8 **REPORTS BY DEPUTY GENERAL MANAGER OPERATIONS**

8.1 EMPLOYMENT LANDS STRATEGY ADOPTION & PLANNING PROPOSAL TO EXPAND B2 LOCAL CENTRE ZONING IN BELLINGEN

File/Index:Employment Lands Strategy (Land Use & Planning)Author:Daniel Bennett, Strategic Planner

REPORT SUMMARY:

This report:

- Informs Council of the partial endorsement of the Employment Lands Strategy (ELS) by the NSW Department of Planning.
- Details the linkages between the ELS and reforms to the NSW Planning system.
- Recommends that Council proceed with the preparation of a Planning proposal to zone additional land as B2 Local Centre in William St, Bellingen, in accordance with a recommendation of the ELS.

REPORT DETAIL:

Background

Council resolved as follows at its meeting of 27 February 2013 with respect to adoption of the Draft Bellingen Employment Lands Strategy. (A copy of the report to Council is included as Attachment 8.1.A to this report).

"Bellingen Caravan Park Site

- (1) That the Draft ELS be amended to remove the Investigation Area from land mapped as Regionally Significant Farmland on Lot 2 DP 814737.
- (2) That the Draft ELS be amended to extend the Investigation Area over the Bellingen Motel Site (Lot 22 DP 717135), excluding any area mapped as Regionally Significant Farmland.
- (3) That the Draft ELS be amended to note the need for any future supporting amendment of BLEP 2010 to preclude establishment of long term accommodation on the site, or any subdivision prior to the establishment of a caravan park.

Bellingen Industrial

(4) That Council proceed with the adoption of the Bellingen Investigation Area in accordance with the exhibited version of the document.

Dorrigo aged housing & industrial

- (5) That Council proceed with the adoption of the recommended Dorrigo Industrial Precinct Expansion Opportunities in accordance with the exhibited version of the document.
- (6) That Council endorse Table 44 Assessment and Ranking of Potential Locations for Housing for older Australians as contained within the Draft ELS document.
- (7) That Council note the frustration experienced by certain landowners regarding ongoing delays with the completion of sewer modelling, in order for Council to review its residential density localities.
- (8) That in view of the withdrawal of the PP Request for Seniors Housing at Railway St, Dorrigo, the Consultant be requested to amend the Draft ELS to remove reference to the "Proposed Seniors Housing Site" in Figure 28, and other references to this where appropriate, in consultation with relevant Council Officers.

Raleigh & Urunga Industrial Land

- (9) That Council endorse the proposed amendments to the Raleigh Industrial Precinct Potential Expansion Area, and the North Urunga Industrial Precinct Potential Expansion Areas, as depicted in a Tabled Attachment 8.1 E and request that the Consultants amend the strategy accordingly to adopt these amendments and alter text where necessary.
- (10) That reference to 'Raleigh Potential New Industrial Precinct' be altered to reference "Raleigh Potential New Employment Precinct" and that the discussion supporting this precinct be amended to discuss its suitability for alternative employment generating zones such as Zone B7 Business Park or B6 Enterprise Corridor, with the respective merit of this to be further established in any future planning proposal requests considered for the subject land.

Genera/

- (11) That Council note the formal withdrawal of the PP Request for Seniors Housing at Railway St, Dorrigo.
- (12) That Council endorse all proposed amendments to the Draft ELS.
- (13) That Council proceed with requesting Hill PDA to amend the document to incorporate those amendments and prepare a final version of the document.
- (14) That Council delegate authority to the Deputy General Manager- Operations to request minor amendments to the Draft ELS to rectify any minor typographical errors or similar and to incorporate additional content as discussed in the report.
- (15) That upon receipt of the final document, the Employment Lands Strategy be referred directly to the Department of Planning & Infrastructure for formal endorsement.
- (16) That future Planning Proposals to act upon the recommendations of the adopted ELS will only be initiated by the owners of land affected by those recommendations, and that the costs of supporting documentation and studies shall be borne by those landowners, unless there is a specific Council resolution to the contrary.
- (17) That those persons who made a submission be notified of Council's decision regarding this matter and thanked for their contribution."

