



Goulburn Mulwaree Council
Local Environmental Plan 2009, Amendment No. 5
Planning Proposal – Retail Centres Hierarchy

26 October 2012

Part 1 – Objectives

1.1 Background

Recent developments have necessitated a review of Goulburn's retail hierarchy under Goulburn Mulwaree Local Environmental Plan 2009 (LEP 2009).

On 3 July 2012 Council considered a report (see **Appendix 1**) outlining the need to establish a logical and orderly retail hierarchy in Goulburn. Council also considered the merits of a landowner initiated planning proposal (see **Appendix 2**) seeking to increase the permissible floor area for *neighbourhood shops* from 1,000m² to 4,500m² to permit full line supermarket with specialty retail shops.

Council engaged retail economists to prepare a report (see **Appendix 3**) to establish whether there was an economic need for an out of centre retail development and measure the impacts of such a proposal on the Goulburn CBD.

A further report was considered by council on 2 October 2012 (see **Appendix 4**) where council resolved pursuant to Section 55 of the *Environmental Planning and Assessment Act 1979* (the Act) to forward this Planning Proposal to the NSW Department of Planning and Infrastructure (the Department) seeking a gateway determination (see **Appendix 5**).

The Planning Proposal seeks to reinforce and support the role of Goulburn as a major regional centre as identified in the Sydney-Canberra Corridor Regional Strategy 2006-2031 (pp.14-15).

The Planning Proposal seeks to achieve the following six outcomes:

- Reinsert *shops* of a suitable size into Zone B6 Enterprise Corridor (shops were removed by Amendment No 3);
- Adopt a total floor area limitation for *shops* in the Zone B4 Mixed Use to prevent further decentralisation of anchor tenants outside of the Zone B3 Commercial Core;
- Appropriately locate *bulky goods premises* by limiting them to the Zones B2 Local Centre, B3 Commercial Core, B4 Mixed Use and B6 Enterprise Corridor;
- Create a hierarchy of commercial zones by increasing the total allowable floorspace within the Zone B1 Neighbourhood Centre;
- Re-enforce the Goulburn Central Business District (CBD) as the centre of commercial development by removing the permissibility of *offices* within the Zone R1 General Residential.
- Provide further integrity to the controls contained within the Goulburn Mulwaree Development Control Plan 2009 through the adoption of two LEP model provisions, including relating to the Local Structure Plan process and activated street fronts.
- Provide an exception for heritage items for a clause that aims to achieve urban centre density that was included through Goulburn Mulwaree LEP (Amendment No.2) 2009.

1.2 Intended Outcomes

1.2.1 B6 Enterprise Corridor

- To enable *shops* and its subset *neighbourhood shops* to be permissible with consent in the B6 Enterprise Corridor zone to a maximum total floor area of 150m².

1.2.2 B4 Mixed Use Zone

- To limit total floor area for *shops* within the B4 Mixed Use zone to 450m².

1.2.3 Bulky Goods Premises

- Prohibit *bulky goods premises* in the RU5 Village, IN1 General Industrial and IN2 Light Industrial zones.

1.2.4 B1 Neighbourhood Centre

- Increase the total allowable floorspace for *neighbourhood shops* from 1,000m² to 4,500m² in the B1 Neighbourhood Centre zone.

1.2.5 R1 General Residential Zone

- To re-enforce the CBD as the centre for commercial activity by removing the permissibility of *offices and business premises* within the R1 General Residential zone.

1.2.6 Model Provisions

- Adopt Model local *clause 6.3 Development control plan*.
- Adopt Model local *clause 7.X Active street frontages* and identify those street frontages where the clause will apply.

1.2.7 Heritage Exclusions

- Adoption of subclauses to exclude heritage listed items from development under recently adopted model clauses 4.1A and 4.1B.

Part 2 – Explanation of Provisions

2.1 B6 Enterprise Corridor zone

- Amendment of the Goulburn Mulwaree LEP 2009 land use table by inserting *shops* into Item 3 and removing *shops* from Item 4.
- Amendment of Goulburn Mulwaree LEP 2009 *Clause 5.4 Controls relating to miscellaneous permissible uses* to include a new subclause (10)(i) requiring that where *shops* are proposed in the B6 Enterprise Corridor zone the total maximum floor area is not to exceed 150m².

