

8.3. Endorsement of planning proposal for mixed use development in the B2 Local Centre zone

This report seeks a resolution of Council to support a planning proposal to amend *Bega Valley Local Environmental Plan 2013* to permit mixed use residential and commercial development in the B2 Local Centre zone.

Director Community Environment and Planning

Officer's Recommendation

That Council:

1. Support a planning proposal (Attachment 1) to amend *Bega Valley Local Environmental Plan 2013* to permit mixed use development with a residential component in the B2 Local Centre zone.
2. Authorise Council officers to submit the planning proposal 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. Authorise 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

Council officers have prepared a planning proposal that aims to amend the *Bega Valley Local Environmental Plan 2013* (BVLEP 2013) to improve housing diversity and supply within existing town centres and support vibrant town centres.

The outcome of this planning proposal will be that a wider range of housing types would be permitted with development consent within some town centres provided they are incorporated into mixed use developments. This will ensure that active street fronts are maintained in key commercial areas while providing options for accommodation for key workers, business owners and the ageing population behind or above commercial premises.

Background

Council's adopted *Bega Valley Shire Residential Land Strategy 2040* aims to provide housing choices for our local community now and into the future, increase housing diversity and ensure the best use of available zoned and serviced land. The *Bega Valley Shire Commercial Land Strategy 2040* recognises the importance of residential development to the economic viability of commercial development to meet changing demand for goods and services, attract new residents and provide opportunities for housing that add vitality and security.

Council officers are currently implementing the recommendations of the *Bega Valley Shire Residential Land Strategy 2040* and the *Bega Valley Shire Commercial Land Strategy 2040* and have identified an opportunity to amend BVLEP 2013 to encourage appropriate forms of residential development in certain town centres that is consistent with both these strategies.

Commercial land within Bega, Bermagui, Eden, Merimbula, Pambula and Tathra town centres is zoned B2 Local Centre. Currently the only forms of residential accommodation permitted in the B2 Local Centre zone are shop top housing and boarding houses. It is proposed to permit a wider range of housing types within this zone provided that this residential development is

incorporated into a mixed-use development that combines a commercial component with residential accommodation. Subdivision of the residential component of the development is proposed to be limited to minimise potential for land use conflict. The aim of this amendment to BVLEP 2013 is to:

- Support housing diversity and supply in the Bega Valley Shire
- Encourage limited, appropriate residential development in town centres
- Improve provision of key worker accommodation
- Promote vibrant town centres
- Protect commercial streetscapes
- Protect opportunities for future redevelopment in the town centre

To achieve this, it is proposed to:

- 1) amend the Land Use Table for the B2 Local Centre zone to include *dwelling house, dual occupancy, multi dwelling housing and residential flat building* as uses that are permitted with consent, and
- 2) introduce a clause into BVLEP 2013 to encourage mixed use commercial and residential development in B2 Local Centre zones while ensuring that streetscapes are maintained and land use conflict is minimised as follows:

6.12 Residential development and subdivision in Zone B2 Local Centre

(1) *The objective of this clause is to ensure the commercial viability of centres is maintained and enhanced by encouraging appropriate residential development in town centres.*

(2) *This clause applies to land in Zone B2 Local Centre.*

(3) *Development consent must not be granted to development for the purposes of dwelling house, dual occupancy, multi dwelling housing or residential flat building unless it is part of a mixed use development in which the ground floor of the building facing the primary street has an active street frontage and the consent authority is satisfied that it is to be used for the purposes of commercial premises or a health services facility.*

(4) *Development consent must not be granted under this clause for a subdivision of land that separates the dwelling house, dual occupancy or multi dwelling housing component of the mixed use development from the commercial component*

(5) *In this clause—*

active street frontage means a street frontage that enables direct visual and physical contact between the street and the interior of the building.

Note—

Clearly defined entrances, windows and shop fronts are elements of a building facade that contribute to an active street frontage.

These proposed amendments to BVLEP 2013 are consistent with the existing objectives of the *Bega Valley Shire Development Control Plan 2013* relating to mixed use development that aim to:

- Ensure the integration of appropriate housing with retail and commercial uses,
- Maintain residential amenity and preserve compatibility between uses, and
- Increase living densities in and near town centres and encourage a range of dwelling sizes.

The design, amenity, environmental and accessibility aspects of future residential development that may result from this planning proposal will be considered through the development assessment process in accordance with the provisions of the *Bega Valley Shire Development Control Plan 2013*. This includes the application of existing controls relating to the provision of open space, overshadowing, carparking and landscaping requirements.

Options

This report recommends that Council amend BVLEP 2013 to enable mixed use development in the B2 Local Centre zone. Council could choose not to amend the clause and only shop top housing or boarding houses would remain permissible.

Community and Stakeholder Engagement

Engagement undertaken

No community consultation has yet been undertaken.

Engagement 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 by email to local development professionals.

Should agency or community feedback to the planning proposal be received, a further 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

The processing of the planning proposal and its public exhibition have been undertaken as part of Council's regular work program and within the adopted 2020-21 budget.

Funding source	Amount
General Fund	\$ 500.00

Legal /Policy

This planning proposal has been prepared in accordance with Section 3.33 of the *Environmental Planning and Assessment Act 1979* and the NSW Department of Planning, Industry and Environment's *A Guide to Preparing Planning Proposals* (December 2018).

Impacts on Strategic/Operational/Asset Management Plan/Risk

Strategic Alignment

The planning proposal addresses the following goals in the *Bega Valley Community Strategic Plan 2040*:

- Goal 7: Our Shire continues to be a vibrant, enjoyable, safe and affordable place to live.
- Goal 8: Our places retain their character and scale, development is well planned, and a range of goods and services are available within our Shire that meet local needs.

The planning proposal addresses Goal 4 of the *South East and Tablelands Regional Plan 2036* to create environmentally sustainable housing choices and the following directions:

- Direction 24: Deliver greater housing supply and choice
- Direction 25: Focus housing growth in locations that maximise infrastructure and services
- Direction 27: Deliver more opportunities for affordable housing.

Environment and Climate Change

The planning proposal will help Council address the risks associated with climate change that relate to residential development and land use practices and minimises impacts of future residential development on the environment through supporting housing growth within existing zoned areas and increasing density in existing urban areas.

Economic

The planning proposal will help ensure there is a diversity of housing within the Shire's urban areas so that residential development supports continued growth and viability of existing commercial precincts. The provision of diverse and affordable housing options is also important in supporting the local workforce.

Risk

Implementation of this planning proposal will address the risk of existing housing stock not meeting the needs of our population and will enable future residential development while maintaining the existing character of towns and villages and rural landscapes. The planning proposal will increase the risk of land use conflict in town centres as some existing or future commercial uses may impact the amenity of residents. These impacts can be mitigated to some extent through the application of Bega Valley Development Control Plan 2013.

Social / Cultural

Implementation of the planning proposal will increase the diversity of housing that will help to better meet our community's housing needs. Improving housing diversity, particularly smaller dwellings and dwellings suited to older people and people with disabilities, will impact on the affordability of housing and improve opportunities for people to live closer to the goods and services they need.

Attachments

1. Draft Planning Proposal: Mixed Use Development in the B2 Local Centre Zone