The process since adoption of the ELS by Council

The Council resolution was forwarded to Councils Consultants, Hill PDA, to incorporate the requested amendments to the report. A final version was received by Council on 24 April 2013.

Upon receipt of the final version, the ELS was referred to the Department of Planning & Infrastructure (DP&I) on 29 April 2013 requesting the formal endorsement of the strategy. A response was received from the DP&I on 12 July 2013. A copy of the response is included as Attachment 9.1B to this report. The response provides a partial endorsement of the strategy, with those recommendations that were not endorsed:

- noted as a sign of Councils strategic intent, and
- to be given further consideration as part of the upcoming review of the Mid North Coast Regional Strategy (MNCRS).

The ELS recommendations that were not endorsed are discussed below in section "*ELS* recommendations that were excluded from the partial endorsement of the strategy by the DP&I".

The NSW Government released the White Paper - A new planning system for NSW (The White Paper) on 16 April 2013 for public consultation. This matter was considered by

Council at its meeting of 26 June 2013 where Council resolved to make a submission to the NSW Government regarding the proposed reforms. As Council may recall, a central element of the proposed reform related to a new hierarchy of plans that would govern the planning system in NSW.

The existing hierarchy, that includes the MNCRS, was proposed to be removed in the planning reforms signaled by the white Paper. Therefore, a degree of uncertainty existed as to the precise mechanism by which Council could argue for the inclusion of those areas that were not the subject of the formal endorsement received in July 2013.

Inquiries have therefore been made of the Regional Office of DP&I as to the likely timeframe for commencement of potentially relevant processes and they have advised, via email received 18 October 2013, as follows:

"The review of the provisions in the Mid North Coast Regional Strategy is proposed to commence in 2014, which will lead to the preparation of a Regional Growth Plan (RGP) under the new planning system. As part of this review, the department will work collaboratively with local councils to investigate (amongst other matters) additional employment land opportunities within the Region. "

This will include a review of the Bellingen and Raleigh investigation areas which have not been endorsed under the Bellingen Employment Lands Strategy at this stage.

Once this review process commences, officers within the department will be in contact with local councils to discuss how they can assist with the review".

Following the receipt of advice from DP&I regarding the timeframe for the review of regional planning strategies, the new Planning Act passed through the lower house of the NSW Parliament on 30 October 2013. The Act was amended in response to public submissions received as part of the exhibition of the Planning White Paper. Attachment 9.1C provides a summary of the key changes made.

No changes were proposed to that section of the Act regulating the preparation of Regional Growth Plans and the relevant section is reprinted below.

3.4 Preparation and content of regional growth plans

- "(1) The NSW Planning Director-General may prepare a draft regional growth plan forany region in the State.
- (2) A draft regional growth plan is to identify the following:
 - (a) the basis for strategic planning in the region,
 - (b) existing and proposed transport and other infrastructure for the region (including any priority infrastructure),
 - (c) regionally significant areas,
 - (d) targets for achieving the planning outcomes for the region (including housing, employment and environmental targets),
 - (e) actions required to be undertaken by planning authorities to achieve those targets,
 - (f) the basis on which planning authorities are to monitor and report on performance against those targets,
 - (g) any other matters the NSW Planning Director-General considers relevant to planning for the region.

(3) If there is no subregional delivery plan for any part of the region, the draft regional growth plan may identify for that part of the region matters that may be identified in a subregional delivery plan (until there is a subregional delivery plan).

Note. Section 7.19 relates to the preparation of growth infrastructure plans for regions in the State."

Irrespective of the mechanism for consideration of those items, Council's Operational Plan 2013 requires that recommendations within the ELS be reviewed in the 1st quarter following endorsement of the plan by DPI with a view towards identifying those recommendations that can be implemented by Council without the need for landowner / developer implementation. This review has been undertaken and recommendations that are capable of implementation are discussed below in section "*ELS recommendations that are capable of implementation*".

ELS recommendations that were excluded from the partial endorsement of the strategy by the DP&I

Raleigh Industrial Precinct Expansion Area

The Raleigh Industrial Precinct Expansion Area is shown in the following extract from the ELS.



The recommendation regarding this area that was included in the ELS as adopted by Council is reprinted below.

