

30 June 2021

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

Dear Sir/ Madam,

**Proposed Employment Zones Framework–
Canterbury Bankstown Council Submission**

Thank you for the opportunity to comment on the proposed Employment Zones Framework.

The attached submission raises the following issues in relation to the proposed Employment Zones Framework:

- Issue 1: The timing of the proposed changes is out of step with the comprehensive strategic review that most councils are about to complete, and should be delayed to allow councils to update their Employment Lands Strategies to fully understand how the proposed changes will impact their centres and industrial lands.
- Issue 2: Retain the existing IN1 General Industrial zone and IN2 Light Industrial zone as separate employment zones to protect industrial uses and avoid land use conflicts with neighbouring residential areas.
- Issue 3: Retain the existing industrial zone objective to protect industrial land for industrial uses to ensure consistency with the Greater Sydney Region Plan and District Plans.
- Issue 4: Amend the 'shop top housing' definition to support the growth of mixed use centres.
- Issue 5: Do not mandate build-to-rent housing in the new E2 Commercial Centre, as it will permit a residential use in commercial areas and reduce the ability for jobs to be delivered. Councils should be able to allow this use in centres at their own discretion.



- Issue 6: Retain the existing 'B' and 'IN' zone names to avoid confusion with the environmental protection 'E' zones.
- Issue 7: Defer the 'Building Business Back Better' Reform to allow councils to fully understand how the various reforms to the employment zones, when combined, will impact their centres and industrial lands.

If you have any enquiries, please contact Council officer [REDACTED].

Yours sincerely

[REDACTED]

[REDACTED]

Mitchell Noble
Manager Spatial Planning



**Canterbury Bankstown
Council Submission**

**Proposed Employment
Zones Framework**

June 2021





SUMMARY

Canterbury Bankstown Council raises the following issues in relation to the proposed Employment Zones Framework:

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| Issue 1 | The timing of the proposed changes is out of step with the comprehensive strategic review that most councils are about to complete, and should be delayed to allow councils to update their Employment Lands Strategies to fully understand how the proposed changes will impact their centres and industrial lands. |
| Issue 2 | Retain the existing IN1 General Industrial zone and IN2 Light Industrial zone as separate employment zones to protect industrial uses and avoid land use conflicts with neighbouring residential areas. |
| Issue 3 | Retain the existing industrial zone objective to protect industrial land for industrial uses to ensure consistency with the Greater Sydney Region Plan and District Plans. |
| Issue 4 | Amend the 'shop top housing' definition to support the growth of mixed use centres. |
| Issue 5 | Do not mandate build-to-rent housing in the new E2 Commercial Centre, as it will permit a residential use in commercial areas and reduce the ability for jobs to be delivered. Councils should be able to allow this use in centres at their own discretion. |
| Issue 6 | Retain the existing 'B' and 'IN' zone names to avoid confusion with the environmental protection 'E' zones. |
| Issue 7 | Defer the 'Building Business Back Better' Reform to allow councils to fully understand how the various reforms to the employment zones, when combined, will impact their centres and industrial lands. |



Issue 1: The timing of the proposed changes is out of step with the comprehensive strategic review that most councils are about to complete, and should be delayed to allow councils to update their Employment Lands Strategies to fully understand how the proposed changes will impact their centres and industrial lands.

The Position Paper (page 2) indicates Council must incorporate the new employment zones in its Consolidated LEP by July 2022.

The timing of the proposed changes is poor, given that Council is about to conclude a suite of changes to its planning framework, including a new Local Strategic Planning Statement, Consolidated LEP and Employment Land Strategy. Council has invested significant resources and engaged widely to prepare its new planning framework as required by State legislation. The Department of Planning, Industry and Environment did not request Council to consider the new employment zones during this process.

To address this issue, Council could implement the new zones when it undertakes a review of its Employment Lands Strategy, or the regular review of its Consolidated LEP as required by section 3.21 of the Environmental Planning and Assessment Act 1979.