2.2 B4 Mixed Use Zone

- Amendment of Goulburn Mulwaree LEP 2009 *Clause 5.4 Controls relating to miscellaneous permissible uses* to include a new subclause (10)(ii) requiring that where *shops* are proposed in the B4 Mixed Use zone the total maximum floor area is not to exceed 450m².

2.3 Bulky Goods Premises

- Amendment of the Goulburn Mulwaree LEP 2009 Zone RU5 Village land use table by inserting *bulky goods premises* into Item 4.
- Amendment of the Goulburn Mulwaree LEP 2009 Zone IN1 General Industrial land use table by removing *bulky goods premises* from Item 3 and inserting *bulky goods premises* into Item 4.
- Amendment of the Goulburn Mulwaree LEP 2009 Zone IN2 General Industrial land use table by removing *bulky goods premises* from Item 3 and inserting *bulky goods premises* into Item 4.

2.4 B1 Neighbourhood Centre

- Amendment of Goulburn Mulwaree LEP 2009 *Clause 5.4 Controls relating to miscellaneous permissible uses* subclause (7) by adding a subclause requiring that development for the purpose of *neighbourhood shops* in the B1 Local Centre zone must not exceed 4,500m² of retail floor area.

2.5 R1 General Residential Zone

- Amendment of the Goulburn Mulwaree LEP 2009 Zone R1 General Residential land use table by deleting *office premises* and *business premises* from Item 3.
- Amendment of the Goulburn Mulwaree LEP 2009 Zone R1 General Residential land use table by inserting *food and drink premises, plant nurseries, neighbourhood shops* into Item 3.

2.6 Model Provisions

- Amendment of Goulburn Mulwaree LEP 2009 by inserting Local Model Provision *Clause 6.3 - Development control plan* as follows;

- (1) *The objective of this clause is to ensure that development on land in an urban release area occurs in a logical and cost-effective manner, in accordance with a staging plan and only after a development control plan that includes specific controls has been prepared for the land.*
 - (2) *Development consent must not be granted for development on land in an urban release area unless a development control plan that provides for the matters specified in subclause (3) has been prepared for the land.*
 - (3) *The development control plan must provide for all of the following:*
 - (a) *a staging plan for the timely and efficient release of urban land making provision for necessary infrastructure and sequencing,*
 - (b) *an overall transport movement hierarchy showing the major circulation routes and connections to achieve a simple and safe movement system for private vehicles, public transport, pedestrians and cyclists,*
 - (c) *an overall landscaping strategy for the protection and enhancement of riparian areas and remnant vegetation, including visually prominent locations, and detailed landscaping requirements for both the public and private domain,*
 - (d) *a network of passive and active recreation areas,*
 - (e) *stormwater and water quality management controls,*
 - (f) *amelioration of natural and environmental hazards, including bushfire, flooding and site contamination and, in relation to natural hazards, the safe occupation of, and the evacuation from, any land so affected,*
 - (g) *detailed urban design controls for significant development sites,*
 - (h) *measures to encourage higher density living around transport, open space and service nodes,*
 - (i) *measures to accommodate and control appropriate neighbourhood commercial and retail uses,*
 - (j) *suitably located public facilities and services, including provision for appropriate traffic management facilities and parking.*
 - (4) *Subclause (2) does not apply to any of the following development:*
 - (a) *a subdivision for the purpose of a realignment of boundaries that does not create additional lots.*
 - (b) *a subdivision of land if any of the lots proposed to be created is to be reserved or dedicated for public open space, public roads or any other public or environmental protection purpose,*
 - (c) *a subdivision of land in a zone in which the erection of structures is prohibited,*
 - (d) *proposed development on land that is of a minor nature only, if the consent authority is of the opinion that the carrying out of the proposed development would be consistent with the objectives of the zone in which the land is situated.*
- Amendment of Goulburn Mulwaree LEP 2009 by inserting Local Model Provision Clause 7.X - Active street frontages as follows;
- (1) *The objective of this clause is to promote uses that attract pedestrian traffic along certain ground floor street frontages in Zone B3 Commercial Core and B4 Mixed Use.*
 - (2) *This clause applies to land identified as 'Active street frontage' on the Active Street Frontages Map.*

- (3) *Development consent must not be granted to the erection of a building, or a change of use of a building, on land which this clause applies unless the consent authority is satisfied that the building will have an active street frontage after its erection or change of use.*
- (4) *Despite subclause (3), an active street frontage is not required for any part of a building that is used for any of the following:*
- (a) *entrances and lobbies (including as part of mixed use development),*
 - (b) *access for fire services,*
 - (c) *vehicle access.*
- (5) *In this clause, a building has an active street frontage if all premises on the ground floor of the building facing the street are used for the purposes of business premises or retail premises.*

- Amendment of Goulburn Mulwaree LEP 2009 by inserting an Active Street Frontages Map in accordance with **Appendix 6**.

