

## 7.2 DRAFT PLANNING PROPOSAL - DEVELOPING THE VISITOR ECONOMY + EMPLOYMENT LAND USES

**Reason for LPP Referral:** The Local Planning Panel Direction – Planning Proposals, issued on 27 September 2018, requires all planning proposals to be referred to the LPP for advice before Council considers whether or not to forward it to the Minister or GSC under s3.34

**Lot & DP:** Shire Wide

**Current Zoning:** Shire Wide

**Proposal:** Draft Planning Proposal to amend the Wollondilly Local Environmental Plan 2011 to develop the Visitor Economy & Employment Land Uses

**Applicant:** Council led Planning Proposal

### EXECUTIVE SUMMARY

The purpose of this report is to seek Wollondilly Local Planning Panel's (the Panel) advice on a Council initiated planning proposal that seeks to develop the visitor economy. The planning proposal also seeks to provide greater clarity and transparency in the planning system for employment land.

The draft planning proposal is the third in a series of amendments to the *Wollondilly Local Environmental Plan 2011* (WLEP 2011) as part of the LEP review. This proposal builds on the significant strategic planning work developed recently as part of the Accelerated LEP Review Program.

In particular, the draft planning proposal will implement both the findings of the Wollondilly Visitor Economy Study, and Action 4.6 of the Draft Wollondilly Employment Land Strategy.

This proposal seeks 35 amendments to the *Wollondilly Local Environmental Plan 2011* (WLEP 2011) with a focus on increasing opportunities for visitor economy related developments by updating the land use table, zone objectives and introducing new local provisions.

This report was originally tabled for the April 2021 Local Planning Panel meeting, but was deferred at the request of Council officers due to outstanding necessary attachments.

The Wollondilly Strategic Bush Fire Study and Wollondilly Visitor Economy Study have now been finalised and are attached to the report.

### PUBLIC SUBMISSIONS

There were no registered speakers for this item.

### PANEL CONSIDERATIONS AND REASON FOR ADVICE

During deliberations, the Panel noted that:

1. The planning proposal is consistent with the strategic planning framework including the Greater Sydney Metropolitan Region Plan, the Western City District Plan and Wollondilly 2040 Local Strategic Planning Statement.
2. The NSW Department of Planning Industry and Environment (DPIE) released for comment possible amendments to the framework for Employment Zones on 20 May 2021. These proposal post-date the formulation of the current Planning Proposal. The Panel considered that the planning proposal warrants progression in its current form given the importance of the matter and that consideration can be given to the DPIE framework as it may relate to the proposal in due course.
3. Any report to Council related to the planning proposal should note the DPIE initiative and

advise that further consideration may need to be given to the initiative as the planning proposal progresses.

4. Council officers be commended on the quality of the report.

### **ADVICE**

The Wollondilly Shire Local Planning Panel advises Council that noting the above considerations, recommend that Council support the draft planning proposal proceeding to Gateway.

### **VOTE**

3/0

Prior to closing the meeting, the Chair noted that this would be his last meeting of the Wollondilly Shire Local Planning Panel.

He expressed his thanks to Council Staff for their commitment to instituting the Panel in 2018 and for their efficiency and dedication in administering the Panel since that time. He noted especially and paid tribute to the work of Mia Hallowell and Alexandra Smart for the ingenuity and resilience in ensuring the Panel could continue to operate effectively in the online environment since early 2020.

He thanked the Panel Members who had assisted him since 2018 for their dedication and keen interest in the matters placed before them for assessment.

He wished the Council and Panel Members well for the future.

