

15.4 B6 ENTERPRISE CORRIDOR PLANNING PROPOSAL**Author:** Nick Thistleton, Strategic Planner**Authoriser:** Warwick Bennett, General Manager**Attachments:** Nil

Link to Community Strategic Plan:	Strategy CL1 Effect resourceful and respectful leadership and attentive representation of the community.
Cost to Council:	Nil
Use of Reserve Funds:	Nil

RECOMMENDATION

That

1. The report from the Strategic Planner regarding the B6 Enterprise Corridor be received.
2. A planning proposal be prepared to amend the *Goulburn Mulwaree Local Environmental Plan 2009* in the following ways:
 - (a) Rezone the land identified in this report on Long Street, Goulburn, north of Sydney Road from B6 Enterprise Corridor with a floor space ratio of 0.8 to R1 General Residential with no floor space ratio and a minimum lot size of 700m².
 - (b) Rezone the land identified in this report contained by Arthur Street, Long Street, Chiswick Street and Hetherington Street, Goulburn from B6 Enterprise Corridor with a floor space ratio of 0.8 to RU2 Rural Landscape with no floor space ratio and a minimum lot size of 20,000m².
 - (c) Rezone the land identified in this report on Station Street, George Street and Brayton Road, Marulan from B6 Enterprise Corridor with a floor space ratio of 0.8 to R1 General Residential with no floor space ratio and a minimum lot size of 700m².
 - (d) Rezone the land identified in this report on the northernmost area of George Street, Marulan from B6 Enterprise Corridor with a floor space ratio of 0.8 to RU6 Transition with no floor space ratio and a minimum lot size of 100 hectares.
3. The planning proposal, once drafted, be forwarded to the Department of Planning, Industry and Environment for a gateway determination in accordance with Section 3.34 of the Environmental Planning and Assessment Act 1979.
4. The Department of Planning, Industry and Environment be advised that Council wishes to be issued with an authorisation to use delegation for this planning proposal.
5. In the event that the Department of Planning, Industry and Environment issues a gateway determination to proceed with the planning proposal, consultation be undertaken with the community and government agencies in accordance with any directions of the gateway determination.
6. No fee be charged to any applicable landowner, as this is a Council initiated planning proposal.

BACKGROUND

This matter has not previously been reported to Council.

REPORT

Introduction

Strategic Planning staff have recently been in contact with concerned residents and prospective homebuyers expressing difficulty in trying to purchase or sell homes in the B6 Enterprise Corridor zone on Long Street, Goulburn (north of Sydney Road). It has been reported that banks will not lend towards the purchase of houses in this zone without a significantly higher deposit being made due to the prohibition of dwellings. This has led at least one property owner to significantly reduce the sale price for their home.

Therefore staff have considered the potential for rezoning areas within the B6 Enterprise Corridor zone that are unlikely to be redeveloped into non-residential development in the foreseeable future that could potentially be retained as a residential or rural residential area for the time being (reflecting current usage). Land in Marulan has also been identified that could potentially be rezoned to prevent this issue arising as well (given existing residential usage).

The recommendation of this report is to allow Strategic Planning to rezone parts of the B6 Enterprise Corridor zone on Long Street, Goulburn and on Brayton Road, George Street and Station Street, Marulan to R1 General Residential, RU2 Rural Landscape and RU6 Transition to allow dwellings and other development consistent with the current and likely future character of the localities.

Impact of Previous Rezoning's

Almost all of the dwellings within the current B6 Enterprise Corridor zone were erected prior to the land being zoned this way. Most of the identified subject land was zoned as either a rural or residential zone under the previous *Mulwaree Local Environmental Plan 1995* or *Goulburn Local Environmental Plan 1990* before being rezoned to B6 Enterprise Corridor following the introduction of the *Goulburn Mulwaree Local Environmental Plan 2009*.

The B6 Enterprise Corridor zone is intended by the NSW Department of Planning, Industry and Environment (and its predecessors) to attract low impact commercial and light industrial development, generally near major transport corridors. The zone is intended to support the kinds of commercial and light industrial development that are reliant on good road transport, large development footprints and distance from densely populated areas.

Examples of the kinds of development that the zone is designed to cater for includes:

- Furniture/whitegoods stores;
- Car sales yards;
- Takeaway premises;
- Highway service centres;
- Garden centres; and
- Warehouses/self-storage.

