

29 June 2021

Department of Planning, Industry and Environment  
Locked Bag 5022  
PARRAMATTA NSW 2124

Dear Sir/Madam,

### **Campbelltown City Council Submission – Proposed Employment Zones Reforms**

Thank you for the opportunity to make a submission on the Employment Zones Reforms. We acknowledge and agree that the employment zones need to be updated and simplified to accommodate newly emerging technological land uses and provide flexibility for businesses.

It is important that the current overarching approach to the standardisation of employment zones across the state maintain a degree of flexibility to enable the respective local council to respond more appropriately to matters/issues of strategic importance within their local government areas.

The new Employment Zones Framework proposes significant changes to Business and Industrial zones under the Standard Instrument (SI) Local Environmental Plan (LEP), which would require major amendments to be made to the Campbelltown Local Environmental Plan 2015 (including the written instrument and zoning maps). There is also a very high potential that a number of state environmental planning policies that apply to the Campbelltown LGA, including the State Environmental Planning Policy (Sydney Region Growth Centres) 2006 would require amendment.

Notwithstanding the above general concerns, we do believe the following list of concerns will need to be appropriately addressed prior to implementation. In addition to the following, Attachment 1 provides a summary of our submission on all other aspects of the proposal.

#### **1. Proposed Zone Names**

The zone naming convention proposed under the new framework is considered problematic and has a high potential to result in confusion. For example, the use of "E" to represent Employment zones could be inadvertently confused with the existing Environmental zones naming convention, which are E1, E2 and E3.

Similarly, the proposed MU - Mixed Use zone is also potentially confusing, as it is also a commonly used land use description.

The proposed name "Productivity Support" is not considered an appropriate land use zone name as the name is too generic and lacks immediate clarity or distinction as to what uses are expected or would be appropriate within that zone.

We recommend that the existing zone names for industrial zones maintain their current references, as there appears to be no compelling evidence that changing the current zone names

and conventions will result in a significant improvement, increase in informative value or effectiveness of processes to that of the current naming conventions. The current zone names are known to developers, relevant stake holders and statutory authorities, and changing them will result in unnecessary confusion, a reduction in efficiencies through the transition phase, and additional and unnecessary amendments to a range of policies and publications.

## **2. Proposed merging of B1 Neighbourhood Centre and B2 Local Centres Zones and mandated uses**

The proposed merging of neighbourhood and local centre zones is not supported as it will have significant impacts on retail hierarchy within Campbelltown LGA and is highly likely to result in unwanted land use conflicts.

Neighbourhood Centres with the B1 neighbourhood centre zone within Campbelltown LGA are generally of small scale and located within close proximity to low density residential land uses.

The proposed mandated uses permissible within the newly proposed E1 Local Centre Zone include:

- amusement centres
- function centres,
- places of public worship,
- local distribution premises,
- tourist and visitor accommodation; and
- vehicle repair stations.

The above land uses are currently prohibited in the B1 neighbourhood centre zone in Campbelltown Local Environmental Plan, 2015 due to the potential adverse impacts on surrounding residential amenity. Mandating the above merging of land uses will diminish Councils ability to respond to local issues and give rise to unwanted resource intensive compliance issues in responding to confusion within the community and their complaints.

We strongly recommend that the proposal to amalgamate the B1 Neighbourhood Centre and B2 Local Centres zones be rejected.

## **3. Proposed merging of IN1 General Industrial Zone and IN2 Light Industrial Zone**

The proposed merging of the general and light industrial zones into one zone is not supported.

Historically, within the Campbelltown LGA, large and more intense industrial land uses have been located within the IN1 General Industrial Zone, whereas, the IN2 light industrial zone (in addition to light industrial uses), accommodates land uses that require large premises (eg indoor recreation – public use type). Uses such as indoor recreation that are aimed more generally at the general public, are prohibited in the IN1 General Industrial zone, due to the potential for land use conflict and general public safety issues.

Campbelltown's IN1 General Industrial Zone contains large scale local manufacturing which provides significant local employment. The incursion of non-industrial uses into these areas puts at risk investment decisions by major manufacturing companies and therefore puts at risk long term local employment. Combining the two zones would potentially reduce the availability of large industrial sites for industrial employment uses, as they would have to compete with other non-industrial uses that currently are not permissible with the IN1 zone.



