreement on alignment but exact location cannot be determined until additional survey and assessment – location of hub, roads and reorganisation of golf course will impact on permanent FFAR.</li> <li>Have identified route of temporary FFAR route in current DA for precinct 1A that utilises parts of existing tracks and require minimal clearing of vegetation.</li> <li>Suggest Item 5.3.2 C6 Construction Standards for temporary FFAR</li> <li>Notwithstanding note at end there is clear conflict inherent in provision.</li> <li>PBP 2006, Clause 4.1.3 – Access (2) requires more onerous requirements than Council and therefore believe that Sub-Clause i and Sub-Clause is be deleted and relevant provisions of PBP 2006 be adopted as required standard for FFAR.</li> <li>Item 5.3.3 C1 Timing of EMP</li> <li>Our interpretation is that EMP prepared not at DA stage but when subdivision created. This could be dealt with as condition of consent. Suggests preparation of EMP is premature before final route of FFAR determined.</li> <li>Suggest rewording of</li></ul>	Staging ResponseThe draft Chapter identifies the Eastern Precinctas the proposed first stage based on theprecinct's proximity to existing water and sewerinfrastructure in the adjoining established area.The developer has lodged a developmentapplication for subdivision for the WesternPrecinct, and as per the DCP the provision ofinfrastructure is required. The draft Chapterdoes not prevent the Western Precinct beingdeveloped first and therefore no change isproposed to the staging.Location of 'Hub' ResponseThe rationale for the location of the 'Hub' cameout of the Environmental Study for the rezoningPlanning Proposal which provided for a potentialcentralised mixed use neighbourhood precinctthat would be in reasonable walking or cycledistance from the Eastern Precinct and theBadgee Urban Area via the Flood Free AccessRd. It is therefore appropriate that the hubremain in this location.FFAR ResponseLocation: The intent of the controls relating tothe alignment was to ensure that excessivevegetation clearing did not occur as a result ofdiffering alignments for the temporary andpermanent FFARs. Master plans showing thedevelopment of the whole Western Precinctwhich were submitted with SF10425 indicatesome thought has been given to the final FFARlocation. As a result it is therefore notunreasonable for the developer to provide a

		<ul> <li>This would allow flexibility in cases where there is a requirement for minor variations. Item 6.1 Information required with subdivision applications</li> <li>Requirements for Tree and Vegetation Plan (TVP) are overly onerous, accept significant individual trees such as Hollow Bearing Trees and Feed Trees which are to be retained should be surveyed and mapped but mapping every other tree in heavily vegetated areas is not practical or justifiable. Suggest rewording opening sentence as follows: <ul> <li>A tree and vegetation plan showing significant individual trees such as</li> </ul> </li> <li>6.3 Development contributions</li> <li>Proposed roundabout on Sussex Inlet Rd and eventual provision of permanent FFAR will benefit all residents of Badgee area and unreasonable to expect developer to be only contributor.</li> <li>Suggest equitable solution is for proposed roundabout be constructed by Shoalhaven City Council with cost recovery through s94 contributions levied on all development in all of the local area that benefits.</li> </ul>	temporary FFAR in a location which is generally similar to that of the final FFAR. Construction standards: The inconsistencies are noted. Recommended that controls be reworded to clarify. <u>EMP Response</u> The first stage of development will impact upon the Central Precinct through edge effects and provision of the FFAR. The EMP will be required to be prepared prior to the issue of the subdivision construction certificate, and it is recommended that the controls be amended to clarify this. <u>APZs</u> APZs should be located wholly outside of the E2 Environmental Conservation zone. No change to controls requiring APZs be provided in the R1 and RE2 zones. <u>TVP</u> Wording of TVP requirements has been amended to clarify that only significant trees such as Hollow Bearing and Feed trees to be retained in APZs be mapped. <u>Roundabout Funding Response</u> The roundabout is necessary to accommodate the increase in traffic generated by the URA. The initial rezoning for the site highlighted the requirement of a FFAR as per the Sussex Inlet Settlement Strategy. A detailed discussion of options in relation to funding the roundabout is considered in the body of the report.
12	D16/87577 Swan Lake Environment Protection Association	<ul> <li>Flooding and Climate Change Issues</li> <li>Proposal makes repeated use of term 'flood free' which demonstrates poorly developed grasp of fundamental principles of flood planning and basic statistics as no coastal area can be considered flood free. Above 1% AEP doesn't mean it's 'flood free' - it has a lower probability of flooding.</li> <li>Wording 'flood free' should be removed from the documentation.</li> </ul>	Flooding and Bushfire Conditions Response The Badgee rezoning was based on the best available information/analysis at the time of rezoning in 2013, and this information was reviewed by both Council, independent consultants and relevant public authorities on

Ordinary Meeting 19 April 2016 - Item 45

Attachment A

		<ul> <li>Key failing of flood treatment is reliance on current information regarding flood levels, when reputable scientific research clearly indicates future flood events will be more intense and higher than current levels.</li> <li>Badgee planning needs to take this into account amended version of Australian Rainfall and Runoff and make sure flood levels based on projected flood levels.</li> <li>Aspect also applicable to bushfire hazard analyses as research indicates more frequent and intense dry spells.</li> <li>Unsuitability of Southern Precinct for development</li> <li>Based on above information evident precinct highly constrained not suitable for development.</li> <li>Suggest URA needs to be reconfigured and rigorous analyses to identify future risk levels.</li> </ul>	flooding and bush fire such as the Office of Environment and Heritage and the RFS. The comments are noted, but are outside the scope of the draft Chapter preparation.
13	D16/87757	<ul> <li>Support in principle 5 draft amendments with some exceptions.</li> <li>Support roundabout in proposed location and believe it will make trip in and out of Sussex Inlet much safer.</li> <li>Disagree with land in Western Precinct being stage 2 as should be stage 1.</li> <li>Believes 18 hole golf course important for tourists and economy and key to success of project.</li> <li>Deferred area continues to be degraded by trail bikes and monster wheel vehicles and would benefit from being part of the golf course.</li> <li>Plan provides too much land for conservation not enough for passive recreation and other amenities.</li> <li>CBD presently isolated by floodwater and support another commercial area in Badgee URA out of flood prone area which would serve surrounding districts, as residents travel out of town to shop as no competition in Sussex. Suggest ideal location junction Sussex Inlet Road and Springs Road in Southern Precinct.</li> </ul>	Staging ResponseThe draft Chapter identifies the Eastern Precinctas the proposed first stage based on theprecinct's proximity to existing water and sewerinfrastructure in the adjoining established area.The developer has lodged a developmentapplication for subdivision for the WesternPrecinct, and as per the DCP the provision ofinfrastructure is required. The draft Chapterdoes not prevent the Western Precinct beingdeveloped first and therefore no change isproposed to the staging.Extension of Golf Course ResponseThe studies that informed the rezoning of theBadgee area identified a number ofenvironmental constraints. There were two (2)areas in particular which were deferred from theinitial rezoning at the request of the developerand are currently part of an independentrezoning Proposal). The Deferred AreasPlanning Proposal has not been finalised andtherefore whether it is possible to extend the golfcourse due to environmental constraintsremains unresolved.Commercial Area ResponseThe 'Hub' area located in the Western Precinctis proposed to be a mixed use area potentially

			including shops. The rationale for the location of the 'Hub' came out of the Environmental Study for the rezoning Planning Proposal which provided for a potential centralised mixed use neighbourhood precinct that would be in reasonable walking or cycle distance from the Eastern Precinct and the Badgee Urban Area via the FFAR. It is therefore appropriate that the hub remain in this location.
			The Southern Precinct is unlikely to be suitable for commercial development due to flood and environmental constraints. Further studies relating to flooding and environmental impacts are required as part of the Deferred Matters Planning Proposal.
14	D16/88110	<ul> <li>Support DCP chapter.</li> <li>Confused why Council insisting on Eastern Precinct be developed first as West should be as interested in purchasing golf course home site.</li> </ul>	<u>Staging Response</u> The draft Chapter identifies the Eastern Precinct as the proposed first stage based on the precinct's proximity to existing water and sewer infrastructure in the adjoining established area. The developer has lodged a development application for subdivision for the Western Precinct, and as per the DCP the provision of infrastructure is required. The draft Chapter does not prevent the Western Precinct being developed first and therefore no change is proposed to the staging.

### NOTICE TO APPLICANT OF DETERMINATION OF DEVELOPMENT APPLICATION

### **BY REFUSAL**

### Environmental Planning and Assessment Act, 1979 DA14/2579

TO:

Fabcot Pty Ltd (C/- The Planning Group NSW) PO Box 1612 NORTH SYDNEY NSW 2059

being the applicant(s) for **DA14/2579** relating to:

Lot 7 DP 583795 Princes Highway and Lot 2 DP 655641 (No.320) Princes Highway, Bomaderry

**REFUSED USE AND/OR DEVELOPMENT:** 

Demolition of existing structures, bulk earthworks, construction of a retail development (containing two retail tenancies including a Woolworths supermarket and separate bulky goods tenancy), associated onsite carparking, advertising signage, landscaping, new vehicle access points and works within the adjoining road reserve.

#### **DETERMINATION DATE:**

#### **REFUSAL DATE:**

Pursuant to the Section 81 of the Act, notice is hereby given that the above application has been determined by **REFUSAL** for the following reasons:

- 1. The proposal is contrary to Section 79C (1)(a)(i) of the Environmental Planning and Assessment Act 1979 as the supermarket component of the development does not satisfy Clause 2.3(2) of Shoalhaven Local Environmental Plan 2014. The objectives for development in the B5 zone are: (i) "to enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of, centres; and (ii) to allow diversity of activities that do not significantly conflict with the operation of existing or proposed development". The supermarket component of the development is inconsistent with and does not satisfy these objectives. The large supermarket does not support the viability of centres and will significantly conflict with the operation of existing and proposed business centres.
- 2. The proposal is contrary to Section 79C (1) (a)(iii) of the *Environmental Planning* and Assessment Act 1979 as the supermarket component of the development

does not satisfy Shoalhaven Development Control Plan 2014 Chapter G17: Business, Commercial and Retail Activities (Clause 4. Objective *"i. Encourage the growth and development of business and employment opportunities within defined limits and in a socially and economically responsible manner"* and *"ii. Safeguard the amenity of the area and, in particular, immediately adjoining and adjacent property owners."* The proposed development will provide employment opportunities, however the supermarket component will have an adverse impact on the economic viability of the identified existing and proposed retail/business hierarchy of Bomaderry, North Bomaderry (Lyndhurst Dr) and Cambewarra (proposed).

- 3. The proposal is contrary to Section 79C (1)(b) of the *Environmental Planning and Assessment Act 1979* as the supermarket component of the application is likely to have negative economic impacts on the existing nearby centres (ie. Bomaderry and North Bomaderry Centres) and the viability of the nearby future planned centre (Cambewarra).
- 4. The proposal is contrary to Section 79C(1)(e) of the *Environmental Planning and Assessment Act 1979* as it is not in the public interest, as the supermarket component of the development application is inconsistent with the adopted retail hierarchy within the Nowra Bomaderry Structure Plan, being part of the Shoalhaven Council's strategic planning framework (also includes the Shoalhaven Local Environmental Plan 2014).

### RIGHTS OF REVIEW AND APPEAL

### Development Determination under Environmental Planning and Assessment Act, 1979

Under section 82A of the Environmental Planning and Assessment Act, 1979 an applicant may request the council to review its determination except where it relates to a Complying Development Certificate, Designated Development or Integrated Development. The request must be made **within six (6) months** of the date of the receipt of the determination, with a prescribed fee of 50% of the original DA fee.

Section 97 of the Environmental Planning and Assessment Act, 1979 confers on an applicant who is dissatisfied with the determination of a consent authority a right of appeal to the Land and Environment Court which can be exercised **within six (6) months** after receipt of this notice.

#### PRIVACY NOTIFICATION

Personal information contained on this Development Consent Modification and any associated documents will be published on Council's website as required by the Government Information (Public Access) (GIPA) Act 2009.

Development Assessment Report - Pursuant to Section 79C, Environmental Planning and Assessment Act, 1979

DA No.	DA14/2579
Proposal	Demolition of existing structures, bulk earthworks, construction of a retail development (containing two retail tenancies including a Woolworths supermarket and separate bulky goods tenancy), associated onsite carparking, advertising signage, landscaping and new vehicle access points and works within the adjoining road reserve.
Property	320 Princes Highway, Bomaderry (Lot 7 DP 583795 and Lot 2 DP 655641)
Applicant	Fabcot Pty Ltd
Owner(s)	Fabcot Pty Ltd

#### 1. Proposal

In summary, the development application, as amended, seeks approval for the construction of a retail development comprising:

- Site preparation, demolition and bulk earthworks;
- Construction of a building comprising a supermarket with a gross floor area (GFA) of 3800m<sup>2</sup> and bulky goods tenancy with a GFA of 1500m<sup>2</sup> (total GFA 5300m<sup>2</sup>);
- Modifications to the existing vehicular access and egress driveway to Princes Highway and construction of a slip lane;
- Construction of two new vehicular access and egress points off Cambewarra Road to the car parking area (via a new roundabout) and loading dock (separate access). A further driveway to Cambewarra Road adjacent to KFC fast food outlet will remain (to be egress only);
- Construction of a bus bay within the Cambewarra Road road reserve;
- Construction of an 'at-grade' car parking area containing 279 car spaces (including 2 long vehicle spaces and 8 parking for disabled persons), 4 motorcycle spaces, 14 bicycle rails, 2 taxi spaces and one space for parking of a mini-bus);
- Advertising signage (four signs on building elevations and two pylon signs at each road frontage);
- Landscaping;
- Associated civil engineering works including land forming earthworks, tree removal, stormwater management works and utility service connections.

The proposed development will operate between 6am and midnight, seven days a week. Note: the Acoustic Report submitted indicates the operating hours to be 7am (not 6am as indicated elsewhere in the application) to midnight and hence this will be adopted for the assessment of the application. The proposal will employ approximately 190+ persons (including trainee and apprenticeship positions).

The amended/current site and architectural plans are listed in Table 1 below and are provided at **Attachment 1** of this report.

Table 1: Plans prepared by Nordon Jago Architects			
Plan Ref	Revision	Sheet Name	Date
DA00	R	Cover & Site Analysis Plan	10.02.16
DA01	W	Floor Plan	29.09.15
DA02	L	Elevations, Sections & Finishes Schedule	10.02.16
DA03	J	3D Views	11.06.15
DA04	F	Shadow Diagram Analysis	11.06.15
DA05	G	Signage	29.09.15
DA06	С	Viewing Corridor Analysis	11.06.15
DA07	1	Car Parking Plan	09.10.15

The full list of documents lodged with the development application is listed at **Attachment 2** of this report.

The applicant has not applied for a Construction Certificate through Council and has not nominated Council as the Principal Certifying Authority.

#### 2. Subject Site and Surrounds

The development site:

- Comprises two parcels of land at Bomaderry known as Lot 7 DP 583795 (southern portion mostly fronting Princes Highway) and Lot 2 DP 655641 (northern parcel fronting Cambewarra Road). The site area is 24,715m<sup>2</sup> and is predominantly vacant (since the former "John Bull Rubber" business vacated following fire damage). A KFC fast food outlet and associated parking area is located in the north-west corner (access/egress from Cambewarra Road) and will be retained in the development scheme (with the driveway retained for egress only).
- The land is located on the eastern side of the Princes Highway, located approximately 200
  metres south of the major intersection of Princes Highway/Cambewarra Road/Moss Vale
  Road roundabout. The site is located approximately 2 kilometres north of the Shoalhaven
  River bridge and 3.5 kilometres north of the Nowra Central Business District.
- Is predominantly flat and contains some vegetation along the eastern boundary and northeastern corner area.
- The land is contaminated due to previous uses on the site and is proposed to be remediated as part of the scope of works.

In summary, the site has no significant features that would inhibit the construction of the proposed development. An aerial photograph/plan of the site and surrounds is provided at **Attachment 3**.

#### 3. Background

The following provides details on pre-lodgement discussions, post lodgement actions and general site history:

a) <u>Pre Lodgement:</u> Council staff have advised that a review of Council records has indicated that a pre-lodgement meeting (DAU) was not held prior to the development applications

lodgement and a number of discussions were had with Council management prior to lodgement.

b) Post Lodgement: The current application was lodged on 22 December 2014. Council officers during the assessment of the application have requested additional information from the applicant on nine occasions (i.e. letters dated 23 December 2014; 14 January 2015; 21 January 2015; 6 February 2015; 1 April 2015; 22 May 2015 (email following up status); 18 June 2015 (email), 24 June 2015 (email following up on status); 7 August 2015; 14 August 2015; and 15 September 2015 (email).

A meeting was held between the applicants and Council staff to discuss the additional information requests on 21 April and 3 December 2015. A final email request for the outstanding information was forwarded by Council to the applicant on 18 December 2015. Several emails were issued to the applicant by Council staff following up on the timing of the receipt of the information. Issues raised included:

- Objectives of B5 zone;
- Economic impact on existing centres;
- Traffic and access impacts (including RMS concerns);
- Site management issues (including noise, waste, crime and safety, trolley management);
- Sewer connection point.

Additional information was provided by the applicant addressing some of the requested information on 7 January 2015 (landscape plan), 22 January 2015 (site plan information), and 27 January 2015 (SIDRA details).

Further information was provided on 30 July 2015 (refer to full list at **Attachment 2**), which amended the submitted plans to remove the 2x100m<sup>2</sup> specialty stores, addressing some of the RMS and Council's concerns, in particular the revised vehicular driveway/access location arrangements from the Princes Highway and Cambewarra Road (the latter being the introduction of a new roundabout at the intersection with Farrelly Place). The amended plans also revised the loading dock orientation and removed the originally intended two small retail specialty shops.

A portion of land indicated on the original plans to remain vacant on the south-western corner of the site was also relocated on the amended plans to the south-eastern corner. The information also included updated architectural, landscape and civil engineering drawings/plans, a response to the Council's independent peer review of economic impact assessment (by Leyshon Consulting), an updated traffic assessment, and a response to submissions received to date.

Further information was submitted on 12 and 21 October 2015 (refer to full list at **Attachment 2**) which replaced the 1500m<sup>2</sup> mini-major retail tenancy with a 1500m<sup>2</sup> bulky goods premises. A report and associated plans responding to a range of traffic matters was submitted (including access/egress to/from both roads, truck turning paths, and provision of an indented bus bay on Cambewarra Road).

A final set of amended/additional plans and documents was submitted on 10 February 2016 (refer to full list at Appendix 2) and comprised: an updated parking plan; a response to stormwater and traffic and parking matters, including revised design within Cambewarra Road, and a response to key points regarding economic impact considerations.

Council staff now consider that the applicant has submitted suitable quality development plans and supporting information, and has been given reasonable opportunity for an assessment of the application to be undertaken.

- c) <u>Site History</u>: A review of Councils computer records/files has indicated that the subject parcels of land have had a number of development/building applications previously submitted and approved. None of these applications have any relevance to this current application, with the exception of the approval for the existing KFC fast food outlet at the north-western portion of the site (Development Consent No DA07/1024 was issued which approved a staged development for a fast food outlet and 10 bulky goods/warehouse units and 71 car parking spaces.). The proposed development layout is consistent with the approved layout for the KFC facility. Should the development application be approved, a condition will be required to be imposed requiring a surrender of the second (undeveloped) stage being 10 bulky goods/warehouse units and 71 car parking spaces.
- d) <u>Engagement of Independent Consultants/Specialists</u>: During the process of the assessment of the development application, the following independent consultants were engaged for the scope of works as identified below:
- Leyshon Consulting: was engaged in April 2015 to review the economic impact assessment report submitted with the development application to ascertain if the methodology is sound and to determine if the impacts of the proposed development are acceptable or otherwise, having regard to the location of existing business zones and future planned areas with reference to Council's strategic planning framework. The final Peer Review document was provided to Council by Leyshon Consulting on 24 June 2015. Council further instructed Leyshon Consulting to prepare a Supplementary Report commenting on the revised DA (submitted on 25 September 2015) which deleted the two small specialty stores and to comment on the applicant's response to Leyshon's Peer Review document. A further report (dated 20 November 2015) assesses the impact of the further revised proposal submitted by the applicant on 12 October 2015 which replaced the use of the 1500m<sup>2</sup> tenancy on the northern side of the building from a "mini-major" retail use to a "bulky goods" tenancy use. The outcomes are addressed in Section 7(i)(d) of this assessment report.
- Ian Hemmings SC: was engaged on 2 June 2015 via Council's solicitor, to provide legal advice on the consistency of the proposed development with the objectives of the B5 Business Development zone and other associated matters, including the weight given to zone objectives and economic impact in the assessment of the development application. Mr Hemmings' initial advice was received on 13 July 2015. Supplementary advice was sought from Mr Hemmings following receipt of the abovementioned Peer Review (dated June 2015), in addition to the applicant's own response to that review (received by Council on 30 July 2014). Mr Hemmings' supplementary advice was received on 8 August 2015. Further advice was sought regarding the amendments to the proposal (ie. reduction in retail area and introduction of bulky goods floor area) and associated economic impact documentation. Refer also to Section 7(i)(c) of this report. A separate supplementary Confidential Report is provided to Councillors for consideration for the determination of this application (due to legal privilege).
- TCG Planning: was engaged on 30 June 2015 to review the development application, assess the application pursuant to the planning legislation (in addition to inspecting the site, liaison with Council staff), undertake an audit of the processing of the application, prepare a report for Council's consideration and prepare a determination notice based on the assessment. This report was prepared by TCG Planning and comprises the Section 79C

Assessment . A separate document (at **Attachment 4**) is a report on the outcomes of the audit of the development application.