"In the short term investigate opportunities to expand the Raleigh Industrial Precinct to the south so that it can benefit from the re-alignment of the Pacific Highway Corridor. This extension should occur following appropriate amendment of the Mid North Coast Regional Strategy, in tandem with or further to the re-alignment of the Highway due to commence in 2013."

The partial endorsement of the strategy notes as follows with respect to this area.

"Consistent with the recommendations of the Strategy, release of this land should occur following an appropriate amendment of the Mid North Coast Regional Strategy (MNCRS). Council's strategic intent to further investigate the suitability of this land for future release is noted and the site can be brought forward for further consideration in the upcoming review of the MNCRS."

Raleigh Potential Employment Precinct

The Raleigh Potential Employment Precinct is shown in the following extract from the ELS.



The recommendation regarding this area that was included in the ELS, as adopted by Council, is reprinted below.

"Undertake more detailed investigations and discussions with the landowner regarding the potential rezoning of the area for B6 Enterprise Corridor Zone or the B7 Business Park Zone. In the event of these not being supported or desirable, investigate the imposition of an IN1 General Industrial zone. The partial endorsement of the strategy notes as follows with respect to this area.

The site represents significant expansion outside of the MNCRS growth area boundary and as recommended in the Strategy further investigation is required to determine its suitability for employment land release. Council's strategic intent is noted. The suitability of this land for future employment land use can also be considered in the review of the MNCRS."

Bellingen Industrial Investigation Area

The Bellingen Industrial Investigation Area is shown in the following extract from the ELS.



The recommendation regarding this area that was included in the ELS, as adopted by Council, is reprinted below.

"Undertake more detailed investigations and discussions with the landowner regarding the potential rezoning of the land for IN1 General Industrial uses. Subject to the success of these investigations, undertake a more detailed assessment of potential infrastructure, flooding and other environmental and economic constraints to rezoning the location."

The partial endorsement of the strategy notes as follows with respect to this area.

"Whilst I understand the reasoning behind the selection of the Bellingen Industrial Investigation Area and the benefits it may bring in terms of the Bellingen town centre, further investigation is required to confirm its suitability for future release. The site represents significant expansion outside of the MNCRS growth area boundary, encompasses regionally significant farmland and matters such as access, localized flooding, service capability and visual impact require further investigation. This is consistent with the recommendations of the Strategy. Accordingly, further consideration of this site for future release can be undertaken as part of the review of the MNCRS."

Implications of DP&I exclusions

The exclusions all note that an avenue will exist for the consideration of relevant areas as part of the MNCRS review process.

With regard to the Raleigh Potential Employment Precinct and the Bellingen Industrial Investigation Area, DP&I have commented that the identified areas represent '*significant expansion outside of the MNCRS growth area boundary*''. The MNCRS growth area boundaries represent a cornerstone of the strategic planning approach that has been adopted by the State Government in regional planning.

The advice is notable in that it does not make reference to the potential use of the Sustainability Criteria in Appendix 2 of the MNCRS to argue for the inclusion of land within the Raleigh Potential Employment Precinct and the Bellingen Industrial Investigation Area. Whether this is because it is the opinion of DP&I that the proposed areas would not meet the Sustainability Criteria, or because the review of the MNCRS is viewed as a preferable avenue to consider the requests is not clear. In the present circumstances, where there is no landowner interest to activate the relevant ELS recommendations it is recommended that Council does not explore this matter further and rather, prepare to advocate for endorsement of the excluded areas as part of the impending regional planning process.

It is also proposed that the endorsed ELS document be amended to:

- Provide a covering note confirming that the ELS is a component of Councils overall Growth Management Strategy.
- Include a copy of the DP&I partial endorsement advice with covering note.
- Insert a provision within the document at the end of each recommendation that was excluded from the partial endorsement to ensure that this information is easily accessible to anyone viewing the final document.

The final document inclusive of these amendments is included as Attachment 9.1D.

ELS recommendations that are capable of implementation

There is only one recommendation from the ELS that is considered capable of immediate implementation, without needing:

- amendment of the MNCRS
- an expression of interest from landowners
- the funding of relevant studies to support its further consideration

This is discussed below.

Extension of B2 Local Centre Zone to the northern side of William Street.