The proposed merging of the current IN1 General Industrial and IN2 Light Industrial would have the additional consequence of allowing heavy industrial uses to exist alongside residential uses that currently exist alongside IN2 Light Industrial zoned land. Residential uses located along side heavy industrial land uses would be potentially exposed to an unacceptable increase in noise and lighting emissions associated with more intensive industrial activities, as well as exposure to increased heavy vehicle movements.

For the above reasons, we strongly request that the IN2 Light Industry Zone and IN1 General Industry zone not be amalgamated.

#### **4. Employment Land Strategy**

Along with many Councils, we have recently prepared a strategic review of employment lands, which in December 2020, was forwarded to the DPIE for review and endorsement.

Council is yet to receive a response from the DPIE.

The proposed amendments would necessitate an update to our recently prepared employment land strategy. The reforms may also have implications for our Local Housing Strategy, given that there are amendments proposed to mixed use and business zones.

This would be the same for other local government areas and it is requested that to assist with the alignment of strategies, consideration be given to providing funding to Councils to review these strategies.

We believe that the proposed reforms will have major impacts and complex implications for Campbelltown City, the extent of which would only be realised after the implementation of the reforms. Most importantly these changes increase the risk of land use conflict thereby putting at risk local jobs.

We strongly believe that some of the proposed amendments are not necessary and if implemented would significantly undermine our role of determining the status and hierarchy of employment land within our City. Where there is no clear and significant increase in value identified resulting from the change, then the change should not be progressed.

Notwithstanding the above, we support the proposal to introduce additional land uses, and the clarification and amalgamation of a number of land use terms. More information on this matter is included in Attachment 1. We also acknowledge that the department recognises the significant amount of reform occurring at this time, and note and appreciate the offer of support to councils to reduce the burden on their resources.

If you require and further information please contact Council's Executive Manager Urban Centres, [REDACTED]

Yours sincerely,  
[REDACTED]  
[REDACTED]  
[REDACTED]

**Attachment 1: Proposed Amendment to Employment Zones – General**

Item	proposed amendment/question	Comments/suggestion/implications
Proposed Names	<p>Five new employment zones are proposed:</p> <ul style="list-style-type: none"> <li>- E1 Local Centre</li> <li>- E2 Commercial Centre</li> <li>- E3 Productivity Support</li> <li>- E4 General Industrial</li> <li>- E5 Heavy Industrial</li> </ul> <p>Two further zones are proposed:</p> <ul style="list-style-type: none"> <li>- MU Mixed Use</li> <li>- W4 Working Foreshore</li> </ul> <p>New Special Purpose zone is proposed:</p> <ul style="list-style-type: none"> <li>- SP4 Local Enterprise</li> </ul>	<p>Refer to main letter.</p> <p>Using “E” as the prefix is too confusing, given that it is currently already used for the Environmental zones.</p> <p>DPIE advises that the current Environmental zones will be renamed but why not use “P” for “Productive” zones instead of “E” or maintain the existing/current reference to IN1 and IN2.</p> <p>There is already a Mixed Use Zone so the question here is how does the proposed zone differ from the existing?</p> <p>The Working Foreshore Zone is not applicable to our LGA.</p> <p>The intent of the proposed SP4 Zone is supported. However, it does not seem that this will be utilised within Campbelltown LGA.</p>
Proposed Merging of certain zones	<p>Proposed reduction in the number of zones - Will this help achieve the intending outcome of:</p> <ul style="list-style-type: none"> <li>- provide greater certainty for the community, councils and the development industry</li> <li>- support councils’ long-term strategic planning objectives</li> <li>- support businesses, industry and society to grow, respond and adapt as necessary facilitate innovation and changes in business processes now and into the future.</li> </ul>	<p>Reducing the number of zones won’t necessarily achieve the anticipated outcomes. What happens to neighbourhood centres?</p> <p>We currently use our zoning as a retail hierarchy, and combining the two zones will have major implication to our LGA. Refer to detailed discussions in the letter.</p>
Proposed Zone Objectives	Refer to the DPIE website for the zone objectives	Zone objectives are generally acceptable. However, it is important that we retain the right to have and/or propose additional local objectives for each of the zones via the planning proposal process (and that DPIE agrees to reasonable and evidence based requests for