## 4. Community Consultation

In accordance with the requirements of the Environmental Planning and Assessment Act (EPA Act), Environmental Planning and Assessment Regulation (EPA Regulation) and applicable components of Council's "Community Consultation Policy" the development application was notified as follows. Refer also to the audit of the development application (**Attachment 4** regarding the consultation process).

a) Original Development Application Notification - Notification 1

- Individual property owners within a 400 metre radius of the site, and relevant CCB's and Chambers of Commerce were notified of the proposal (270 letters sent). The notification period was from 21 January 2014 to 20 February 2014;
- The proposal was advertised in the local press on two occasions (South Coast Register 21 January and 11 February 2014; and
- The application and supporting documentation were on display at Council's City Administrative Centre in Nowra as well as Council's website.

Forty five (45) submissions (including 5 in support, the remaining objecting to the proposal) were received during this period. The majority of these were form letters. A further 927 signed form letters objecting to the development were received, in addition to a petition signed by 4630 people (44 of these in support, the remainder in opposition).

- b) <u>Amended Development Application Notification 2</u> (notification of the revised design and additional information):
- Those that made submissions in the first notification period were re-notified. 45 letters sent.
- The notification period was from 14 August 2015 to 31 August 2015;
- The proposal was advertised in the local press (South Coast Register 14 August 2015); and
- The application and supporting documentation were on display at Council's City Administrative Centre in Nowra as well as Council's website.
- Seven (7) letters of objection were received during this notification period.
- c) <u>Amended Development Application Notification 3</u> (notification of the revised design and additional information):
- The same individual property owners within the same 400 metre radius of the site as Notification period 1 were notified of the amended proposal, in addition to those that had made submissions during Notification Period 1 and 2 (total 350 letters sent). The notification period was from 4 to 19 November 2015;
- The application and supporting documentation were on display at Council's City Administrative Centre in Nowra as well as Council's website.
- One (1) letter seeking clarification, and six (6) letters of objection were received (one of them containing a petition) 1660 form letters were submitted from the general public objecting to the development, and 97 form letters objecting to the development from owners of businesses in the North Nowra/Bomaderry locality.
- A late submission (2 February 2016) was also received, being a detailed report objecting to the development on a number of grounds in particular inconsistency with strategic planning

documents and associated resident/ratepayer expectations.

d) <u>A Residents Briefing Meeting</u> in relation to the development application was held on 11 August 2015 at Council's Administration Building.

Further discussion of the issues raised in the submissions that have been received is provided in the following sections of this report

## 5. Statutory Considerations

The following are relevant planning controls that have been considered in the assessment of this application.

- Environmental Planning and Assessment Act 1979;
- Environmental Planning and Assessment Regulation 2000;
- State Environmental Planning Policy (Infrastructure) 2007;
- State Environmental Planning Policy 55 Remediation of Land;
- State Environmental Planning Policy 64 Advertising and Signage;
- Shoalhaven Local Environmental Plan 2014;
- Development Control Plan 2014;
- Shoalhaven Contribution Plan 2010.

Additional information on the proposal's compliance with the above documents is detailed in the following section of this report.

## 6. Assessment of Proposal According to the Planning Provisions

The following provides an assessment of the submitted application against the matters for consideration under 79C of the EPA Act relating to planning instruments and development control plans and regulations that apply to the land:.

- i) <u>Environmental Planning and Assessment Act 1979 (EPA Act) and Environmental Planning and Assessment Regulation 2000 (EPA Regulation)</u>: The clauses/matters contained in EPA Act and Regulation, apart from Section 79C, that have relevance to this application are addressed in the 'Audit of Development Assessment Process' undertaken by TCG Planning contained at Attachment 4 of this report. The Audit confirms that the processing of the development application has been undertaken in accordance with the EPA Act and Regulation.
- ii) <u>State Environmental Planning Policy (Infrastructure) 2007 (SEPP 2007)</u>: The clauses/matters contained in SEPP 2007 that have relevance to this application are overviewed below:
  - a) Clause 101 (Development with frontage to classified road): The Princes Highway is defined as a 'classified road'. As the development has frontage to the Princes Highway this clause is applicable.

The (amended) development application proposes a left turn slip lane along the Princes Highway frontage of the site to an ingress driveway (also providing left turn egress from the site). Access to the site from Cambewarra Road is also proposed via a roundabout and separate service vehicle driveway access.

The RMS (the road authority administering the classified road) are satisfied that the

access to the site from the Princes Highway is satisfactory, subject to conditions relating to the provision of a slip lane and allowance for future road widening and dedication (refer below). Hence, the provisions of this clause with respect to access, safety, efficiency, ongoing operation and etc can be satisfied. The development is of a type that is not sensitive to traffic noise or vehicle emissions and the last provision is not relevant. *Clause 104 (Traffic-generating development):* The development is of a type specified in Column 1 of the Table to Schedule 3 (i.e. 'shops' and 'parking') that is of a size greater than the requirement in Column 3 (i.e. 'greater than 2,000m<sup>2</sup> in area') and separately provides car parking for '200 or more motor vehicles' as listed in Column 2. As such, in accordance with the requirements of this clause the application was referred to the RMS for comment within 7 days of the application being lodged.

Four responses from the RMS have been received by Council [dated 30 January 2015, 14 September 2015, 17 December 2015 (email status) and 18 March 2016] in response to the various amendments to the proposal and requests from the RMS and Council for further information.

The most recent RMS response did not object to the proposed development (subject to conditions), but only subject to dedication at no cost of land fronting the Princes Highway as outlined below.

#### RMS Comments:

RMS sent correspondence to Council in regards to the subject development application on 30 January 2015 stating "RMS generally does not support direct access to a classified road, such as the Princes Highway, where local road access is available. This is supported by Clause 101 (2) (b) of State Environmental Planning Policy (Infrastructure) which states "where practical, vehicular access to the land is provided by a road other than the classified road". However, RMS would consider direct access to Princes Highway if it could be demonstrated that construction of a left turn slip lane could be achieved whilst allowing for future widening of the Highway. Property dedication is likely to be required to achieve this."

The RMS assessed the revised/additional documentation provided by the applicant (to address the above requirements for access to/from the site via the Princes Highway). Submitted plans indicated a slip lane allowing access to the site and a future boundary line set into the site (to the east) to enable future road widening. In response to this, the RMS in its final advice (18 March 2016) indicated:

"RMS objects to the application in its current form, however if the applicant agrees to dedicate the land to SP2 Infrastructure at no cost to RMS, RMS would not object to the development application subject to the following comments being included in the conditions of development consent..." (the correspondence then provides ten conditions relating to land dedication requirements prior to occupation, Works Authorisation Deed, and provision of slip lane prior to occupation, work to be in accordance with Australian Standards and other standard requirements).

There is no known strategic plan for proposed widening of the Princes Highway. However, having regard to the Infrastructure SEPP 2007 provisions limiting access to/from classified road, the applicant has no option but to agree to dedication of this land (at no cost) if it seeks approval for access from the Princes Highway. It is assumed this is the case having regard to the submission of plans indicating the 'future boundary'. It is not considered that there is a need for the land to be zoned SP2 Infrastructure prior to occupation of the development should it be

approved. Rather, this could be addressed/included within one of the Council's LEP 'housekeeping' amendments when undertaken in the future. In addition, all landscaping along the Princes Highway frontage is located within this 3m strip of land that is required to be dedicated, and once dedicated, will no longer form part of the subject site.

Removal of landscaping is an unacceptable visual outcome for the Princes Highway frontage. Should the application be approved, a condition should be imposed requiring car spaces 55, 198-203 and the trolley bay to be removed and replaced by landscaping (with trolley bay relocated to space 203). There is ample surplus in parking spaces to achieve this.

- iii) <u>State Environmental Planning Policy 55 Remediation of Land (SEPP 55)</u>: The clauses/matters as contained in SEPP 55 that have relevance to this application are overviewed below:
  - a) Clause 7 (Contamination and remediation to be considered in determining development application): Consideration has been given to whether the land on which the works are proposed is contaminated. A Site Audit Statement (prepared by EnviroView) was submitted by the applicant which reviews a number of documents (including a Remedial Action Plan (RAP) and Phase 2 Contamination Assessment). The Site Audit Statement concludes that "whilst the (RAP) does contain the requirement for additional assessment work in order to determine the specific remedial response for some contaminants, it is the opinion of the Site Auditor that the site can be suitable proposed land use with the implementation of the RAP." The proposed remediation works are 'Category 2' works and are "ancillary works" in conjunction with the retail/bulky goods development and are not "advertised development".

Council's Environmental Health Officer reviewed the above reports, concurs with the recommendations (including the need for further investigations to determine technical details for remedial works) and has recommended conditions of development consent with respect to these matters. Having regard for the above, it is considered that the provisions of the SEPP have been satisfied as the land will be suitable (after remediation) for the purpose for which the development is proposed to be carried out, and the land will be remediated before the land is used for that purpose.

- iv) <u>State Environmental Planning Policy 64 Advertising and Signage (SEPP 64)</u>: The clauses/matters as contained in SEPP 64 that have relevance to this application are overviewed below. The proposal seeks consent for six signs on the building elevations and two freestanding pylon signs located along the Princes Highway and Cambewarra Road frontages. The proposed signage is indicated on Plan DA05 Rev G and associated elevations (DA02 K) and 3D images (DA03 J). The exact details of some signs (and partial signage areas) is not provided as the tenant of the bulky good premises is not yet known, however the proposes sizes are indicated on the plans. All proposed signs are "business identification signs" (including the unknown tenancy) and hence Part 3 of the SEPP does not apply, including the need to refer the application to the RMS and to be advertised in accordance with Clause 17.
  - a) *Clause 5 (Area of application of the policy):* The subject site is included within the plans catchment.
  - b) Clause 6 (Signage to which the Policy applies): SEPP 64 is applicable to this application as the signage proposed can be displayed with development consent and is visible from a

public place.

- c) Clause 8 (Granting of consent to signage): The proposed sign is consistent with the objectives of the policy, and satisfies the criteria of Schedule 1 (refer to Attachment A for assessment).
- d) *Clause 10 (Prohibited advertisements):* The site is not affected by zones listed as where advertisement is prohibited.
- e) Clause 13 (Matters for consideration): The proposed advertising is considered to be consistent with the objectives of the SEPP (i.e. Clause 3(1)(a)). In addition, it has been assessed by the consent authority/Council in accordance with the assessment criteria in Schedule 1 and Council is satisfied that the proposal is acceptable in terms of its impacts. Refer to Attachment 5 for details on this assessment.

In summary, the proposed development, subject to the imposition of conditions as detailed above and in **Attachment 5**, complies with the relevant provisions in SEPP 64.

- v) <u>Shoalhaven Local Environmental Plan 2014 (SLEP 2014)</u>: SLEP 2014 commenced on 22 April 2014. The clauses/matters contained in SLEP 2014 that have relevance to this application are overviewed below:
  - a) Clause 2.3 (Zone objectives and land use table): The land where the works are proposed is zoned B5 Business Development. Attachment 3 is an extract from SLEP 2014 Land Zoning Map showing the site and surrounds. The proposed development is defined within the dictionary of SLEP 2014 as "shop" and "bulky goods premises". The bulky goods premises use is specifically listed as 'permitted with consent' in the land use table. The supermarket component is defined as a "shop" (which is a type of "retail premises" being a type of "commercial premises" in the use categorisation under the SLEP 2014 definitions). "Shops", are not prohibited under the land use table and therefore is permitted as an innominate use under Item 3 of the land use table being "any other development not specified in item 2 or 4." The land uses are therefore permitted with development consent. Under Clause 2.3(2), Council must have regard to the objectives for development in a zone.

The objectives of the B5 zone are: (i) "to enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of, centres; and (ii) to allow diversity of activities that do not significantly conflict with the operation of existing or proposed development".

A consideration of the zone objectives has been undertaken and it appears that the supermarket component of the development is inconsistent with and does not satisfy these objectives. While the proposed development <u>does</u> provide a diversity of activities including a mix of business...uses, and bulky goods premises that require a large floor area in a location that is close to centres, the large supermarket does <u>not</u> support the viability of centres and will (in Leyshon's opinion)have a very high adverse impact on the operation of some existing and proposed business centres. A detailed discussion on this is provided at Section 7(i) of this report.

b) Clause 4.3 (Height of Buildings): The SLEP 2014 Maps do not nominate a maximum building height or FSR for the subject land however subclause (2A) states that if no maximum height is mapped, then the height of a building is not to exceed 11m. The feature awning at the front entry to Woolworths supermarket is the highest point of the building at RL 64.637m AHD. The ground level at that point is RL54.23m and therefore

the maximum height is 10.4m. The majority of the remainder of the building (flat roof, majority RL61.8m AHD) is approximately 8.8m high. This clause is satisfied.

- c) *Clause 4.4 (Floor Space Ratio):* The SLEP 2014 Maps do not nominate a maximum FSR for the subject land. This clause is not relevant.
- d) Clause 5.9 (Preservation of Trees): Consent is sought for the removal of 109 trees, and canopy protection measures are proposed for one (1) tree under this clause. Nine (9) trees are proposed to be retained and substantial new planting is proposed. This clause is satisfied. Refer to Section 7.vii) of this report.
- e) Clause 5.10 Heritage Conservation: The site (or surrounds) are not listed as items of heritage significance, and an archaeological site assessment accompanying the application (Mary Dallas Consulting Archaeologists, 2014) concludes that "no Aboriginal archaeological sites or areas of Aboriginal archaeological sensitivity were identified within the subject land."
- f) Clause 7.1 (Acid Sulfate soils): The site is mapped as containing Class 5 acid sulfate soils. The proposal does not involve works within 500 metres of adjacent Class 1-4 land that is below 5m AHD and by which the water table is likely to be lowered by 1m AHD on adjacent Class 1-4 land. Therefore this clause is satisfied.
- g) Clause 7.2 (Earthworks): Earthworks involving a net cut/fill balance is proposed (ie. with no import/export of fill to/from the site). These works are ancillary to the development and satisfactorily meet the considerations within this clause. Conditions of development consent are recommended (if approval is issued) with respect to soil removal (if required for remediation) and dust management.
- h) Clause 7.11 (Essential Services): The subject site has access to water, sewer and electricity services in accordance with this Clause. The applicant submitted documentation from Endeavour Energy confirming that the existing HV network has sufficient capacity to support the proposed development.

In summary, the proposed development, does not conflict with the aims and relevant provisions of SLEP 2014, with the exception of the zone objectives which Council must have regard to pursuant to Clause 2.3(2).

vi) <u>Shoalhaven Development Control Plan 2014</u>: SDCP 2014 commenced on 22 October 2014. The chapters of SDCP 2014 that have relevance to this application are overviewed in Table 2 below:

Table 2: Summary Table of Compliance with SDCP 2014			
Clause	Relevant DCP Requirements	Proposal/Compliance	
Chapter 2: Ge	Chapter 2: General & Environmental Considerations - 2. Potentially Contaminated Land		
2.2.5 2.2.6	Council must give consideration to a range of planning instruments, policies and guidelines when assessing rezoning and development applications over land that is potentially contaminated. These documents are outlined in Table 1 of the DCP including Council's Contaminated Lands	Council's DCP and Contaminated Lands Policy (POL12/326) is satisfied as an Interim Site Audit Advice and a Remedial Action Plan (which summarises and references previously completed Phase 1 and 2 Investigation report) is submitted with the DA. Satisfied subject to conditions require a Validation and Monitoring Report (2.2.6 of the Policy). Refer to comments	

	Policy (POL12/326).	under SEPP 55 above.
Chapter 2: Ge	neral & Environmental Considerations: 5.Crime Pre	
5.3 Assessment Considerati ons	Council isto consider crime prevention when determining all applications. Where issues of crime prevention are specifically relevant to a development, an application should address how the development incorporates principles of CPTED.	The applicant has provided a CPTED report addressing the four broad principles of CPTED: surveillance, access control, territorial re- enforcement and space management. Refer also to Section 7.vi) of this report.
Chapter G1: S	ite Analysis, Sustainable Design and Building Mater	rials in Rural, Coastal and Environmental Areas
5.1 Site Analysis	P1 To ensure that the characteristics of the site and its surrounds have been adequately considered through preparation of a thorough site analysis	A satisfactory site analysis has been submitted with development application
5.2 Energy Efficiency and Solar Access	A4.1 50 % of the area of the windows or glazed doors of north facing living areas and principal open space of adjoining dwellings do not have their sunlight reduced to less than three hours of sun between the hours of 9am and 3pm on the 21st June (winter solstice).	Plans provided by the applicant (Nordon Jago Architects Plan DA04F) which indicate the shadow impacts of the development (including 4.2m high acoustic fence). Overshadowing of some of the adjoining residential properties to the south occurs from 2pm during mid-winter however the dwellings/windows are not impacted and the principal open space areas (rear yards) achieve more than 3 hours of sunlight in accordance with the requirements.
Chapter G2: S	Sustainable Stormwater Management and Erosion/S	ediment Control
5.1 Stormwater	<ul> <li>5.1.1 Minor and Major Systems Design</li> <li>5.1.3 Onsite Stormwater Detention (OSD)</li> <li>5.2 Stormwater Reuse</li> <li>5.3.1 Erosion and Sediment Control</li> <li>5.3.2 Stormwater Retention - General</li> <li>5.3.4 Large scale development</li> </ul>	The applicant has submitted Civil Design (Stormwater Drainage) Plans (Jones Nicholson Project 141009, C01-C03) which proposes to discharge stormwater to drainage systems along Princes Hwy and Cambewarra Road via two separate OSD tanks. No rainwater tanks (stormwater reuse) are proposed on plans. Site Management Plans (Jones Nicholson Project 141009, ESM 1-3) are also submitted addressing erosion and sediment control. Conditions recommended.
Chapter G3: L	andscaping Design Guidelines	
5. Controls	<ul> <li>A1.1 Existing trees and landscape elements which make a positive contribution to the character of the area should be retained and integrated into the redevelopment of the land. Proposals to remove existing trees and landscape elements must propose suitable landscape gelements must be in accordance with an approved landscape plan for the site, prepared by a qualified landscape architect or designer.</li> <li>A3.1 A landscape plan must be submitted with the development application illustrating the following landscape principles: • The location, height and species of all existing and proposed vegetation;</li> <li>P4 To use landscape design that specifies the location and species of trees, shrubs and ground cover in a way that:</li> <li>Uses vegetation types and landscaping styles that blend the development in with the streetscape;</li> <li>Complements the functions of the street and reinforce desired traffic speed and behaviour;</li> <li>Is an appropriate scale relative to both the street reserve width and the building bulk</li> </ul>	The applicant submitted a Landscape Plan by qualified Landscape Architect (Elke, 1409_b; L101) which includes the trees proposed to be removed and retained, and a planting schedule for compensatory planting to integrate with the development and streetscape. The landscape design is suitable for the scale of the development and will provide shade to many of the car spaces in the large open car park area. There is a 4m wide landscaped buffer to the adjoining residential area located between the building and the south-eastern boundary fence. Most landscaping along the Princes Highway frontage is located within a 3m wide strip of land required to be dedicated, and once dedicated, will no longer form part of the subject site. Removal of landscaping is an unacceptable visual outcome for the Princes Highway frontage. Should the application be approved, a condition should be imposed requiring car spaces 55, 198-203 and the trolley bay to be removed and replaced by landscaping (with trolley bay relocated to space 203). There is ample surplus in parking spaces to achieve this.