Section 14.2 of the ELS addressed the need for additional commercially zoned land in the Bellingen town centre. The relevant extract from the ELS is reprinted below.

"Accommodating Additional Commercial, Education and Health Floor space

With respect to the remaining portion of demand, just over one quarter (approximately 900sqm) of the forecast floor space requirement relates to commercial uses with the remaining quarter relating to health (i.e. medical centres, pathologists, dentists etc.) and education floor space (i.e. training centres etc.).

These uses may be suited to ground floor shop front units as well as first level locations.

The centre would benefit from the clustering of these uses in close proximity to the existing heart of the centre to add vitality through additional pedestrian traffic, demand for goods and services. It is therefore considered desirable for commercial uses, where possible, to be encouraged to locate above ground floor retail along Hyde Street.

Owing to the low vacancy rate of the Centre at the time of survey, there is however relatively limited scope at present for additional uses without the redevelopment of existing shop fronts to include commercial floor space at first floor level. Whilst this would be an efficient use of space within the existing centre, it is not always desirable for commercial and health uses that may seek a more prominent street front location and that may require disabled access to be provided to the first floor.

This trend is evidenced by the commercial uses that have occupied former residential dwellings, or redeveloped corner sites to commercial suites along William Street. This Street provides a natural extension of the existing Centre to the south, is visually appealing, with parking and wide streets whilst remaining within walking distance of the Centre. The properties along the northern side of William Street also benefit from rear lane access along Halpin Street for parking and servicing.

As a result of these characteristics it has attracted a mix of uses including employment and training services and some health related uses. The projected demand for these services could therefore cluster with these existing uses in William Street.

This Strategy therefore identifies the short to medium term opportunity to rezone the northern side of William Street to allow for a range of commercial uses. This could be achieved through the extension of the B2 Local Centre Zone that would also create opportunities for community facilities, educational establishments and office premises whilst retaining opportunities for dwelling houses."

The explicit recommendation included in Section 16 – *Summary of Recommendations* is reprinted below.

"Extend existing centre to include land identified on the northern side of William Street."

Land the subject of the recommendation is shown in the map below.



It is therefore recommended that Council resolve to prepare a planning proposal to facilitate the extension of the B2 Local Centre Zone to the northern side of William Street in accordance with the endorsed recommendation in the Employment Lands Strategy.

BUDGETARY IMPLICATIONS:

Any Planning proposal will need to be publicly exhibited. The advertisement of the planning proposal can take place within existing budgetary allocations.

SUSTAINABILITY ASSESSMENT:

Proceeding with the preparation of a planning proposal will provide greater opportunity for commercial opportunities in William St specifically, and the Bellingen CBD in general.

The deferring of further consideration of recommended investigation areas until such time as the MNCRS is reviewed is unlikely to have any significant economic impact in the short term given a lack of immediate interest in developing the relevant land.

ENGAGEMENT:

For the purposes of preparing a planning proposal and submitting it to the Department of Planning and Infrastructure for a gateway determination, Council needs to indicate its intent with regard to community consultation.

Having regard to the Department of Planning document "*A guide to preparing local environmental plans*", should the planning proposal proceed, it is considered that community engagement should include the placement of the proposal on public exhibition for a period of 28 days at the Bellingen Administration Centre & Bellingen Library and on Council's website. Notice of the exhibition should be placed in the Bellingen Courier Sun.

Having regard to the Community Engagement Strategy, it is considered that the planning proposal would be appropriately categorised as having a Level 4 impact. A Level 4 impact and relevant considerations are described in the extract below.

Level 4 Lower Impact – Local	Inform Consult	At times it may be advisable to involve a local community in planning or decision making to avoid the risk of a project or
Lower level of impact of a local nature		making to avoid the risk of a project or action becoming a greater issue.

The Engagement Matrix specifies a range of consultation options to be considered for Level 4 impact activities. The proposed options for the planning proposal are detailed below. It is also noted that there are specific requirements for public exhibition of a planning proposal contained within the *NSW Environmental Planning & Assessment Act 1979* that must be observed in order to ensure the legality of the process and ultimate LEP amendment. It should be noted that in the event of any inconsistency between these proposed methods and those specified in the Gateway determination, the provisions of the Gateway Determination shall prevail.