		additional local objectives). Council has already added public health objectives to its employment zones, as part of the LEP review to align Campbelltown LEP 2015 with the Western City District Plan, and our request is that we be able to retain these additional objectives
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<b>Table: 1B- Proposed amendment to reemployment zones</b>		
Proposed / Amendment/change	Issue/matter/question	Comments/suggestion/implications
General	Mandating permissible and prohibited land uses	It appears that the amendment to the Standard Instrument LEP only includes the land uses that are mandated as permitted with or without our consent and those that are mandated as prohibited. We just need to ensure that councils still retain the right to add additional land uses to the permitted and prohibited categories within each zone. This will provide more flexibility in enabling us to deliver key projects aligned with our strategies and priorities and prevents the excessive use of Schedule 1 amendments for particular sites.
Local Centre Zone - E1  Replaces B1 Neighbourhood Centre and most B2 Local Centres.	Local Centre Zone E1: <ul style="list-style-type: none"> <li>- Provides for a range of retail, business, entertainment and community uses that serve the needs of people who live, work or visit the local area.</li> <li>- Supports a centre that is smaller than a Commercial Centre in the centre's hierarchy.</li> <li>- Supports a scale of development that will vary from small-scale neighbourhood centres containing a handful of shops to larger local centres.</li> </ul>	Refer to detailed discussion in the letter

	<ul style="list-style-type: none"> <li>- Residential uses will generally be in the form of shop-top housing and boarding houses</li> </ul>	
<p>Commercial Centre zone - E2</p> <p>Essentially replaces B3 Commercial Core, could extend to larger B2 Local Centres and some B4 Mixed Use where there is a focus on jobs, and may be appropriate for B7 Business Park areas.</p>	<p>Commercial Centre zone E2:</p> <ul style="list-style-type: none"> <li>- Provides for large-scale commercial, retail, business and compatible associated uses like community uses, recreational and health care services.</li> <li>- Emphasises a centre's business and employment focus.</li> <li>- Supports council community facilities to create a central community hub (e.g. with main libraries, community and cultural facilities and council offices).</li> <li>- Supports an area's night-time economy</li> </ul> <p>Avoids mandating residential uses although higher density residential may be appropriate in some areas so long as the primary employment focus is preserved.</p>	<p>We generally support this zone as it emphasises the business areas and has an employment focus.</p> <p>A concern in relation to having one land use table that applies to some larger existing local centres as well as core areas. This could blur the distinction in terms of land use and central hierarchy - how would one Land Use Table work for both?</p> <p>In support of some higher density residential development being permitted - otherwise we could end up with 'dead centres'; also residential land uses would help support the night time economy and businesses.</p>

<p>Productivity Support zone – E3</p> <p>Essentially replaces B5 Business Development, B6 Enterprise Corridor, some B7 Business Parks and in exceptional circumstances limited areas of IN2 Light Industrial zones that no longer function as traditional industrial precincts.</p>	<p>Productivity Support zone</p> <ul style="list-style-type: none"> <li>– Allows for a mix of services, low impact industry, creative industry, manufacturing, warehousing, office and limited supporting retail</li> <li>– Suits locations near catalyst development (such as health and education) to support those uses through development such as a larger campus style business park.</li> <li>– Suits emerging and new industries that need larger floorplates.</li> <li>– Limits retail to uses requiring larger lots/floorplates (e.g. specialised retail premises), or that meets workers’ or businesses’ daily needs, or that sells products manufactured on site.</li> <li>– Generally does not support residential uses.</li> </ul>	<p>It is useful to have a zone like this for all those uses that don’t really fit in centres but are necessary for the economy to function.</p> <p>Potential name change to something more reflective of the permissible uses (eg centre support zone)</p>
<p>General Industrial zone- E4</p> <p>Generally replaces IN1 General Industrial and IN2 Light Industrial zones.</p>	<p>General Industrial zone</p> <p>Primarily accommodates light and general industrial uses and warehousing uses. Allows for infrastructure and utilities. Does not support residential or retail uses. Excludes incompatible development to ensure the efficient and productive use of the land and its long-term viability as heavy industrial land.</p>	<p>Refer to main discussions in the letter – We do not agree that light and general industrial zones should be combined. This is especially important for areas where industrial interfaces with residential and other sensitive land uses.</p>
<p>Heavy Industrial zone- E5</p>	<p>Heavy Industrial zone</p> <ul style="list-style-type: none"> <li>– Primarily accommodates heavy industry (i.e.</li> </ul>	<p>We support having a separate heavy industrial zone.</p>

