



**PORT STEPHENS**  
COUNCIL

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

By online submission: <https://www.planningportal.nsw.gov.au/employment-zones-reform>

Dear Sir/Madam

**Re: Employment Zones Reform**

Thank you for the opportunity to provide feedback on the Employment Zones Reform (the reform). Port Stephens Council (Council) supports streamlining of the zoning system to provide a wider range of opportunities on employment zoned land.

The reform aligns with the Port Stephens Local Strategic Planning Statement (LSPS) priorities to support growth of our strategic centres and employment areas and make business growth easier.

The reform provides an opportunity for councils to build on strategic work that has already been undertaken and to provide comments on the 'zone translations' proposed as part of implementation. In Port Stephens, there are specific opportunities in Raymond Terrace for the zone translations to give effect to the State and local strategic direction for the town centre and correct errors made when the Standard Instrument Local Environmental Plan was adopted in 2014.

We have also identified more general opportunities for the implementation of these reforms to include measures to support improved planning outcomes.

**Strategic outcomes in Raymond Terrace**

Regularising existing commercial land uses in industrial zones in Raymond Terrace

The reforms involve zone translations for existing employment zones to the proposed new framework. In Raymond Terrace, there is a precinct of existing industrial zoned land that does not reflect existing uses and State and local strategic plans would support 'translating' this zone to the proposed 'E3 Productivity Support' zone. Figure 1 shows the extent of this precinct (Precinct 1).

**PORT STEPHENS COUNCIL**

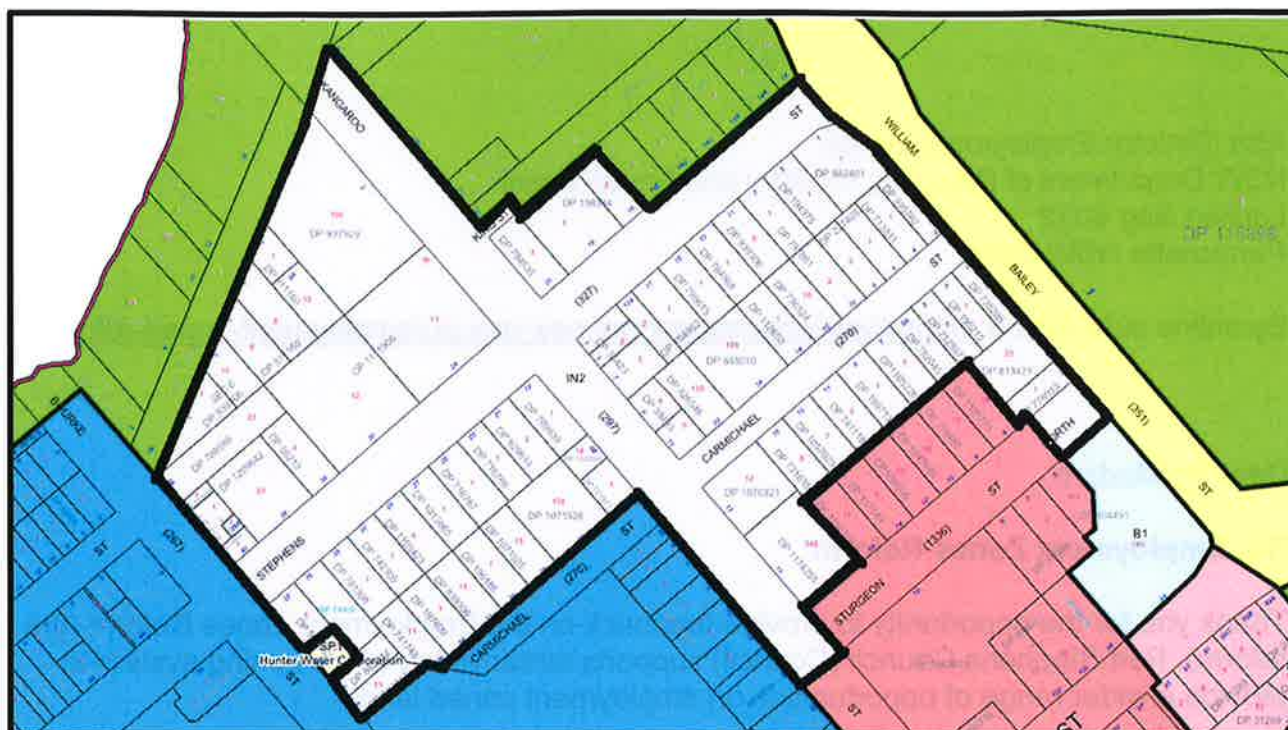
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**Figure 1** IN2 Zoned land in Raymond Terrace (Precinct 1) - outlined in heavy black.