The zone is intended to *limit* the types of industrial development that have significantly higher impacts on sound, heavy vehicle movements, air quality and odour and most kinds of small goods retail shops that could directly compete with the central business district of a given town or city.

Much of the current development near the Big Merino on Hume Street is an example of the kinds of development allowed for under the B6 Enterprise Corridor zone. The zone was never intended to support smaller scale commercial retail, industrial or residential development.

The rezoning of effected land at Long Street, Goulburn from the Residential No 2 Living Area zone under the previous *Goulburn Local Environmental Plan 1990* to B6 Enterprise Corridor under the *Goulburn Mulwaree Local Environmental Plan 2009* was recommended under the *Goulburn Mulwaree Strategy 2020* in order to facilitate highway service industries close to the Sydney Road entrance of Goulburn.

At this point in time, despite being inconsistent with the intention of the zone, **dwelling houses** were permitted in the B6 Enterprise Corridor zone. This meant that there was considered to be no impact on the ability to build or sell dwellings in the affected area at the time.

It was not until 2013 that **dwelling houses** were made prohibited in the B6 Enterprise Corridor zone, following an overarching update to the land use tables in the *Goulburn Mulwaree Local Environmental Plan 2009* in 2013. It is not clear whether or not this planning proposal considered possible impacts on existing dwellings in the B6 Enterprise Corridor zone at the time as this amendment was incorporated into a much larger general update. This resulted in the prohibition of dwellings in existing residential and rural residential areas of Long Street, Goulburn (**Figure 1**).

