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Our Reference: 13004

Attention: Director Employment Zones
NSW Department of Planning, Industry and Environment
Locked Bag 5022, Parramatta NSW 2124

30 June 2021

Dear Sir/Madam,

WOLLONDILLY COUNCIL SUBMISSION ON EMPLOYMENT ZONE REFORMS

Thank you for the opportunity to provide feedback on the Employment Zone Reforms exhibition package. We acknowledge and support the preliminary consultation undertaken by the Department at the end of 2020 including consultation with Council and the review of relevant local strategies.

Given the short timeframes for the position paper, the submission has been prepared by Council officers, and will be considered by Council at its Ordinary Meeting of 20 July 2021.

We have reviewed the material and provide the following comments across the following key areas:

- Overall intent and messaging
- Proposed zones
- Definitions
- Complying development
- Timing and implementation
- General matters

Overall Intent and messaging

We support the objective support businesses, industry and society to grow, respond and adapt as necessary and to reduce the number of zones particularly where there are minimal differences between zones. We also support the provision of clear strategic intent and the review the land use permissibility. However we note that there are some elements of the approach that require further work. Areas that require further consideration are:

- Consider the innovative work already carried out by Wollondilly Shire Council which will benefit the whole State.
- The concerning proposed new zone prefix of 'E'
- Impacts of new, amended or consolidated land-uses definitions within other zones such as RU Rural or other planning processes.
- Interaction with complying development reforms

- Ensuring timing and implementation takes into account planning proposal underway and reporting timeframes.

Fundamentally, we draw your attention to the innovative work that Wollondilly Shire Council has carried out and continue to advocate strongly for in its Stage 1A planning proposal and its Visitor Economy & Employment Land Uses Planning Proposal (LEP Review Stage 2). These planning proposals seek to fill fundamental gaps in the planning systems for events and visitor economy land uses. We strongly recommend that you consider introducing the key findings of this robust foundational work. These matters are again outlined at the end of this submission.

In relation to the other matters listed, we agree that the intent is sound but the delivery will require further work including the reconsideration of the zone prefix moving from B or IN zones to E zones. This choice leads to unnecessary amendments to environmental zones that could be avoided by simply electing a new prefix such as BD for Business Development or EM for employment.

More over the change will cause unnecessary confusion as the proposal is not intended to affect SEPPs such as the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006*. The Growth SEPP references E zones as environmental zones. In addition, we recommend consultation with the Cumberland Plain Conservation Plan team within DPIE, as changes to what an “E” zone is may have implications for the work they are undertaking to certify land in Wollondilly and Campbelltown. If the intent remains to utilise an “E” prefix for the new zones the change must be holistic and amend all environmental planning instruments that reference the standard instrument zones to ensure a consistent zoning approach. Failing to do so will inevitably lead to confusion and unnecessary or unintended impediments instead of the much sort after clarity and simplicity.

Despite the objection to the “E” prefix, the actual names of the zones are supported. The only issue that we can foresee is that there appears to only be two levels of centres accommodated, and for regional Councils this will present challenges in creating and supporting a hierarchy of centres. If DPIE do not consider it appropriate to expand or introduce a new lower order centre zone, then we encourage the consideration of including the RU5 Village zone as part of the self-repealing SEPP process to allow greater flexibility for Council in delivering the centres hierarchy. The use of the RU5 Village zone would allow Councils to transition existing ‘B’ zones used for some smaller villages to an appropriate zone under the new framework without up-zoning or undermining larger centres. We note that the approach is likely more suited to metro centres rather than regional centres, the suggested RU5 Village zone in the self-repealing SEPP would help strengthen and support Regional NSW in creating suitably sized, viable centres that provide local jobs.

Feedback on Proposed Zones and Strategic Intent

Local Centre:

We support the range of uses intended to be permitted as discussed in the strategic intent. Recommend including limited local night time economy to support activity and vibrancy of centres. Through recent engagements the Wollondilly community has raised the need and want for more things to do at night.

Commercial Centre:

We support the range of uses and intent of this zone. Recommend including entertainment and education in strategic intent to ensure the centre can facilitate and provide key services for the community.

Productivity Support:

We support the mix of services and uses as well as support the need to facilitate services that cater for the daily needs of workers, or products manufactured on site. This zone may benefit from reference or further consideration of land use conflict mitigation.

General Industrial:

We support the consolidation of the current “general’ and ‘light’ industrial zones. We support the need to allow some retailing to meet the daily needs to workers. We recommend including reference to technology, knowledge-based and population serving uses in strategic intent. Consideration should be given to the permissibility of offices as ancillary uses for warehousing etc.

Heavy Industrial:

We support the retention of a heavy industrial zone to maintain the distinction from other, less impactful, industrial uses. We recommend defining incompatible uses for better clarity.

Mixed Use:

The position paper recognises that B4 zones often function more as a residential zone. Although not widely utilised in Wollondilly in some circumstances such as Bingara Gorge, Wilton, the application of a B4 zone has resulted in standalone housing more akin to a low density residential zone. This needs to be considered in the zone translation process to ensure any land use conflicts are appropriately managed. Recommended that further consideration is given to how this new mixed use zone can support true mixed use development, as well as ensure Councils have the right tools to facilitate a true mixed use outcome. Further, it is recommended entertainment and night time economy is considered for inclusion.