The benefit of the five year review is it gives Council time:

- To report the new employment zones to Councillors following the Local Government Elections.
- To update the Local Strategic Planning Statement and Employment Land Strategy prior to the implementation of the new employment zones.
- To review the Department's first round of GIS mapping to correct any cadastre misalignment issues. Based on experience with the Consolidated LEP maps which are based on the Spatial Services Cadastre 2021, the maps contained numerous cadastre misalignment issues which took considerable time and resources to correct as part of the plan making process.

Recommended Action

- Allow councils to implement the new zones when they undertake a review of their Employment Lands Strategy.



Issue 2: Retain the existing IN1 General Industrial zone and IN2 Light Industrial zone as separate employment zones to protect industrial uses and avoid land use conflicts with neighbouring residential areas.

The Position Paper (page 7) proposes to combine the existing IN1 General Industrial zone and IN2 Light Industrial zone into a new E4 General Industrial zone. Council does not support this proposed change for the following reasons:

1. The purpose of the IN2 Light Industrial zone is to act as a buffer between general industries and residential areas (DPIE Practice Note 11–002, page 6). The types of uses need to be ‘light’ in nature, meaning they will not cause nuisance or adversely affect the surrounding amenity for example by way of noise or emissions. Consolidating the existing industrial zones into a new employment zone means high–noise industries can locate next to residential areas resulting in adverse amenity impacts.
2. The proposed new zone is inconsistent with the Environment Protection Authority’s recommended approach to managing noise from industrial activities, namely to locate low–noise industries next to residential areas as outlined in the following publications:
 - Noise Guide for Local Government (page 3.4) which reads: *Local Environment Plans (LEPs) guide planning decisions for local government areas. Through zoning, application of land uses and principal development standards, they enable councils to manage the way in which land is used. For noise control, this may mean separating land uses that are inherently noisy from areas and land uses where the expectation is for a quieter environment.*
 - Noise Policy for Industry (page 2) which reads: *Strategic planning processes, for example, regional and local plans, provide an opportunity to avoid noise impacts that can occur when industrial areas are located in close proximity to residential areas or other noise-sensitive receivers. When preparing environmental plans and strategies, planning authorities can use the noise levels in the policy to inform decisions about the potential impacts of different types of development and use approaches such as buffering high-noise areas from sensitive receivers (for example, residential areas) and locating low-noise activities (such as business centres) in intervening areas. Put simply, appropriate separation between industrial land uses and sensitive land uses will reduce the potential for noise-related land-use conflicts. Examples of strategic planning initiatives to promote better noise outcomes include identifying and locating zones in a manner that reduces the potential for land-use conflicts with adjoining land uses or, where these conflicts cannot be avoided by separation alone, applying suitable controls in the planning instruments to ensure compatibility.*



Recommended Action

- Retain the existing IN1 General Industrial zone and IN2 Light Industrial zone as separate employment zones so that councils can continue to avoid land use conflicts.

Issue 3: Retain the existing industrial zone objective to protect industrial land for industrial uses to ensure consistency with the Greater Sydney Region Plan and District Plans.

The Standard Instrument Amendment Order 2021 (page 6) proposes to amend the existing objective by removing the word ‘protect’.

Council does not support this proposed change for the following reasons:

- It is inconsistent with Section 3.8 of the Environmental Planning and Assessment Act 1979, which requires Council to give effect to the Greater Sydney Region Plan and South District Plan as made by the Greater Sydney Commission. The Greater Sydney Region Plan (Objective 23) and South District Plan (Planning Priority S10) contain actions to retain and manage industrial and urban services land. Council has given effect to these actions through its Local Strategic Planning Statement, Employment Land Strategy and Consolidated LEP.
- It pre-empted the Greater Sydney Commission’s review of the ‘retain and manage’ policy for industrial land.

Recommended Action

- Retain the existing industrial zone objective *to support and protect industrial land for industrial uses* to be consistent with State legislation, including the Greater Sydney Region Plan and District Plans.



Issue 4: Amend the ‘shop top housing’ definition to support the growth of mixed use centres.