Precinct 1 contains 75 lots, 33 (44%) of which are currently using existing use rights to operate as commercial premises.

When the Port Stephens Local Environmental Plan 2013 (LEP) commenced, Precinct 1 was rezoned IN2 Light Industrial from 5(g) - Special Urban (flood affected) zone, under the Port Stephens Local Environmental Plan 2000 (LEP 2000) without any strategic justification. The 5(g) Special Urban zone previously permitted development of industrial, commercial and residential uses in a flood responsive manner and the current land uses that are inconsistent with the current IN2 zoning in Precinct 1 are primarily commercial premises.

Enabling a mix of commercial and industrial uses in this precinct is supported by local strategic planning studies. The Port Stephens Commercial and Industrial Land Study (Land Study) recommends a mix of IN2 Light Industrial and B5 Business Development zoning be applied to the land. The Raymond Terrace and Heatherbrae Strategy (RTHS) identifies the need to strengthen the retail offering of Raymond Terrace.

These objectives are consistent with State strategies including the Greater Newcastle Metropolitan Plan (GNMP), and the Hunter Regional Plan (HRP). Raymond Terrace is identified as a regional strategic centre in the HRP and defined in as an 'Emerging city centre'. Emerging city centres offer diverse economic activity, services and civic functions. Strategy 9 of the GNMP, 'Plan for jobs closer to homes in the metro frame' identifies that strategic centres should support small business growth and provide diversity of employment.



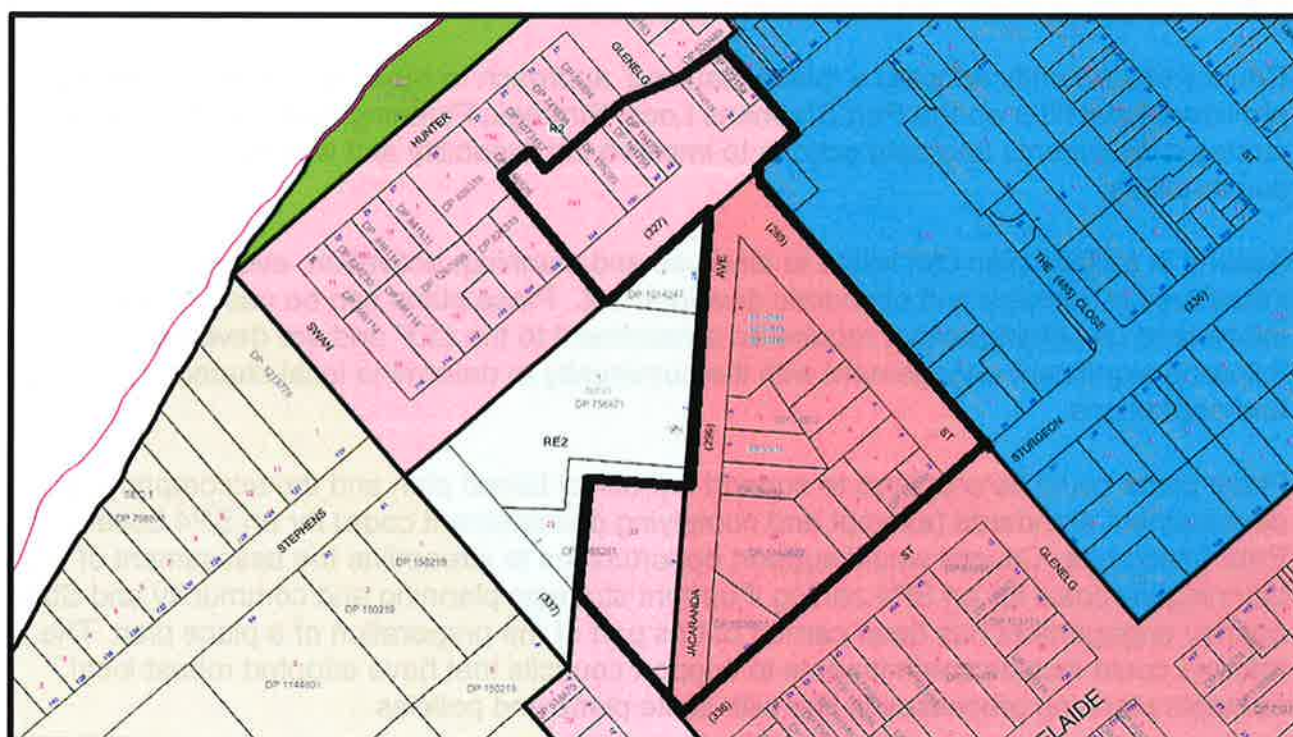
A survey demonstrates that actual uses of the land in this precinct align with the E3 Productivity Support zone. Applying the E3 Productivity Support zone to the land in Precinct 1 provides businesses with certainty that their current use can be expanded and allows new businesses to establish, consistent with the local context. This outcome is aligned with the goals of the reform to better accommodate the changing needs of business, improve strategic alignment, boost productivity and strengthen the economy.