	<ul> <li>Considers personal safety (safety by design) by ensuring good visibility and lighting at dwelling entries, along paths and driveways and avoids shrubby landscaping near thoroughfares;</li> <li>Contributes to energy efficiency and amenity by providing substantial shade in summer especially to open car park areas</li> <li>Improves privacy and minimises overlooking between dwellings;</li> <li>Minimises risk of damage to proposed</li> </ul>	It is recommended detailed lighting plan be provided prior to CC addressing lighting to achieve safety throughout the site including car park.
	buildings, overhead and underground power lines and other services;	
Chapter G4: F	Removal and Amenity of Trees	
5.4 Application procedures 5.4.1 Arborist Report	The application seeks removal of the majority of trees on the site. Council will require the submission of an Arborist Report prepared by a suitably qualified and practising Arborist to assess the health and condition of the tree to support the removal application	An Arborist Report and Flora and Fauna Assessment accompanies the development application and is considered satisfactory subject to conditions by Council's Threatened Species Officer.
Chapter G5: T	hreatened Species Impact Assessment	
6.1.1 Flora and Fauna Assessment	You must lodge a Flora and Fauna Assessment with any development application where: a) There is a potential impact on threatened species either directly or indirectly; or b) There is proposed direct or indirect impacts on native vegetation or fauna habitats such as water bodies, watercourses or dams; or c) For any proposal that may have a significant effect on matters of national environmental significance and/or actions that have a significant effect on the environment of Commonwealth land, under the EPBC Act. The Flora and Fauna Assessment must address the proposed subject site and study area. That is, the area directly affected by the proposal and any additional areas which are likely to be affected, either directly or indirectly.	In addition to the Arborist Report, a Flora and Fauna Assessment was submitted in accordance with the DCP requirements. The report indicates the vegetation communities identified on the site are not listed as critically endangered ecological communities or ecologically endangered communities, and no threatened flora and fauna species were located to be occurring on the site. Council's Threatened Species Officer concurs with the reports and the application is satisfactory subject to conditions.
Chapter G7: V	Vaste Minimisation and Management Controls	
5. Controls	A.1.1 A waste minimisation and management plan (WMMP) is to submitted with the development application in accordance with Council's Waste Minimisation and Management Guidelines 2009.	A WMMP was submitted with the initial application (by TPG) and addresses: Waste sources associated with demolition and construction phases;
6.1 Developme nt application documents	Development applications must be accompanied by a waste minimisation and management plan in accordance with the Waste Minimisation and Management Guidelines 2009. The Guidelines contain general advice for applications including separation, demolition, construction, design, siting of waste storage and recycling areas, reuse and recovery facilities. A waste plan provides Council with information relating to the waste generated during: • demolition; and • ongoing use of the site/premises; or • other waste generated by a community, residential, commercial or industrial activity. Your plan must consider, but is not limited to: • The type and volume of the waste • Reuse, recovery and recycling options and intentions • The scale of the proposed development The	Mitigation measures (detailed plan to be prepared once a contractor engaged); Waste tracking (including waste register); Operational waste management (for Woolworths only (ie. not bulky goods component) which indicates that the waste and recycling to be stored in a designated area near loading dock for collection by private contractor. This is not indicated on the plans and is assumed to be located within the building. This will need to be imposed as a condition should the DA be approved. The applicant requests details aspects be addressed in detailed documentation prior to issue of construction certificate. Further information provided by the applicant provided a link to the Woolworths website regarding targets and performance measures for food waste and recyclable cardboard which will be archived by the development.

	amount of detail required in the plan will depend on the scale of the development.	The applicant indicated an operational waste management plan can be provided if required.	
		Condition recommended for a detailed WMMP to be provided prior to issues of CC in accordance with Waste Minimisation and Management Guidelines 2009.	
		A Loading Dock Management Plan has been submitted with the application, however this does not address Waste Trucks.	
Chapter G17:	Business, Commercial and Retail Activities		
4 Objectives	The objectives are to: i. Encourage the growth and development of business and employment opportunities within defined limits and in a socially and economically responsible manner. ii. Safeguard the amenity of the area and, in particular immediately adjoining and adjacent	The proposed development will provide employment opportunities, however the supermarket component will have an adverse impact on the economic viability of the identified existing and proposed retail/business hierarchy of Bomaderry, North Bomaderry (Lyndhurst Dr) and Cambewarra (proposed). Refer to Section 7(i) of this report.	
	particular, immediately adjoining and adjacent property owners. iii. Moderate environmental impacts. iv. Clarify and make provision for rural/urban differences.	The proposal as submitted will have adverse amenity impacts to surrounding residents (traffic/access at Cambewarra Rd), however these can be mitigated through conditions of development consent should the development application be approved.	
5. Controls 5.1 Business, Commercial and Retail Developme nt	<ul> <li>P1 To ensure the development and/or use does not generate emissions that could adversely affect the amenity of neighbouring premises.</li> <li>P2 To ensure the development and/or use does not discharge any unregulated waste that may damage the environment or adversely affect the amenity of the area.</li> <li>P3 To provide adequate provision for on-site collection, storage and disposal of waste products in a way that does not adversely affect neighbouring premises or the environment.</li> <li>P4 To ensure the hours of operation do not have an unreasonable adverse impact on any neighbouring premises.</li> <li>P5 To ensure any change of use meets relevant fire safety requirements.</li> </ul>	The application documents and proposed conditions of development consent will ensure: Measures will be implemented at the construction and operational phases to ensure that the proposed development does not generate an unacceptable level of emissions. The proposed development will not generate any contaminated waste, or soil or water contamination. A WMMP has been submitted with the application (which does not address exact storage location in loading dock area - will require conditions to be imposed) and addresses waste and recycling storage and disposal (subject to conditions) and waste vehicle manoeuvring. The proposed hours of operation are 6am to midnight seven days a week, which is consistent with nearby fast food restaurant hours (5am - midnight). The acoustic assessment submitted with the DA indicates 7am-12 midnight) operating hours and considered the development to be satisfactory subject to recommendations.	
5.1.1 Shopping Trolleys	P6 Supermarkets, department stores and substantial retail outlets shall include a Plan of Management (POM) for shopping trolleys.	A shopping trolley POM has not been submitted with the DA and the applicant indicated in correspondence (TPG, dated 30/7/15) that "a trolley management plan will be implemented for the development". Condition to be imposed requiring a detailed POM in accordance with Section 5.1.1 of Chapter G17 of SDCP 2014.	
-	Chapter G21: Car Parking and Traffic Refer also comments from Council's Traffic Engineer at Section 7.iv) and 11 of this report		
5 Controls 5.1 Car Parking Schedule	Traffic Statements and/or Traffic Studies (as required) must show consideration that the parking objectives of this Chapter have been met and consider the variation in annual	A Traffic Impact Statement is provided addressing the requirements this Chapter of the DCP.	

	demands for a range of likely vehicle types. In additional to light vehicle parking, this may also require the provision for long vehicle parking, bus pick up/drop off, bus parking, vehicle / trailer combinations etc, dependent on the	The revised proposal provides: A 3800m <sup>2</sup> supermarket and 1500m <sup>2</sup> bulky goods facility, generating 200 spaces and 30 spaces respectively (total: 230 spaces).
	development type and likely parking demands generated. Acceptance of final parking layout will be at Council's discretion. The car parking rates in the following car parking schedule are a guide to typical minimum requirements. Requirements:	The development provides 279 car spaces (including 8 spaces for persons with a disability, 2 car + trailer spaces), 4 motorcycle spaces, 14 bicycle spaces, 2 taxi spaces and one mini-bus parking space.
	Supermarkets: 1 space per 19m <sup>2</sup> of Gross leaseable floor area (GLA) Designated storage area: 1 space per 50m <sup>2</sup> . Bulky Goods Premises: 1 space per 50m <sup>2</sup> gross	It is recommended that 3 spaces to be removed to provide additional trailer parking spaces. To be conditioned.
	floor area (GFA)	In addition, should the application be approved, a condition should be imposed requiring 7 car spaces (No.s 55, 198-203 and the trolley bay) to be removed and replaced by landscaping (with trolley bay relocated to space 203) to enable landscaping of the Princes Hwy frontage following land dedication for road widening purposes.
		This will result in 10 spaces being removed, leaving 269 spaces (a surplus of 39 parking spaces).
	P1 To ensure new development:	
5.2 Traffic	<ul> <li>can be accommodated without adverse impact on the surrounding road network.</li> <li>Does not jeopardise the provision of future</li> </ul>	Concern from Traffic Engineer regarding local traffic network. Refer to Section 7.iv) of this report.
	network requirements.	
5.3 Parking Layout and Dimensions	<ul><li>P2 To provide safe and efficient circulation, manoeuvring and parking of vehicles.</li><li>P3 To minimise potential for pedestrian conflict.</li><li>P4 To ensure that a vehicle can enter and leave the parking space in no more than two manoeuvres.</li></ul>	The proposed development provides access from two road frontages (one to/from Princes Hwy and a roundabout to/from Cambewarra Rd, in addition to egress driveway adjacent to KFC (Note: KFC is located on the same property and is a leased area of the site). The latter is deemed unacceptable by Council's Traffic Section but can be made acceptable via
5.4 Access	P5.1 To ensure that driveways relate to: i) Type of land use ii) Frontage road type iii) Size of parking facility iv) Type of vehicle likely to enter the development	imposition of conditions requiring closure of the KFC driveway and other measures within the Cambewarra Road reserve should the DA be approved. Parking spaces and aisles to be in accordance with the AS and DCP. No deadend aisles or stacked parking is proposed. The RMS have provided advice regarding the access/egress to Princes Hwy (a classified
	P5.2 To ensure that traffic safety is preserved both on-site and within the local road network.	road), with adequate sight distance.
		regarding access driveways.
5.5 Manoeuvrab	P6 To ensure adequate space is provided for the manoeuvring of vehicles, particularly rigid and articulated heavy vehicles. A6.1 The following minimum turning paths are achieved:	The Traffic Impact Statement and amended plans indicate swept paths/manoeuvring of vehicles on the site including 19m semi-trailers.
ility	Commercial development • Greater than 500m2 GFA: Large Rigid Truck.	Vehicle manoeuvring has been assessed and is satisfactory.
	19.0m semi-trailer.	
5.6 Service Areas	P7 To provide suitable areas for safe and efficient loading/unloading of goods.	A separate loading dock area is provided, with a loading dock management plan.

	P8 To ensure all servicing occurs on-site.	
		Satisfactory.
	P9.1 To lessen the visual impact of car park areas. P9.2 Provide shade areas for cars and	Landscape plan indicates: Perimeter planting, majority exceeding 3m; Internal planting provides shade; Species (however these differ from DCP species - condition to amend prior to CC); Consistency with stormwater management design. In addition, should the application be approved, a condition will be required to be imposed
5.7 Landscape Design	<ul> <li>pedestrians.</li> <li>P9.3 Ensure that the landscaping is an integral part of the car park design.</li> <li>P10 To ensure that landscaping does not interfere with the proper functioning of car park areas.</li> <li>P11 To ensure tree plantings and associated structures are not in locations that may be prejudicial to road safety.</li> </ul>	requiring 7 car spaces (No.s 55, 198-203 and the trolley bay) to be removed and replaced by landscaping (with trolley bay relocated to space 203) to enable landscaping of the Princes Hwy frontage following land dedication for road widening purposes. This will reduced part of the Princes Highway frontage landscaping from 3m wide to approx 2.2m wide which will be less than the 3m required by the DCP. This is considered acceptable having regard to the site circumstances and relatively minor deficiency. Landscaping will occur for the majority of the remainder of the frontage to the required width. The condition will also require additional landscaping to be provided at a minimum width of 3m to the minor frontage of the 'Future Development site.
5.8 Drivers with a disability	<ul> <li>P12 To ensure adequate provision of car parking is available for disabled drivers</li> <li>A12.2 Where access for the disabled is expected, a minimum of one (1) space for the disabled is required and thereafter one additional space per 100 spaces or part thereof.</li> <li>A12.3 For Class 6 and 9b buildings: <ul> <li>Up to 1000 car parking spaces - 1 space for every 50 car parking spaces or part thereof.</li> <li>For each additional 100 car parking spaces or part thereof in excess of 1000 car parking spaces or part thereof.</li> <li>For each additional 100 car parking spaces or part thereof in excess of 1000 car parking spaces.</li> </ul> </li> <li>A12.4 Spaces should have a minimum dimension of 3.6m width and length of 5.5m (see Figure 9 below).</li> <li>A12.5 Spaces should be located close to the entry of the building to minimise travel distances and maximise accessibility. Spaces should be located on ground level.</li> </ul>	As indicated in the Access Report and Traffic Impact Assessment report accompanying the DA, eight (8) car parking spaces for persons with a disability are provided close to the entry, which are in accordance with the required dimensions and exceed the number required (2% = 6 spaces)
5.9 Constructio n Requiremen ts	<ul> <li>A13.2 Retail/commercial development:</li> <li>a. Paving bricks for light vehicular loading, or</li> <li>b. Light duty reinforced patterned or coloured concrete, or</li> <li>c. Pavement to be designed for a traffic loading of 2 x 104 ESA</li> <li>d. Standard hotmix (development involving more than 6 spaces), or</li> <li>e. 2 coat bitumen seal (less than 6 spaces).</li> <li>f. All of the above to include associated stormwater drainage and to be designed in accordance with the relevant Australian Standards.</li> <li>P14 To ensure the construction of driveways are</li> </ul>	Driveway materials can comply - to be conditioned.

	of a suitable standard in road reserves or classified main road	
5.10 Design of Driveways	P15 To ensure that driveways are designed to reflect the nature of development that they serve	Driveway design in accordance with DCP and Australian Standards.
5.11 Miscellaneo us	<ul> <li>P16 To ensure efficient operation and safety of parking areas through appropriate signage.</li> <li>P17 To ensure effective and safe use of speed humps within car parking areas.</li> <li>P18 To ensure the safety of persons using, and security of vehicles parked within car park areas through provision of lighting where appropriate.</li> <li>P19 To encourage the use of bicycles.</li> <li>P20 To cater for pedestrian access and accessibility.</li> </ul>	Entry/exit points and directional signage will be provided as indicated on the submitted plans. Details regarding carpark lighting to be provided prior to CC. At grade site with bicycle parking.
Chapter G22:	Advertising Signs and Structures	
5.5 General Controls All Business and Industrial Zones	On-Building Signs A1.2 Maximum sign face area of any one (1) sign is not to exceed 8m2 . e.g. A building width of 10m will permit 15m2 of sign face area on the building. A1.3 Maximum sign face area should not exceed 1.5m2 of sign face area per metre of maximum building width which is measured parallel to the front property boundary.	Drawing No. DA05 G by Nordon and Jago Architects indicates the signage sizes propsoed. Plan Nos. DA02 K (elevations) and DA03 J (3D images) also indicate how the signs will appear on the building. The proposal seeks consent for six signs on the building elevations and two freestanding pylon signs located along the Princes Highway and Cambewarra Road frontages. SEPP 64: The proposed advertising is considered to be consistent with the objectives of the SEPP 64 - Advertising and Signage (i.e. Clause 3(1)(a)) as addressed earlier in this report. In addition, it has been assessed by the consent authority/Council in accordance with the assessment criteria in Schedule 1 and Council is satisfied that the proposal is acceptable in terms of its impacts. Refer to <b>Attachment 5</b> for details on this assessment. In relation to the DCP controls, the proposed signs exceed 8m <sup>2</sup> , however are considered to reflect/integrate with the building size and scale and does not dominate the skyline or streetscape. These signs are considered to be acceptable and meet the performance criteria. The building well exceeds a width of 10m and hence the sign sizes reflect the building facade
	Free-Standing Signs A1.4 Maximum sign face area should not exceed 0.35m2 of sign face area per linear metre of road frontage. A1.5 Maximum sign face area of any one (1) sign is not to exceed 8m2. e.g. A 20m frontage will permit 7m2 of sign face area for a	area, and does not exceed 1.5m <sup>2</sup> of sign face area per metre of maximum building width. One freestanding sign each is proposed on the Princes Highway frontage (approx 80m) and the Cambewarra Road frontage (approx 100m, excluding KFC lease frontage). Each sign is 8m high and 4.29m of this is signage face. The sign face is 9.18m <sup>2</sup> (minor non-compliance - satisfactory).
	<ul> <li>win permit fin2 of sign face area for a freestanding sign.</li> <li>A1.6 Maximum height should not exceed:</li> <li>Frontage 40-99m: 7-10m for single sign</li> <li>Frontage 100m or more: 10m for single sign.</li> <li>Minimum separation distance between freestanding signs is calculated by adding together the height of the proposed sign and the nearest adjacent sign as follows: Height of proposed sign + height of adjacent sign =</li> </ul>	The proposed sign on Princes Hwy is separated from the existing KFC sign by 50m and is set back 3m from property boundary (and 0m setback from future front boundary, once dedication for road widening occurs). The Cambewarra Rd sign is separated from the existing KFC sign by approx 60m and is set back 1.5m from property boundary, however

	separation distance required. e.g. The separation distance required between two free- standing signs (6m and 3m each) would be 9m. A1.7 Minimum side boundary setback is 3m.	this is considered satisfactory. Maximum height controls are compliant for both frontages.
	P2 To ensure advertising signs/structures allow for multiple tenancies within a single building or development.	The proposed signage is satisfactory for a dual tenancy building.
Chapter G26: Acid Sulfate Soils and Geotechnical (Site Stability) Guidelines		
5. Controls 5.1 Acid Sulfate Soils	P1 Where land is identified on the Acid Sulfate Soils Map, proposed development doesn't disturb, expose or drain acid sulfate soils and cause environmental damage.	Refer comments within this report applicable to Clause 7.2 of SLEP 2014.
5.2 Geotechnic al – Site Stability	<ul> <li>P2 Buildings and structures are designed to:</li> <li>Adequately address specific geotechnical difficulties that exist on site and in the surrounding area.</li> <li>Utilise construction techniques that are sympathetic to the natural slope of the land and minimise excessive disturbance of the site.</li> </ul>	The geotechnical report submitted with the DA addresses all geotechnical issues and relevant structural engineering conditions.

vii) <u>Shoalhaven Contribution Plan 2010</u>: The provisions of Council's Section 94 Contribution Plan apply to this site and the requirement for the payment of a monetary contribution will be levied/conditioned on any development consent issued. Contributions applicable to this development are for fire/emergency services, fire control centre and contribution management/administration. Total Section 94 contributions applicable are \$9,027.95.

# 7. Planning Issues Assessment: likely impact of the development on the natural and built environment and social and economic impacts in the locality

## i)<u>Strategic Centres Hierarchy and Impact on Economic and Social Impact on Existing Retail and</u> <u>Business Centres</u>

This part of the assessment considers the Strategic Planning background and hierarchy of business and retail centres. Based on the established and proposed/desired hierarchy, the economic and social impacts of the proposal can be evaluated.

## a) Zoning and Retail Hierarchy

The subject land is zoned B5 Business Development under Shoalhaven Local Environmental Plan 2014. Under the zoning table, "any other development not specified in item 2 or 4" are permitted with development consent. The development is defined as a "shop", which is a type of retail premises, which is a type of business premises, which is a type of commercial premises. The land use is therefore permissible as an innominate permissible development under item (3) being "any other development not specified in item 2 or 4". The objectives of the B5 are:

- To enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of, centres.
- To allow a diversity of activities that do not significantly conflict with the operation of existing or proposed development.

The B5 zone also applies to a large amount of land at South Nowra.

The other Business zones within SLEP 2014 (and associated nearby/relevant centres within the Nowra-Bomaderry Centres hierarchy) are listed below for context:

<u>B1 Neighbourhood Zone</u>: includes North Bomaderry IGA and other small shops at Lyndhurst Drive and Welcome Mart and small retail shops at Illaroo Road, North Nowra. There are two B1 zoned areas at the future Cambewarra release area (one on Moss Vale Road, and another one nearby to the north at Abernethys Lane). Under the zoning table, business premises, shops and neighbourhood shops are permissible with development consent. The objectives of the B1 zone are:

- To provide a range of small-scale retail, business and community uses that serve the needs of people who live or work in the surrounding neighbourhood.
- To ensure that development is of a scale that is compatible with the character of the surrounding residential environment.

<u>B2 Local Business Zone</u>: Under the zoning table commercial premises are permissible with development consent. The B2 zone has and has the following objectives:

- To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.
- To encourage employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.

<u>B3 Commercial Core</u>: The Nowra Central Business District comprises this zone. Under the zoning table commercial premises are permissible with development consent. The B3 zone has and has the following objectives:

- To provide a wide range of retail, business, office, entertainment, community and other suitable land uses that serve the needs of the local and wider community.
- To encourage appropriate employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.

<u>B4 Mixed Use zone</u>. The Bomaderry shops (which includes the Bomaderry IGA) located adjacent to the Bomaderry Railway Station (which is also identified in the Nowra Bomaderry Structure Plan as a commercial centre). Some land west of the subject land/Princes Highway and Moss Vale Road, (including opposite the subject land at Bomaderry) comprise this land use zone. However, the Nowra Bomaderry Structure Plan does not nominate this area as a commercial centre. While an identified permitted use within the zone subject to development consent, if an application for a commercial premises (including a supermarket) was made, for example on land across the road from the subject site in the B4 zone, the application would still be required to be assessed on its merits considering the economic impacts of that development, having regard to the zone objectives, as well as how the proposal sits within Council's strategic planning documents.

The objectives are:

- To provide a mixture of compatible land uses.
- To integrate suitable business, office, residential, retail and other development in accessible locations so as to maximise public transport patronage and encourage walking and cycling

## b) Strategic Planning and Zoning Background of Subject Site

<u>Previous LEP (Shoalhaven Local Environmental Plan 1985)</u>: According to the Leyshon Peer Review (2015) and information on the Council's DA file (DA-14/2579), prior to the making of SLEP 2014, the land was zoned 4(b) Light Industrial which had the following objectives:

- (a) to provide for a wide range of light industrial development, including warehousing, processing and general light industries but excluding offensive or hazardous industries,
- (b) to allow non-industrial uses which are ancillary to industry,
- (c) to allow for retailing of bulky goods, and
- (d) to allow other non-industrial uses that do not significantly compromise the existing or potential industrial development of the area.

<u>Nowra-Bomaderry Structure Plan (2008)</u>: The content of the Nowra-Bomaderry Structure Plan is succinctly summarised within the Peer Review by Leyshon (June 2015) as follows:

"...The Nowra Bomaderry Structure Plan 2008 (hereafter 'the Structure Plan') which was adopted by Council in September, 2007 and endorsed by the then Department of Planning in February, 2008. The Plan provides a comprehensive view of the intended pattern of development in the Nowra/Bomaderry area, over a 20 to 30 year period.

