

18 May 2018

Director
Employment Policy & Systems
GPO Box 39
Sydney NSW 2001

RE: Planning for the Future of Retail Discussion Paper 2018

Home Consortium are pleased to make this submission in response to the 'Planning for the Future of Retail' report, prepared by the NSW Department of Planning and Environment in April 2018.

In early 2016, Home consortium was established by a group of Australian investors to create a unique retail and services concept. In August 2016 Home Consortium acquired the former Masters holding entity from Woolworths, which included 61 former Masters Home Improvement sites, 14 of which are located in NSW. It is our intention to develop these sites predominantly for use by large format retail tenants and as such, we have a significant interest in the NSW planning system that regulates this sector.

Home Consortium have reviewed the Independent Recommendations Report by the Retail Expert Advisory Committee (REAC) dated June 2017, which provides relevant information to inform the future planning of retailing in NSW. We believe the NSW Government should be relying heavily on this work and it should be used as important background material to inform this current review. We agree with the key findings in the report which define eight key 'Retail Drivers' and a proposed outline planning policy response for those drivers.

Home Consortium has made a separate submission to the Proposed Amendments to the Standard Instrument LEP project which is also currently on exhibition. In this submission we support the proposal to replace the definition 'bulky goods premises' to create a new land use definition - 'specialised retail premises'. We also support the other four amendments proposed in this project which seek to include emerging new business formats in the planning framework.

We make the following comments in response to the three directions outlined in the discussion paper 'Planning for the Future of Retail';

1. *Better local strategic planning for retail.*

We support the objectives contained in Direction 1. The key issue for Home Consortium is that the planning system provides certainty for developers in terms of aligning the strategic policy with the land use zoning and development controls that apply to the land. There is high demand for land that can be developed for retail uses in NSW, particularly supermarket-based retail centres and this needs to be addressed by the creation of new supply. It is important for government to identify land for development and strategically plan for development in a practical way.

2. A modern approach to retail development that reflects a range of retail formats in centres.

Home Consortium are of the belief that underutilized and former industrial land in metropolitan areas provides the opportunity for an increase in supply of land for retail, commercial and mixed-use development. It is common practice that in demand for modern industrial premises has shifted to broad acre business park locations providing remand land in inner suburban locations. The manufacturing sector in Australia has been in decline for many years which also provides opportunities for re-purposing of former industrial property. We believe that a full and proper review at State Government level should be undertaken. We generally support the principles contained within Direction 2.

3. Adaptability and certainty for retail.

In relation to Direction 3, we believe that the Government should be reforming the various zones in the standard instrument LEP to consolidate their number and type whilst also increasing the range of permissible uses within those zones. By way of benchmarking, the Victorian Government's zoning reform undertaken approximately 5 years ago has produced a broader approach to retail development and has been operating successfully since its introduction. This has made Victoria a more attractive and easier place to invest in commercial property development compared to NSW. There is a need to clarify and streamline the planning system in NSW to align itself with other States.

We support the initiative to introduce flexible 'open' zones to remove the constraints on retail land uses that currently exists in many zones.

We support the development of an "innovation in retail" provision that can allow for consideration of uses that are not defined in the planning framework.

We thank you for the opportunity to provide our comments in relation to this matter.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'David Di Pilla', with a small '9/11' written to the left.

David Di Pilla
Chairman
Home Consortium