



24 June 2021

NSW Department of Planning, Industry and Environment
Online submission

Dear Madam/ Sir

Proposed Employment Zones Framework

Thank you for the opportunity to comment on the *Proposed Employment Zones Framework Discussion Paper*.

It is understood the proposal for the new employment zones seek to support the long-term strategic objectives for employment zoned land and to provide greater certainty in the planning system for the community, councils and the development industry in response to innovations in the marketplace and changes to business practices.

The comments contained in this letter are officer-level comments only as the matter has not been reported to the elected Council for a formal view or resolution.

Policy Context

The recent exhibition of the *Building Business Back Better (Explanation of Intended Effect)* proposed wholesale changes to the employment related codes under the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* (Codes SEPP). It is problematic that the new framework for employment zones was not exhibited concurrently with the proposed Complying Development changes. The interrelationship between the two sets of reforms is critical to understanding how development is likely to occur on employment zoned land and the ability of councils to ensure place-based outcomes in the future planning system.

Concern is raised with the lack of coordination between the two policy reforms leading to preferencing a codes-based approach in a new simplified zoning structure, and the extent to which these changes will impact local communities. The reduction in the number of employment zones and the broadening of mandated permissible land uses, together with a broader application of the Codes SEPP for future development is likely to dilute the planning system and produce poor outcomes at the local level.

Timing and Resource implications

Concern is raised about the timing of the proposed reform to employment zones and the proposed implementation and transition period. Hornsby is one of the councils that has recently completed an Employment Land Study to support the Local Strategic Planning Statement and to inform changes to the Hornsby LEP and DCP. The changes to employment zones will require councils to undertake a significant amount of work to re-evaluate the recently completed strategic studies to achieve alignment with the new statutory framework. It is disappointing that this would be required after all the work put in to strategic planning over the past two years and when resources for most councils are already strained.

Transition of existing zones

The proposal raises significant challenges for councils to transition existing employment zoned land as the framework for the new employment zones does not take into account the place-based strategic planning recently undertaken by councils. With a high-level review of the zone changes, Council officers can already foresee the following problems:

B1 Neighbourhood Centre

Concern is raised with the lack of consideration given in the proposal to the scale and character of the smaller neighbourhood centres that are zoned B1 Neighbourhood Centre under the current framework. These centres are primarily fine grain, surrounded by established lower density neighbourhoods and often within heritage conservation areas.

The proposal to transition the smaller centres to new E1 Local Centre zone does not respond to the place-based context of these 'neighbourhood' centres. The framework seeks to mandate a broad range of land uses as permitted that are currently prohibited by the Hornsby Local Environmental Plan (HLEP) in the B1 zone. The land uses include: home business, home industry, tourist and visitor accommodation, pub, garden centres, hardware & building supplies, rural supplies, specialised retail premises, timber yards, vehicle sales or hire premises, amusement centres, entertainment facilities, function centres, vehicle repair stations, and domestic goods repair and reuse facilities (proposed new land use definition).

The new framework overturning the prohibited uses, as outlined above, may impact the amenity of the area and surrounding residents as these neighbourhood centres have a quieter and more intimate setting than higher order centres, with a lower provision of infrastructure to support the development. It may also undermine conservation values held within these smaller centres.

B5 Business Development and B6 Enterprise Corridor

The framework also presents challenges for transitioning Council's existing B5 Business Development and B6 Enterprise Corridor zones. The proposal to consolidate the two zones under E3 Productivity Support does not provide a satisfactory account of the divergent land use objectives associated with each zone. Council's recently adopted Employment Lands Study recommends that the B6 zone allow for shop top housing and the B5 zone prohibit residential accommodation.

The remedial measure to address the matter is for the B6 zone to be considered for transition to MU Mixed Use. This raises further concern as the objectives for shop-top housing in the B6 zone differ to the objectives for residential development within a Mixed Use zone. Generally, B6 zoned land is located along transport corridors/ arterial roads connecting the commercial centres, which may have poor urban or residential amenity and infrastructure.

Additional tools to improve local outcomes

The transition framework lacks an understanding of the unique and diverse context of the differing zones (as outlined in the examples above for existing B1, B5 and B6 zones). The proposed framework does not address the local context or provide for place-based outcomes.

The new framework requires greater consideration for including local provisions and mapping overlays under the Standard Instrument. These would be essential to resolving some of the challenges resulting from simplifying the number of employment zones whilst at the same time mandating a broader range of land uses within the zones. The use of local provisions and mapping overlays would proactively respond to the unique circumstances of the employment lands within various LGAs, including addressing issues of local context and character. This strategic work would take time and resources to complete, again leading to concerns with the timing for implementation of the new zone framework.

New land use definition

Data Centre

Concern is raised with the inclusion of 'data centre' as a new land use definition under the Standard Instrument. The potential impacts in relation to the land use such as noise and air quality and hazards of the backup power require greater scrutiny in the assessment process than can be afforded under LEP provisions. Therefore, the permissibility and assessment of the land use should remain within the statutory boundaries of the *State Environmental Planning Policy (Infrastructure) 2007*.

In summary, whilst the framework for the new employment zones is proposed to be supported with a draft implementation plan to assist councils, concern is raised about the timing of the proposal. Hornsby recently completed an Employment Land Study to support the LSPS and inform amendments to the LEP and DCP. The new framework will require Council to undertake a significant review of the recently completed strategic work to provide alignment with the new zones. Council would require adequate time and resources to further reconsider the strategic planning for the local area to address the new policy framework and would need additional tools within the Standard Instrument to achieve the desired place-based planning outcomes for our employment centres.

Thank you again for opportunity to provide feedback on the proposed employment zones framework. Should you require any clarification in relation to the matters raised, please contact [REDACTED]

Yours faithfully

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