Working Foreshore:

Not relevant to Wollondilly, and therefore no comments provided.

Local Enterprise:

This zone could provide real opportunity to deliver great place based outcomes but more detail is needed. Consideration should be given to the benefits of catalyst development such as health or education precincts or cultural and civic precincts such as Picton, which could be a trigger for the application of this zone.

This could be supported by a master plan or place plan. The application of this zone could assist Council to carve out an identity, to support the centres hierarchy and deliver place based planning outcomes. If it is intended to be the future home of planned or special activation precincts then the work on amending all relevant SEPPs and the correlating zones (B or IN to E) needs to be completed now and not avoided.

Health planning is a key focus area for Wollondilly in recognition of the role the planning and the built environment can play in shaping the health and wellbeing of the people who live, work and visit our Shire. We recommend including a zone objective in each of the proposed zones to prioritise health and wellbeing. This could be in line with the zone objectives for industrial zones recently included in Wollondilly LEP 2011:

‘To support the health and well-being of the community by providing services and employment close to housing.’

Alternatively, Council’s should have the ability to include additional objectives and controls that recognise recent work and place based outcomes. The zone translation process should not inhibit and reverse the work Council has undertaken in this space.

Feedback on Definitions

Consideration needs to be given to the impacts of introducing, amending or consolidating definitions beyond the zones subject to this reform package. Many of the land-uses below are permitted or prohibited by an LEP in other zones as either explicitly referenced land-use terms or due to the relationship with a parent term. This is of particular relevance to Rural (RU) zones in Wollondilly. Changes to existing definitions or the introduction of new definitions may impact other planning processes such as “change of use of premises”

provisions under the *SEPP (Exempt and Complying Development Codes) 2008*. Flow on implications of any amendments need to be addressed and any impacts mitigated and minimised where possible.

Overall, the use of parent and child terms adds additional complexity to understanding and applying land-uses in each zone. We are supportive of the de-coupling of definitions to create stand-alone terms. Conversely, the consolidation of land-use terms in some instances will reduce the ability for Council to nuance land-uses in different contexts.

Specific comment on the proposed new, amended or consolidated land use terms are provided in the tables below:

New and Amended definitions

Land Use	Proposed Change	Position	Recommendation
Business premises	Amend existing definition to remove outdated uses (e.g. internet access facilities) and clarify that a business premise does not include a 'shop'	Support intent	No further comments
Domestic goods repair and reuse facility (circular economy)	New definition	Requires further clarification	<p>The definition in Standard Instrument Amendment Order when read with intent listed in the Position is unclear of the type of use this definition is intended to capture. It is unclear why "Op-shop" is explicitly referenced as it is not a defined use.</p> <p>Often these type of repair uses occur as an ancillary use for example a Bike Retailer will often also offer Bike Repair services.</p> <p>Further clarification required to ensure appropriate application and outcomes for new definition.</p>
Creative Industry	New Definition	Support intent	<p>Recommend the definition is stand-alone, and removed from the parent term "light-industry.</p> <p>Recommend the definition is expanded to ensure all creative pursuits are captured e.g. recording and rehearsal studios. Decoupling from light industry will allow for bespoke approaches to centres and</p>

Land Use	Proposed Change	Position	Recommendation
			support the local economy of regional centres.
Crematorium	Updated definition to reflect new technologies	Support intent	No further comments
Data Centre	New definition	Support intent – with some concerns	We recognise the need for such a development type however the land take of data centres in comparison to the job generation is of concern. Wollondilly has limited land zoned for employment uses and therefore uses that generate a higher number of jobs is needed.
Industrial retail outlet	Amends existing definition to allow the sale of creative industry outputs	Support intent	No further comments
Kiosk	Amend existing definition to remove reference to outdated items	Support intent	
Local distribution premises	Retains existing definition but removes from parent term.	Support intent to facilitate last mile freight and logistics	No further comments
Neighbourhood Shop	Amends existing definition to omit references to ancillary services	Support intent	Neighbourhood shops are permitted with residential zones. The clustering of neighbourhood shops could create a new centre where one was not intended. The definition should recognise this challenge and potentially limit the clustering of the use in one area.
Shop-top housing	Amend to allow commercial premises and health services on ground floor	Support intent to expand the type of uses on group floor. However, this review provides an opportunity to further nuance to ensure	Recommend consideration of additional local provisions for development with the Metropolitan Rural Area to ensure appropriate scale, provision of ground floor active frontages, and the minimise the provision of tokenistic “shops” to

Land Use	Proposed Change	Position	Recommendation
		positive outcomes.	enable residential development which results in poor outcomes.
Warehouse or distribution centre	Amend to remove inclusion of "local distribution premises"	Support	No further comments

Consolidated Definitions

Land Use	Change	Position	Recommendation
Home and Improvement retail	Potential new definition combining 'hardware and building supplies' and 'garden centres'	Not support	Consideration needs to be given to the implications of consolidating land use definitions that are applied outside the employment zones, namely Rural (RU) zones. Consolidated zones limits the ability for Council to nuance there application and permissibility.
Trades retail premises	Potential new definition combining 'landscaping and material supplies', 'rural supplies; and 'timber yards'.		The application of "timber yards" is subject to a planning proposal currently being progressed by Council, please see 5(a) below for further details
Storage and distribution premises	Potential new definition combining 'storage premises' and 'warehouse or distribution centre'		
Self-storage units	Retain existing definition but decouple from parent term	Support	No further comments.