**The public part of the meeting closed at 3.58pm.**

**The full meeting closed at 4.30pm.**

**The minutes of this meeting were confirmed by the Chair.**

.....  
**CHAIRPERSON**

## 7.2 DRAFT PLANNING PROPOSAL - DEVELOPING THE VISITOR ECONOMY + EMPLOYMENT LAND USES

**File Number:** 10621#252

**Reason for LPP Referral:** The Local Planning Panel Direction – Planning Proposals, issued on 27 September 2018, requires all planning proposals to be referred to the LPP for advice before Council considers whether or not to forward it to the Minister or GSC under s3.34

**Lot & DP:** Shire Wide

**Current Zoning:** Shire Wide

**Proposal:** Draft Planning Proposal to amend the Wollondilly Local Environmental Plan 2011 to develop the Visitor Economy & Employment Land Uses

**Applicant:** Council led Planning Proposal

### EXECUTIVE SUMMARY

The purpose of this report is to seek Wollondilly Local Planning Panel's (the Panel) advice on a Council initiated planning proposal that seeks to develop the visitor economy. The planning proposal also seeks to provide greater clarity and transparency in the planning system for employment land.

The draft planning proposal is the third in a series of amendments to the *Wollondilly Local Environmental Plan 2011* (WLEP 2011) as part of the LEP review. This proposal builds on the significant strategic planning work developed recently as part of the Accelerated LEP Review Program.

In particular, the draft planning proposal will implement both the findings of the Wollondilly Visitor Economy Study, and Action 4.6 of the Draft Wollondilly Employment Land Strategy.

This proposal seeks 35 amendments to the *Wollondilly Local Environmental Plan 2011* (WLEP 2011) with a focus on increasing opportunities for visitor economy related developments by updating the land use table, zone objectives and introducing new local provisions.

This report was originally tabled for the April 2021 Local Planning Panel meeting, but was deferred at the request of Council officers due to outstanding necessary attachments.

The Wollondilly Strategic Bush Fire Study and Wollondilly Visitor Economy Study have now been finalised and are attached to the report.

### RECOMMENDATION

That the Panel:

1. Supports the planning proposal.
2. Notes that the proposal is consistent with the strategic planning framework and will provide the following substantial public benefits:
  - Attract investment and grow local jobs;
  - Support the long-term viability of agriculture and rural lands by enabling more commensurate drivers of income streams;
  - Enhance opportunities for people to connect with one another;

- Create transparency and clarity in the planning system; and
  - Give effect to the Western City District Plan.
2. Provides advice in accordance with the Local Planning Panel Direction – Planning Proposals, issued on 27 September 2018 which will be attached to a future report to Council.

## REPORT

### Background

Council recently participated in the NSW Government's Accelerated LEP Review Program, a significant program of works undertaken over two and a half years, requiring Wollondilly along with other Councils within the Greater Sydney Region to review their local environmental plans.

The purpose of the LEP Review Program was to update the *Wollondilly Local Environmental Plan 2011* (WLEP 2011) to give effect to the Western City District Plan through upfront strategic planning.

The program included the preparation of Wollondilly 2040, Council's first local strategic planning statement, a number of strategies and studies, and an initial amendment to the WLEP 2011.

The draft planning proposal is the third in a series of amendments to the WLEP 2011 which builds on the significant strategic planning work developed recently as part of the Accelerated LEP Review Program.

The Stage 1 Planning Proposal included a broad range of amendments, including embedding the principle of the Metropolitan Rural Area into the local environmental plan and the consideration of health in land use planning and was gazetted on 26 March 2021.

The Stage 1A Planning Proposal included a range of amendments on events and the visitor economy which were removed from the Stage 1 Planning Proposal in 2020 by the Department of Planning, Industry & Environment as their progression required the preparation of a Strategic Bush Fire Study to inform their suitability. The Stage 1A Planning Proposal was submitted to the NSW Government Department of Planning, Industry and Environment in March 2021 with a request for a Gateway determination.

The visitor economy related amendments in the Stage 1 and subsequent Stage 1A Planning Proposals reflect ready opportunities identified as part of the preliminary stages of the LEP Review Program.

The new subject planning proposal is known as 'developing the visitor economy and employment land uses' and is outlined in this report.

### Wollondilly Visitor Economy Study (April 2021)

The Wollondilly Visitor Economy Study was funded as part of the Accelerated LEP Review Program and sought to explore further potential local environmental plan mechanisms to enhance the Wollondilly visitor economy. The preparation of this study enabled a more comprehensive review of the potential for the local environmental plan to enable a more diverse visitor economy and to attract investment and grow local jobs.