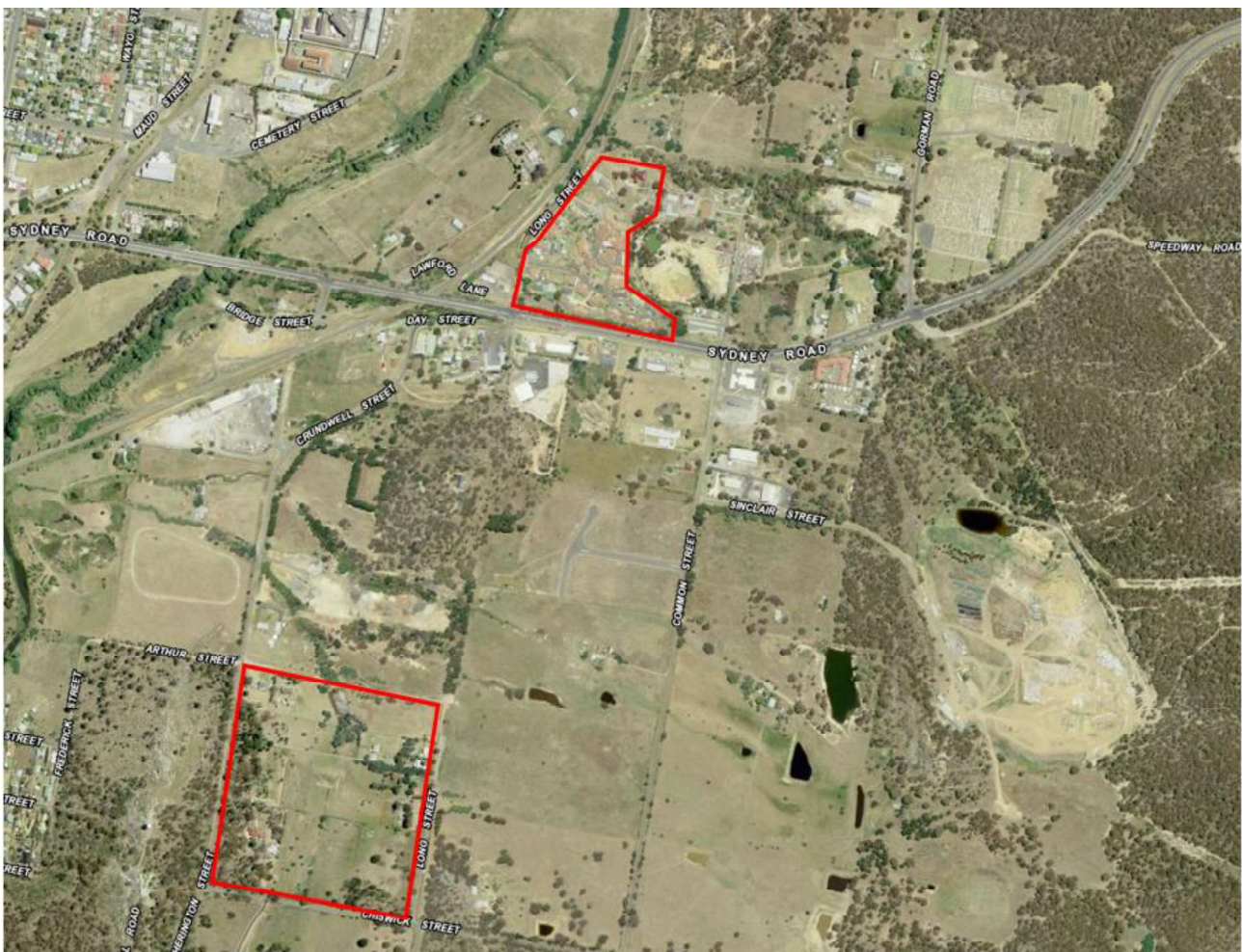


Figure 1: Effected areas of Long Street, Goulburn

The only other time that the B6 Enterprise Corridor was introduced on land containing existing residential development, was with the completion of the recent B2 Local Centre Review Planning Proposal in Marulan on 18 October 2019. This proposal rezoned all of the B2 Local Centre in Marulan, north of the rail line, to B6 Enterprise Corridor in accordance with a direct recommendation from Council's adopted *Employment Land Strategy* (**Figure 2**).

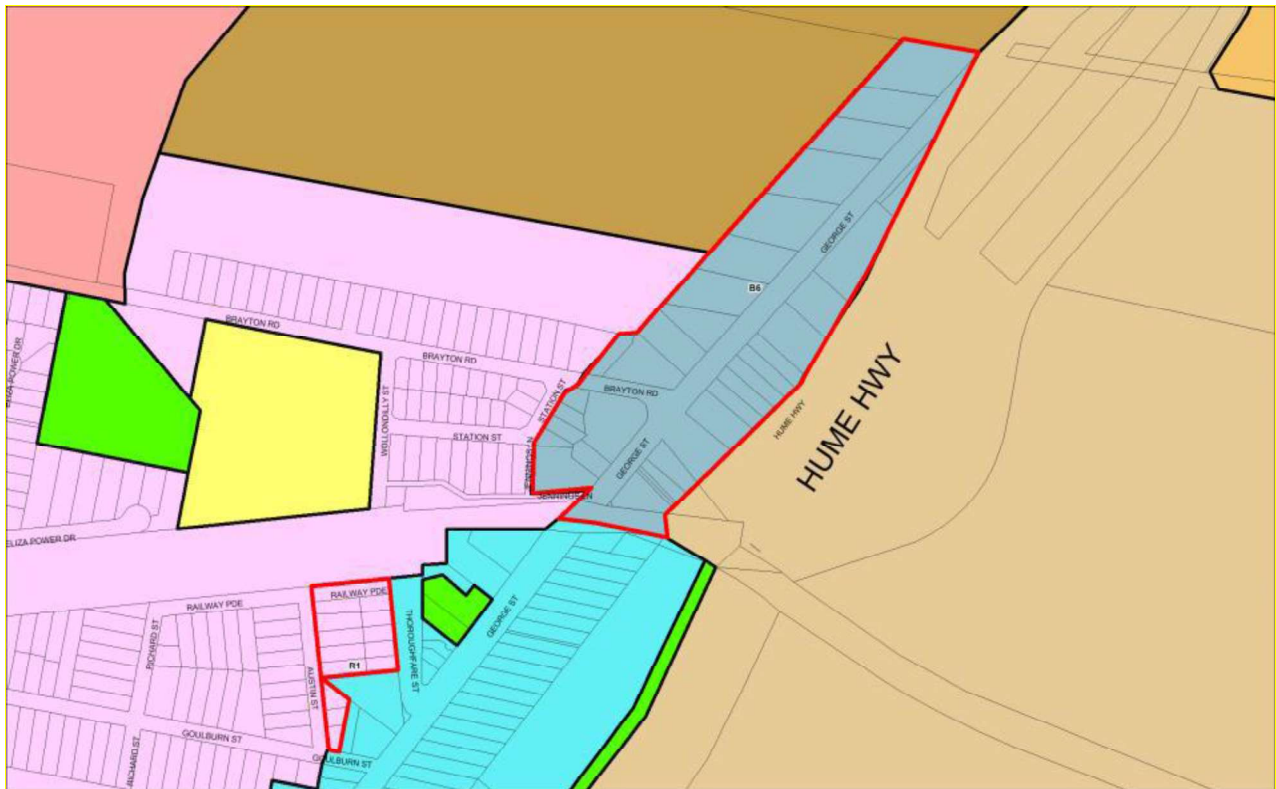


Figure 2: Land rezoned following previous planning proposal in accordance with the *Employment Land Strategy* (current zones shown)