The Position Paper (page 11) proposes to amend the ‘shop top housing’ definition *to allow for more than just ground floor commercial use.*

Council supports this proposed amendment as the existing definition is restrictive and limits employment activity to the ground floor in the form of business premises or retail premises. This means it is not possible to carry out other employment activities such as offices, medical centres or child care centres as part of shop top housing. According to Council’s Employment Land Strategy (page 111):

Due to the technicalities of the shop top housing use, it is only permitted where a retail premises or business premises is at the ground floor. This limits options for mixed use development above alternative uses, such as a medical centre, government customer service centre or other non-retail/business premises uses.

Residential flat buildings, without a ground floor non-residential use are not supported in B1 Neighbourhood Centre or B2 Local Centre zones. However, the use is recommended to be permissible, when combined with a ground floor non-residential use. This would promote delivery of vital services in mixed use development that may otherwise be pushed out by retail uses attached to shop top housing.

Flexibility is required if the Employment Zones Reform seeks to support the growth of mixed use centres. The definition should be amended to allow one or more storeys of non-residential uses as part of shop top housing. This form of mixed use development typically occurs in suburban centres.

The Employment Zones Reform should also include the following amendments:

- Amend the active street frontage control to correspond with the ‘shop top housing’ definition. Shop top housing and active street frontages typically occur on the same land, however the existing active street frontage control limits the ground floor to business premises or retail premises.
- Include a definition for stand-alone ‘car wash premises’ to clarify if this is a commercial or industrial land use.



Recommended Actions

- Amend the 'shop top housing' definition to allow one or more storeys of non-residential uses.
- Amend the 'active street frontage' control to enable the ground floor to be used for the same purposes as shop top housing.
- Include a definition for stand-alone 'car wash premises'.

Issue 5: Do not mandate build-to-rent housing in the new E2 Commercial Centre, as it will permit a residential use in commercial areas and reduce the ability for jobs to be delivered. Councils should be able to allow this use in centres at their own discretion.

According to the Position Paper (page 7), the purpose of the new zone is to emphasise a centre's business and employment focus. Residential uses are not mandated.

The application of the new zone is consistent with the Greater Sydney Region Plan and South District Plan as made by the Greater Sydney Commission. The Greater Sydney Region Plan (Objective 22) and South District Plan (Planning Priority S9) contain actions to establish commercial cores in strategic centres to deliver job targets. The commercial cores should not include residential development, which may crowd out commercial activity.

Council has given effect to these actions through its Local Strategic Planning Statement, Employment Land Strategy and Draft Bankstown City Centre Master Plan. The strategies propose a commercial core to support the office, health and education precinct as part of the Greater Sydney Commission's Bankstown Collaboration Area.

The issue is the Affordable Rental Housing SEPP is inconsistent with the reform as it will mandate build-to-rent housing in the new zone, which is a residential use. The Department of Planning, Industry and Environment should amend the SEPP to remove this inconsistency by making build-to-rent housing an optional land use in the new zone.

Recommended Action

- Do not mandate build-to-rent housing in the new E2 Commercial Centre.



Issue 6: Retain the existing ‘B’ and ‘IN’ zone names to avoid confusion with the environmental protection ‘E’ zones.

The reform proposes five new employment zones: E1, E2, E3, E4 and E5.

The issue is the new zones use the same names as the existing environmental protection zones (E1, E2, E3 and E4). This will confuse people and does not result in a simpler planning system.

Recommended Actions

- Retain the existing ‘B’ and ‘IN’ zone names.
- Limit the use of the ‘E’ zone names to the existing environmental protection zones.

Issue 7: Defer the ‘Building Business Back Better’ Reform to allow councils to fully understand how the various reforms to the employment zones, when combined, will impact their centres and industrial lands.

The ‘Building Business Back Better’ Reform proposes to amend the Codes SEPP to allow more commercial and industrial development to be carried out as exempt and complying development. The criteria is zoned based.

The Department of Planning, Industry and Environment should defer this reform so that the amendments to the Codes SEPP can be considered in the context of the complete package of reforms for employment lands, particularly in light of the proposed changes to zones.

Recommended Action

- Defer the ‘Building Business Back Better’ Reform until the implementation of the proposed Employment Zones Framework is complete.