In relation to centres, the Structure Plan identifies that the Nowra CBD is the dominant retail centre in the entire Shoalhaven Region and provides for an additional discount department store (DDS)-anchored development in the CBD by 2021.

The Structure Plan identifies that the existing centres at Bomaderry, North Nowra (McMahons Road) and North Bomaderry (Lyndhurst Drive) are intended to provide a wide range of retail, business, community and recreational services to their surrounding catchments. The Bomaderry neighbourhood centre adjacent to the Bomaderry railway station specifically is encouraged to develop as a "heritage-themed" retail precinct with a focus on specialty shops, restaurants, cafés and bakeries. The stated objective for the centre is "to provide a range of retail and commercial services to meet the needs of residents and workers of Bomaderry as well as visitors to the area."

The Structure Plan also provides for two new neighbourhood centres to be developed over the longer term, one in the Moss Vale Road area (north-west of the Princes Highway) and the other in West Nowra. Both centres would be associated with new residential development areas and nominally are identified in the Structure Plan as containing retail space of up to 5,000m<sup>2</sup> each with each incorporating a full-line supermarket of 2,500 to 3,000m<sup>2</sup>.

The Structure Plan also promotes a bulky goods precinct around the intersection of Moss Vale/Cambewarra Roads and the Princes Highway; this precinct encompasses the subject site. The Structure Plan does not identify or promote development of a new supermarket-anchored shopping centre on the subject site or in the surrounding precinct, however.

The proposed commercial areas identified by the Structure Plan are clearly identified in the Plan's Map 4.1 which is reproduced in this Report as FIGURE 2.1."

Map 4.1 (**Attachment 6**) within the Nowra Bomaderry Structure Plan does not nominate the subject land or immediate surrounding areas (zoned B5 and B4) for neighbourhood or local centres. In fact, the map indicates the location of the site as being "proposed bulky goods centre."

It is noted that the Nowra-Bomaderry Structure Plan was informed by documents also prepared by Leyshon Consulting (2002 and 2005). In the Strategic Direction part of the Structure Plan for existing and new neighbourhood centres (Section 4.1.4 and 4.1.5, page 35) also states:

"It is envisaged neighbourhood centres retain a relatively relaxed, low key character with mainly low-rise developments, offer convenient access by car and public transport and are closely linked to adjacent residential areas by pedestrians and cycle paths.

Within this framework there is scope for a flexible approach to development which will enable neighbourhood centres to promote competition, investment, support improved facilities for customers and the wider community. Centres will be encouraged to build their distinctive qualities and commercial potential. At the same time, maintenance of a sustainable network of commercial centres across the Nowra Bomaderry urban area will remain an important objective.

North Nowra and Lyndhurst centres to be maintained and enhanced as "an attractive neighbourhood retail centre focusing on convenience retail, serving the resident population (of North Nowra and Bomaderry respectively).

The new neighbourhood centres (ie. including Moss Vale Road) will be predicated on several success factors, including a centre size of 5000m<sup>2</sup> of actual retail floor space (full-line supermarket and specialty shops), in addition to adequate parking, visibility etc."

Phasing of new living areas (Section 8 'Implementation'): The Structure Plan notes that the river crossing is a key constraint on the development of new living areas to the north of the Shoalhaven River, and new living areas south of the river are prioritised. Notwithstanding the bridge crossing upgrade, the Structure Plan identifies that Moss Vale Road South could be a first preference for development north of the river (Phase 2 of overall 9 Phases within the study area). The plan states that the phasing of the commercial development is broadly the province of the private sector however "Council considers it has a locus in the phasing of the two proposed neighbourhood centres, since they represent important community foci for the new living areas to the south and north of the river."

It is understood from information on the file (DA-14/2579) provided by Council's Strategic Coordinator City Strategy and discussions with Council staff that the zones in SLEP 2014 (including the subject land zone B5 and the land on the western side of the Princes Highway zoned B4) were informed by a combination of the Nowra-Bomaderry Structure Plan, the "best fit" process (presumably from the SLEP 1985) to the LEP Standard Instrument and individual decisions by Council at the time of making SLEP 2014.

## c) Legal Advice: Weight Given to Zone Objectives and Economic Impacts

Shoalhaven City Council commissioned Ian Hemmings SC to provide legal advice on the consistency of the proposed development with the objectives of the B5 Business Development zone and other associated matters, including the weight given to zone objectives and economic impact in the assessment of the development application. Mr Hemmings' initial advice was received on 13 July 2015. Supplementary advice was sought from Mr Hemmings following receipt of an independent review by Leyshon Consulting of the applicant's economic impact assessment report submitted with the DA (commissioned by Shoalhaven Council, in addition to the applicant' own response to that review (received by Council on 30 July 2014). Mr Hemmings' supplementary advice was dated 7 August 2015. Further advice was received on 4 April 2016 for consideration of the revised proposal (reduction of retail floor area and introduction of bulky goods component) and related economic impact assessment reports from both the applicant and Leyshon Consulting. This advice has been taken into consideration in the assessment of the development application. A supplementary confidential report appending the legal advice is provided to Councillors due to the need to maintain legal privilege.

# d) Economic Impact Assessment

It is necessary to consider the economic impact of the proposal, including the content of several documents received by Council during the assessment of the development application (listed below) that deal with this issue in a detailed manner (in addition to the numerous public submissions received objecting to the application on the grounds of economic impact to existing centres and zone objectives).

# Documents submitted by applicant:

- Economic Impact Assessment for proposed retail Development (MacroPlanDimasi, December 2014)
- Bomaderry Woolworths development Response to Peer Review (MacroPlanDimasi, July 2015) Appendix C to Al lodged 30 July 2015
- 'Supplementary Analysis to Economic Impact Assessment, MacroPlanDimasi, 6 October 2015) (Appendix B to Addendum to Statement of Environmental Effects (TPG, 8 October 2015)
- 'Memorandum: Responses to BBC Consulting and Wakefield Planning Submissions' (MacroPlanDimasi,16 September 2015) (Appendix A to TPG Planning's 'Response to Council's request for Additional Information' dated 8 October 2015)
- 'Economic Impact Assessment Peer Review' (Hill PDA, 8 October 2015) (Appendix E to TPG Planning's 'Response to Council's request for Additional Information' dated 8 October 2015)
- The 'Response to Council's request for Additional Information' and Addendum to Statement of Environmental Effects (TPG, dated 8 October 2015) both also summarised and addressed matters relating to economic impact and relationship to strategic planning documents.
- Survey commissioned by applicant entitled 'Results: Woolworths Bomaderry Report 11<sup>th</sup> June 2015' by Crosby Textor Research Strategies (presented at the residents briefing meeting held at Council on 11 August 2015 with a copy of the document provided to Council)
- Proposed Woolworths development, Bomaderry: Key Points: economic impact considerations' (MacroPlanDimasi, February 2016).

Detailed Submissions/Objections:

- Objection to Development Application DA14/2579 (Wakefield Planning, 20/2/2015) and Economic Review Supplement (21/05/2015) commissioned by owners of IGA Supermarkets Bomaderry Plaza, Lyndhurst Drive (North Bomaderry) and Berry.
- Supplementary submission/objection on behalf of owners of IGA Supermarkets Bomaderry Plaza, Lyndhurst Drive (North Bomaderry) and Berry (prepared by Manuel de Carvalho dated 31 August 2015).
- Submission to DA 14/2579 (prepared for Stockland by BBC Consulting Planners, February 2015).

Independent advice commissioned by Shoalhaven City Council (Leyshon Consulting):

- 'Advice to Shoalhaven City Council DA 14/2579 Proposed Woolworths Development, Bomaderry' (dated June 2015)
- 'Supplementary Report Proposed Woolworths Development' (September 2015) responded to revised development (which then deleted the two specialty stores; and responded to the document 'Response to Peer Review' (MacroPlanDimasi, July 2015.
- 'Correspondence DA-14/2579 Proposed Woolworths Development, Bomaderry' (20 November 2015) - responded to revised development (which replaced the mini-major supermarket with a 1500m<sup>2</sup> bulky goods premises; and responded to and analysed the applicant's documents:
  - o 'Supplementary Analysis to Economic Impact Assessment, MacroPlanDimasi, 6

October 2015)

 'Memorandum: Responses to BBC Consulting and Wakefield Planning Submissions' (MacroPlanDimasi,16 September 2015).

## Applicant Survey

The applicant commissioned a survey during June 2015 (by Crosby Textor Research Strategies) and this was presented at the residents briefing meeting held at Council on 11 August 2015 with a copy of the document provided to Council ('Results: Woolworths Bomaderry Report 11<sup>th</sup> June 2015'). Some excerpts from the report are provided below.

# Aim & Summary Methodology:

- To identify and validate public opinion on the proposed Woolworths development in Bomaderry;
- Quantitative Research (4<sup>th</sup>-8<sup>th</sup> June 2015) involving a survey of 400 randomly selected Shoalhaven residents in Wards 1 and 2.

# Awareness and Opinion (p9-12):

- Over two thirds of respondents are aware of the development, with a majority of this definitely aware. This knowledge is indicatively higher amongst Bomaderry residents.
- Initial support is in the majority, with over two thirds in the Bomaderry area specifically, supportive of the development.
- The main spontaneous reasons for support relates to its increased convenience, variety and potential job opportunities. In Bomaderry, there are qualitative indicators that the traffic issues generally and around the Nowra bridge could be alleviated through the development.
- Key concerns relate to small and local businesses and the negative impacts such a development could potentially have on them, particularly the IGA.

## Considered support (p19):

The level of support for the development at the conclusion of the survey is relatively stable:

- Total support: 61%
- Strongly support: 31%
- Somewhat support: 30%
- Total oppose: 29%
- Somewhat oppose: 13%
- Strongly oppose: 16%
- Don't know/ No opinion: 11%

## Research Summary (p21)

- The current context in the Shoalhaven LGA highlights both roads and unemployment as key concerns for residents.
- This latter concern links intrinsically to the key benefits from the proposed development-the creation of jobs.
- There is relatively high awareness about the proposed development, which is indicatively higher amongst Bomaderry residents.
- Subsequent support for the proposal is in the majority, with almost two thirds in the designated ward in support for the development.
- Beyond the positives of job creation, other personal benefits to residents such as competitive retail sector and increases to property prices are the elements driving the support.

## Document Review and Assessment of Economic Impact

The earlier documents refer to the initial proposal which included a two specialty shops and a 1500m<sup>2</sup> mini-major supermarket. The current proposal removed the two specialty shops and a 1500m<sup>2</sup> mini-major supermarket and now comprises a 3,800m<sup>2</sup> Woolworths supermarket and a 1500m<sup>2</sup> bulky goods premises. The following review and assessment addresses the key matters that are relevant to the current proposal:

The removal of the two specialty shops and a 1500m<sup>2</sup> mini-major supermarket improve the previously identified potential impacts to the existing local centres (Bomaderry, Lyndhurst Drive and North Nowra). However it is noted that, if approved, a future change of use from all or part of the supermarket component (defined as a "shop") could potentially occur under the provisions of the State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 [being Part 2 Exempt Development Codes (Subdivision 10A Change of use of premises) and Part 5 Commercial and Industrial Alterations Code: Subdivision 1 Building alterations (internal); Subdivision 2 Change of use of premises; Subdivision 3 First use of premises]. Therefore the economic impacts of the proposal need to be undertaken in this context, not only for the large Woolworths supermarket that is proposed by this development application. The Exempt and Complying Development Codes SEPP would not, however permit an approved bulky goods use component within an approved development to change use to a commercial/retail/shop use as these uses have a different categorisation within the relevant change of use schedule.

The impact on existing bulky goods retailers is limited to those existing in South Nowra and is not considered significant enough to warrant refusal (Leyshon, 20/11/15, p3).

There is an undersupply of supermarket floorspace in the trade area and no full-line supermarket in this area (agreed by Leyshon and applicant's consultants).

The proposed development would improve significantly access to supermarket facilities for residents of areas to the north of the Shoalhaven River and would reduce the need for residents to travel across the river for full-line supermarket requirements (agreed by Leyshon and applicant's consultants).

The subject site is well located at the intersection of the main highway with Cambewarra Road. The central location is highly accessible to both Bomaderry and Cambewarra's future population.

Economic spending: Leyshon's supplementary advice (p2, 20 November 2015) agrees with the applicant's-commissioned Hill PDA projections that in 2017 the supermarket would have a turnover of \$40.53 million and the bulky goods premises \$4.32 million.

Hill PDA indicates (p12) that "there are no reasonable and viable sites available now, or in the foreseeable future, that are in an existing centre or on the edge of an existing centre."

Leyshon's estimates of impact on other centres (in 2017) are as follows:

- Nowra CBD: -7.9%
- Bomaderry: -17.5% (Differs from Hill PDA (-8.8, 'moderate', would diminish to low)
- Nth Bomaderry\*: -8.3% (Differs from Hill PDA (-20%, 'significant impact')\*
- North Nowra: -3.2%
- Berry: -3.6%

\* Leyshon is of the opinion that North Bomaderry has a sound tenant mix for a small convenience centre and in all likelihood will continue to attract a sufficient level of trade from the surrounding residential area so as to remain viable. Hill PDA disagrees and considers that it will be significantly impacted.

The owners of the IGA Supermarkets at both Lyndhurst Drive (North Bomaderry) and Bomaderry

have submitted that the proposal will shift 11% and 32% of expenditure respectively from these stores. While these figures are based on the earlier plans (ie. entirely retail prior to introduction of 1500m<sup>2</sup> of bulky goods area), it is considered that there will still be a moderate to significant economic impact.

Leyshon's updated report indicates that, while there will be impacts from the proposed development to existing supermarkets/retailers at Nowra, North Bomaderry, North Nowra and Berry, the impacts are not likely to lead to an unacceptable impact that will result in closures or significant decline to the existing centre/s. Leyshon is however, of the opinion that **Bomaderry will be unreasonably impacted** (refer below). Despite Leyshon's opinion regarding North Bomaderry above, we are of the opinion that this centre is likely to be negatively impacted due to the low density of the surrounding residential area (ie. limited 'walkability'/convenience factor), with the proposed Woolworths supermarket being in close proximity for the high number that would make a short car journey for shopping anyway. The applicant's consultant (Hill PDA) also indicates this in the above quoted figures.

With respect to impact to the Bomaderry Centre, Leyshon discusses and concludes with the following key findings (p4-5):

"In our assessment, **the impact will be in the 'very high' category**. This is based on our observation that the centre does not appear to be trading strongly at present and already has a number of vacant premises.

Council should note that almost the entirety of the impact on the Bomaderry centre will fall on its existing IGA trader. The deletion of the potential for specialty shops to be developed as part of the proposed development will remove the direct threat of competition for the centre's existing specialty retailers.

In relation to the IGA tenancy, assuming the store is currently achieving sales of approximately \$6.0 million per annum (\$2014), and there is unlikely to be any real turnover growth up to 2017, then we assess the impact on IGA could be in the order of -25% to -27% in 2017.

As indicated in the attached advice, it is not possible to say with precision whether this impact would lead to the closure of the IGA at Bomaderry without an understanding of the operator's financial position and ability to continue to trade at a much lower turnover than is the case at present.

If the IGA were to close it would have some flow-on impact on the centre's specialty traders generally but would have very significant effect on Bomaderry Plaza in particular.

In our opinion, if the IGA closed it is unlikely another supermarket would move quickly to occupy the tenancy vacated by IGA. It is almost certain that Bomaderry Plaza centre would need to undergo a major refurbishment or complete redevelopment to attract another supermarket given the limitations of its current design and its 'down-at-heel' ambience.

In conclusion, we reiterate our view that (putting the issue of permissibility to one side) it is ultimately a political judgement for Council as to whether the benefits of providing a full-line supermarket in Bomaderry-which would address the obvious shortfall in supermarket floor space and thereby improve shopper convenience-outweighs the potential negative effects as far as the Bomaderry Local Centre is concerned.

We also reiterate our view that approval of the proposed development has implications for Council's strategic planning for areas to the north of the Shoalhaven River, and particularly, long-term viability of a centre planned for the Cambewarra area."

#### Status of Existing and Proposed Centres Hierarchy

In the 'Background' document to the *Nowra-Bomaderry Structure Plan (2006),* the Bomaderry and Lyndhurst Drive centres were described as follows:

<u>Bomaderry Centre</u>: "Bomaderry has three retail centres: the Meroo Street strip shopping centre, the Bolong Road retail clusters and the Lyndhurst Centre on Lyndhurst Drive. The Meroo Street centre (dating back to the 1880s) contains a total of 40 retail premises. The centre comprises the Railway Parade Strip, the Bomaderry Plaza (completed in the early 1980s) and the Railway Terrace professional office suites (completed in the late 1990s), containing two shops. The centre has some 20 vacant shop units, and there are indications that a number of outlets are sustaining reduced turnovers."

<u>Lyndhurst Centre</u>: "The Lyndhurst Centre, opened in September 1993, is the result of integrated planning: incorporating a pre-school/after school centre with a neighbourhood shopping centre. The centre has four shop units."

It is fair to say that ten years on, not much has changed and, as identified in many of the submissions received, the Bomaderry centre in particular (and specifically the Bomaderry Plaza) could do with a major upgrade or redevelopment to increase its attractiveness.

The loss of trade resulting from a Woolworths supermarket would further impact on this decline to the centres. If Council and the community wish to uphold the adopted centres hierarchy and strengthen the viability these existing centres, it needs to encourage the upgrading and redevelopment of these centres to increase their vibrancy. If the area north of the Shoalhaven River warrants the convenience of a full-line supermarket (confirmed by independent analysis), then Council needs to actively work with landowners to facilitate this as a matter of urgency, ideally within or immediately adjacent to the existing Bomaderry Town Centre. The applicant contends that there are no existing suitable/feasible sites within existing centres zoned B1 (North Bomaderry) or B4 Mixed Use (Bomaderry) large enough to accommodate a full-line supermarket. This is not necessarily the case (for example there are some large sites in the B4-zoned land at Moss Vale Road) however their feasibility has not been explored in detail. Further, the applicant contends that the B1 Neighbourhood Centre zone objective (which includes the future Cambewarra Town Centre site) is *"to provide a range of small-scale retail, business and community uses that serve the needs of people who live or work in the surrounding neighbourhood"* and arguably should not accommodate a full line supermarket.

<u>Impact on Proposed Centre at Cambewarra</u> (ref: Schedule 1, Leyshon Sept 2015, p11): If the proposal proceeds it will raise strategic planning issues concerning the viability of the developing a new centre at Cambewarra (Moss Vale Road – Urban Expansion Area) and the relevance of the Structure Plan as it applies to the area north of the Shoalhaven River.

The applicant's consultant contends that the Structure Plan was adopted by Council in 2006 and has not been reviewed in the past ten years, and notes there has been no development of Cambewarra to date, with the implication that the Structure Plan is out-of-date. Leyshon responds to this by stating that the principles set out in the Structure Plan have been considered sufficiently relevant to have been incorporated in the provisions of Shoalhaven LEP 2014 - obviously of recent vintage.

If the proposed development is approved, then in Leyshon's view the Structure Plan should be reviewed as it applies to existing centres north of Shoalhaven River and that proposed at Cambewarra. TCG Planning agree with this view, and this is further extended to recommend that the retail, business and light industrial land use hierarchy within the northern Shoalhaven Local Government Area be reviewed regardless of the outcome, in particular in context of the

Nowra Bomaderry Structure Plan (including the status and timeframe for development of Moss Vale Road Urban Expansion area), in addition to the obvious outcomes of the various economic impact assessments reviewed for this application, which all identify a need for additional supermarket floor area north of the Shoalhaven River. This is also evidenced by a recent prelodgement meeting held by Council regarding a proposal for an Aldi supermarket at Narang Road, Bomaderry (ie. zoned B4 Mixed Use, within close proximity to the subject site for this Woolworths proposal and not within an identified Centre).

#### Employment and other Social Impact

The applicant claims 133 jobs will be created on site with 53 in the broader economy. The owners of the local three IGA supermarkets estimate that if the Bomaderry and Lyndhurst Drive stores are forced to close (a likely scenario according to their submission) then 60 existing local jobs will be lost, in addition to 5-10 at the Berry store due to reduced patronage. Further job losses could occur through reduced sales at the existing centres. It is noted that the submission from IGA owners was received prior to the revised proposal which removed the 1500m<sup>2</sup> minimajor retail premises/supermarket, replacing with a bulky goods premises. The above job loss figures would be lesser, however would still likely occur.

It is considered that the proposed development given its size would have a positive social impact through the provision of a wider range of retail facilities, increased choice and competition within Bomaderry area. The development will supplement existing facilities and will further reduce the need and/or desire for people to travel outside the local area for goods. In addition, as discussed above, the development will likely provide net gain employment opportunities in both the short and long term. The potential for job losses as a result of impacts on existing businesses that provide the same or similar service does exist. This is not a relevant **planning** consideration under s79C of the EPA Act 1979.

#### Will the proposed development "make good for the loss"?

Not only is the proposed supermarket component of the proposed development warranted due to undersupply of supermarket floor area, the subject site is considered to be highly suitable and conveniently located for residents of Bomaderry and north of the Shoalhaven River (in addition to those travelling through the area and future Cambewarra residents). If approved, it would be wellfrequented and of major convenience.