In addition to Raymond Terrace, there are other parts of Port Stephens with employment precincts that are inconsistent with the current zoning of the land. Similar to Precinct 1, there may have been anomalies that occurred when the Standard Instrument was adopted or the current zoning framework is not flexible enough to adequately reflect existing uses in the precinct. If there is an opportunity to apply a more appropriate zone to the land through the implementation of these reforms, we welcome the opportunity to identify other employment areas in Port Stephens and appropriate 'zone translations' during the map review process.

#### Regularising existing commercial land uses in residential zones in Raymond Terrace

The reform will 'translate' existing employment zones to the proposed new zoning framework. There is however an opportunity in Raymond Terrace to zone a precinct of residential land to regularise existing commercial uses, in line with the strategic directions in local and State strategies (See Precinct 2 in Figure 2 below).

**Figure 2** R2 and R3 zoned land used for commercial purposes (Precinct 2) - outlined in heavy black.



Of the 4.75ha of land identified in Precinct 2, only 0.75ha is currently used for residential purposes, and 1.64ha (69%) of the land is used for commercial purposes, including a carpark, small office complexes, medical and health facilities and a café.

Under the LEP 2000, the residential "A" Zone permitted 'small-scale commercial activities compatible with a residential neighbourhood and a variety of community uses' in Precinct 2. When the Standard Instrument was adopted, Precinct 2 was rezoned solely for residential purposes without any strategic justification.

Land in Precinct 2 is predominantly used for community services and facilities, including two medical and health facilities, which have been identified in the LSPS and RTHS as a key need for Raymond Terrace. The GNMP identifies Raymond Terrace as one of 12 'major health precincts in Greater Newcastle' and Direction 6 of the HRP identifies that healthcare is the largest provider of jobs in Port Stephens and is expected to grow with the forecast increases in the ageing population. The current R2 and R3 zonings for Precinct 2 do not align with these directions.

Existing and potential future land uses in Precinct 2 would align with the proposed MU1 Mixed Use zone and applying the MU1 zone will provide businesses with certainty that their current use can be expanded. It will allow new businesses to establish, consistent with the local context and strategic vision for Raymond Terrace. This outcome is aligned with the goals of the reform to better accommodate the changing needs of business, improve strategic alignment, boost productivity and strengthen the economy.

## **Improved planning outcomes**

### Place planning and the SP4 Local Enterprise Zone

Council has recently adopted a 'place planning' approach to replace local strategies and provide a local filter on the Port Stephens Local Strategic Planning Statement and other strategic documents to create actions to improve the liveability and wellbeing of our communities.

Actions in a place plan can relate to land use and planning, activation, events, infrastructure delivery and economic development. Place plans can be used to support future land use changes that require an amendment to the LEP and are developed following significant engagement with the community to determine local character, visions and aspirations.

Place plans could be prepared to support a precinct based plan and the accompanying development standards (exempt and complying development code) for an SP4 Local Enterprise zone. Council would support opportunities to streamline the assessment of the planning proposal for an SP4 zoning if upfront strategic planning and community and State agency engagement has been carried out as part of the preparation of a place plan. The reforms could include commitments to support councils that have adopted robust local strategic planning processes in line with State plans and policies.

### Implementation and amendments

As part of implementation, we understand that councils will be provided with proposed zone translations and will be able to provide comments on the changes. The timeframe for providing comments will be relatively short and some councils may not have capacity to investigate proposed zonings to the level of detail necessary. If changes are required after the implementation of the reforms, we understand councils would be required to submit a planning proposal to amend their LEP. To address these risks and streamline corrections, the State could commit to collating a 'housekeeping' amendment to amend local environmental plans via a State environmental planning policy within 6 months after implementation. Alternatively, options for councils to progress amendments to correct errors and accelerate zone translations where consistent with State and local planning using the expedited amendment process under section 3.22 of the *Environmental Planning & Assessment Act 1979* could be explored.

We would be happy to provide further information on the proposed zone translations in Raymond Terrace outlined above and Council's place planning approach. We would also welcome the opportunity to provide advice on employment precincts in other parts of Port Stephens for consideration as part of the implementation of these reforms.

For further information, please contact [REDACTED]  
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Yours sincerely,

[REDACTED]  
**Elizabeth Lamb**  
**Strategic Planning Co-ordinator**

30 June 2021

Telephone enquiries  
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Please quote file no: PSC2021-01002