The study was prepared by Hill PDA Consulting and was prepared on the basis of stakeholder engagement. All 23 recommendations from the Study have been included within the draft planning proposal.

The Wollondilly Visitor Study is provided at Attachment 1.

### Draft Wollondilly Employment Land Strategy (July 2020)

The Draft Wollondilly Employment Land Strategy was also funded as part of the Accelerated LEP Review Program. It seeks to provide a strategic planning framework to guide the future development of employment lands within Wollondilly over the next 20 years.

The draft planning proposal seeks to implement Action 4.6 under Strategy 4. Strategy 4 aims to create transparency and clarity in the planning system. Action 4.6 recommends updating *the permissibility of uses in the Local Environmental Plan to provide further clarity and distinction between zones*.

All 11 recommendations under Action 4.6 have been included within the draft planning proposal.

The Draft Strategy was publicly exhibited in August and September 2020. It is noted that Council endorsed the draft Strategy for consultation purposes only and it does not yet represent Council policy. It is anticipated that the final draft strategy will be reported to Council in May 2021 to seek formal adoption.

Action 4.6 recommends the inclusion and removal of a number of land use terms from the Land Use Table and it is considered these amendments can be progressed while the Employment Land Strategy is being finalised.

The Draft Wollondilly Employment Land Strategy is provided at Attachment 2.

### Description of proposal

The Developing the Visitor Economy and Employment Land Uses Draft Planning Proposal (*previously known or referred to as LEP Review Program Stage 2*) is a council initiated planning proposal and proposes a range of amendments to the *Wollondilly LEP*. It has the following objectives or intended outcomes:

- Give effect to the Western City District Plan
- Attract investment and grow local jobs
- Support the long-term viability of agriculture and rural lands by enabling more diverse income streams
- Enhance opportunities for people to connect with one another
- Create transparency and clarity in the planning system

35 amendments are sought and are summarised in the table below.

Intended Outcome	How
<b>Increase opportunities for visitor economy related developments</b>	<p>Expanding areas (land use zones) where certain development is permissible</p> <ul style="list-style-type: none"> <li>• Boat launching ramp</li> <li>• camping ground</li> <li>• charter and tourism boating facility</li> <li>• cellar door premises</li> <li>• Restaurant and café</li> <li>• Roadside stall</li> <li>• Neighbourhood shop</li> <li>• Eco-tourist facility</li> <li>• Helipad</li> <li>• Recreation facility (indoor)</li> <li>• Recreation facility (major)</li> <li>• Recreation facility (outdoor)</li> <li>• Tourism and visitor accommodation</li> </ul>

Intended Outcome	How
	<ul style="list-style-type: none"> <li>• Bed and breakfast accommodation</li> <li>• Hotel or motel accommodation</li> <li>• Water recreation structure</li> <li>• Wharf or boating facility</li> <li>• </li> </ul> <p>Increasing the scale of some types of visitor accommodation:</p> <ul style="list-style-type: none"> <li>• Farm stay accommodation (up to 12 bedrooms)</li> <li>• Bed and breakfast (up to 5 bedrooms)</li> </ul> <p>Enable temporary visitor economy uses.</p>
<b>Protecting the agricultural production, scenic and environmental values of land</b>	Ensuring the scale and potential impacts from rural and nature based development are appropriate
<b>Recognising the visitor economy as a core objective for development</b>	Including the visitor economy as a role and function for relevant land use zones.
<b>Strengthening the role and function of employment land</b>	<p>Providing clearer distinction between each industrial zone by restricting where certain development is permissible</p> <ul style="list-style-type: none"> <li>• Correctional centre</li> <li>• Depot</li> <li>• School</li> <li>• Health Services Facilities</li> <li>• Home occupation sex services</li> <li>• Light industry</li> <li>• Information and Education facilities</li> <li>• Outdoor recreation</li> <li>• Respite day care centre</li> <li>• Restriction facility</li> <li>• </li> </ul>
Minimising or avoiding the impact of bush fire hazard	Limiting sensitive developments during periods of elevated bush fire risk

### Gateway Determination

This Draft Planning Proposal will be sent to the Department of Planning, Industry & Environment for a Gateway determination if Council supports the proposal.