It is acknowledged that the market determines the need and it is not the role of planning. Specifically, this development is likely to result in the loss of trade/increased competition for some existing businesses, such as the existing IGA's, however it is well established in planning case law and the Draft SEPP on competition that loss of trade for these existing businesses is not, in itself, a relevant planning consideration. As such, it is considered that the potential loss of trade that may be experienced by existing supermarkets as a result of this development would not form a valid reason for refusal.

After considering Mr Hemmings advice, with respect to the current state of the law as to the relevance of economic impacts under s79C(1)(b) of the EPA Act, the question to be answered is whether the shopping facilities presently enjoyed by the community in the locality will be put in jeopardy by the proposed development and whether any resultant community detriment will not be made good by the proposed development.

The clear and likely convenience of the proposed full-line supermarket, resulting in a loss of trade to existing supermarkets and small businesses in existing centres, will be at the expense of the further decline of the (already struggling) Bomaderry Town Centre (in particular the premises within the Bomaderry Plaza) and Lyndhurst Drive, North Bomaderry Centres - likely to be

irreparable and unlikely to be made good. In addition, there is likely to be a significant impact on the future development of a centre within the B1-zoned land at the growth area of Cambewarra (Moss Vale Road) as intended by Council's future planning documents (NBSP and LEP). Given the inconsistency with the adopted strategy/centres hierarchy and zone objectives and likely flowon effects to the Bomaderry Town Centre in particular, it is a valid consideration for this application and is unsatisfactory.

## <u>Council's Strategic Planning Response (Retail Hierarchy and Consistency with the Nowra</u> <u>Bomaderry Structure Plan</u>)

A written referral from Council's Strategic Planning Section was sought on 10 March 2015. Internal emails received in April 2015 provided relevant strategic planning documents and information regarding zone transfer from the previous SLEP 1985. Further advice was sought on 25 Nov 2015. As a result, a meeting was held on 14 March 2015 with TCG Planning's Nadine Page and representatives from Council's Strategic Planning Section to discuss the broader strategic implications of the proposal. The Manager Strategic Planning indicated that:

- It was never envisaged that there would be a retail centre at this B5 location;
- The SLEP 2014 was constructed reflecting the outcomes of the Nowra Bomaderry Structure Plan;
- In the longer term a small centre was/is proposed at Cambewarra (Moss Vale Road);
- The Department of Planning and Environment (via the Standard Instrument LEP) instructed Council to make "open zones" meaning other uses outside the land use tables became permissible. It is an unintended consequence of this drafting that supermarkets are permitted in the B5 Business Development (and other) zones. If a retail/supermarket use is approved in this zone, then it will likely be a precedent for proposed similar uses in other B5-zoned land (including a significant area in South Nowra). This will be an adverse outcome.
- If, on the other hand, the DA is approved, the entire retail hierarchy will need to be reviewed and the NB Structure Plan will need to be revisited in its entirety and primacy controls, now seen in other LEPs within the State (eg. Wagga Wagga LEP 2010) will need to be considered. The outcomes to Bomaderry centre will need to be looked at (already in decline) and the overall impacts to other proposed centres where investment has been made (eg. Stockland at Cambewarra).

As mentioned earlier in this report It is understood that the zones in SLEP 2014 (including the subject land zone B5 and the land on the western side of the Princes Highway zoned B4) were informed by a combination of the Nowra-Bomaderry Structure Plan, the "best fit" process (from the SLEP 1985) to the LEP Standard Instrument, and individual decisions by Council at the time of making SLEP 2014. There are some anomalies between the retail hierarchy documents (ie. the Nowra Bomaderry Structure Plan) and the current zone locations within of SLEP 2014.

TCG Planning supports a review of the Strategic Planning framework as it applies to retail and business hierarchy in the northern Shoalhaven, in particular the Nowra Bomaderry Structure Plan. The review should consider whether there are any suitable/feasible/practical alternative site(s) within those centres for the development of a much-needed/warranted full-line supermarket. In addition, the review should consider the introduction of primacy controls, now seen in other LEPs within the State (eg. Wagga Wagga LEP 2010) to preserve the retail and business hierarchy identified.

## ii) Built Form, Scale, Character, Context and Setting

With the exception of the supermarket use being inconsistent with the retail hierarchy identified within Council's Strategic Planning documents, the proposed development use (supermarket and bulky goods premises) is considered to be consistent with and complimentary to the site's context and setting on an arterial road with good connections to other areas north of the Shoalhaven River.

The built form is complimentary to the existing and intended character for the site's zoning and locality. The height, scale and character of the building, setbacks, colours and materials, signage, proposed car park and landscaping is considered to be suitable for the locality. The development will not be visually dominant when viewed from the Princes Highway frontage. While the proposed building will differ from the character and scale of the residential area to the south-east as viewed from Cambewarra Road, this is considered to be suitable as it reflect the zone boundary and a generous (6m wide) landscaping buffer is provided to the side and rear boundaries of the existing dwellings to the south-east. In addition, the northern (front) facade of the proposed bulky goods premises comprises a minor proportion of length (29m) of the total Cambewarra Road frontage (about 100m, excluding KFC tenancy). This facade is set back a minimum 17m from the Cambewarra Road frontage, where landscaping and a truck turning bay is provided.

Overall it is considered, the development/buildings will not adversely impact on the character or visual amenity of the local area.

## *iii)* <u>Streetscape and Public Domain</u>:

The proposed development having two road frontages, will provide the following with respect to the streetscape and public domain areas:

*Princes Highway*: The proposed supermarket building has a considerable setback (approximately 50m) to the Princes Highway frontage. The access entry driveway (ingress/egress) via a slipway from the Highway leads to the extensive and legible car park area on the north-western side of the building. A 3200m<sup>2</sup> parcel of the land fronting the Princes Highway will be left vacant. Having regard to the shape of the lot, it is anticipated that the most visible part of this site (as viewed from the highway) will also be used for car parking and landscaping. The car park, separated by landscaping, and a pylon sign will be the most visible components of the development along the Princes Highway. Some landscaping along the Princes Highway frontage is located within this 3m strip of land that is required to be dedicated, and once dedicated, will no longer form part of the subject site. Removal of landscaping is an unacceptable visual outcome for the Princes Highway frontage. Should the application be approved, a condition should be imposed requiring car spaces 55, 198-203 and the trolley bay to be removed and replaced by landscaping (with trolley bay relocated to space 203). A 1.8m shareway is to be provided for the full frontage as required by Council's Traffic Engineer.

*Cambewarra Road*: The northern (front) facade of the proposed bulky goods premises comprises a minor proportion of length (29m) of the total Cambewarra Road frontage (about 100m, excluding KFC tenancy). This facade is set back a minimum 17m from the Cambewarra Road frontage where landscaping and a truck turning bay is provided. The car park, separated by landscaping, and a pylon sign will also be visible along Cambewarra Road. A combined ingress/egress driveway via a proposed roundabout is proposed (at the intersection with Farrell Place). The existing driveway adjacent to the KFC will be required to be removed via conditions should the application be approved, and landscaped to match that proposed along the Camabewarra Street frontage. A 1.8m shareway is to be provided for the full frontage as required by Council's Traffic Engineer.

## iv) Traffic, Access and Parking:

A Traffic Impact Statement and associated supplementary information has been submitted by the applicant. The key areas of the development with regard to traffic, access and parking are provided below [Refer also to Sections 6(ii) (SEPP Infrastructure 2007); and Section 11 (Referrals) of this report which detail comments from RMS and Council's Traffic and Transport Officer and Development Engineer].

<u>Access</u>: The proposed development provides access from two road frontages (one to/from a left turn slip lane from/to the Princes Hwy, and a proposed roundabout to/from Cambewarra Road at the intersection with Farrelly Place.

In relation to the <u>Princes Highway access</u>, the proposal indicate a slip lane allowing access to the site and a future boundary line set into the site (to the east) to enable future road widening. In response to this, the RMS advised they are satisfied with the design (enabling a 12.5m single unit truck), and in its final advice (18 March 2016) indicated: "RMS objects to the application in its current form, however if the applicant agrees to dedicate the land to SP2 Infrastructure at no cost to RMS, RMS would not object to the development application subject to the following comments being included in the conditions of development consent..." (the correspondence then provides ten conditions relating to land dedication requirements prior to occupation, Works Authorisation Deed, and provision of slip lane prior to occupation, work to be in accordance with Australian Standards and other standard requirements).

In relation to the <u>Cambewarra Road access arrangements</u>, Council's Traffic and Transport Officer and Development Engineer deem the proposed left turn egress from the existing KFC driveway located on the land (with associated road treatments including linemarking, short central median and pedestrian refuge facility) unacceptable as unsatisfactory non-compliance by drivers and associated traffic and pedestrian conflict will be ongoing issues, in addition to direct impacts to access by residences on the northern side of Cambewarra Road and the car dealership on the northern side of the subject site.

Should the development be approved, conditions are recommended to be imposed in relation to the closure of the KFC driveway and consolidation to one access to the site from the proposed Cambewarra Road roundabout. This is possible as the KFC is a leased area within the subject land. While the further conditions are recommended by Council's Traffic and Transport Officer regarding required pedestrian refuges (required to be relocated and swept path analysis demonstrated without impacting on nearby property owners) and other significant works within the Cambewarra road reserve, the following concerns are raised in the referral Council's Traffic and Transport Officer (dated 17/3/16) and relate to uncertainties remaining with respect to the detailed design of the Cambewarra Road external works:

"This would appear to be addressing the Traffic Unit's previous advice that if concrete splitter islands cannot be provided at the proposed roundabout on Cambewarra Road, separate pedestrian refuges must be provided at suitable locations upstream and downstream of the roundabout.

Although the proposed facility is agreed to in principle, a review of the facility as shown on the latest plan identifies that it will directly impact driveway accesses and in particular the adjacent

driveway entrance to the car dealership located immediately to the west of the property boundary (ie between KFC and McDonalds). This will potentially impact the ability of larger type vehicles from accessing and leaving the car dealership. It is considered that it will also directly impact driveway access to residential properties located on the northern side of Cambewarra Road.

In reviewing this aspect the Traffic Unit considers that the location of the proposed pedestrian refuge on Cambewarra Road should be reconsidered by the applicant. It should be relocated to a site that will not directly impact other business and resident access. That is, the applicant should review its location with a view to minimising any potential impact to adjacent properties. To assist Council staff in further reviews of this requirement the applicant is to provide a swept path analysis demonstrating that the refuge facility does not affect access to adjacent businesses and residential properties located on the northern side of Cambewarra Road.

Because of the significance of the works proposed on Cambewarra Road in close proximity to numerous driveways and properties Traffic Unit strongly recommend that consultation be undertaken with all residents and businesses affected by the proposals prior to any determination, to allow any adverse impacts to be addressed satisfactorily. This would ultimately be required to be undertaken anyway (prior to STC/Council approval) and to avoid any issues down the track the consultation should be undertaken prior to determination in Traffic Unit's view. Traffic Unit may be able to assist with the consultation process."

<u>*Parking*</u>: A 3800m<sup>2</sup> supermarket and 1500m<sup>2</sup> bulky goods facility, generating 200 spaces and 30 spaces respectively (requiring a total of 230 spaces). The development provides 279 car spaces (including 8 spaces for persons with a disability, 2 car + trailer spaces), 4 motorcycle spaces, 14 bicycle spaces, 2 taxi spaces and one mini-bus parking space, which well exceeds the DCP requirements.

Council's Development Engineer recommends that three (3) additional trailer spaces be provided by consolidating six (6) proposed individual car spaces. It is noted that the plans indicate a "future boundary" along this frontage to meet RMS requirements. It is unclear when this will occur, but when it does, it will encroach on the 2m wide landscaping along part of the frontage of the development. Some landscaping along the Princes Highway frontage is located within this 3m strip of land that is required to be dedicated, and once dedicated, will no longer form part of the subject site.

Should the application be approved, a condition should be imposed requiring car spaces 55, 198-203 and the trolley bay to be removed and replaced by landscaping (with trolley bay relocated to space 203). The road widening and additional trailer parking spaces will reduce the number of parking spaces by ten (10), to 269 spaces, however this still provides a surplus of 39 spaces on the site.

<u>Traffic</u>: A Traffic Impact Assessment and several additional information reports regarding traffic matters were provided by the applicant's traffic consultant which included results from traffic surveys (including during peak times), and an assessment of existing and future predicted traffic conditions (based on RMS predicted traffic flows along the highway following completion of the highway upgrade), and a 3% per annum growth of traffic on Cambewarra Road. Further revised traffic analysis (including additional intersection analysis) was provided as requested by Council and the RMS taking into consideration additional factors. The outcomes of the traffic impacts can be summarised in the applicant's traffic consultant's advice (Colston Budd Hunt and Kafes Pty Ltd, dated 9 July 2015, p5):

"11. The above analysis shows that the intersections of Cambewarra Road/Jasmine Drive and Princes Highway/Narang Road would operate at satisfactory levels of service in 2024 (without development traffic in place). However, by 2024, following the upgrade of the Princes Highway between Nowra and Kiama, the intersection of Princes Highway/Cambewarra Road/Moss Vale Road would reach capacity. Thus without development traffic in place, this intersection would require upgrading, most likely replacement of the roundabout with traffic signals. This would likely form part of the Princes Highway upgrade between Berry and Nowra.

12. The above intersections (plus the new roundabout access at the intersection of Cambewarra Road/Farrelly Place) were reanalysed for 2024 plus development traffic. The analysis found that:

- the roundabout controlled intersection of the Princes Highway and Cambewarra Road would operate at capacity (level of service F) with average delays per vehicle of more than 70 seconds in both peak periods for the movement with the highest delay (all movements on the Cambewarra Road (east) approach);
- the roundabout controlled intersection of Princes Highway and Narang Road would operate with average delays per vehicle of less than 20 seconds for both peak periods. This represents level of service B, a good level of intersection operation;
- the priority controlled intersection of the Cambewarra Road and Jasmine Drive would operate with average delays per vehicle of less than 30 seconds (for the movement with the highest delay, right turn out of Jasmine Drive) for both peak periods. This represents level of service B/C, a satisfactory level of intersection operation; and
- the roundabout controlled intersection of Cambewarra Road, Farrelly Place and the site access would operate with average delays per vehicle of less than 20 seconds for both peak periods. This represents level of service B, a good level of intersection operation.

13 Thus the analysis found that, with the exception of the roundabout controlled intersection of Princes Highway/Cambewarra Road/Moss Vale Road, the surrounding road network can accommodate traffic from the proposed development. As noted above it is not traffic from the proposed development that is generating the need to upgrade this intersection. As set out in traffic report for the existing + development, the intersection of Princes Highway/Cambewarra Road/Moss Vale Road could satisfactorily accommodate traffic from the proposed development."

The referral dated 17/11/15 by Council's Traffic and Transport Officer initially raised the concerns regarding the local traffic network, however following assessment of the final submitted information from the applicant, was no longer raised as an issue in the final referral dated 22/3/16. It is noted that the RMS also raised no issue with the traffic aspects of the proposal and this matter has been satisfactorily addressed.

## v) Loading Dock and Waste Management:

A WMMP was submitted with the initial application (by TPG) and addresses: Waste sources associated with demolition and construction phases; Mitigation measures (detailed plan to be prepared once a contractor engaged); Waste tracking (including waste register); Operational waste management (for Woolworths only, not the proposed bulky goods tenancy) with waste and recycling to be stored in a designated area near loading dock for collection by private contractor.

(NB. This is not indicated on the plans, but is assumed to be located within the building adjacent to the loading dock). Applicant requests detailed aspects be addressed in detailed documentation prior to issue of construction certificate. Further information provided by the applicant provided a link to the Woolworths website regarding targets and performance measures for food waste and recyclable cardboard which will be achieved by the development.

Should the application be approved, it is recommended that the following conditions be imposed:

- Prior to the issue of a Construction Certificate, a detailed construction and operational waste management plan is to be submitted to Council for its written approval. The plan is to be prepared in accordance with Waste Minimisation and Management Guidelines 2009 and include a detailed plan for waste storage and collection for the supermarket and bulky goods premises.
- Prior to the issue of a Construction Certificate, a Loading Dock Management Plan is required to be updated to address waste trucks accessing and egressing the site.

# vi) <u>Safety and Security</u>

The applicant has provided a Crime Prevention Through Environmental Design (CPTED) report which details the crime minimisation design mechanisms proposed and assess these mechanisms in accordance with the four (4) crime prevention through environmental design principles (summarised below):

- 1. Surveillance: Designed to maximise passive surveillance within and around the supermarket, car parking areas, back of house operations and internally within the development. Design ensures no obstructions of sight lines from the proposed vehicular entry points from Princes Highway and Cambewarra Road to the building, inclusive of the service area/loading dock as well as to the car park and the main front entrances to the building. Proposed measures include: Install mirrors to increase visibility of possible hiding areas; Technical surveillance through the installation of CCTV cameras; Continuation of afterhours management measures (through CCTV cameras, regular security patrols) for increased deterrence against loitering; and Suitably located lighting to illuminate particularly dark areas within the building, walkways and the car park which is vandal-proof/resistant to breakage.
- 2. Access Control: Physical barriers at the entry points to the proposed building delineates the vehicle entry point into and from the site, and channels pedestrian movement within the car parking areas to the designated pathways and covered walkways along the building frontage. No places to allow for entrapment. The loading dock and service areas have been designed to minimise the potential for conflict between pedestrians and motorists by: Clear signage; Installation of CCTV at the entrance of the loading dock; Pedestrian access points through the loading dock into the shopping mall are to be locked; and Loading dock areas will be differentiated with treatment.
- 3. Territorial Reinforcement: Definition between the boundaries of the property and surrounding roads are clear. The proposal has clearly indicated pathways for circulation both within and outside of the building.
- 4. Space Management: Propose systems such as light glove replacement, graffiti removal. An effective space management plan will ensure that processes are established to respond to and fix services and structures. Site cleanliness dependent upon the management practices of Woolworths. Key recommendations under an ongoing space management plan include: Removal of any graffiti; Remediation of vandalised or broken furnishings and lighting; immediate replacement of burnt-out gloves; and maintaining cleanliness throughout the site.

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Attachment B

Restricted access by vehicles after hours (ie. via gates at each entry/egress) would be an ideal outcome and would alleviate some of the "hoon factor" concerns of nearby residents, however barrier location is limited to enable vehicles to turn around and is therefore not a practical requirement. It is recommended the commitments and proposed safety and security measures within the CPTED report are required via conditions of development consent, including detailed lighting plan be provided prior to issue of Construction Certificate addressing lighting to achieve safety throughout the site including car park.

#### vii)Vegetation Removal and Flora and Fauna Impacts and Landscaping:

As mentioned earlier, in addition to an arborist report, a Flora and Fauna Assessment was submitted in accordance with the DCP requirements. The report indicates the vegetation communities identified on the site are not listed as critically endangered ecological communities or ecologically endangered communities, and no threatened flora and fauna species were located to be occurring on the site.

Council's Threatened Species Officer concurs with the reports and the application is satisfactory subject to conditions.

The submitted a landscape plan by qualified landscape architect (Elke, 1409\_b; L101) which includes the trees proposed to be removed and retained, and a planting schedule for compensatory planting to integrate with the development and streetscape. The landscape design is suitable for the scale of the development and will provide shade to many of the car spaces in the large open car park area. There is a 6m wide landscaped buffer to the adjoining residential area located between the building and the south-eastern boundary fence.

## viii) <u>Acoustic Impacts:</u>

The applicant commissioned Reverb Acoustics to conduct a noise impact assessment for the proposed development. The assessment considered mechanical plant (refrigeration, air conditioning, exhaust), loading dock activities (including unloading, truck movements, etc), and customer vehicles entering and leaving the premises and manoeuvring on the site. Other noise sources include garbage collection, trolley return and general site noise was also considered. It is noted that the report addresses the initial design, which had a slightly different loading dock arrangement and included a car park on the south-eastern corner of the site adjoining residences (now proposed to be a vacant "future development site"). Notwithstanding these amendments to the site design, the recommendations of the report are still considered to be relevant and should be implemented/required should the development be approved.

Section 8 of the report provides recommended noise control measures for mechanical plant, the loading dock and the overall site, and recommendations (in summary) includes:

*"a) The loading docks may operate for the proposed hours of 7am-10pm.* 

b) Proposed store trading hours of 7am-12am are acceptable.

c) The underside of any roof or ceiling in the loading dock areas should be treated to absorb reflected noise.

*d)* Signs are to be erected in conspicuous locations in the loading dock instructing drivers to turn off their engines once in place at the dock.

e) Acoustic fences are to be erected on the eastern boundary (adjacent to loading dock 4200mm and adjacent to carpark 2100mm). TCG note: the latter is now a vacant site for future development.

f) Acoustic barriers must be erected along the perimeter of the roof-top plant decks.

g) Acoustic louvres in preference to standard ventilation louvres are required for any openings in plant room walls.

*h)* Noise emissions from the substation kiosk must not exceed a sound pressure level of 55dB(A),Leq at a distance of 3 metres.

*i)* Any exhaust plant in an exposed location that produces a sound pressure level in excess of 65dB(A) at a distance of 1 metre from the discharge point must be acoustically treated.

*j)* Acoustic barriers equal in height to the top of the plant, are to be erected along three (3) sides towards the residential areas, for any air conditioning/refrigeration plant on the roof of the building that are not located on the plant decks. Construction should be similar to that described for the main plant deck. Should plant be located in a shielded location, i.e. at ground level or behind other structures, the acoustic barriers will not be required.

