

## ATTACHMENT 2

(10 pages)

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**REZ 2016/0001**

**8<sup>th</sup> November 2016**

### REVIEW OF ADDITIONAL PLANNING ISSUES

#### **1. STRATEGIC PLANNING FRAMEWORK IN RELATION TO THE LOCATION OF MARINE INDUSTRY ON THE CLARENCE RIVER.**

##### **1.1 Mid North Coast Regional Strategy 2009**

Clarence Valley Council is subject to the policy provisions of the Mid North Coast Regional Strategy 2009. This document was prepared as a 25 year land use planning strategy to guide future development and identify key strategic directions. Of relevance to this proposal, the Strategy states that

*'In the case of some marine based industries that depend on access to navigable waterways, additional opportunities may be provided outside of the growth areas'.*

*'The Department of Planning will work with the Department of Environment and Climate Change and other relevant State government agencies on suitable location criteria to assist in guiding any future development opportunities.'*

A State Marine Based Industry Policy for Far North Coast and Mid North Coast NSW was subsequently adopted in August 2015 (refer to Item 1.3).

The proposed rezoning is considered to be consistent with the policies outlined in the Mid North Coast Strategy for the establishment of marine based industrial development.

##### **1.2 NSW Planning Draft North Coast Regional Plan March 2016**

This Draft Plan was released in March 2016 to update the strategic policy for the North Coast. The policies in this plan outline the need to ensure that employment land is strategically located to avoid land use conflicts.

*'ACTION 4.4.2 Encourage well located employment land with suitable buffers to minimise land use conflicts. Employment land needs to be protected from encroachment by incompatible development that is sensitive to the real or potential impacts of noise, smoke, dust, odour, vibration and light, and/or because it generates potential risks. Due to their type, scale and nature, certain heavy industries – such as concrete batching plants – may need to be located away from some traditional mixed-use employment areas that have a greater mix of bulky goods and light industrial uses. Councils should do this through their local planning strategies.'*

*'Marine-based industry such as shipbuilding is an example of development that may need to be located outside traditional industrial areas. To help councils plan for marine-based industries, the*

*Department of Planning and Environment has released the Marine-Based Industry Policy – Far North Coast and Mid North Coast (2015).'*

### **1.3 State Marine Based Industry Policy for Far North Coast and Mid North Coast NSW August 2015**

The State Marine Based Industry Policy for Far North Coast and Mid North Coast NSW aims to facilitate the development and operation of marine based industries in appropriate locations.

The essential adopted criteria require:

- Being dependent upon access to a navigable waterway
- The maximum draught of the vessel(s) or products proposed to be built allow it/them to pass safely through the waterway and the waterways entrance to the sea
- The size or bulk of the vessels or products proposed to be built requires transport by water.

The proponent is an established boat builder and outlines the company's requirements for a site with deep water access to expand the business. Boats of more than 20m cannot be manufactured in the current premises and expansion of the business is proposed.

The State Marine Based Industry Policy states that:

*"Once the criteria have been met, proponents may approach Council to seek preparation of a planning proposal with a view to permitting the industry. Councils are encouraged to strategically plan for opportunities for marine based industry. This work should use the location criteria and apply them strategically to their respective waterways with a view to identifying sites or precincts which are most suited to marine based industry, and the type of sale of industry that the site and waterways could support.*

*Ideally if more than one enterprise is likely to be established they should be clustered into a precinct rather than scattered along the waterways edge, with a view to maximising efficiency of infrastructure and minimising environmental impacts.*

*The outcome of this strategic work could be included as a component in the council's local growth management strategy, this would enable prospective proponents to target the right locations, providing greater certainty to the planning process. Once a proponent identifies a conforming site, it could approach the relevant Council to initiate a planning proposal to permit develop of the site. "*

The Harwood Slipway site has now been zoned with 16.9 ha of additional land available for Marine Industrial purposes. The Harwood rezoning has been approved since the previous application on this Palmers Island subject site. This was market/applicant driven in the same way as the current proposal.

Although the state policy clearly encourages enterprises to be 'clustered into a precinct' it does not define the parameters of a 'precinct' and also encourages Councils to address this in its local growth strategies.

### **1.4 Clarence Valley Council Strategies**

The following adopted local non statutory Council strategies are of relevance and add further detail to the broader state and regional strategies:

- The Clarence Edge – Clarence Valley Economic Development Strategic Plan (CVC 2006)
- Clarence Industrial Lands Strategy (CVC 2007)
- Clarence Marine Cluster Assessment (CVC 2009)
- Clarence River Way Masterplan (CVC 2009)
- Our Community Plan 2015-2024

#### 1.4.1 The Clarence Edge – Clarence Valley Economic Development Strategic Plan (CVC 2006)

In June 2006 Council adopted the Clarence Valley Economic Development Strategic Plan. The Plan contained a framework for the future economic growth of the Valley and 12 action oriented projects addressing a wide range of industry and commercial needs.