Additional Definitions Recommended For Review

It is recommended 'Artisan Food and Drink Industry' is de-coupled from the parent term of 'Light Industry'. Currently, the parent term restricts the permissibility of this land use, and is considered a barrier to business. Council has an active planning proposal to review the

permissibility of this land use in recognition of this planning barrier. Please see Part 5 below for more information.

'Artisan Food and Drink Industry' offers a suitable land-use definition to enable micro-brewery and distillery's which are seen to be a potential tourism opportunity in some locations in Wollondilly. However, micro-breweries and distilleries have the ability to trigger designated development under the *EP&A Act* and associated Regulations. It is recommended this is reviewed or a practice note is developed in consultation with Council to enable small scale micro-breweries and distilleries in appropriate locations.

Relationship with Complying Development Reforms

A coordinated approach to employment zones reforms and the concurrent amendments to the *SEPP (Exempt and Complying Development Codes) 2008* needs occur to ensure there is alignment as well as create a clear and logical transition, minimise unnecessary complexity, and ensure the intended outcomes achieved. It is considered premature to finalise amendments to the Codes SEPP prior to the finalisation of the Employment Zones reform. Therefore changes to the Codes SEPP are not supported at this stage.

It is recommended that any changes to the employment zones and any amendments to the Complying Development amendments occur as one package.

Timing and implementation

Council has a two key planning proposal underway that may be affected by the employment zone review, as they are following concurrent processes:

1. Events & Visitor Economy Planning Proposal (LEP Review Stage 1A)

A Gateway Determination has been received for the above planning proposal which is currently on public exhibition. One of things the planning proposal seeks to do is broaden the land to which the following land uses are permissible with consent: timber yard, artisan food and drink industry, high technology industry, bee keeping, eco-tourist facility and; markets. Fundamentally it also refers to the missing gap in legislation relating to 'events'.

The translation of zones or changes to definitions should not reverse or inhibit the intent and outcomes of this proposal. As identified earlier, it is strongly recommend that the Department consider implementing our new definition and work as part of this review to benefit the State and resolve issues experienced by many urban and regional Councils.

2. Visitor Economy & Employment Land Uses Planning Proposal (LEP Review Stage 2)

A Gateway Determination has been requested for the above planning proposal. The draft planning proposal seeks to amend the land use table of a number of zones including B and IN zones, as well as change the permissibility a number of land uses. It also seeks to include additional objectives of a number of zones to recognise the visitor economy.

The translation of zones or changes to definitions should not reverse or inhibit the intent and outcomes of this proposal

3. Maldon Bridge Road Planning Proposal

This planning proposal was recently lodged with Council and seeks to expand the Heavy Industrial lands in Maldon. If the planning proposal proceeds it will likely be a simple translation to into the new employment zones framework.

We highly recommend DPIE undertakes targeted consultation to inform and educate affected landowners on the proposed zone changes. We note the engagement already undertaken by DPIE with industry bodies however we are cognisant this may not have filtered down to all landowners, particularly small business. With resource assistance from

DPIE, Council can help facilitate this engagement within Wollondilly. Consultation with affected landowners is very important to ensure they are aware of any zoning change, and what this means to for them.

Further, clarification is required as to what stages will require a resolution from Council to proceed with any amendments to the Wollondilly LEP. It is important to understand that Wollondilly has a minimum six week lead in time to report to an Ordinary Meeting of Council. This lead in time needs to be accounted for with any timelines to ensure sufficient time is allocated to facilitate internal reporting processes.

Other matters

Council has an ongoing challenge rectifying misalignments between the cadastre and the Wollondilly LEP maps. This has arisen due to Council and DPIE using different cadastres. To avoid any unnecessary work we would highly encourage close collaboration with our Data & Information Management team when creating new maps and mapping data sets. Any new mapping should be prepared on the basis of Wollondilly's cadastre used for the Wollondilly LEP.

In recognition of the suite of changes occurring in the Employment Lands realm a reconsideration or formalisation of an "Employment Lands" definition may be required. Previously this was tied to some B zones and IN zones.

Close

This submission will be included in the 20 July 2021 Ordinary Meeting of Council business paper seeking endorsement. The outcome of the Council Meeting and any amendments to the above submission will be provided in the coming weeks.

Should you wish to discuss any aspect of this submission further please contact [REDACTED] or on [REDACTED]

Yours faithfully,

[REDACTED]
Stephen Gardiner
Manager Sustainable Growth