*k)* The contractor responsible for supplying and installing mechanical plant must provide evidence that installed plant meets this noise emission limit, or that noise control included with the plant is effective in reducing the sound level to the specified limit.

*I)* Once the plant layout has been finalised, details should be forwarded to the acoustic consultant for approval. Revision of the plant layout may result in lowering of acoustic barriers.

*m*) For both staff and customers, some form of education campaign is suggested to ensure satisfactory noise levels at nearby residences. For staff, the education can be part of in-service training, while for visitors reminders may be included in promotional material and reinforced with erection of appropriate signage.

*n)* Use of trolley return tractors is not recommended during the late evening or at night unless compliance with the INP criteria can be met.

o) Waste disposal bins are to be located in shielded areas. We strongly recommend that waste collection be restricted to dock operating hours"

The report concludes (p19) that "this assessment has shown that the site is suitable for the intended purpose providing recommendations outlined in this report are incorporated into the design. With these or equivalent measures in place, noise from the site will be either within the criteria or generally below the existing background noise level in the area for the majority of the time. Considering the relatively constant traffic on nearby roads and activity associated with nearby commercial developments, noise generated by the site will be audible at times but not intrusive at any nearby residence. As the character and amplitude of activities associated with the site will be similar to those already impacting the area, it will be less intrusive than an unfamiliar introduced source and should be acceptable to residents, considering the economic and social benefit to the local community as a whole. Providing the recommendations presented in this report are implemented, operation of the new retail development will not have any long term adverse impact upon the acoustical amenity of nearby residents. We therefore see no acoustic reason why the proposal should be denied."

Council's Environmental Health officer has recommended conditions of development consent, including that the outcomes/recommendations of the report be implemented. The officer's request for details of the mechanical plant prior to the conclusion of the DA is not considered to be warranted. However should the application be approved, a condition should be imposed requiring details of mechanical plant and equipment must be submitted with an application for a Construction Certificate to the Principal Certifying Authority with accompanying evidence that the recommendations of the acoustic report have been satisfied and compliance with applicable acoustic requirements have been achieved.

## ix) Overshadowing Impacts

Plans provided by the applicant (Nordon Jago Architects Plan DA04F) which indicate the shadow impacts of the development (including 4.2m high acoustic fence). Overshadowing of some of the adjoining residential properties to the south occurs from 2pm during mid-winter however the dwellings/windows are not impacted and the principal open space areas (rear yards) achieve more than 3 hours of sunlight in accordance with the requirements.

# x) <u>Stormwater Drainage:</u>

The applicant has submitted Civil Design (Stormwater Drainage) Plans (Jones Nicholson Project 141009, C01-C03) which proposes to discharge stormwater to drainage systems along Princes Hwy and Cambewarra Road via two separate OSD tanks. Site management Plans (Jones Nicholson Project 141009, ESM 1-3) are also submitted addressing erosion and sediment control. Council's Development Engineer recommended conditions of development consent.

# xi) <u>Shopping Trolley Plan of Management (POM)</u>

A shopping trolley POM has not been submitted with the DA and the applicant indicated in correspondence (TPG, dated 30/7/15) that "a trolley management plan will be implemented for the development". Condition to be imposed requiring a detailed POM in accordance with Section 5.1.1 of Chapter G17 of SDCP 2014.

## xi) *Future Development Site:*

The plans indicate a part of the site to remain vacant as a "*future development site*". This portion of land is 3200m<sup>2</sup> in area and is located at the south-eastern corner of the site. It has a small frontage to the Princes Highway but the majority of the perimeter of the site adjoins adjacent properties. It is acknowledged that future development will be subject to a future separate DA and site development will be limited by building, access and parking location and consideration of any impacts (including to adjoining residential land to the east).

In response to concerns regarding ability for all vehicles to access this site, the applicant advised that "the most appropriate location for (vehicular) access to this site would be adjacent to the Woolworths building forming a four way intersection with the southern parking aisle, the parking aisle adjacent Woolworths and the Princes Highway (some 40 metres from the Princes Highway). This would allow for all turn movements to/from the site and provide sufficient separation from the Highway (for both car park and service access).....Thus, while subject to detailed design, appropriate access could be provided to the future development site located on the southern part of the site."

Should the development be approved, it is recommended that a condition be imposed restricting access to this future development site by provision of a semi-permeable fence with a landscaped area in front and landscaping at 3m wide to the Princes Highway frontage to improve the visual appearance until such time as this site is developed. This site is to be kept in an attractive and maintained state at all times.

## 8. Assessment of the suitability of the site for the development

The site is considered suitable to accommodate the physical development (including site servicing, rehabilitation of contaminated land and acceptable impacts to surrounding land etc). However, as detailed in earlier section of this report, the supermarket component of the proposed development:

- is inconsistent with the B5 zone objectives (and the approval of a retail/supermarket use in the B5 zone is likely to set a precedent for proposed similar uses in other B5-zoned land, including a significant area in South Nowra),
- is inconsistent with the adopted strategic centres hierarchy, and
- will result in associated negative economic impacts to existing and proposed centres.

The site is therefore considered unsuitable for the supermarket component of the proposed development with regard to the above.

#### 9. Assessment of any submissions made in accordance with the Act or the regulations

Submissions from the general public and public authorities are discussed separately below:

- i) <u>The Public:</u> A summary of the issues raised in the submissions received and associated comments from Council are provided below. Each matter is addressed in the relevant section of this report.
- <u>Zoning and Land Use</u> (raised in the majority of submissions received) Inconsistent with B5 zone, should be bulky goods use. Strategic Planning documents (eg. LEP 2014) would have zoned it otherwise.
- Inconsistent with Strategic Hierarchy of Centres (raised in the majority of submissions received) High level of convenience of proposed Woolworths will have an impact on trade of existing centres. Existing supermarkets/centres satisfactory. Inconsistent with centres hierarchy in Nowra Bomaderry Structure Plan. Business owners have invested in area in accordance with centres hierarchy. Future Cambewarra centre: Will affect viability/will never be built and impact convenience to future residents there.
- <u>Negative Impacts on Existing and Future Centres</u> (raised in the majority of submissions received). Closure of businesses (IGA Business owners support Leyshon assessment and refutes the applicant's economic impact assessment as incorrect/flawed). Loss of jobs. Vacant shops. Antisocial behaviour (CPTED report should address). Graffiti and litter.
- <u>Support for the development</u> (received by four submissions). Support for Woolworths supermarket to provide employment. Existing supermarkets have had plenty of time to pick up their game and do not stock all items required. Currently need to travel to Nowra.
- <u>Traffic impacts:</u> (raised in the majority of submissions received). Princes Highway/Cambewarra Rd already a busy roundabout. Increased traffic to Cambewarra Road. Increased traffic impacts and safety to Farrelly Place and Cambewarra Rd intersection. Access should be Princes Hwy only. Slip way should not encroach on adjacent property frontage (which restricts parking for customers and loss of property value).
- <u>Inadequate traffic report</u> (raised in a few submissions): does not assess 8-9am peak, and does not address long weekend and school holiday peaks or pedestrian access requirements. Access points/intersection impacts along Cambewarra Drive from roundabout to Jasmine Dr have not been accounted for properly. Will not reduce traffic across bridge; bypass will reduce passing traffic and viability. Traffic impacts: turning on Cambewarra Rd and pedestrian safety.
- <u>Impacts to nearby properties/dwellings</u> (generally received from nearby residents only): Noise impacts from vehicles and headlight spill to dwelling. Request a security fence on top of existing boundary fence to prevent short cut use. Noise, traffic and visual impacts to residents from Cambewarra Rd & loading dock. Noise impacts and Acoustic fence: seeks 2.4m high not 2.1m. Light spill: from headlights/lights. Concerns about overshadowing from

planting. Noise report only addresses adjacent properties, not car alarms etc. CPTED report does not address adjacent residential properties.

- <u>Other matters</u> (raised in a few submissions): Adverse effect on character and property values; No liquor sales should be allowed; Shopping trolley management/locking required; Should incorporate John Bull foundation stone or name; Impact to fauna (resident possum); Site security-the site should be locked to prevent after hour access from 'hoons'; Concerned that Council has plans for the surrounding residential land to be rezoned.
- ii) <u>Public Authorities:</u> Submissions have been received from the RMS which are discussed in greater detail in Refer also to Sections 6.ii) (SEPP Infrastructure 2007); and Section 11 (Referrals) of this report.

## 10. The Public Interest

This development application received strong public interest (refer to '4. Community Consultation' Section of this report and submissions) which mostly opposed the proposed development due to inconsistency with zone objectives, adverse impact to existing and proposed centres (including job losses, vacant shops, urban decline), inconsistency with centres hierarchy and traffic impacts.

The applicant presented results of a random survey of 400 residents of the area (commissioned by the applicant) which indicated overall support for the proposed development on the basis of convenience and employment opportunities.

It is also recognised by all economic consultants that additional supermarket space is warranted within the area north of the Shoalhaven River and that a full-line supermarket in this highly accessible and central location on an arterial road will be of significant convenience for residents who will not have to travel to Nowra for some grocery items. This <u>is</u> in the public interest.

However, the independent economic impact assessment by Leyshon indicates that there will be significant negative economic impacts and associated decline of some centres within Council's adopted Centres hierarchy – namely the Bomaderry Centre, and will potentially negate the development of a supermarket in the planned and zoned future centre at the nearby suburb of Cambewarra (Moss Vale Road). The peer review (provided by the applicant) indicates that there will be significant negative economic impacts and associated decline will occur to the Lyndhurst Drive, North Bomaderry Centre. TCG Planning are of the opinion that these negative impacts are likely to occur to both to an unacceptable degree, and that, if this supermarket is constructed, that the viability of the planned/zoned Cambewarra centre will be adversely effected.

While supermarkets are permitted with development consent in the B5 Business Development zones as an 'innominate use', this is considered to be in part, an unintended consequence of the drafting of SLEP 2014 and the use of the state template LEP format that rationalises the number of Business and Industrial zones. If a retail/supermarket use is approved in this zone, then it will likely be a precedent for proposed similar uses in other B5-zoned land (including a significant area in South Nowra). Such applications could seriously undermine the adopted retail hierarchy within the Nowra Bomaderry Structure Plan which informed the SLEP 2014.

On balance, it is considered that the major convenience of a new Woolworths supermarket at this location (which was never anticipated) to residents north of the River does not outweigh the inconsistency with Council's **adopted** centres hierarchy and likely irreparable negative impacts that will occur to the existing nearby centres (ie. Bomaderry and North Bomaderry Centres) and the viability of the nearby future planned centre (Cambewarra). In this regard, the proposed

development is not in the public interest and a refusal in accordance with Section 79C(1)(e) of the Environmental Planning and Assessment Act 1979 is justified.

## 11. Referrals

## Internal:

- <u>Development Engineer:</u> Referral 1 (3/2/15): Additional information required. Referral 2 (26/8/15) Additional information required. Referral 3 (17/11/15) unsatisfactory (unresolved matters: car park and aisle dimensions, demonstrate functioning of 2 x long vehicle/trailer parking spaces; closure of egress driveway adjacent to KFC required, stormwater design needs to include GPTs, waste management). Referral 4 (9/3/16): Satisfactory subject to conditions including design amendments relating to on site car parking for additional trailer parking and works within Cambewarra Road (removal of left only exit adjacent to KFC, removal of pedestrian facility at western end and painted markings near roundabout). Waste management issue not addressed and conditions will need to be imposed.
- <u>Traffic and Transport</u>: Referral 1 (5/2/15) Unsatisfactory, additional information required. Referral 2 (1/9/15) unsatisfactory/amended design/additional information required. Referral 3 (17/11/15) unsatisfactory: detail required for roundabout in particular, further intersection modelling required for impact on local road network, egress driveway adjacent to KFC unacceptable, bus bay detail required, detail required for car park design to deter rat running. Referral 4 (17/3/16) Unsatisfactory, however remaining matters can be addressed through conditions requiring design amendments within Cambewarra Road (provided in email dated 22/3/16 including removal of left only exit adjacent to KFC and consolidation of access/egress from proposed roundabout only, relocation of pedestrian facility etc).
- <u>Waste Management Officer:</u> Referral 1 (2/2/15) Additional information required (food waste arrangements required; more specific waste management plan for ongoing use; plastic bag use. Evidence required that waste management strategies will occur on site). Referral 2 (11/8/15) indicates waste storage area is acceptable but not located on any plans. Conditions will need to be imposed to satisfy this.
- <u>Shoalhaven Water:</u> Referral 1 (5/2/15) Additional information required. Referral 2 (11/9/15) Additional information required on proposed sewer main extension and proposed roundabout. Referral 3 (22/12/15) Satisfactory. Conditions provided (Notice pursuant to Section 306 of Water Management Act 2000).
- <u>Building Surveyor</u>: (referral 2/3/15, 3/9/15 and 4/11/15). No objection to the proposed works subject to the imposition of conditions. The advice provided has recommended a Section 68 Approval Application is required.
- <u>Threatened Species Officer:</u> Referral dated 23/1/15. Satisfactory with respect to flora and fauna assessment. Satisfactory subject to recommended conditions.
- <u>Environmental Health Officer</u>: Referral dated 12/6/15: Proposal satisfactory with respect to site contamination, soil management, noise and food safety (recommended condition of consent). Referral 2 (dated 4 December 2015) indicated loading dock management plan is satisfactory, however this will need to be updated to include operational information associated with proposed bulky goods tenancy (eg. hours of operation, delivery requirements and frequency) conditions to be imposed. Conditions also to be imposed regarding further information on

mechanical plan layout and substation kiosk prior to issue of Construction Certificate.

• <u>Strategic Planning</u>: Requested 10/3/2015. Background (email) information received April 2015. Further advice was sought on 25 Nov 2015 which led to meeting was held on 14 March 2015 with TCG Planning.

## External:

- <u>NSW Roads and Maritime Services Roads (RMS Roads)</u>: Referral 1 (30/1/15) Not supported on the basis of slip lane design and requirement for further information on turning paths for vehicles accessing the site from Cambewarra Rd and further intersection modelling. Referral 2 (14/9/15) Slip lane design satisfactory and 12.5m truck access can occur but without the 0.6m clearance to adjacent kerbs. Additional information required for sight distance. Referral 3 (email dated 17/12/15) still awaiting further information. No objection in principle regarding amendment from 1500m<sup>2</sup> retail to bulky goods as will reduce number of trips generated. Referral 4 (18/3/16): does not object to development subject to (i) the applicant dedicating 3m strip of land along princes Highway for road widening to be zoned SP2 Infrastructure; and (ii) other conditions. Refer also to Sections 6.ii) (SEPP Infrastructure 2007); and Section 11 (Referrals) of this report which detail comments from RMS.
- <u>Endeavour Energy</u>: Not referred, however correspondence provided by applicant.

## 12. Options

Council may:

- a) Resolve to refuse the application (i.e. adopt the Recommendation i) within Section 14 of this report); or
- b) Resolve to approve the application subject to conditions. Draft recommended conditions of development consent are currently being prepared should Council opt for approval of the development. As such draft conditions are not attached to this report and would need to be the subject of a further staff report. If this option is selected Council should be aware that the decision will be contrary to its adopted strategic planning framework and is likely to have a significant detrimental economic impact on existing centres in Bomaderry and North Bomaderry, in addition to the planned future Cambewarra centre; or
- c) Resolve to review the retail/business/economic hierarchy of centres within the northern Shoalhaven Local Government Area involving (but not limited to) a review of the Nowra Bomaderry Structure Plan, and land use zones and relevant provisions of SLEP 2014 (i.e. adopt Recommendation ii) within Section 14 of this report).

## 13. Conclusion

This application has been assessed having regard to the Matters for Consideration under Section 79C of the Environmental Planning and Assessment Act 1979.

The assessment of this application revealed that, subject to the imposition of conditions, the site is physically suitable for the proposed development, and the design (subject to further amendments and details) can be considered acceptable.

There is also a clear demonstrated need for additional supermarket floor space in the areas north of the Shoalhaven River, and a full-line supermarket in this highly accessible and central location

on an arterial road will be of significant convenience for residents who will not have to travel to Nowra for some grocery items. The proposed development will also create employment.

There are some unresolved concerns related to details of required engineering works within the Cambewarra Road road reserve and acceptability of these works on nearby properties, but these matters are likely to be satisfied through further detailed design and provision of further information and/or can be conditioned.

Hence the proposal does not warrant a recommendation for refusal on the basis of the above matters.

However, there is a broader and fundamental issue of concern with the proposal that warrants a recommendation for refusal of the proposed development (for the predominant supermarket component specifically) as the proposal:

- 1. Is inconsistent with the objectives of the B5 Business Management zone of SLEP 2014. Retail premises (including supermarkets) were never anticipated within the B5 zone and the permissibility via an 'innominate use' unintended consequence of the drafting of the LEP Standard Instrument and resultant SLEP 2014.
- 2. If a retail/supermarket use is approved in the B5 zone, then it will likely be a precedent for proposed similar uses in other B5-zoned land (including a significant area in South Nowra).
- 3. Is inconsistent with the adopted retail hierarchy within the Nowra Bomaderry Structure Plan which informed the SLEP 2014.
- 4. Is likely to have significant negative economic impacts and associated decline of some centres within Council's adopted Centres hierarchy, namely the existing Bomaderry Centre, and the Lyndhurst Drive, North Bomaderry Centre, and will potentially negate the development of a supermarket in the planned and zoned future centre at the nearby undeveloped suburb of Cambewarra.

In summary on balance, it is considered that the major convenience of a new Woolworths supermarket at this location (which was never anticipated) to residents north of the River does not outweigh the **inconsistency with the objectives of the B5 zone within SLEP 2014, and Council's adopted centres hierarchy,** and likely irreparable **negative economic impacts** that will occur to the existing nearby centres (ie. Bomaderry and North Bomaderry Centres) and the viability of the nearby future planned centre (Cambewarra). In this regard, the proposed development is **not in the public interest** and warrants refusal in accordance with Section 79C (1)(a)(i); (a)(iii); (b) and (e) of the Environmental Planning and Assessment Act 1979.

Regardless of the recommended outcome for this proposal, it is apparent that a review of the Strategic Planning framework is warranted as it applies to retail and business hierarchy in the northern Shoalhaven, in particular in the context of the Nowra Bomaderry Structure Plan (now ten years old). The review should consider whether there are any suitable/feasible/practical alternative site(s) within those existing centres for the development of an additional (full-line) supermarket space north of the Shoalhaven River. In addition, the review should also consider the introduction of primacy controls, now seen in other LEPs within the State (eg. Wagga Wagga LEP 2010) to preserve the retail and business hierarchy identified.

### 14. Recommendations

It is recommended that:

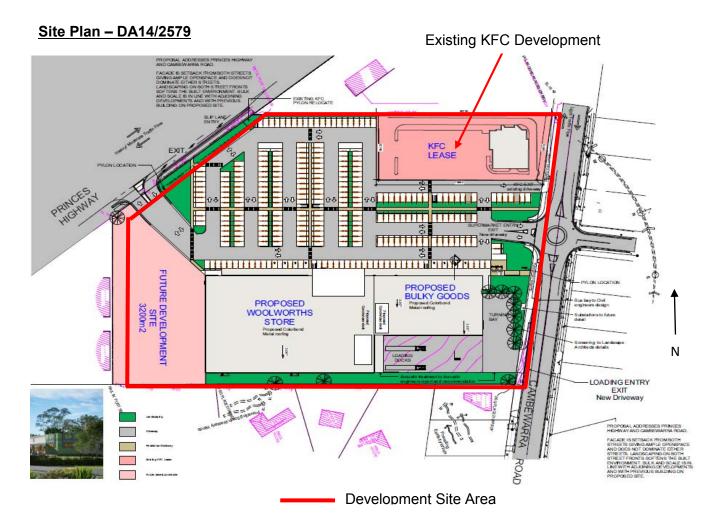
- i) Development Application No 14/2579 be refused for the above reasons (further detailed in **Attachment 7** 'Recommended Refusal Notice') and as discussed in this report.
- ii) Council resolve to undertake a review of the Strategic Planning framework as it applies to retail and business hierarchy in the northern Shoalhaven, in particular in the context of the Nowra Bomaderry Structure Plan. The review should consider feasible site(s) within existing centres for the development of an additional (full-line) supermarket space north of the Shoalhaven River. In addition, the review should also consider the zoning provisions and inclusion of primacy controls to preserve the adopted retail and business hierarchy identified.