2.7 Heritage Exclusions

- Amendment of Mulwaree LEP2009 *Clause 4.1A Exceptions to minimum lot sizes for certain residential development* by inserting a subclause (5) which states that this clause does not apply to land identified in Schedule 5.
- Amendment of Mulwaree LEP2009 *Clause 4.1B Minimum lot sizes for multi-dwelling housing and residential flat buildings* by inserting a subclause (5) which states that this clause does not apply to land identified in Schedule 5.

Part 3 – Justification

Section A – Need for Planning Proposal

3.1 Is the Planning Proposal a result of any strategic study or report?

Yes, the following studies/reports inform this planning proposal:

- Goulburn CBD Plan 2009
- Neighbourhood Centre, Goulburn NSW Economic Impact Assessment 2012
- Council Ordinary Business Report of 3 July 2012
- Council Ordinary Business Report of 2 October 2012

Council has long been looking at ways to revitalise the Goulburn CBD and stimulate the economy and generate more local employment opportunities.

In 2009, council commissioned urban design consultants to undertake a detailed study of the Goulburn CBD to identify streetscape/public domain improvements and improve pedestrian and vehicle movements through the CBD. This study involved undertaking a ground analysis of the CBD along with a review of previous planning strategies, a community workshop and review submissions received from the community.

The Study found that there was a need to:

“Consolidate the retail precinct and encourage active frontages along Auburn Street. Techniques include requiring design of new buildings to minimise blank walls and service entries that front the public domain.

Strengthen laneways by encouraging active shop fronts and provide high amenity connections to the main street.”

Council intends to achieve this outcome in two ways, these are:

- Adopting the Model Local Provisions for Active Street Frontages. The Map contained in **Appendix 6** identifies the street frontages which this provision will apply to.
- Adopting a total floor area limitation on *shops* in the B4 Mixed Use zone surrounding the CBD.

These measures will reinforce the role of the Goulburn CBD as a major regional centre by consolidating retail development within the B3 Commercial Core area and ensuring future developments activate to key streets. It will also prevent the further piecemeal encroachment of major retail development on the CBD fringe.

In considering this approach council has made a conscious decision to only allow major retail development outside the Goulburn CBD where it supports the long term growth of planned strategic land release areas. This planning proposal seeks to allow a 3,200m² supermarket with 1,300m² of specialty retail at corner of Marys Mount and Crookwell roads in the Marys Mount Release Area.

Council’s decision for the above approach was based on an independent economic study commissioned by council (see **Appendix 2**). The Study found that:

- The total current demand for supermarket floorspace in Goulburn is approximately 15,560m²

- At present there is a total supply of approximately 9,400m² of supermarket floorspace within the Goulburn region
- There is presently a market gap of approximately 6,159m² for floorspace
- The estimated trading impacts on the existing supermarkets in the Goulburn CBD would be in the order of 12-17% if an additional supermarket was developed at the subject site, however it is likely that the existing supermarkets are trading better than \$9,000/m² given the established current market gap for supermarket floorspace within the Goulburn region.
- The resulting impact from the proposed development on other speciality retailers within the Goulburn CBD in terms of loss of projected trade is estimated to be in the order of 6%, however growth in real terms is still expected to be positive with an estimated total trade in 2011/12 of \$104.3 million increasing to \$105.2 million by 2015/16 or 0.8% in total.

Council subsequently considered a report on these matters and the broader retail hierarchy on 2 October 2012 and adopted the proposed strategic approach to the retail hierarchy.

3.2 Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The Proposal is the best means of achieving a revised strategic retail hierarchy that reinforces the role of Goulburn as a major regional centre.

3.3 Will the net community benefit outweigh the cost of implementing and administering the Planning Proposal?

Yes.