Unfortunately, the issues raised by landowners on Long Street in relation to the difficulty selling homes in the B6 Enterprise Corridor zone, were not put forward to Strategic Planning prior to this rezoning being finalised, where Council was relying on the existence of existing use rights to justify this planning proposal to landowners in Marulan.

Application of Existing Use Rights

For the rezoning of residential properties in Marulan to B6 Enterprise Corridor, Council relied heavily on the presence of existing use provisions to justify to landowners the application of this zone to land that was not likely to be redeveloped into non-residential land in the short to medium term or pose a risk of facilitating further residential development in anything less than a highly undesirable location.

Under these existing use provisions, homeowners with lawfully approved dwellings erected in the B6 Enterprise Corridor zone would enjoy existing use rights under Division 4.11 of the *Environmental Planning and Assessment Act 1979* and would therefore be allowed to continue using the dwelling or sell it to someone else as a home, provided that it was not abandoned for more than 12 consecutive months. Existing use rights requires owners to provide proof that the dwelling was lawfully erected and that the proposed alterations and additions comply with the applicable requirements under Part 5 of the *Environmental Planning and Assessment Regulation 2000*.

Unfortunately, recent reports by landowners expressing difficulty in selling their homes have demonstrated that Council can no longer rely on existing use provisions when rezoning land that is unlikely to be redeveloped to non-residential land in the short to medium term and does not pose a risk of facilitating further residential development in anything less than a highly undesirable location due to the significant impact on the saleability of the land.

Proposed Rezoning's

In order to rectify the concerns of landowners on Long Street, Goulburn and to prevent similar occurrences from happening in the future at Marulan, it is proposed that parts of the B6 Enterprise Corridor zone on Long Street, Goulburn and on Brayton Road, George Street and Station Street, Marulan are rezoned to R1 General Residential, RU2 Rural Landscape and RU6 Transition to permit dwellings and other development consistent with the current and likely future character of the area.

Under Council's adopted *Employment Land Strategy*, there already exists a current recommendation to rezone affected land on Long Street, Goulburn to R1 General Residential and RU2 Rural Landscape on the grounds that the land uses present are inconsistent with the current B6 Enterprise Corridor zoning and that there is no demand in this area for more B6 Enterprise Corridor zoned land (**Figure 3**). Strategic Planning agrees with this assessment and it is proposed that the rezoning of this land proceed as recommended, with the application of a 20,000m² minimum lot size for the land to be rezoned to RU2 Rural Landscape and a 700m² minimum lot size being applied to the R1 General Residential zone, in order to be consistent with the current minimum lots sizes applied to those zones in that locality. The floor space ratio of 0.8 that applies to the land would also be removed.