## PLANNING CONTEXT

### Wollondilly Community Strategy Plan 2033 (CSP 2033)

The Create Wollondilly Community Strategic Plan 2033 (CSP) is Council's highest level long term plan. It identifies and expresses the aspirations held by the Community of Wollondilly and sets strategies for achieving those aspirations.

The strategies from the CSP 2033 have informed the preparation of Wollondilly 2040 and consequently, the Stage 2 draft planning proposal to amend the local environmental plan.

### Wollondilly 2040 Local Strategic Planning Statement (Wollondilly 2040)

Wollondilly 2040 is Council's Local Strategic Planning Statement (Wollondilly 2040). It outlines the vision for land use planning over the next 20 years and will guide the implementation of the District Plan at a local level.

This vision is for a prosperous, sustainable and resilient future for Wollondilly residents, with an enviable lifestyle of historic villages, modern living, rural lands and bush settings.

Wollondilly 2040 identifies a number of actions under each of its 18 planning priorities.

The draft planning proposal has been prepared to deliver on two planning priorities in particular:

- **Planning Priority 7;** Cultivating a creative and cultural destination connecting people with places
- **Planning Priority 9;** Developing the visitor experience and economy by increasing access to natural areas and rural landscapes
- **Planning Priority 10;** Attracting investment and growing local jobs.
- **Planning Priority 11;** Leveraging Greater Investment and Business Opportunities from the Western Sydney International (Nancy-Bird Walton) Airport

It will indirectly contribute towards a number of actions from Wollondilly 2040, including

- Reviewing the LEP to create opportunities for events
- Implementing the Wollondilly Destination Management Plan
- Reviewing planning controls in the LEP to enable agritourism opportunities
- Implementing the draft Employment Land Strategy and the draft Rural Lands Strategy
- Enabling short-stay accommodation
- Implementing the Economic Development Strategy with a focus on the agriculture and tourism sector

This proposal is consistent with the key planning directions outlined in the LSPS.

### Greater Sydney Region Plan (Region Plan) and Western City District Plan (District Plan) (2018)

The Greater Sydney Commission's *A Metropolis of Three Cities – the Greater Sydney Region Plan* and the *Western City District Plan* were finalised in March 2018. The Region Plan aligns land use, transport and infrastructure planning to reshape Greater Sydney as three unique but connected cities. The Western City District Plan along with the other four district plans guide the implementation of the Region Plan at a District Level.

The draft planning proposal responds to the following District Plan Planning Priorities:

District Plan Planning Priority	How
<b>Planning Priority W4;</b> Fostering health, creative, culturally rich and socially connected	<ul style="list-style-type: none"> <li>• Supporting creative enterprise and cultural</li> </ul>

District Plan Planning Priority	How
communities	expression <ul style="list-style-type: none"> <li>Fostering opportunities for socially connected communities</li> </ul>
<b>Planning Priority W8;</b> Leveraging industry opportunities from the Western Sydney Airport and Badgery's Creek Aerotropolis	<ul style="list-style-type: none"> <li>Growing the visitor economy</li> </ul>
<b>Planning Priority W10;</b> Maximising freight and logistics opportunities and planning and managing industrial and urban services land	<ul style="list-style-type: none"> <li>Managing industrial and urban services land</li> </ul>
<b>Planning Priority W17;</b> Better managing rural areas	<ul style="list-style-type: none"> <li>Delivering targeted economic outcomes for the Metropolitan Rural Area</li> </ul>

### Section 9.1 Ministerial Directions

The Minister for Planning has issued a number of Directions under the *Environmental Planning and Assessment Act 1979* which apply to the assessment of planning proposals.

An assessment of the draft planning proposal for consistency against s9.1 Directions is available within the draft planning proposal document provided at Attachment 5.