Benefits:

- Provide additional land for retail development to meet current market gap of 6,159m² of supermarket floorspace
- Provide jobs and services closer to where people live by allowing a development of a new retail centre within Mary's Mount Urban Release Area
- Provide additional employment opportunities in the retail sector creating a stimulus for the local economy
- Strengthen the role of the Goulburn CBD as a major retail centre by preventing anchor retail development on the periphery of the CBD
- Ensure better urban design outcomes by requiring activated street frontages in the CBD
- Ensure the protection of heritage character limiting the use of urban density provisions
- Providing for appropriately sized shop developments in the B6 Enterprise Corridor

Costs:

- Some expected loss of trade for CBD retailers for new retail development at Marys Mount Road Urban Release Area
- Reduction in overall area that full line supermarkets and bulky goods retailers can trade

Section B – Relationship to Strategic Planning Framework

3.4 Is the Planning Proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy?

The Sydney-Canberra Corridor Regional Strategy 2006-2031 identifies Goulburn as a major regional centre which provide for the majority of commercial and retail growth within the Region (pp.14-15). This is supported by one of the key aims of the strategy, being:

“Manage the environmental impact of settlement by focusing new urban development in existing identified growth areas such as Bowral, Goulburn and Queanbeyan” (p.13)

The Strategy makes no specific reference to retail development however, council’s attempt to address the existing market gap for supermarket floorspace will support the identified strategic role of Goulburn within the region and is therefore consistent with the Strategy.

3.5 Is the Planning Proposal Consistent with the local Council’s community strategic plan or other local strategic plan?

3.5.1 Goulburn Mulwaree Strategy 2020

The Goulburn Mulwaree Strategy 2020 seeks to align with the regional strategy by focusing commercial and retail activity to Goulburn’s commercial core. Furthermore, it identifies the need for a neighbourhood centre within the Mary’s Mount Urban Release Area. This is supported by the LEP Zone B1 Neighbourhood Centre and subsequent controls contained within the Goulburn Mulwaree Development Control Plan (Amendment No.2) 2009.

The increase of the scale of the retail centre permissible in the Marys Mount Road Urban Release area proposed by this planning proposal is aimed at ensuring that this broad aim is achieved. At present there is no clear hierarchy of neighbourhood shops between the residential zones and the local centre zone with both being restricted to 1,000m² of retail floor area.

3.5.2 Economic Development Plan (2008)

The EDP was commissioned by Council, with funding support provided by the NSW Department of State and Regional Development and the Australian Government Department of Infrastructure, Transport, Regional Development and Local Government.

The broad aim of the Plan is to facilitate a stronger economy and more prosperous local businesses and to identify priorities for action to encourage investment and employment growth. It is a broad strategic framework intended to shape more specific and detailed planning measures in the future, such as individual city and village strategies.

Objective 1.3 of Goulburn’s Economic Development Plan is to:

“Encourage progress and investment in future growth areas of the economy”.

Under this objective, a corresponding Strategy 1.3.2 is:

“Develop Goulburn as the regional centre for retail and service businesses”.

To achieve this, Action B under this Strategy is:

“Undertake a planning exercise to develop a Retail Strategy to plan for growth and revitalisation of the major retail and commercial precincts”.

This planning proposal is the culmination of a strategic review into the Goulburn retail hierarchy which included two councillor workshops, two separate council meeting reports and an independent economic impact assessment. This review has found a need to:

- Provide for additional retail floor space to meet current market needs

- Protect the Goulburn CBD from further peripheral developments on the CBD fringe
- Reinforce the strategic importance of the B6 Enterprise Corridor zone by removing bulky goods premises from residential and employment zoned land

As such, this planning proposal implements important strategic directions contained in the EDP to increase local employment opportunities and reinforce the role of Goulburn as a major regional centre. The resulting retail hierarchy proposed by this LEP is consistent with the adopted Economic Development Plan.

Public exhibition of the planning proposal will allow for broad consultation on the retail hierarchy to ensure that it best meets the needs of the community.

3.6 Is the Planning Proposal consistent with the applicable State Environmental Planning Policies (SEPP)?

3.6.1 SEPP (Sydney Drinking Water Catchment) 2011

Refer to 3.7.3 Direction- 5.2 Sydney Drinking Water Catchments (pp. 9-10)

3.7 Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

3.7.1 Direction – 1.1 Business and Industrial Zones

The objectives of this direction are to encourage employment growth in suitable locations, protect employment land in business and industrial zones, and support the viability of identified strategic centres.

