

## Allens

Deutsche Bank Place  
Corner Hunter and Phillip Streets  
Sydney NSW 2000 Australia

T +61 2 9230 4000

F +61 2 9230 5333

www.allens.com.au

GPO Box 50  
Sydney NSW 2001 Australia

ABN 47 702 595 758

Allens > < Linklaters

12 December 2017

Department of Planning & Environment  
GPO Box 39  
Sydney NSW 2001  
Attention: Director, Employment Policy and Systems

Dear Sir / Madam

### **Proposed Amendment to Standard Instrument Local Plan - Definition of 'Bulky Goods Premises'**

We act for Jacfin Pty Ltd (**Jacfin**) and make this submission on behalf of Jacfin in relation to the proposed amendment to the definition of 'bulky goods premises' in the *Standard Instrument Local Environmental Plan (SI LEP)*.

#### **1 Jacfin**

Jacfin is the owner of significant land within the Western Sydney Employment Area (**WSEA**), including sites at Eastern Creek, Horsley Park and Ropes Creek.

Jacfin is in the process of developing its land for employment purposes, consistent with the zoning of the land under *State Environmental Planning Policy (Western Sydney Employment Area) 2009 (WSEA SEPP)*.

There are a number of existing warehouse and distribution developments on the Eastern Creek Land, as well as a number of development applications currently before Blacktown City Council seeking consent for further developments on that land.

Jacfin also has concept plan approval for the development of employment precincts on the Horsley Park Land and Ropes Creek Land, and project approval for Stage 1 of those developments.

As a significant landholder, Jacfin has for many years been engaged with a variety of stakeholders in relation to the development of the WSEA and broader region. This direct experience of the requirements of large scale end-users means that Jacfin is well placed to comment on the need for greater flexibility under the planning regime to support employment generation in Western Sydney.

#### **2 Proposed amendment to SI LEP**

A proposed amendment to the SI LEP is currently on exhibition, which would alter the definition of 'bulky good premises' under that instrument.

Currently, bulky good premises are defined as being places for which the principal purpose is the sale, hire or display of bulky goods, being goods that are of such a size or weight to require:

- (a) a large floor area for the display, hire and sale of goods; and
- (b) direct public vehicle access for loading and unloading goods.

**Our Ref** QNMS:MWZB:120562169

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The amendment proposes to revise the above definition, such that a premises must only meet one of the criteria (i.e. a large storage area or direct vehicular access for the loading and unloading of goods) in order to be classified as a bulky good premises.

We note that this change is intended to provide greater flexibility as the retail sector undergoes rapid change in NSW, with the rise of online shopping and reflects the fact that large-format retailers do not necessarily require both large storage space and facilities for public vehicular access.

Jacfin submits that the proposed amendment to the definition of bulky goods premises under the SI LEP should form part of a concerted effort by the Department, building on recent work by the Retail Expert Advisory Committee and the Greater Sydney Commission, to increase flexibility in land uses for employment lands.

### **3 Flexibility in range of land uses for employment lands**

The designation of specific employment lands under the WSEA SEPP and its predecessors has been an important part of job creation efforts in Western Sydney.

Jacfin submits that, while the proposed reform to the definition of bulky good premises is a step in the right direction, there remains inflexibility in the standard land use zones provided for in the SI LEP, and consequently in the types of land uses that can be undertaken within employment lands.

The current inflexibility in the standard land use zones is particularly consequential for the WSEA, given its designation as the premier employment-generating lands in Western Sydney, and has the potential to hinder the development of the knowledge intensive jobs of the future.

For example, under the Eastern Creek Precinct Plan prepared by Blacktown Council in December 2005, an employment density of 45 jobs per hectare is contemplated for the precinct. Based on its long-running experience in the area, Jacfin is of the view that such employment density has not yet been realised by developments permissible under the current zoning. The achievement of key employment density targets should be an important measure of the success of the zoning of employment lands. It is difficult to predict the new types of industries that may emerge in the next ten years as technologies continue to change and develop, and even more difficult to predict the developments that will take place in this regard in the next thirty years. The best way to support and maximise the employment opportunities that will emerge as a result of these developments is to permit a diverse range of land uses within key employment lands.

Over many years, Jacfin has observed other trends within the WSEA which also necessitate a greater range of allowable uses in that area than are currently permissible in the IN1 General Industrial zone, in order to maximise the employment potential of the area.

Many large international companies that historically had numerous facilities located throughout the Sydney metropolitan area are rationalising those facilities into single, purpose designed facilities in the WSEA. There is increasing demand from these existing end-users, and new entrants to the Australian market, for sites that provide the ability to co-locate large format bulky goods premises and distribution facilities, together with head offices, showroom and other retail outlets, and associated product support services. The provision of such flexibility will be key to ensuring that such end-user precincts, and the associated jobs, are located in Western Sydney.

The transformation of the WSEA from an industrial area to a mixed employment precinct and business centre is occurring over a shorter timeframe compared to other established business centres such as North Ryde. The planned growth of Western Sydney, particularly with the second airport at Badgerys Creek, offers an opportunity to consolidate emerging employment corridors in proximity to increased housing supply, catering for a range of household types and budgets.

Jacfin submits that the above trends need to be encouraged to maximise employment opportunities in the WSEA. These trends point to the need for a more diverse and flexible range of allowable land uses in the WSEA to support and drive an ever increasing range of employment types.

The challenges faced by the retail sector, which are acknowledged by the Department's proposed amendments to the SI LEP, reinforce the need for flexible land uses to support employment generation.

This is consistent with the emerging themes from the strategic planning materials being progressively released by the Greater Sydney Commission. For example, Objective 23 of the revised draft Greater Sydney Region Plan contemplates flexibility in the zoning of industrial areas to include offices and business parks in some circumstances.

Further, promoting flexibility in land use zonings is consistent with the NSW Government's acceptance of the recommendations set out in the recent report of the Retail Expert Advisory Committee. Recommendation 3 of that report acknowledged that many industrial areas no longer accommodate purely industrial uses and recommended the streamlining of the planning framework to encourage more retail uses across a range of employment lands, as a means of meeting consumer demand and generating employment. That report, in its discussion of key retail drivers, also acknowledged the need to provide certainty for the range of ancillary uses that already occur in industrial-zoned employment areas.

Jacfin submits that the Department, as part of its strategy to support the retail sector, should support the introduction of new enterprise zones, which would enable a wide range of commercial activities to be undertaken in employment areas such as the WSEA and provide the required flexibility in land uses. Alternatively, if the introduction of a new enterprise zone is not supported, it is submitted that a wider range of land uses should be permissible within the IN1 and IN2 zones that currently apply within areas like the WSEA.

Yours sincerely



**Bill McCredie**  
Partner  
Allens  
Bill.McCredie@allens.com.au  
T +61 7 3334 3049

**Michael Zissis**  
Senior Associate  
Allens  
Michael.Zissis@allens.com.au  
T +61 2 9230 4716