<p>Replaces IN3 Heavy Industrial zone and potentially some IN1 General Industrial zones.</p>	<p>hazardous and offensive industry) and associated storage and depot.</p> <ul style="list-style-type: none"> <li>- Allows for infrastructure and utilities..</li> <li>- Does not support residential or retail uses.</li> <li>- Excludes incompatible development to ensure the efficient and productive use of the land and its long-term viability as heavy industrial land.</li> </ul>	
<p>MU – Mixed Use zone</p> <p>Replaces B4 Mixed Use, some B2 Local Centres and potentially B8 Metropolitan Centre.</p>	<p>MU – Mixed Use zone</p> <ul style="list-style-type: none"> <li>- Supports a mix of residential, retail, light industry and tourist accommodation.</li> <li>- Supports genuine mixed use development rather than one dominant use.</li> <li>- Promotes and encourages activities at ground floor and on street fronts.</li> <li>- Considers the role and purpose of mixed use relative to other commercial and high density residential zones within the local government area.</li> </ul>	<p>Supported - Always useful to have a mixed use zone. The value in these zones depends on the mix of uses permitted and what uses are mandated and prohibited.</p> <p>A concern that the inclusion of 'light industry' as a mandated land use would change the 'feel' of a mixed use area and create land use conflicts.</p>
<p>SP4 – Local Enterprise zone - Only applies in unique and predetermined circumstances subject to meeting strict established criteria and Department endorsement.</p> <p>W4 Working Foreshore zone – IN4 working water front</p>	<p>Not relevant to Campbelltown</p>	<p>SP4 could potentially be a very valuable zone for Campbelltown.</p> <p>W4 Working Foreshore Zone is not relevant to Campbelltown.</p>



<b>Table 1C: Proposed amendment to land use terms and definitions</b>		
Proposed /Question Amendment/change	Issue/matter/question	Comments/suggestion/implications
Land use definitions - Updated - Business premises	Business premises Update the definition to remove reference to outdated land uses (internet access facilities) and make it clear that business premises do not include a 'shop'.	Supported - Likely to improve clarity by not including a reference to shops (which are defined separately)
Land use definitions - Updated- Industrial retail outlet	Industrial retail outlet Update the definition to allow industrial retail outlet to sell the outputs of a creative industry	Supported - Allowing these to also sell outputs of creative industries is good for the economy
Land use definitions - Updated - Kiosk	Kiosk Update the definition to remove reference to products that are no longer convenience items (camera film)	Supported
Land use definitions - Updated Neighbourhood shop	Neighbourhood shop Update the definition to make it less ambiguous regarding ancillary services. Remove reference to products that are no longer frequent convenience items (newspapers) and replace the concept of personal care products with day to day needs.	Supported - A lot of people still buy newspapers - but that is probably covered under day-to-day needs
Land use definitions - Updated Shop top housing	Shop top housing Update the definition to allow ground floor commercial premises and health services facility providing more opportunity for local services, viable uses on the ground floor and employment generation.  The Department would also welcome feedback on whether the existing definition needs updating to allow for more than	Supported - It's an improvement.  Allowing for, but not mandating, more than ground floor commercial uses would be appropriate.

	just ground floor commercial use	
Land use definition - : Local distribution premises	Local distribution premises will become a separate land use decoupled from the parent term 'warehouse or distribution centres'.	Supported - Provides more clarity, especially if you want to separate the uses in the Land Use Table permissibility.
Land use definitions - Updated Crematorium.	Crematorium Update the definition to include the additional process for inurnment known as aquamation.	Supported
Land use definitions - Updated Warehouse or distribution centre	Warehouse or distribution centre Update the definition to remove inclusion of local distribution premises as part of a consequential amendment reflecting the decoupling of local distribution premises from the parent term.	Supported: Provides more clarity, especially if you want to separate the uses in the Land Use Table permissibility.
Land use definitions updated -industrial retail outlet	Industrial retail outlet Update the definition to allow industrial retail outlet to sell the outputs of a creative industry.  Amendments allow for a creative industry to display and sell goods manufactured on site.  The retail floor area size will be controlled through Clause 5.4 Controls relating to miscellaneous permissible uses under the relevant LEP	Supported - Good initiative.
Land use definitions: New - Creative industries	Creative industries The definition will capture occupations that commonly identify as creative including: - traditional and digital media; - fine arts and crafts; - design; and - creative products	Supported - bringing the Standard Instrument LEP definitions up to date.