Final Signed:	<b>Authorised</b> Nadine Page Senior Planner, TCG Planning	Date: 8/4//2016		
Draft				
Reviewed by:	Authorised			
	Elaine Treglown			
	Director, TCG Planning	Date: 29/3/2016		
Signed:				
•	Development Manager,			
	Shoalhaven City Council	Date:		
List of Attach	ments			
Attachment 1	: Development Plans			
Attachment 2	: List of Submitted Documents			
Attachment 3: Map showing Aerial Photograph and Zoning of Subject Site and Surrounds				
Attachment 4: Audit of Development Application Process (TCG Planning)				
Attachment 5: SEPP 64 (Advertising and Signage) Assessment Table				
Attachment 6	Attachment 6: Figure 4.1 'Proposed Commercial Areas' from the Newra Remaderry Structure			

Attachment 6: Figure 4.1 'Proposed Commercial Areas' from the Nowra Bomaderry Structure Plan

Attachment 7: Draft Recommended Reasons for Refusal

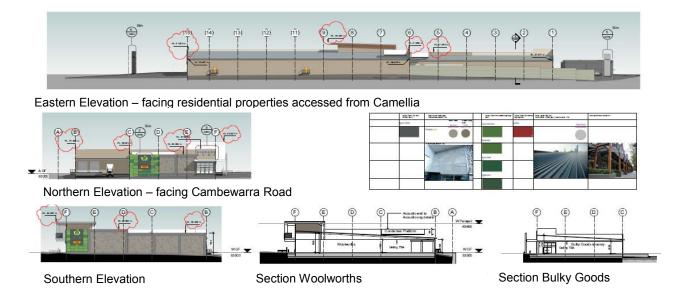
**Attachment B1** 



# Elevations – DA14/2579



C Western Elevation – facing internal car park



### Attachment B2

## Documents Submitted By Applicant (DA14/2579)

# Originally Submitted Plans and Documents (December 2014)

	-	-	
Document Title/Plan Title	Author	DwgNo/Version/Revision	Date
Statement of Environmental Effects: Proposed Retail Development	The Planning Group (TPG)	214.185	15/12/2014
Appendices to SEE:			
Appendix A. Site Survey	SET Consultants	18406/1 sheet 1 and 2	27/06/2014
Appendix B. Architectural Drawings: Nordc	on Jago Architects		
Cover & Site Analysis Plan		DA00-F	11.12.14
Floor Plan		DA01-Q	11.12.14
Elevations, Sections & Finishes Schedule		DA02-I	11.12.14
3D Views		DA03-I	11.12.14
Shadow Diagram Analysis		DA04-C	09.12.14
Signage		DA05-E	11.12.14
Viewing Corridor Analysis		DA06-B	11.12.14
Car Parking Plan		DA07-B	11.12.14
Appendix C Landscape Plan	Elke Haege Landscape Architects		
Landscape Architectural Details and Plant Schedule		L_101A	11.12.14
Landscape Architectural Plan		L_101C	11.12.14
Appendix D Engineering Drawings	Jones Nicholson Consulting Engineers		
Wastewater Generation Figures		HLTR-20141009.01A	9.12.14
Notes Sheet		C01-2	10.12.14
Stormwater Drainage Plan		C02-4	18.11.14
Stormwater Drainage Details		C03-2	10.12.14
Concept Sewer Diagram		C04-1	31.10.14
Environmental Site Management Plan		ESM1-1	10.12.14
Environmental Site Management Details Sheet 1		ESM2-1	10.12.14
Environmental Site Management Details Sheet 2		ESM3-1	10.12.14
Appendix E Waste Minimisation and Management Plan	TPG Town Planning and Urban Design	214.185WNP	December 2014
Appendix F. Crime Prevention through Environmental Design Report	TPG Town Planning and Urban Design	214.185CPTED	December 2014
Appendix G. Arborist Report	Elke Haege Landscape Architects	1409_A	9.12.14
Appendix H. Archaeological Assessment	Mary Dallas Consulting Archaeologists	-	17.12.14
Appendix I. Traffic Report	Colston Budd Hunt & Kafes Pty Ltd	9521/1	December 2014
Appendix J. Contamination Assessment			
Interim Site Audit Advice	Enviroview Pty Ltd	0301-1417AA01	18.12.14
Remedial Action Plan	Earth 2 Water Environmental & Groundwater Consulting	E2W-0232(DR001-v1)	26.11.14
Appendix K DCP Compliance Tables	TPG		
Appendix L. Acoustic Report	Revers Acoustics Noise and Vibration Consultants	14-1746-R1	November 2014
Appendix M. Access Report	MGAC Morris Goding Accessibility Consulting	Rev1	16.12.14
Appendix N. Flora and Fauna Assessment	Cumberland Ecology		27.11.14
Appendix O. Geotechnical Report	JK Geotechnics	27767Lrpt	17.10.14

### Attachment B2

Document Title/Plan Title	Author	DwgNo/Version/Revision	Date
Appendix P. Economic Impact Assessment	MarcoPlan Dimasi		December 2014
Appendix Q. Statement from Endeavour Energy	Endeavour Energy		16.12.14
Appendix R. View Corridor Analysis	Nordon Jago Architects	DA06-B	11.12.14
Appendix S. BCA Report	Steve Watson & Partners	2014/1674	15.12.14
Appendix T. QS Certificate	RLB Rider Levett Bucknall	Jf.15049.6.1.001.smm	12.12.14

## Additional Information Submitted 30 July 2015

Document Title/Plan Title	Author	DwgNo/Version/Revision	Date
Response to Council's Request for Additional Information	The Planning Group (TPG)	214.185L3	30.7.15
Research Strategies Results	Crosby Textor		11.6.15
Appendix A. Response to Traffic Matters	Colston Budd Hunt & Kafes Pty Ltd	TR/9521/jj	9.7.15
Appendix B. Updated Civil Engineering drawings	Jones Nicholson Consulting Engineers		
Stormwater Drainage Plan		C02-6	16.7.15
Concept Sewer Diagram		C04-3	16.7.15
Access Plan and Longitudinal Sections		C10-2	16.7.15
Appendix C. Response to peer review	MacroPlan Dimasi		July 2015
Appendix D. Updated Architectural Drawings	Nordon Jago Architects		
Cover & Site Analysis Plan		DA00L Rev L	13.7.15
Floor Plan		DA01V Rev V	6.7.15
Elevations, Sections & Finishes Schedule		DA02J Rev J	11.6.15
3D Views		DA03J Rev J	11.6.15
Shadow Diagram Analysis		DA04E Rev E	22.6.15
Signage		DA05F Rev F	11.6.15
Viewing Corridor Analysis		DA06C Rev C	11.6.15
Car Parking Plan		DA07 RevG	13.7.15
Appendix E. Landscape Plan	Elke Haege	L_101 Rev G	16.7.15

### Additional Information Submitted October 2015

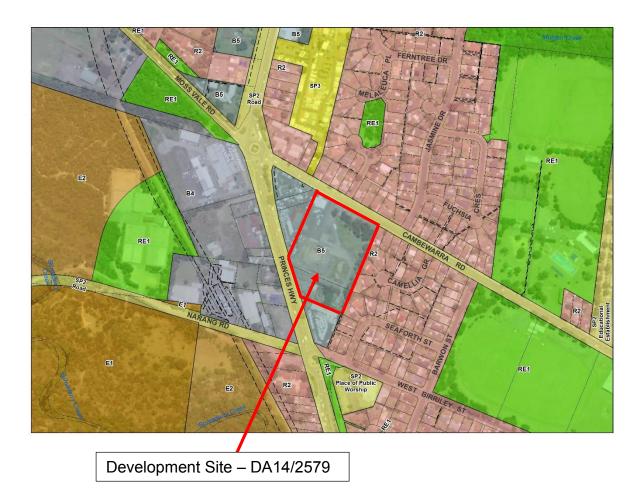
Document Title/Plan Title	Author	DwgNo/Version/Revision	Date
Addendum to Statement Of Environmental Effects	TPG	214.185L1	8.10.15
Annexure A: Updated Architectural Drawings to reflect bulky goods premises	Refer Appendix B listed below		
Annexure B: Supplementary Analysis to Economic Impact Assessment	MacroPlan Dimasi		6.10.15
Response to Councils Request for Additional Information	TPG	214.185L1	8.10.15
Appendix A: Memorandum 'Response to BBC Consulting and Wakefield Planning Submissions'	MacroPlan Dimasi		16.09.15
Appendix B: Amended Architectural Plans	Nordon Jago Architects		
Cover & Site Analysis Plan	Note: superseded by Rev Q as per email from Helen Deegan (TPG) 21.10.15	DA00O Rev O	29.09.15
Floor Plan		DA01W Rev W	29.09.15
Elevations, Sections & Finishes Schedule		DA02K Rev K	29.09.15
Shadow Diagram Analysis		DA04F Rev F	11.08.15
Signage		DA05G Rev G	29.09.15
Car Parking Plan		DA07H Rev H	29.09.15

### Attachment B2

Document Title/Plan Title	Author	DwgNo/Version/Revision	Date
Appendix C: Updated Landscaping Schedule			
Landscape Architectural Details and Plant Schedule	Elke Haege Landscape Architects	L_101B	23.06.15
Appendix D: Loading Dock Management Plan	Woolworths Limited		
Appendix E: Economic Impact Assessment Peer Review:	Hill PDA		8.10.15
Email from TPG regarding updated Cover & Site Analysis Plan	Helen Deegan (TPG)		21.10.15
Cover & Site Analysis Plan	Nordon Jago Architects	DA000 Rev Q	14.10.15
Email from TPG re: response to Traffic matters (Colsten Hunt & Budd info)	Helen Deegan		21.10.15
Response to Traffic Matters	Colston Budd Hunt & Kafes Pty Ltd	TR/9521/jj	6.10.15
Email from TPG regarding Civil Design Concept Sewer Diagram	Helen Deegan (TPG)		21.10.15
Updated Civil Design Document Transmittal	Jones Nicholson Consulting Engineers	141009	
Concept Sewer Diagram	Jones Nicholson Consulting Engineers	141009 C04-4	14.10.15
Email from TPG regarding Bus Zone plans	Helen Deegan (TPG)		21.10.15
Cambewarra Rd Intersection Plan	Jones Nicholson Consulting Engineers	141009 C20-2	9.10.15
Cambewarra Rd Intersection Signage Plan	Jones Nicholson Consulting Engineers	141009 C24-1	9.10.15

# Additional Information Submitted 10 February 2016

Document Title/Plan Title	Author	DwgNo/Version/Revision	Date
6 Emails from TPG regarding Additional Information and attachments as follows:	Helen Deegan (TPG)		10.02.16
Amended Architectural Drawings			
Cover & Site Analysis Plan	Nordon Jago Architects	DA00-R	10.02.16
Elevations, Sections & Finishes Schedule		DA02-L	10.02.16
Car Parking Plan		DA07-I	9.10.15
Response to Traffic Matters	Colston Budd Hunt & Kafes Pty Ltd	TR/9521/jj	9.02.16
Report: 'Key Points: Economic impact considerations'	MacroPlan Dimasi		February 2016
Correspondence summarising plan amendments	Jones Nicholson Consulting Engineers	CLTR-20141009.01A	9.2.16
Engineering Drawings	Jones Nicholson Consulting Engineers		
Stormwater Drainage Plan		C02-7	9.2.16
Stormwater Drainage Details		C03-4	9.2.16
Civil Design Carpark Plan		C05-1	9.2.16
Civil Design Carpark Plan		C06-1	9.2.16
Princes Hwy Access Plan and Longitudinal Sections		C10-4	9.2.16
Princes Hwy Access Signage		C13-2	9.2.16
Cambewarra Rd Intersection Plan		141009 C20-3	25.1.16
Cambewarra Rd Intersection Signage Plan		141009 C24-2	9.2.16
Environmental Site Management Plan		ESM1-2	9.2.16



## Attachment B4



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7 April 2016

General Manager Shoalhaven City Council PO Box 42 NOWRA NSW 2541

> AUDIT OF DEVELOPMENT ASSESSMENT PROCESS for Shoalhaven City Council

PROCESS AUDIT FOR REGIONAL DEVELOPMENT APPLICATION NO. 14/2579 Description: Proposed Retail Development Located at 320 Princes Highway, Bomaderry

### 1.0 Introduction

Shoalhaven City Council has engaged TCG Planning to audit the processing procedure of Regional Development Application No. 14/2579, which proposes the construction of a retail development (and associated demolition, remediation, landscape works etc) at Lot 2 DP 655641 and Lot 7 DP 583795, 320 Princes Highway, Bomaderry.

The application was lodged with Shoalhaven City Council by Fabcot Pty Ltd on 22 December 2014 with development application fees noted by the Council officer as being received on this date on the "Office Use Only" section of the development application form (receipt No. 48/1497). An independent audit of the application is being undertaken as the proposed development has received a high level of community interest and Council seeks to ensure that the assessment process meets the legislative requirements of the Environmental Planning and Assessment Act, 1979, the Environmental Planning and Assessment Regulations, 2000 and relevant environmental planning instruments including Shoalhaven Local Environmental Plan 2014. Council also seeks to ensure that any relevant processing requirements identified within Shoalhaven Development Control Plan 2014 (adopted 22 October 2014) and other relevant policies have been adhered to.

### 2.0 Status of Application at Time of Review

This application was audited by Nadine Page, Senior Planner at TCG Planning. At the time of preparing this audit the development application had been received by Council (on 22 October 2014) and the application had been notified three times.

## Attachment B4

Consideration of the matters pursuant to Section 79C of the *Environmental Planning and Assessment Act* 1979, has been undertaken, with administrative coordination undertaken by Council staff, and an assessment report had been prepared by TCG Planning with a recommendation for Council's determination been in accordance with Section 80 and 80A of the Act.

Further, this review has also not considered the requirement for additional licences/permits/approvals from other agencies following determination of the development application by Council, which is a separate matter beyond the scope of the audit of the development application process.

### 3.0 Documents Reviewed

The documents reviewed by TCG Planning are too numerous to list in this document, and included (i) a hard copy and CD of all documents received by Council at the time of engagement of TCG by Council, (ii) emails from Council; and (iii) all documents available on Council's online DA tracking.

### 4 Statutory Procedure

Comment on the relevant clauses of Part 4 of the Environmental Planning and Assessment Act 1979 (the Act) (as amended), the Environmental Planning Assessment Regulation 2000 (the Regulation) and other relevant environmental planning instruments and development control plans/policies is provided below:

### 4.1 Environmental Planning and Assessment Act 1979

### Division 3 of Part 2A: Joint Regional Planning Panels

### Section 23G: Joint regional planning panels

Subclause (2A) states that "an environmental planning instrument may only confer a council's functions as consent authority on a regional panel if the development is of a class or description set out in Schedule 4A". The proposed development does not falls under any category within Schedule 4A (the proposal is general development with a capital investment value of \$13,815,000, ie. is less than \$20 million) and accordingly Council is the determining authority (not the JRPP).

### Division 1 of Part 4: Development Assessment

### Section 76A(Development that needs consent):

Section 76A of the Act indicates that development consent is needed for development if a relevant environmental planning instrument so requires. The proposed use is not exempt development or complying development under the provisions of State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 nor under Clause 3.1 (Schedule 2 – Exempt Development) or Clause 3.2 (Schedule 3 – Complying Development) of Shoalhaven Local Environmental Plan (LEP) 2014 (gazetted on 22 April 2014). The land is zoned B5 Business Development under Shoalhaven LEP 2014 and the proposed development is permitted with development consent pursuant to this instrument and hence Section 76(2)(b) is applicable. The Section 79C assessment, should address the permissibility with consent within the relevant land use zone.

Division 2 of Part 4: Development Assessment Section 77A (Designated Development):

### Attachment B4

Section 77A confirms that designated development can be declared by an environmental planning instrument or the regulations. The proposed development is not listed as a type of Designated Development pursuant to Schedule 3 (Designated Development) of the Environmental Planning and Assessment Regulations, 2000.

#### Section 78A (Application):

Section 78A(8) specifies that a development application (other than an application in respect of State significant development) must be accompanied by:

(a) if the application is in respect of designated development—an environmental impact statement prepared by or on behalf of the applicant in the form prescribed by the regulations, or

(b) if the application is in respect of development on land that is, or is a part of, critical habitat or is likely to significantly affect threatened species, populations or ecological communities, or their habitats—a species impact statement prepared in accordance with Division 2 of Part 6 of the Threatened Species Conservation Act 1995.

Note. Part 7A of the Threatened Species Conservation Act 1995 provides for certain circumstances in which development is taken not to significantly affect threatened species, populations or ecological communities, or their habitats.

The proposed development is not designated development (refer section 77A discussion above) and therefore an Environmental Impact Statement is not required to accompany the development application. Hence, section 78A(8)(a) is not relevant to the application.

With respect to section 78A(8)(b) the application was accompanied by a Flora and Fauna Assessment prepared by Cumberland Ecology (dated 17 December 2014) which assessed a remnant patch of vegetation on the subject site. The report concluded (p21) that as that "as a result of the proposed development, some habitat will be lost for common fauna species, and potentially some non-core foraging habitat for threatened fauna species. A number of individuals of common endemic flora species will be removed as a result of the proposed development along with 0.17he of degraded Red Bloodwood - Hard-leaved Scribbly Gum Open Forest. No significant impact is expected to occur to any threatened flora or fauna species or critically endangered ecological communities/ endangered ecological communities and a Species Impact Statement or referral to the Department of the Environment is not required."

Following review of the Cumberland Ecology report (and an Arboricultural Impact Assessment report prepared by Elke dated 9 December 2014 also submitted with the application), **Council's** Threatened Species Officer confirmed in a memo dated 15 January 2015 that the officer concurs with the assessment of impacts as contained in the submitted information and provides recommended conditions of consent incorporated the recommendations of the consultant reports. On the basis of the assessment undertaken by Council it is accepted that the land is not critical habitat nor is it likely to significantly affect threatened species, populations or ecological communities, or their habitats. Accordingly, the submission of a species impact statement is not required under Section 78A(8)(b).

Section 78A(9) **confirms that** "the regulations may specify other things that are required to be submitted with a development application". Compliance with the requirements of the EPA Regulations with respect to lodgement requirements is discussed in the following sections of this audit.

### Attachment B4

#### Section 79A (Public Participation - advertised and other notifiable development)

Clause 5 of the EPA Regulations defines "advertised development", "nominated integrated development" and "other advertised development" (the latter being defined as:

- "(a) nominated integrated development,
- (b) threatened species development,
- (c) Class 1 aquaculture development,
- (d) any development that is identified as advertised development by an environmental planning instrument or a development control plan."

The development application is not "nominated integrated development", "threatened species development" or "Class 1 aquaculture development", and is also not categorised as "other advertised development" as the Council's Community Consultation Policy is not a development control plan. Section 79A(2) of the Act requires "a development application for specified development (other than designated development or advertised development) must be notified or advertised in accordance with the provisions of a development control plan if the development control plan provides for the notification or advertising of the application." The advertising requirements for policies that are not development control plans are not addressed within the Act. Public participation of the DA therefore reverts to the Council's Community Consultation Policy and is addressed later in this audit.

#### Section 79B Consultation and concurrence

Concurrence is ordinarily required from the Roads and Maritime Services (RMS) pursuant to Section 138 of the Roads Act 1993 'Works and Structures' for the works within the classified road (Princes Highway). Subclause (2) of s138 states: "A consent may not be given with respect to a classified road except with the concurrence of *RMS*." However, the Roads Act is not an environmental planning instrument and the s138 approval requirement is not "integrated development" pursuant to Section 91(3) of the EP& A Act 1979 (as discussed below) so is not required by an environmental planning instrument. Therefore, in this instance, concurrence is not required by the RMS either under Section 91(3) of the EP& A Act or under the Infrastructure SEPP. Hence this provision does not apply and concurrence is not required by any person or authority. If concurrence was required, any conditions imposed would be required in accordance with Section 79B(9).

#### Division 4.1 of Part 4: State Significant Development

#### Section 89C: Development that is state significant development

Section 89C(2) of the EPA Act enables a State Environmental Planning Policy to declare any development, or any class or description of development, to be State significant development. Clause 8 of State Environmental Planning Policy (State and Regional Development SEPP 2011) lists state significant development within Schedules 1 and 2. The proposed development is not captured by this SEPP and hence is not State Significant development.

#### Division 5 of Part 4: Special Procedure for Integrated Development

#### Section 91: What is integrated development"?

The proposed development is not integrated development as it does not require an approval listed within Section 91 of the EPA Act, 1979. An approval pursuant to Section 138 of the Roads Act 1993 is required for the development as it will involve:

(a) erect a structure or carry out a work in, on or over a public road, or

<sup>(</sup>b) dig up or disturb the surface of a public road, or

(c) remove or interfere with a structure, work or tree on a public road, or

(d) pump water into a public road from any land adjoining the road, or

(e) connect a road (whether public or private) to a classified road.

However, pursuant to 91(3) which states: "Development is not integrated development in respect of the consent required under section 138 of the <u>Roads Act 1993</u> if, in order for the development to be carried out, it requires the development consent of a council and the approval of the same council." As Council is the approval authority and we understand the Council to be the approval authority for s138 works on the Princes Highway, then the application is not integrated development to this subclause.

#### Part 8: Miscellaneous

#### Section 147: Disclosure of Political Donations

This section requires a person who makes a 'relevant planning application' to disclose "reportable political donations or gifts (if any) made by any persons with a financial interest in the application within the period commencing 2 years before the application is made and ending when the application is determined." Section 18 of the development application has been completed, indicating that no such donation has been made.

#### 4.2 Environmental Planning and Assessment Regulation 2000

Division 1 of Part 6: Procedures relating to development applications

#### Clause 49 and 50

Development applications are required to be submitted in accordance with the provisions of Clauses 49 and 50 of the Environmental Planning and Assessment Regulation 2000. In this regard, the consent of the owner of Lot 2 DP 655641 and Lot 7 DP 585795, known as 320 Princes Highway, Bomaderry, being Fabcot Pty Ltd, was obtained, with the notation on the completed application form referencing an attached letter (on file). A "GIS Property Information" printout for each property on file confirms Fabcot Pty Ltd to be the owner of each property. The owner's consent letter (signed by Ralph Kemmer and Matthew Franich) is accompanied by an Authorisation signed by the Company Secretary (Richard John Edward Dammery) and Director (Mavid Marr) of Fabcot Pty Ltd to "sign on behalf of the Principal (ie. Fabcot Pty Ltd) any Development Applications..."or any related documentation required to be lodged by the Principal with any relevant Approving Authorities for the development of land."

