

## 8.1. Rezoning for Water and Sewer Infrastructure

Council's Water and Sewer Service seeks to rezone certain lands for infrastructure purposes. This report recommends that Council resolve to support the planning proposal and provide it to the Minister for Planning and Public Spaces for a Gateway Determination.

Director Community Environment and Planning

### Officer's Recommendation

- That Council:
1. Supports a planning proposal to rezone land for water and sewer infrastructure.
  2. Authorises Council officers to submit the planning proposal (Attachment 1) and supporting information to the Department of Planning, Industry and Environment requesting a Gateway Determination under Section 3.34 of the Environmental Planning and Assessment Act 1979.
  3. Authorises Council officers, subject to the conditions of the Gateway Determination and providing no substantial changes to the planning proposal are required, to progress the planning proposal to finalisation and gazettal without a further report to Council.

### Executive Summary

A recent review of zonings by Council has identified several inconsistencies in the application of the SP2 Infrastructure zone throughout the Shire. To unify zonings and facilitate the management and development of existing and planned water and sewer infrastructure under the provisions of the State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP), Council is seeking to rezone multiple land parcels via an amendment to the *Bega Valley Local Environmental Plan 2013* (BVLEP 2013).

### Background

Council is seeking to rezone 23 parcels of land through an amendment to LEP 2013 to facilitate the management and development of existing and planned water and sewer infrastructure under the provisions of the Infrastructure SEPP. Most affected land parcels have not been identified for future development, but rather contain water and sewerage infrastructure on land that is not zoned for those uses. While these infrastructure activities may be undertaken through existing use rights, future expansion of water and sewer infrastructure is constrained under the current zones.

A recent review of zonings by Council has identified several inconsistencies in the application of the SP2 Infrastructure zoning throughout the Shire including:

- Bega Sewage Treatment Plant (STP) – A large part of the existing Bega STP is zoned R2 Low Density Residential. Council has identified the need to expand the existing STP to the west to accommodate forecast population growth on land that is also zoned R2. All other expansion opportunities are limited as the remainder of the surrounding land is flood prone. R2 is not a prescribed zone under the Infrastructure SEPP and STPs are prohibited within the R2 land zone under BVLEP 2013. An amendment to BVLEP 2013 to rezone the land to SP2 Infrastructure is required to facilitate approval for the future upgrade of the Bega STP.
- Bega Water Treatment Plant (WTP) – The current zoning of IN2 Light Industrial allows for the construction of a water treatment plant only with development consent. Rezoning this land to SP2 Infrastructure would enable the streamlined approval

pathway through the Infrastructure SEPP for any future upgrade or ongoing maintenance works.

- Zoning anomalies at other sites where water and sewerage infrastructure currently exist or where future infrastructure has been identified to meet future needs. Whilst these uses are not necessarily prohibited within the land zones, changes to definitions of what is prohibited in BVLEP 2013 or the Infrastructure SEPP could impact upon the feasibility of these sites to be used for their current or future purpose. A recent example was the change to the definition of 'water reticulation' in BVLEP 2013 in February 2019, which removed water reservoirs.

A planning proposal (Attachment 1) has been prepared by NSW Public Works Advisory on behalf of Council that seeks to address the above anomalies by rezoning applicable land parcels to SP2 Infrastructure to provide for increased planning certainty and to more accurately reflect their current and future land use purposes to the community.

### Community Engagement

#### **Consultation undertaken**

No community consultation has yet been undertaken.

#### **Consultation planned**

The Gateway Determination will confirm community consultation requirements. It is likely that the planning proposal will be exhibited as a 'low' impact proposal for a period of not less than 14 days in accordance with Section 5.5.2 of *A Guide to Preparing Local Environmental Plans*.

Council will engage with the local community and agencies as per the Gateway Determination and Council's *Community Engagement Strategy*. This will include notification on Council's website and in writing to adjoining landowners.

#### **Council consideration of input**

Should agency or community feedback to the planning proposal be received, a report will be prepared for Council outlining the submissions received and any changes to the planning proposal recommended in response to those submissions prior to resolving whether to proceed with amending BVLEP 2013.

In the event that no objections to the planning proposal are received from landowners and no changes are required to the planning proposal, it is recommended that Council resolve to authorise staff to proceed to finalise the proposed amendment to BVLEP 2013.

### Financial and resource considerations

Water and Sewer Services has identified a \$29 million capital works program in Council's Long Term Financial Plan to upgrade the Bega STP, Bega WTP and Brogo WTP. The costs of \$5,000 to assess, lodge and amend BVLEP 2013 have been charged in accordance with Council's current adopted Fees and Charges.

Funding source		Amount
Planning Proposal - Water and Sewer Funds	\$	5,000
Capital Works – Sewer Fund	\$	4,000,000
Capital Works – Water Fund	\$	25,000,000

### Legal /Policy

The need for the planning proposal is not the direct result of any strategic study or report; however, the proposal can be linked to the directions contained within the *Bega Valley Water Supply and Sewerage Strategic Business Plan 2014* (Strategic Business Plan).

The Strategic Business Plan is the principal planning tool for water supply and sewerage service delivery within the Shire and provides the framework within which Council provides water and sewerage services efficiently and sustainably. Specifically, the Strategic Business Plan identifies the need for major capital works for water supply across the Shire to meet the needs of the community and improve service levels. Many of these capital works include assets subject to this planning proposal.

### Impacts on Strategic/Operational/Asset Management Plan/Risk

#### **Strategic Alignment**

This planning proposal is consistent with the six outcomes of the *Bega Valley Shire Community Strategic Plan 2040*, and in particular the 'Liveable Places' outcome:

Goal 8:

*'Our places retain their character and scale development is well planned, and range of goods and services are available within our shire that meet the local needs'*

Strategy 18:

*'To provide infrastructure and services to meet the ranging needs of residents in our towns, villages and rural areas', as this planning proposal seeks to achieve a correct and consistent zoning for water and sewerage infrastructure throughout the Bega LGA, in order to facilitate the provision of water and sewerage infrastructure and services that would meet the needs of the residents of the Bega LGA.'*

#### **Environmental / Sustainability**

An Environmental Constraints Assessment was undertaken by NGH Environmental in June 2019 to inform the planning proposal and identify whether any of the 23 land parcels are likely to contain critical habitat or threatened species populations or ecological communities, or their habitats. The study included a review of previous literature and database searches as well as site inspections of individual land parcels where considered necessary. It is considered that the planning proposal would not result in any adverse impact to critical habitat or threatened species populations or ecological communities, or their habitats.

#### **Economic**

The planning proposal will assist Council to deliver water and sewerage services efficiently and sustainably by assisting with the delivery of Council's long-term capital works program.

#### **Risk**

The planning proposal will provide for a consistent zoning of existing and future water and sewerage infrastructure sites within the Shire thereby providing the community with certainty of land uses and reducing the risk of potential land use conflicts in the future. The planning proposal will also reduce project delivery risk by providing a more certain, streamlined approval process for the construction, upgrade and maintenance of these essential infrastructure facilities under the Infrastructure SEPP.

#### **Social / Cultural**

The planning proposal will assist with the delivery of major capital works for water supply and sewerage services across the Shire to meet the needs of the community and improve service levels, demonstrating to customers and stakeholders that water supply and sewerage service delivery in the Shire is well managed.

### Attachments

1. Planning Proposal Water and Sewer Infrastructure