	and extends to the activities carried out including production, workshops, display/performance and sale of items.	
Land use definitions: New Data centre.	<p>Data centre</p> <p>Insert a new definition to cover a building used for the collection, storage, process and distribution of electronic data.</p> <p>Data centres are currently defined in part under the Infrastructure SEPP as 'data storage'. To make data centres complying development requires a broader definition to capture how data centres are planned and built.</p>	Supported
<p>Circular economy facility ('domestic goods repair and reuse facility')</p> <p>New definition</p> <p>Sub-term of 'light industry' or potentially 'business premises'</p>	<p>Circular economy facility ('domestic goods repair and reuse facility')</p> <p>Insert a new definition that provides for a facility that allows for the collection, repair, refurbishment, dismantling, sharing and redistribution of goods found commonly in households. These facilities should not be confused with waste recovery facilities that have amenity impacts. These facilities are low in impact and suited to local neighbourhood collection of waste materials.</p> <p>The 20-year waste strategy identifies the need for a new waste definition to support the circular economy. The definition intends to support the proposed amendments to the Codes SEPP.</p>	<p>Support, this is useful to support sustainable practices.</p> <p>However, domestic goods repair and reuse facility" could meet the definition of "waste management facilities or works" under Schedule 3 of the Environmental Planning and Assessment Regulation 2000 and would make the development for this purpose <u>designated</u> in a number of situations. If this is to have the outcome sought by the reforms then an amendment to that Schedule of the Regulations to exclude this land use should be considered.</p>

<p>Potential consolidation of existing definitions Hardware and building supplies' and 'garden centres</p>	<p>Home improvement retail premises = Hardware and building supplies' and 'garden centres Sub-term of 'commercial premises' The new land use term would be permitted with consent in E1-E4 and MU1 zones.</p> <p>To provide a land use term that enables the retailing of materials that are used in home improvements. The definition would be formed by combining the existing definitions of 'hardware and building supplies' and 'garden centres' into a single 'home improvement retail premises' definition. 'Hardware and building supplies' and 'garden centres' would be deleted from the Dictionary, Direction 5 and land use tables</p>	<p>These aren't always appropriate to be combined as land uses.</p> <p>Would prefer to maintain the two existing definitions (perhaps with minor adjustments), and insert the new definition.</p> <p>Not all garden centres or hardware and building supplies only focus on home improvements - they have a much broader reach (to industry, commercial developments etc.)</p>
<p>Potential consolidation of existing definitions Landscaping material supplies', 'rural supplies' and 'timber yards'</p>	<p>Trades retail premises = Landscaping material supplies', 'rural supplies' and 'timber yards'</p> <p>Sub-term of 'commercial premises' The new land use term would be permitted with consent in E1-E3 and MU1.</p> <p>To provide a land use term that enables the retailing of trade materials that are used in construction, farming, primary production and landscaping. The definition would be formed by combining the existing definitions of 'landscaping material supplies', 'rural supplies' and 'timber yards' into a single 'Trades retail premises' definition.</p>	<p>Wouldn't 'building supplies' also fit here?</p> <p>Concerned that not only trades would use these places but also farmers and even some home owners - seems odd to make this change.</p>

	<p>'Landscaping material supplies', 'rural supplies' and 'timber yards' would be deleted from the Dictionary, Direction 5 and land use tables.</p>	
<p>Potential consolidation of existing definitions 'storage premises' and 'warehouse or distribution centre'</p>	<p>Storage and distribution premises = 'storage premises' and 'warehouse or distribution centre'</p> <p>The new land use term would be permitted with consent in E3-E5</p> <p>To provide a land use term that facilitates freight and logistics. This definition groups storage, warehousing and distribution centres uses under the one land use activity. The definition would be formed by combining the existing definitions of 'storage premises' and 'warehouse or distribution centre'</p>	<p>It is not clear of what the proposed consolidation of these two terms is trying to achieve.</p>
<p>Potential amendment to definitions</p> <p>Retain existing definition</p> <p>Decouple 'self-storage units' from parent term 'storage premises'</p> <p>No change is proposed to where 'self-storage units' would be permitted with consent (see Land-Use Matrix).</p>	<p>Self-storage units</p> <p>To reflect that 'self-storage units' are not part of the freight and logistics network unlike 'storage premises'</p> <p>It is not an appropriate fit to have this land use fall under the parent term 'storage premises'. Additionally, decoupling the land use from the parent term will enable a council to individually list 'self-storage units' into any zone where the land use is deemed appropriate i.e. a local centre</p>	<p>Support – this is a useful change.</p>