

THE HILLS SHIRE COUNCIL

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15 May 2018

Alison Frame
Deputy Secretary
Policy and Communications
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Our Ref: FP58

Dear Ms Frame

EXHIBITION OF PLANNING CHANGES FOR RETAIL IN NSW

I refer to the Department of Planning and Environment's exhibition of a Discussion Paper titled 'Planning for the Future of Retail' and associated changes to the Standard Instrument to provide additional flexibility for retail premises. The following comments and recommendations are made in relation to the proposed amendments.

a) Discussion Paper

The Discussion Paper foreshadows the release of a NSW Retail Strategy that is intended to guide local strategic planning. It is important that the NSW Retail Strategy is released with sufficient time to inform the preparation of local retail studies, particularly given the legislative requirement for Local Strategic Planning Statements to be completed by 1 July 2019. Preparation of a Local Strategic Planning Statement is already well underway within The Hills Shire.

b) Current Amendments to the Standard Instrument

i. Artisan Premises

The intended character of 'artisan premises' (as noted within the exhibition material) is likely to be similar to that of other uses already permitted in zones where artisan premises will be permitted (such as light industries, pubs and restaurants). Accordingly, no objection is raised to the proposed new land use term. However, given that 'artisan premises' may also have a retail component it is suggested that the definition specify that food production and processing is the 'principal purpose' to safeguard against de-facto retail developments in industrial zones.

ii. Local Distribution Premises

The intended character of 'local distribution premises' (as noted within the exhibition material) is likely to be similar to that of 'warehouse or distribution centres', though on a smaller scale and not required to be accessed by large delivery vehicles. Given 'warehouse or distribution centres' are currently permitted in zones where 'local distribution centres' are proposed to be permissible, no objection is raised to the new land use term. With respect to the proposed definition, it is suggested that further clarification of 'local delivery' be provided to ensure that these developments are of the intended nature and scale and will not create adverse impacts on local roads should these be permitted in areas outside of traditional industrial zones. For example, the definition could be amended to include the following (in bold):

"...for local delivery <u>by small delivery vehicles such as cars, vans and bikes and not by large trucks or freight vehicles"</u>

A maximum floor area could also be investigated to control the scale of these developments.

iii. Specialised Retail Premises

In principle, no objection is raised to providing additional flexibility for bulky goods premises. However, the amended definition as drafted will allow a developer to decide if they wish to provide a large area for handling, display or storage of goods. In order to ensure developments provide a large area, consistent with the nature of bulky goods premises and types of uses listed in the proposed definition, the definition could be amended to include the following (in bold):

"...which:

- require a large area for handling, display and storage of goods; and
- <u>may</u> require direct vehicle access to the building by customers for the purpose of loading or unloading goods into or from their vehicles after purchase or hire"

This will provide greater certainty of the intended outcome for these premises and distinguish between bulky goods and other types of retail premises.

It is also noted that the revised definition would not apply to a Costco, which includes the sale of food and clothing not associated with any of the listed categories. Whilst a Costco shares similar built form and operational characteristics with a bulky goods development, it would be prohibited within bulky goods and industrial zones in The Hills given its definition (in part) as a "retail premises". A planning proposal was required for the recent Costco development in Marsden Park (Blacktown LGA) to permit "retail premises" and "vehicle repair stations" as additional uses on the site. Given the rise of these types of developments across Sydney, it is recommended that further consideration be given to how to best accommodate these hybrid retail formats either as part of the specialised retail premises definition or within the NSW Retail Strategy.

iv. Consequential Amendments

Excluding the proposed changes from the growth centres planning framework is not supported as this will result in further inconsistencies between the planning policies applicable to the Shire and create additional confusion for the community. The required broader review and incorporation of changes into the growth centres framework should occur in conjunction with the current changes.

c) Future Amendments to the Standard Instrument

A number of future amendments to the Standard Instrument have been suggested to remove regulatory barriers to innovative retail developments. Comments on these are provided below.

i. New zoning framework

A review of the retail zoning framework to better align with strategic planning is supported in principle. However, limited detail has been provided at this time. Further consultation should be undertaken in the future when the new zoning framework has been further developed.

ii. Open zones

The proposed use of 'open zones' does not appear to consider the limitations of the Standard Instrument. Even if an open zone approach is pursued, a use would still need to fit a term within the Dictionary and would either be permitted or prohibited therefore not providing additional flexibility. Consideration is also needed of the nature of group terms under the Standard Instrument (i.e. where a group term can be listed as prohibited and sub-terms listed as permitted).

Setting out the permissible uses in the land use table is considered useful as it clarifies for the community types of developments that can be undertaken. The proposed innovation in retail provision will provide the desired flexibility to consider retail uses that are 'undefined' or prohibited under the land use tables, subject to appropriate safeguards.

Thank you for the opportunity to provide feedback on the proposed amendments. Please contact Alicia Iori, Senior Town Planner, on 9843 0396 if you require any additional information.

Yours faithfully

Stewart Seale

MANAGER FORWARD PLANNING