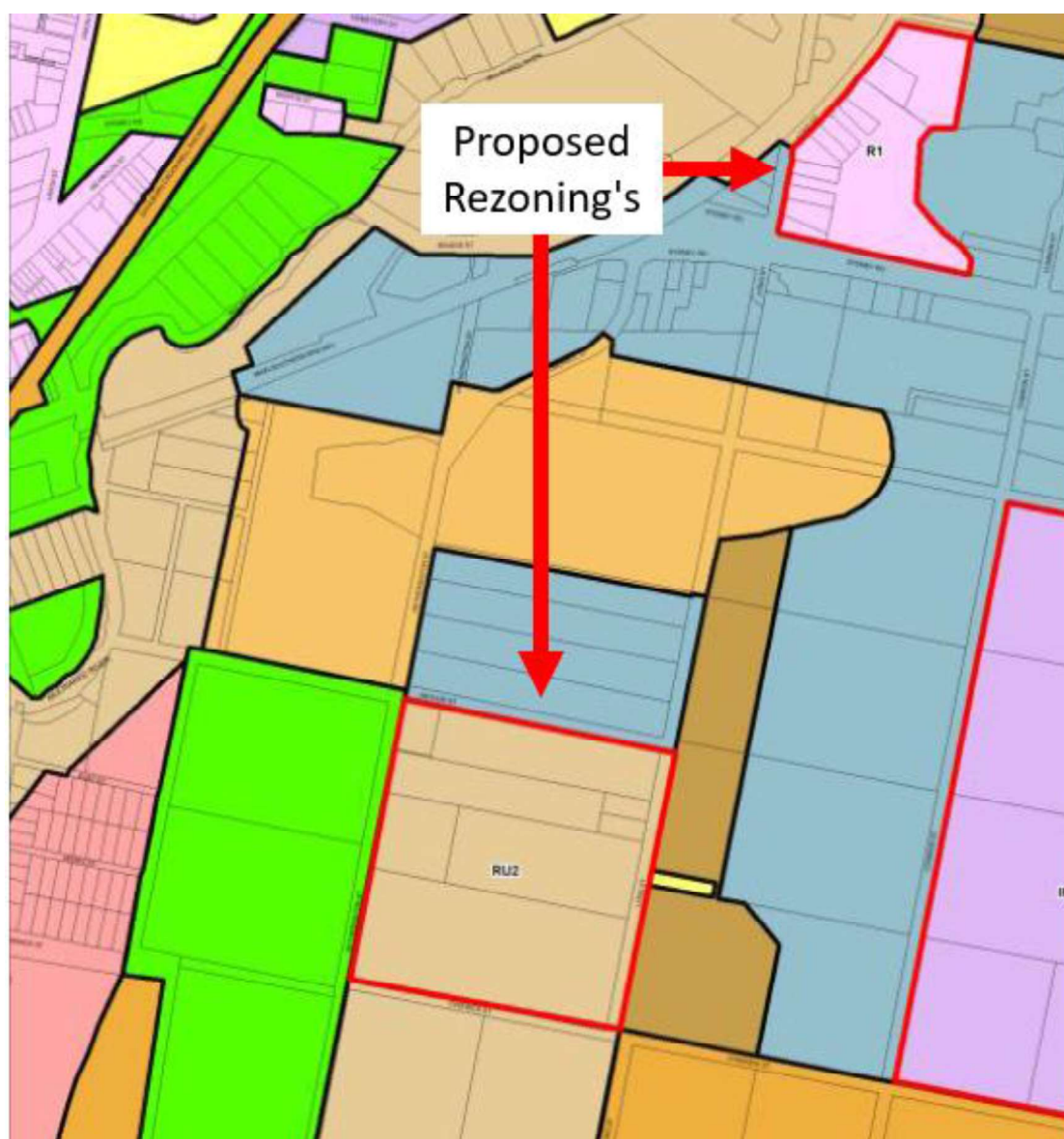


Figure 3: Proposed rezoning of land at Long Street, Goulburn under the *Employment Land Strategy* (p. 126).

The land identified for rezoning on Station Street, George Street and Brayton Road, Marulan is part of the land that was only recently rezoned to B6 Enterprise Corridor on 18 October 2019, as part of the B2 Local Centre Review Planning Proposal commenced on 19 March 2019 (2019/68).

Rezoning this land would require Council to override a recommendation of the *Employment Land Strategy* and the Ministerial Directions given under s9.1 of the *Environmental Planning and Assessment Act 1979*, which directs Council to not reduce the area of land zoned for business or industrial uses. It is, however, considered both reasonable and necessary to facility the rezoning of some parts of the B6 Enterprise Corridor at Marulan in order to ensure that the zoning arrangement accurately reflects the current and potential uses of the land for the foreseeable future. In Marulan, the areas identified for potential rezoning are (**Figure 4**):

- Two (2) lots located on the northernmost area of George Street, identified as having the potential to be rezoned to RU6 Transition with a minimum lot size of 100 Hectares and no floor space ratio. This zone and minimum lot size is consistent with adjacent land to the north and west. This rezoning will permit a dwelling house with dwelling entitlement, but would not allow for intensive urban development on land that is currently unsewered and located away from the town centre, adjacent to the Hume Highway. This rezoning is considered justified on the grounds that the development of this land in the foreseeable future for the kinds of development allowed in the B6 Enterprise Corridor zone is unlikely, due to the lack of reticulated sewer connection and the existing underutilised supply of B6 Enterprise Corridor zoned land in Marulan.
- Seven (7) lots on George Street, Brayton Road and Station Street that have been identified as having the potential to be rezoned to R1 General Residential with a minimum lot size of 700 m² and no floor space ratio. This zone and minimum lot size is consistent with adjacent land to the north and west. This area is contiguous with existing residential development and it is reasonable to assume that this will remain a residential area for the foreseeable future due to its serviced location close to the town centre in addition to the existing underutilised supply of B6 Enterprise Corridor land in Marulan.