Of particular relevance to this planning proposal is Direction 4.4 Planning for Bushfire Protection. Direction 4.4 seeks to protect life, property and the environment from bush fire hazards by discouraging the establishment of incompatible land uses in bush fire prone areas.

The proposed amendments are not site specific and are proposed to apply Shire wide, or to land across the shire within an identified land use zone.

A Strategic Bush Fire Study has been prepared to inform the scope and content of this planning proposal. The study has been prepared to fulfil the requirements of Part 4 of NSW Rural Fire Services Planning for Bush Fire Protection (PFBP) 2019.

The study considers whether the amendments proposed in this proposal are appropriate in the bush fire hazard context. It also considered the strategic implications of future development for bush fire mitigation and management.

The study also considered a number of other amendments that are being progressed separately as part of the Stage 1A Planning Proposal. The Strategic Bush Fire Study is provided at Attachment 3.

A key consideration for this planning proposal has been balancing the heightened risks associated with Wollondilly's extensive bush fire hazard interface during the bushfire season while still enabling opportunities for economic activity. The Strategic Bush Fire Study acknowledges that the hazard risk varies over the year and from season to season.

In particular, a 'bush fire provision area' has been identified where additional consideration is considered necessary before development can go ahead. This area includes conservation lands to the west and is bound to the east by the road network which provides a mitigation measure that can be utilised for firefighting purposes.

This is proposed to be incorporated into the WLEP 2011 through the introduction of a new local provision and associated mapping with an objective to minimise the risk to life and property from bush fire attack.

The provision would be supported by planning controls which can be introduced in the Development Control Plan to guide future development on bushfire prone land within the 'bushfire provision area'. The controls would limit development in terms of operation during heightened periods of risk, scale and proximity to structures.



The draft planning proposal, and future amendments to the Development Control Plan have been structured so that the proposed local provision for inclusion (bush fire provision area) in the WLEP 2011 would only apply to where changes in land use are being proposed. This means that the mitigation measure will only apply to the changes considered by the Strategic Bush Fire Study (and not beyond that scope).

This approach is considered to be a genuine and tolerable response to the bush fire hazard risk to land in Wollondilly and the draft planning proposal is considered to be consistent with Direction 4.4.

The Strategic Bush Fire Study also recognises that, in Wollondilly, there is a particularly high risk for land in specific Environmental Protection zones (i.e. E3 Environmental Management and E2 Environmental Conservation) and has recommended that some of the matters recommended in the Visitor Economy Study and the Draft Employment Lands Strategy are not progressed. These removed matters are listed in Attachment 4.

### **State Environmental Planning Policies**

The NSW Government publishes State Environmental Planning Policies (SEPPs) and Sydney Regional Environmental Plans (SREPs). These documents deal with matters of state or regional planning significance.

An assessment of the draft planning proposal for consistency against SEPPs is available within the draft planning proposal document provided at Attachment 5.

### **Previous Advice from Panel**

At its meeting on 26 July 2018, the Panel considered a report on a draft planning proposal for housekeeping amendments to the WLEP 2011. As part of its decision, the Panel provided the following Advisory Note:

*In addition, the Panel in discussion recognises the importance of the protection of Aboriginal Heritage and provides the following advisory note:*

- *That during the preparation of Council's next comprehensive Local Environmental Plan review, it explores the opportunity to work with senior members of its First national people to further its understanding of the Aboriginal Cultural Heritage of Wollondilly Shire and how to protect it.*

As part of the preparation and engagement associated with Wollondilly 2040, Council has been working with the Tharawal Local Aboriginal Land Council. The focus of the discussion to date has been to foster opportunities for economic participation and future strategic land use planning, designing with country, and cultural education.

Wollondilly 2040 draft LSPS acknowledges Aboriginal people, their histories and connection to Country and community, and their valuable continuing contribution to Wollondilly's heritage, cultural and identity. The statement commits to continuing to work with Local Aboriginal Land Councils.

It is also noted that the proposed amendments may enable opportunities for indigenous tourism.