Level of participation	Engagement method	Desirability category	Proposed engagement for ELS
Inform	Written correspondence	Essential	Notify affected landowners and immediately adjoining landowners.
Inform	Website information	Desirable	Place on Council website for duration of exhibition period.
Inform	Advert in Local Paper	Desirable	Place advertisement in Courier Sun.
Consult	Public exhibition	May be appropriate	Place Draft planning proposal on public exhibition for 28 day period. Exhibit Draft planning proposal at Bellingen Library & Council Administrative Centre.

DELEGATIONS

Councillors may recall considering a report at the Ordinary Meeting of Council 28 November 2012 regarding Delegation of Ministerial Functions to Council for the making of certain Local Environmental Plans.

Council resolved as follows:

- "(1) That Council advise the Minister for Planning & Infrastructure that it formally accepts the proposed delegations for plan making under the provisions of Section 59 of the EP & A Act 1979.
- (2) That, pursuant to Section 381(a) of the Local Government Act 1993, Council approve the delegation of plan making functions to the General Manager.
- (3) That Council advise the Minister for Planning & Infrastructure that the nominated Council Officer for the exercising of the proposed delegations for plan making is Liz Jeremy, General Manager."

As such it is prudent at this point in the process to include a recommendation for Council to determine their intention, or otherwise, to use delegations for the making of this Plan.

It is recommended, given the locally specific nature of this proposed amendment, that Council inform the Department of its intention to use its delegation to make the Plan.

SHIRE OF BELLINGEN 2030 COMMUNITY VISION ALIGNMENT:

This project/initiative aligns with the following strategic directions within the Shire of Bellingen 2030 Community Vision:

Goal	CV Strategic Direction	BSC Role		Delivery Plan (4 years)		Operational Plan (1 year)
RE.1.1	Our community has a diversity of businesses and new industries	Influence	RE.1.1.1	Execute the priorities and meet the targets contained within the Strategic land use planning program	RE.1.1.1.1	In the first Quarter following DPI endorsement of the Employment Lands Strategy (ELS), review the recommendations and ascertain those which can be implemented by Council and those reliant on landowner or developer implementation
		Influence			RE.1.1.1.2	Following the review of the ELS recommendations commence implementation of ELS

OFFICERS RECOMMENDATION:

- 1 That Council notes the partial endorsement of the Employment Lands Strategy by the Department of Planning and resolves to advocate for the inclusion of excluded areas as part of the preparation of a Regional Growth Plan under the new planning system.
- 2 That Council notes the final ELS document, incorporating details of the partial endorsement, and makes the final document available on Councils website.
- 3 That Council resolve to prepare a planning proposal for the extension of the B2 Local Centre Zone to the northern side of William Street in accordance with the endorsed recommendation in the Employment Lands Strategy.
- 4 That the Department of Planning and Infrastructure be advised that Council wishes to exercise its delegated authority to make the Plan in relation to the zoning of additional land as B2 Local Centre in William St, Bellingen.

ATTACHMENTS:

- 8.1A Report to Council of 27 February 2013 adopting Employment Lands Strategy (DWS 349518)
- 8.1B Department of Planning & Infrastructure partial endorsement of ELS (DWS 367776)
- 8.1C Summary of Planning Bill Changes October 2013 (DWS 394144)
- 8.1D Final Employment Lands Strategy incorporating advice of partial endorsement. (DWS 394411)

Report (DWS 395004)

08.035/13 RESOLVED (Cr Scott /Cr Manning)

- 1 That Council notes the partial endorsement of the Employment Lands Strategy by the Department of Planning and resolves to advocate for the inclusion of excluded areas as part of the preparation of a Regional Growth Plan under the new planning system.
- 2 That Council notes the final ELS document, incorporating details of the partial endorsement, and makes the final document available on Councils website.
- 3 That Council resolve to prepare a planning proposal for the extension of the B2 Local Centre Zone to the northern side of William Street in accordance with the endorsed recommendation in the Employment Lands Strategy.
- 4 That the Department of Planning and Infrastructure be advised that Council wishes to exercise its delegated authority to make the Plan in relation to the zoning of additional land as B2 Local Centre in William St, Bellingen.

UNANIMOUS