*Extract- Policy A.2. Marine Industry Cluster- Geographically concentrated marine industry precinct to facilitate **greater interaction** between businesses and facilitate import replacement and efficiency advantages.*

1. Identify support for a marine industry cluster in the Clarence Valley
2. Review supply chain analysis study
3. Undertake demand and needs assessment for a marine industry cluster in the Clarence Valley
4. Implement strategies to address constraints and capitalise on opportunities
5. Land acquisition & zoning
6. Develop investor brief

The proposal is consistent with the policy to support a marine industry cluster in the Clarence Valley. No particular sites were identified and subsequent strategies which provided more policy content followed this plan.

#### 1.4.2 Clarence Industrial Lands Strategy (CVC 2007)

This report aimed to identify a supply of strategically located industrial precincts and locations for a range of industry types to support and enhance the economic competitiveness of the Clarence Valley.

*Extract: Strategic Intent V – Marine industry: Support for the provision of lands located on the Clarence River to leverage competitive locational advantages and provide for industry expansion: The river access and established nature of the marine industry in the Clarence Valley provide an obvious opportunity for expansion. There is the potential to expand the current sector and to cluster supporting marine businesses in the Clarence Valley to respond to market trends. The preferred area for marine sector development and marine support services would be in the Lower Clarence close to existing industry, skilled labour force and with access to the Clarence River.*

The proposal is considered to be consistent with this local strategy as it is for expansion of a marine industry in the Lower Clarence requiring a river access site.

#### 1.4.3 Clarence Marine Cluster Assessment (CVC 2009)

This report was created in 2009 as an economic marketing tool by Council. This document took a broader geographic view for a Clarence Marine Precinct compared to the 2006 & 2007 CVC Strategies outlined above.

*“The Clarence Marine Precinct presents a market first in that it is not limited to a single geographical site, rather, the precinct is the Clarence River itself with existing marine industry located from Yamba*

*and Iluka on the coast to the River City of Grafton, some 32 nautical miles upstream. Recognising this large section of the River as the precinct area, provides scope for a wide range of industries to be considered as partners and participants in new development, and offers a choice of sites for potential investment and future growth collaborations."*

*"The 'traditional' view of marine industry precincts is one based on a fixed location. The Clarence Marine Precinct is not limited to a single location, but rather has development possibilities located between the river mouth at Yamba and the City of Grafton. This spread of geography ensures that development will not be limited by artificial boundaries".*

This strategy outlines a position that the Clarence Marine Precinct is not restricted to a single location and therefore the proposal is considered to be consistent with this local strategy.

#### 1.4.4 Clarence River Way Masterplan (CVC 2009).

Clarence River Way Masterplan is an integrated, market driven, destination development initiative as part of the Clarence Valley Economic Development Strategic Plan.

The Masterplan contains an action to expand of regional shipbuilding (Action 5) in Yamba under Strategy 7.3 as follows:

##### *Strategy 7.3 - Promote Yamba as the Gateway Port to the Clarence*

*Action 5. Expand regional shipbuilding and repair facilities at Yamba by facilitating investment, and promoting the development of a marine industry based cluster.*

However the Plan also states, in respect of its Strategic Intent and intra regional linkages (refer page 60 of the Plan, *"Facilitate a marine industry cluster in the lower reaches of the Valley establishing the Clarence River as a key boating centre of the east coast."*

#### 1.4.5 Summary of State and Local Strategic Planning Policy context

It is considered that the proposal satisfies broad strategic compliance with the state and local adopted policy framework for marine industrial development. There is clear local policy support for shipbuilding facilities on the Lower River and at Yamba as part of a marine industry 'cluster'. It is supported by local planning and economic development strategies which focus on the Clarence River as the 'precinct' rather than a particular site. Furthermore, no conflict with State and local strategies was raised as an issue in the previous Gateway Determination dated 18 November 2014.

## **2. COMPLIANCE WITH LEGAL PLANNING POLICIES - STATE ENVIRONMENTAL PLANNING POLICIES (SEPPS), SECTION 117 DIRECTIONS AND JUSTIFICATION FOR ANY AREAS OF NON COMPLIANCE.**

Appendix D of the planning proposal document (refer to Attachment 1 of the Council report) addresses the proposal's compliance with SEPPs and Section 117 Directions. There are some inconsistencies with State Policies in relation to the following:

**2.1 SEPP 55 - Contamination of Land:** The subject property has previously been used for commercial cane production and has potential to be contaminated by chemical residues. The portion of the site to be developed is proposed to be raised for flood protection using clean fill, which is likely to reduce risks and may offer effective remediation. In addition, the proposed use of the subject land for industrial purposes raises the threshold for levels of contaminants reducing the risk of land contamination being a significant issue. A preliminary site assessment would be required