Further, the application was received and registered by Council, with the "Office Use Only" box on the DA form completed with DA reference number (14/2579) and Receipt No. (48/1497) information, in addition to the date (22/12/2014) and fee breakdown/payment information totalling \$20,858.85). A fee estimate and cheque remittance advice receipt for the same amount is held on the file.

With respect to the registration of the application it is recommended that Council ensure that the 'Office Use Only' section of the DA form is updated to reflect the date that the development application was lodged. Further. the 'total project value' (\$13,815,000) recorded on the DA Application form is consistent with that reported in the QS Certificate prepared by RLD dated 12 December 2014 (Appendix T of the Statement of Environmental Effects submitted with the application).

Clause 50(1)(a) specifies that a development application "must contain the information, and be accompanied by the documents, specified in Part 1 of Schedule 1". The application form contains the name and address of the applicant; a description of the development; the address/formal particulars of the subject and; a list of

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concurrence/approval authorities; the estimated cost of the development; owners consent; and a checklist detailing accompanying documents meeting the information requirements of Part 1 of Schedule 1.

Further, the application is accompanied by documentation submitted in compliance with clauses 2(1) to (3) of Part 1 (Schedule 1) including a site plan (showing a north point and details of existing vegetation); an aerial photo showing the location of adjoining buildings and a description of uses on adjoining land (contained in the Statement of Environmental Effects); a survey plan which shows existing site levels, dimensions and site area; sketch plans (showing building locations, floor plans, elevations finished levels, signage details, parking arrangements and access, landscaping and drainage); plans suitable for exhibition purposes; and a Statement of Environmental Effects prepared by TPG (Ref 214.185, dated December 2014) and associated Appendices A-T, in compliance with clause 2(4). The amended/updated/additional documentation submitted is considered to also be in compliance with this clause.

Clause 2A requires the submission of a BASIX certificate for any BASIX affected development, with a certificate to be issued no earlier than 3 months before the date on which the development application is made. The proposed development is not a BASIX affected building.

#### 54 Consent Authority May require Additional Information

Council has requested additional information in respect of the application on the dates as summarised and listed below in accordance with this clause.

- 22 December 2015 (landscape plan submitted by applicant on 7 January 2015);
- 14 January 2015 (site plan information submitted by applicant on 22 January 2015);
- 21 January 2015 (SIDRA details submitted by applicant on 27 January 2015).
- 6 February and 1 April 2015 (letters); and 22 May (email); 18 June (email) requesting additional information on various matters. The applicant submitted additional information on 30 July 2015.
- A letter dated 7 August 2015 (emailed 10 August) and subsequent emails dated 14 August and 15 September were sent requesting further information (including outstanding information requested in previous correspondence). Information was forwarded by the applicant on 12 and 21 October 2015.
- A final email request for the outstanding information was forwarded by Council to the applicant on 18 December 2015. Final information was forwarded by the applicant on 10 February 2016.

#### 55 What is the procedure for amending a development application?

Clause 55 of the EPA Regulations allows for the amendment or variation of a development application by the applicant (with the consent of Council) however requires, in the case of integrated development that the consent authority must immediately forward a copy of the amended or varied application to the concurrence authority or approval body. The development application has been amended and has been referred to the RMS (although not because 'integrated development' or an approval authority, but in accordance with the Infrastructure SEPP - refer to Section 4.3 of this Audit).

#### 56 Extracts of development applications to be publicly available

This clause requires the plans to be made available to interested persons showing external configurations of the building etc. The notification letters for each notification period (dated 21 January 2015, 14 August 2015 and 4 November 2015) indicate that the documents are available on Council's online tracking information.

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#### Division 7 of Part 6 Public participation—other advertised development

The following clauses apply to "other advertised development". As mentioned earlier in this audit, this application is not "other advertised development". Therefore the notification/adverting of the development reverts to the procedure within the Council's Community Consultation Policy, which is addressed below:

### <u>Community Consultation Policy for Development Applications (including Subdivision) and the Formulation</u> of Development Guidelines and Policies (Amendment No. 7) (most recently amended on 19.6.15)

Section 3.3.2 'Legal Requirements' states that "Clause 37A of Shoalhaven Local Environmental Plan (SLEP) 2014 requires Council to give public notice of all development applications except those which seek consent for development that the Council considers to be of a minor nature. The form and extent of any such notification are to be determined by Council with regard to the circumstances in each case. This document articulates Council's Policy for the notification of development applications as required by Clause 37A."

A review of SLEP 2014 (current and historical versions) reveals no Clause 37A. It is recommended the Policy is reviewed to reflect this anomaly.

Section 3.3.3 of the policy requires all property owners and Council's community consultative bodies who may be affected by the development to be notified in accordance with Table 1 of the Policy. Level 3 development specified in Table 1 includes large retail developments. The degree of community consultation which is required for Level 3 development is neighbour notification within a 120m radius in urban areas and 500m in rural areas (or beyond at the discretion of the Authorising Assessing Officer pursuant to Section 3.3.3 and 3.3.17). Relevant community consultative bodies and the Chamber of Commerce are also to be notified, in addition to a newspaper advertisement.

Section 3.3.20 'Form of Notice' of the policy indicates the information to be contained within notification letters. All letters issued for each notification period listed below contained the information as specified in Section 3.3.20 of the Policy. This section of the Policy indicates that "Newspaper advertisements shall generally be made in accordance with the provisions of the EP& A Regulations." In the case where newspaper advertisements were made (see below), the file copy of the newspaper publishment request included information in accordance with the Regulations, except that the published notice did not include the name of the applicant and the name of the consent authority. A copy of the published notice was not available on the file, however, it is considered that the application generally meets the requirements of the Regulations in accordance with the Policy, given that Council, being the organisation advertising the applicant would be reasonably assumed to be the consent authority and the name of the applicant is not a critical matter for consideration by interested parties (as opposed to the development description and subject property for example). Section 3.3.21 (Signs) of the policy indicates that signs may be erected to identify those sites the subject of a development application if the Director, Development and Environmental Services, considers such a sign to be appropriate having regard to the nature of the application or the location of the site. No sign was erected on the site for the notification periods.

As the development application was notified three times, the following notification arrangements applied: <u>Notification Period 1 (21 January to 20 February 2015)</u>: The Council file held copies of the written notice dated 21 January 2015. The Administrative Procedures Checklist and confirmation by Council staff indicated that

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affected owners within a radius of 400m buffer were sent the notice, (in addition to the Chamber of Commerce). A request for a newspaper notice is held on the file (South Coast Register published 21/1/15 and 11/2/15).

<u>Notification Period 2 (14 August to 31 August 2015)</u>: TCG Planning were provided with a copy of the written notice dated 14 January 2015. Council staff indicated that persons who made a submission in the previous notification period were notified (45 letters sent). A request for a newspaper notice is held on the file (South Coast Register published 14/8/15).

<u>Notification Period 3 (4 to 19 November 2015)</u>: TCG Planning were provided with a copy of the written notice dated 4 November 2015. Council staff indicated that persons (including Chambers of Commerce) within a radius of 400m buffer (ie. same as Notification Period 1) were sent the notice, in addition to those that had sent a submission to Council for Notification Periods 1 and 2. 350 letters were sent. No newspaper notice was arranged.

Council officers have confirmed that the development application and supporting documentation was displayed at Council's City Administrative Centre in Nowra and on Council's website. The published and written advertisements notes that documents and plans were available on Council's web page.

Section 3.3.24 of the Community Consultation Policy states that " a local DA shall be available for inspection from the day after the notice of the application is given for a minimum period of fourteen (14) days or such additional period as determined by the Director, Development and Environmental Services or his/ her delegate." The application was exhibited for 31 days (the first period) and for 16 days (second and third periods), in compliance with this clause.

Section 3.3.25 of the Community Consultation Policy specifies that advertised material shall be made available on Council's online tracking system for a period of approximately 2 weeks after the close of the exhibition period. Council should ensure this occurs following closure of the exhibition period.

Section 3.7 of the Community Consultation Policy 'Notification of Amendments prior to determination' states that:

"For significant amendments submitted prior to determination, the Authorised Assessing Officer will re-notify those amendments, in accordance with this Policy. If the Authorised Assessing Officer determines that in the particular circumstance the amendment may have a lesser or same affect, then, re-notification is not required under this Clause and submissions on the original application will be **considered in the Council's assessment**.

Where an amendment is made under this Clause, any re-notification of the development will attract an additional notification fee at the expense of the applicant. The fee is payable upon submission of the amended application."

The development application was amended several times (ie. after the initial notification/advertising period) and the amended scheme was re-notified in accordance with the above Section. The final submitted information (lodged 10 February 2016) primarily addressing traffic and engineering-related matters was not reexhibited as these were not considered to be significant amendments to the version previously exhibited.

Recommendations: So that Council's Community Consultation Policy and Council's templates better conforms with the EP&A Regulations 2000, they be amended to:

- include in its list under 3.3.20 (matters to include in a notification letter) the consent authority;
- The written notice template to include the name of the consent authority;
- The newspaper advertisement template be amended to include the name of the applicant and the name of the consent authority.

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 Section 3.3.2 'Legal Requirements' be reviewed and amended where it references Clause 37A of Shoalhaven Local Environmental Plan (SLEP) 2014 (which does not exist).

#### 4.3 State Environmental Planning Policy (Infrastructure) 2007

Division 17 'Roads and Traffic' Subdivision 2 'Development in or adjacent to road corridors and road reservations' of the SEPP is applicable to land which has a frontage to a classified road. The proposal is not triggered by Clause 100(1) and does not require concurrence by the RMS under this clause. However Council referred the application to the RMS in accordance with Clause 104/Schedule 3 of the SEPP. Clause 104 of the Infrastructure SEPP requires that a written notice be provided to the RMS within 7 days of receipt of the application and the RMS respond within 21 days. A notice was sent to the RMS on 15 January 2015 (response received 6/2/15 requesting SIDRA information, and a second response was provided on 30/1/2015 following receipt of the data). The RMS were provided additional information in relation to design amendments to the proposal and further responses were received by Council (dated 14/9/15; 17/12/15 (email status) and 18/3/16 (the latter commenting that the RMS does not object to the proposal, subject to land dedication to enable future road widening and other conditions of consent). Accordingly the requirements of the SEPP have been met.

#### 4.4 Conclusion and Recommendations

It is the auditor's opinion that the processing of DA14/2579 meets the legislative requirements of the EPA Act, 1979, EPA Regulations and relevant environmental planning instruments including Shoalhaven Local Environmental Plan 2014, and Council's Community Consultation Policy.

To complete determination of the application Council should consider the assessment report of the application in the context of relevant issues in accordance with the provisions of Section 79C of the *Environmental Planning and Assessment Act, 1979 and the Local Government Plan 1993 No. 30.* Determination of the application shall be undertaken in accordance with the provisions of section 80 (Determination), and should the application be approved, s80A (Imposition of Conditions) and provide a notification to the determination of relevant persons indicated in section 81 of the Act Post Determination Notification) and associated Regulations (Division 10 and Clause 122).

So that Council's Community Consultation Policy and Council's templates better conforms with the EP&A Regulations 2000, they be amended to:

- Include in its list under 3.3.20 (matters to include in a notification letter) the consent authority;
- Include the name of the consent authority on the written notice template;
- Amend the newspaper advertisement template to include the name of the applicant and the name of the consent authority.
- Review and amend Section 3.3.2 'Legal Requirements' where it references Clause 37A of Shoalhaven Local Environmental Plan (SLEP) 2014 (which does not exist).

Yours faithfully Authorized

Prepared by Nadine Page Senior Planner TCG Planning Authorized

Reviewed by Elaine Treglown Director TCG Planning

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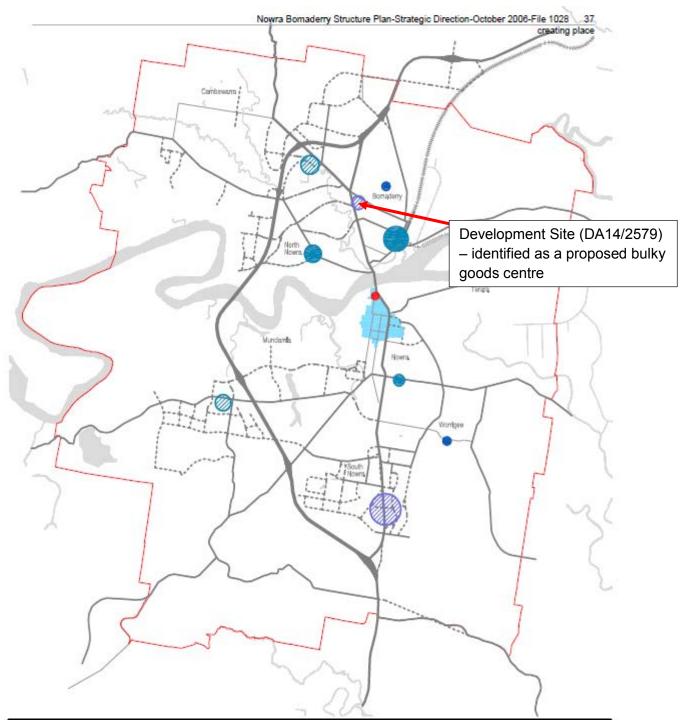
As	sessment Criteria	Council Comments
1.	Character of the area	
•	Is the proposal compatible with the existing or desired future character of the area or locality in which it is proposed to be located?	Proposed advertising signage associated with the proposal adopts the standard corporate logos and colours associated with the proposed known occupant of the development (i.e. Woolworths). Given its location within the B5 zone (industrial/commercial land) Council considers that the proposal is compatible with the existing and desired future character of the area.
•	Is the proposal consistent with a particular theme for outdoor advertising in the area or locality?	Other similar developments also incorporate corporate identity colours and signage. In terms of the pylon signage at the front of the site other similar developments in close proximity include KFC, Isuzu, Hyundai (adjacent Motor Sales) and McDonalds are of a similar scale.
1.	Special areas	
•	Does the proposal detract from the amenity or visual quality of any environmentally sensitive areas, heritage areas, natural or other conservation areas, open space areas, waterways, rural landscapes or residential areas?	The subject site is not located within an area which has a special visual quality. It is within an industrial/business zone. The site is not located within a heritage area; natural conservation area or foreshore. There are residential properties adjacent and nearby (to the Cambewarra Rd frontage) have substantial setbacks form any signage, however appropriate conditions of consent should be imposed limiting light spillage in accordance with the Australian Standard. As noted above, the site is situated within an established industrial and business area where there are many examples of advertising similar to that proposed.
2.	Views and vistas	
•	Does the proposal obscure or compromise important views?	No important items will be obscured by the proposal. As outlined the site is located within an established industrial/business area.
•	Does the proposal dominate the skyline and reduce the quality of vistas?	The scale of the buildings proposed; and the setting back of the development in particular from the Princes Highway frontage will ensure the proposal will not dominate the skyline. The proposed signage at the main frontage of the site is a thin pylon sign that is 8m high.
•	Does the proposal respect the viewing rights of other advertisers?	Given the length of the frontage of the site, the setting back of development/buildings on the site and the limiting of to only 1 pylon sign on each road frontage which provides identification for all occupiers it is Council's opinion that the proposal respects the 'viewing rights' of other advertisers.
3.	Streetscape, setting or landscape	
•	Is the scale, proportion and form of the proposal appropriate for the streetscape, setting or landscape?	The proposed advertising signs associated with the proposal are in proportion to the scale of the proposed development and have no adverse impact on the streetscape or the landscape.
•	Does the proposal contribute to the visual interest of the streetscape, setting or landscape? Does the proposal reduce clutter by rationalising and simplifying existing advertising?	While typical of a large supermarket facility, the signage proposed on the buildings associated with this proposal have been integrated into the architecture and provide a modern aesthetic that will be an improvement to the

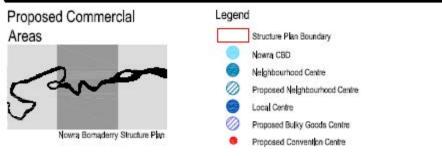
# SEPP 64 – Schedule 1 Assessment

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	Attachment B5
	existing development on the site.
Does the proposal screen unsightliness?	As the proposal involves undertaking a new modern development of the site there is no "unsightliness" to screen.
<ul> <li>Does the proposal protrude above buildings, structures or tree canopies in the area or locality?</li> </ul>	The overall height of the proposed advertising will be consistent with the scale with the proposed building and will not dominate the streetscape.
Does the proposal require ongoing vegetation management?	The proposal will not require ongoing vegetation management
4. Site and building	
<ul> <li>Is the proposal compatible with the scale, proportion and other characteristics of the site or building, or both, on which the proposed signage is to be located?</li> </ul>	Given the scale of the 'Woolworths" building (and as yet unknown 1500m <sup>2</sup> bulky goods tenancy) the scale and nature of proposed advertising reflects the corporate identity of this development and is consistent with the scale of the development and surrounding signage.
• Does the proposal respect important features of the site or building, or both?	The subject site is flat and does not experience any particular unusual or important feature.
• Does the proposal show innovation and imagination in its relationship to the site or building, or both?	The proposal reflects a modern architectural design consistent with the corporate identity of the intended uses.
<ul> <li>5. Associated devices and logos with advertisements and advertising structures</li> <li>Have any safety devices, platforms, lighting devices or logos been designed as an integral part of the signage or structure on which it is to be displayed?</li> </ul>	The signs will be illuminated/backlit by LED designed to be integrated in the sign. There are residential properties adjacent and nearby (to the Cambewarra Rd frontage) which have substantial setbacks form any signage and illumination impacts are not anticipated. However appropriate conditions of consent should be imposed limiting light spillage in accordance with the Australian Standard.
6. Illumination	
<ul> <li>Would illumination result in unacceptable glare?</li> <li>Would illumination affect safety for pedestrians, vehicles or aircraft?</li> <li>Would illumination detract from the amenity of any residence or other form of accommodation?</li> </ul>	The proposed illuminated signs will not be dissimilar in scale or character as other signs in the locality and will not result in adverse impacts in relation to: unacceptable glare; safety for pedestrians, vehicles or aircraft; or local residential properties. Any signage approved will need to ensure its illumination complies with RMS policy 99/3 Management of Illuminate Street Name and Advertising Sign Proposals and the relevant Australian Standard.
7. Safety	
<ul> <li>Would the proposal reduce the safety for any public road?</li> <li>Would the proposal reduce the safety for pedestrians or bicyclists?</li> </ul>	Proposed advertising signs will not reduce traffic safety or safety for pedestrians or cyclists and specifically will not unduly obscure traffic sightlines.
<ul> <li>Would the proposal reduce the safety for pedestrians, particularly children, by obscuring sightlines from public areas?</li> </ul>	

# Proposed Commercial Areas of Nowra/Bomaderry Structure Plan (Figure 4.1 in the Structure Plan)





## **Draft Recommended Reasons for Refusal**

- 1. The proposal is contrary to Section 79C (1)(a)(i) of the Environmental Planning and Assessment Act 1979 as the supermarket component of the development does not satisfy Clause 2.3(2) of Shoalhaven Local Environmental Plan 2014. The objectives for development in the B5 zone are: (i) "to enable a mix of business and warehouse uses, and bulky goods premises that require a large floor area, in locations that are close to, and that support the viability of, centres; and (ii) to allow diversity of activities that do not significantly conflict with the operation of existing or proposed development". The supermarket component of the development is inconsistent with and does not satisfy these objectives. The large supermarket does not support the viability of centres and proposed business centres.
- 2. The proposal is contrary to Section 79C (1) (a)(iii) of the Environmental Planning and Assessment Act 1979 as the supermarket component of the development does not satisfy Shoalhaven Development Control Plan 2014 Chapter G17: Business, Commercial and Retail Activities (Clause 4. Objective *"i. Encourage the growth and development of business and employment opportunities within defined limits and in a socially and economically responsible manner"* and *"ii. Safeguard the amenity of the area and, in particular, immediately adjoining and adjacent property owners."* The proposed development will provide employment opportunities, however the supermarket component will have an adverse impact on the economic viability of the identified existing and proposed retail/business hierarchy of Bomaderry, North Bomaderry (Lyndhurst Dr) and Cambewarra (proposed).
- 3. The proposal is contrary to Section 79C (1)(b) of the *Environmental Planning and Assessment Act 1979* as the supermarket component of the application is likely to have negative economic and social impacts on the existing nearby centres (ie. Bomaderry and North Bomaderry Centres) and the viability of the nearby future planned centre (Cambewarra).
- 4. The proposal is contrary to Section 79C(1)(e) of the *Environmental Planning and Assessment Act 1979* as it is not in the public interest, as the supermarket component of the development application is inconsistent with the adopted retail hierarchy within the Nowra Bomaderry Structure Plan, being part of the Shoalhaven Council's strategic planning framework (also includes the Shoalhaven Local Environmental Plan 2014).