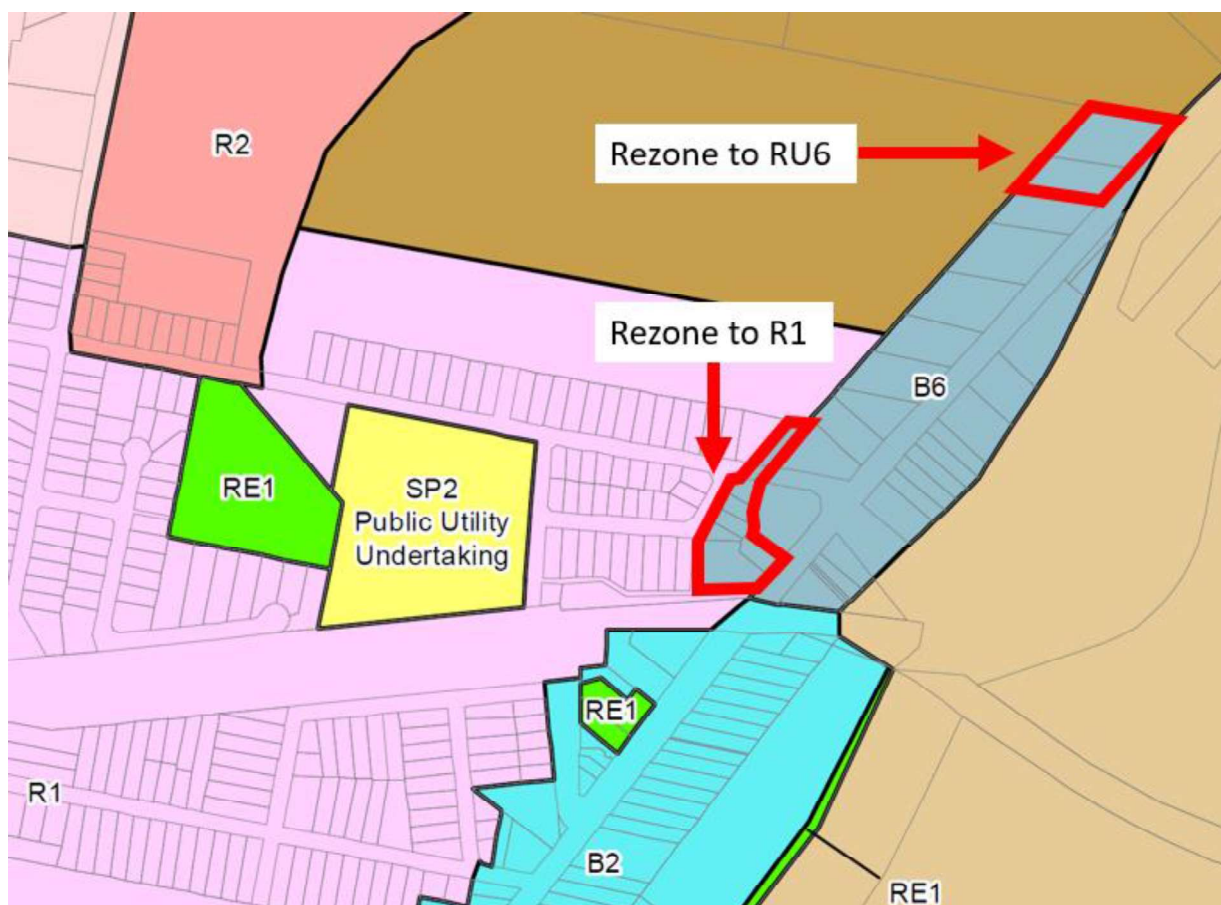


Figure 4: Proposed rezoning's on Station Street, George Street and Brayton Road, Marulan

Conclusion

In order to prevent certain residential property owners from being unfairly burdened by the B6 Enterprise Corridor zone applying to their land, it is recommended that certain areas within this zone on Long Street, Goulburn and Station Street, George Street and Brayton Road, Marulan are rezoned to land use zones that are consistent with the current and future expected use of the land.

It is therefore recommended that these lands be zoned to RU2 Rural Landscape, R1 General Residential and RU6 Transition where appropriate.