### **Delegation of plan making functions**

There is a need to progress the draft planning proposal as quickly as possible to assist local businesses and communities in their recovery from the impacts of the drought, Black Summer Fires, flood events and the ongoing COVID-19 pandemic.

Delegation of plan making functions to Council may assist to speed up this process.

The proposed amendments are considered to be of local significance, although, it is acknowledged that the amendments will indirectly have implications for Council owned land. This is inevitable as the proposal is not site specific and will apply to land across the Shire.

## CONSULTATION

### Community Consultation

The proposed amendments included within the Stage 2 draft planning proposal have been determined on the basis of ongoing engagement with a range of stakeholders associated with the LEP Review Program, and in particular the preparation of the Wollondilly Visitor Economy Study, and include feedback from:

- Councillor workshops.
- Council's Community Advisory Committees.
- Internal sections across Council.
- Targeted consultation with stakeholders known to have experience with the land use planning system in terms of the visitor economy, including Councils across NSW, state government representatives, private consultants, local businesses and broader industry.

On the basis of the extensive consultation undertaken to date as part of the LEP Review Program and the preparation of the Wollondilly Visitor Economy Study, formal preliminary consultation in the manner described within Council's adopted Planning Proposal Policy CP0038 and draft Community Participation Plan has not been undertaken.

The requirement for preliminary consultation for draft planning proposals is not a statutory requirement and reflects Council's commitment to engaging with the community and key stakeholders early in the planning proposal process. Usually a 28 day consultation period is required for Council initiated planning proposals.

The LEP Review Program is a major project and the ongoing engagement to date which has been drawn on to inform this draft planning proposal is considerably more than would ordinarily be practicable for Council initiated planning proposals.

A variation to the preliminary consultation requirements has been approved in accordance with the adopted Planning Proposal Policy.

Further consultation will occur after a Gateway determination is issued and it has been established that the proposal has strategic merit. The Gateway determination will outline the consultation requirements with public agencies and the community, and is likely to include a public exhibition.

It is noted that in light of the implications of the proposed amendments for Bush Fire protection that any existing operations in Wollondilly that would be potentially affected by the proposed amendments will be notified where reasonable to do so.

### Consultation with Public Agencies

Due to the tight timeframes imposed on this Planning Proposal, it was not subject to initial consultation. Consultation will progress as normal post a Gateway determination issued by the Department of Planning, Industry & Environment.

## CONCLUSION

The Developing the Visitor Economy and Employment Land Uses Draft Planning Proposal is a Council initiated proposal that seeks a number of amendments to the WLEP 2011 to develop the visitor economy and also provide greater clarity and transparency in the planning system for employment land.

The proposal seeks to implement the findings of a number of projects funded by the Accelerated LEP Review Program and is recommended for support.

### Options for Moving Forward

The draft Planning Proposal has been prepared in accordance with Section 3.33 of the *Environmental Planning & Assessment Act 1979* and the guidelines published by the Department of Planning, Industry & Environment.

The options to be considered are:

1. Resolve to support the draft Planning Proposal in the form as described in the Description of Proposal section of this report.
2. Resolve to support the draft Planning Proposal in another form.
3. Resolve not to support the draft Planning Proposal.

Option 2 would likely result in revision to or a new Strategic Bushfire Assessment. Option 3 is not consistent with the forward vision of the Shire, the community and economic prosperity.





Option 1 is the recommendation of this report.

## **FINANCIAL IMPLICATIONS**

Funding for the Wollondilly Visitor Economy Study and the Draft Wollondilly Employment Land Strategy has been available through the Accelerated LEP Review Program.

Moving forward, the progress of this draft planning proposal will be funded through the Operational budget.

## **ATTACHMENTS**

1. **Wollondilly Visitor Economy Study** 
2. **Draft Wollondilly Employment Land Strategy (July 2020)** 
3. **May 2021 Wollondilly Strategic Bush Fire Study for Proposed Amendments to Wollondilly LEP** 
4. **Summary table of proposed LEP Amendments** 
5. **Draft Planning Proposal Document; Developing the Visitor Economy + Employment Land Uses (Stage 2 LEP Review Program)**