The planning proposal seeks to impose a limit on the total potential floor area allowable for *shops* in the B4 Mixed Use zone. However, this is consistent with the objectives of this Policy as it seeks to encourage employment growth in suitable locations (Marys Mount Road Release Area), protect employment land in the B4 Mixed Use zone, and, supports the viability of the identified strategic major regional centre of Goulburn.

The Director-General's concurrence is required.

3.7.2 Direction 5.1 – Implementation of Regional Strategies

The objective of this direction is to give legal effect to the vision, land use strategy, policies and outcomes contained within regional strategies. This direction applies to land which the Sydney-Canberra Corridor Regional Strategy, in which Goulburn Mulwaree LGA is identified.

This direction requires that planning proposals must be consistent with the identified regional strategy.

The Proposal is consistent with the Strategy in supporting the role of Goulburn as a major regional centre. The regional strategy does not make specific mention of retail siting, demand or supply.

3.7.3 Direction 5.2 – Sydney Drinking Water Catchments

The objective of this Direction is to protect water quality in the Sydney Drinking Water Catchments.

This Direction applies when a relevant planning authority prepares a planning proposal that applies to land within the Sydney Drinking Water Catchment. Goulburn Mulwaree LGA is within the Sydney Drinking Water Catchment and therefore is subject to the requirements of the SEPP (Sydney Drinking Water Catchments) 2011 and this Direction.

A planning proposal must be prepared in accordance with the general principle that water quality within the Sydney Drinking Water Catchment must be protected, and in accordance with the following specific principles:

- a) *new development within the Sydney drinking water catchment must have a neutral or beneficial effect on water quality, and*
- b) *future land use in the Sydney drinking water catchment should be matched to land and water capability, and*
- c) *the ecological values of land within a Special Area that is:*
 - i. *reserved as national park, nature reserve or state conservation area under the National Parks and Wildlife Act 1974, or*
 - ii. *declared as a wilderness area under the Wilderness Act 1987, or*
 - iii. *owned or under the care control and management of the Sydney Catchment Authority,*

should be maintained.

This planning proposal relates to changes within identified urban areas and the permissibility of different land-use terms.

The Sydney Catchment Authority (SCA) is developing strategic land and water capability assessments (SLWCA) to assist Councils in ensuring future land use in the catchments is consistent with the SEPP. At this time no strategic land and water capability assessments for Goulburn is available.

As Goulburn Mulwaree LGA is within the drinking water catchment it is considered appropriate that the Sydney Catchment Authority is formally consulted.

Section C – Environmental, social and economic impact.

3.8 Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats will be adversely affected as a result of the proposal?

The land use changes in the planning proposal will not have any detrimental effect on critical habitat or any other environmental impacts.

3.9 Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The land use changes in the planning proposal will not have any detrimental environmental impacts.

3.10 How has the planning proposal adequately addressed any social and economic effects?

The Proposal provides greater certainty for landowners, retail premises and developers about the retail hierarchy for Goulburn.

The economic and social effects, relating to the identification of a higher order retail centre within the Marys Mount Road Urban Release Area has been adequately addressed by an independent Economic Impact Assessment.

Section D – State and Commonwealth interests

3.11 Is there adequate public infrastructure for the planning proposal?

The Proposal suggests no changes to public infrastructure arising from the intended outcomes.

3.12 What are the views of State and Commonwealth public authorities' consultation in accordance with the gateway determination?

Public authorities' were consulted as part of the preparation of the Goulburn Mulwaree Strategy 2020, Goulburn Mulwaree Biodiversity Strategy and Goulburn Mulwaree Local Environmental Plan 2009.

The Proposal should be subject to consultations with:

- Sydney Catchment Authority
- Roads and Maritime Services

Part 4 – Community Consultation

The Proposal for the purposes of community consultation is considered low impact however, a 28 day public exhibition period is recommended.

A public hearing under section 56(2) (e) of the Act is not recommended.

Part 5 – Conclusion

This Proposal aims to support Goulburn's commercial core and enterprise corridor zones, while providing an appropriate retail centre within the Marys Mount Road Urban Release Area. The benefits of clarity, economic stimulus and active living are the intended outcomes of this proposal.