

PLANNING PROPOSAL

REZONING OF LANDS AT ISLES INDUSTRIAL ESTATE, NORTH BOAMBEE VALLEY

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Contact

Marten Bouma
Sustainable Planning Officer
Phone: (02) 6648 4657
Email: marten.bouma@chcc.nsw.gov.au

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SUMMARY

Coffs Harbour Local Environmental Plan (LEP) 2013 was made on 27 September 2013. The new LEP created a B5 Business Development zone that was applied in two locations – at “Coffs Harbour Homebase” located on Mastracolas Rd / Pacific Highway, Coffs Harbour North, and in the North Boambee Valley area surrounding the Pacific Highway. The Coffs Harbour Industrial Lands Strategy (ILS) and the Business Centres Hierarchy Review (BCHR) 2011 supported the creation of the B5 zone at these locations.

The B5 zone at North Boambee Valley replaced the Industrial 4A zoning that applied under the previous LEP 2000. This was seen as appropriate at the time as bulky goods premises were specifically excluded from the IN1 Industrial zone under the Standard Instrument LEP. The two B5 zoned areas have traditionally attracted this type of development, and the new zone was seen to limit this type of development to these locations.

Since the introduction of LEP 2013, a number of landowners in the Isles Industrial Estate (location of lands shown in Figure 1 below) have strongly objected to the application of the B5 zone on their land. They have expressly stated a desire to see the land reverted to an industrial zoning (IN1), as much of the land in the estate has been developed for, and is intended for, industrial purposes.

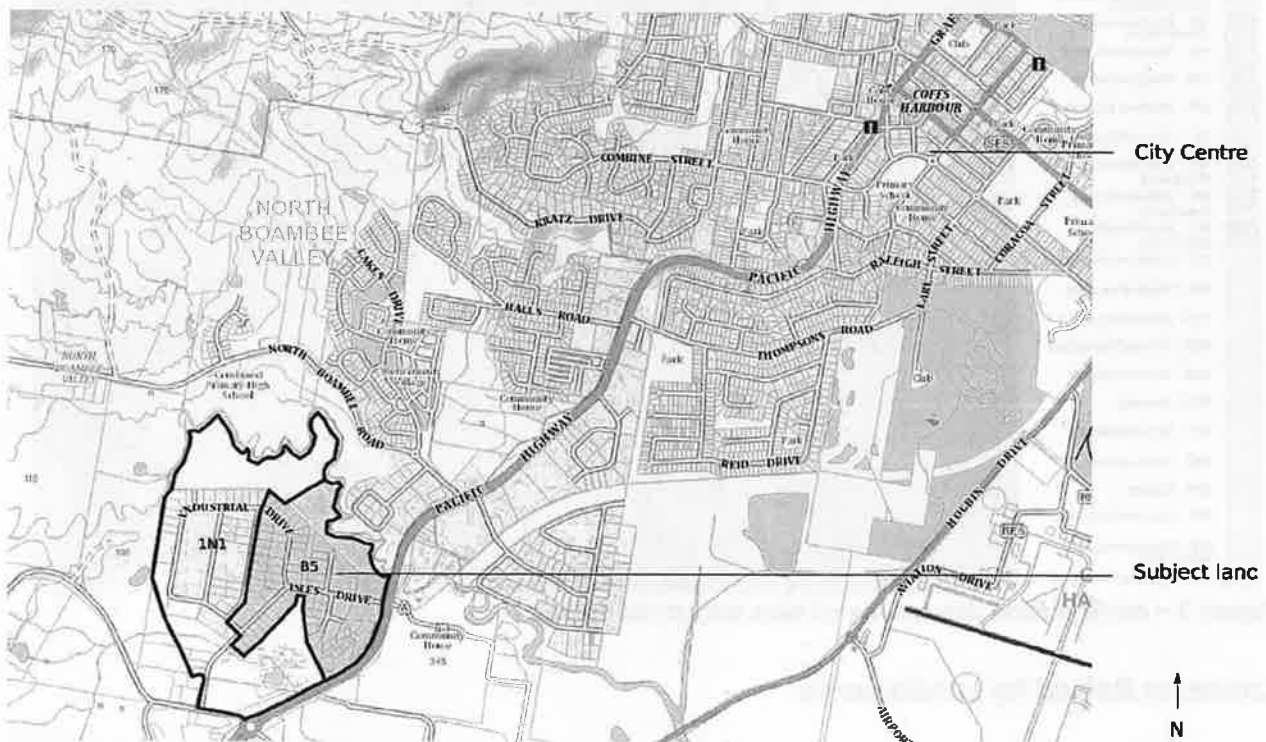


FIGURE 1 – location of subject lands

At the time the Industrial Lands Strategy (ILS) was adopted (2009), a lot of the land, especially in the Isles Industrial Estate was vacant/undeveloped and at that time it would have been suitable for large floor plate bulky good's type development. However, in the years between the adoption of the Industrial Strategy and the making of LEP 2013 most of that land has been developed for 'traditional' industrial land uses ie. bays supporting a wide range of industrial land uses that are generally unsuitable in the city centre.

The strategic efforts were time damaged due to the delay between the adoption of the ILS and the making (i.e. gazettal) of LEP 2013.

The logical development concept for the remaining vacant lots appears to be industrial bays of a similar scale and land use to surrounding development. While the industrial bays are permissible with consent, a wide range of industrial land uses are not permissible under the B5 zone. This is seen by some landowners, and their agents, as a significant burden on their land.

Notwithstanding the public exhibition of the draft LEP and ILS, it is considered by some owners/agents that the change in zone from industrial to B5 in this area was inappropriate. This has led to inequities in so far that surrounding land is already developed for industrial purposes and the remaining undeveloped land is not of a sufficient size to support the 'large floor plate' bulky goods concept and associated car parking required under a B5 zone. The extent of the B5 and IN1 zone in the Isles Industrial Estate is shown in Figure 2 below.



Figure 2 – current land use zoning of Isles Industrial Estate

Concerns Raised by Landowners

Feedback from landowners and their agents has raised the following issues:

- The B5 zoning has devalued their land because it has made it difficult to sell, tenant and/or expand an existing enterprise; and
- Bulky goods retailing and light industrial activities experience land use conflict (i.e. through heavy vehicle movements).

The content of the submissions indicates significant concern amongst landowners that their property/business prospects have been impeded or devalued as a result of the change of zoning from 4A Industrial under LEP 2000 to B5 Business Development under LEP 2013.

While no independent property valuation evidence is available, and no independent analysis of the relative demand for industrial and bulky goods retail land has been undertaken, a local real estate agent has made a submission to the effect that the establishment or development of certain businesses has been impeded by the extent of B5 zoned land.

The real estate agent's submission states that relative demand for industrial land uses is greater than for bulky goods retail, and provides details of certain buildings, proposed developments and leases that have not proceeded due to the B5 zoning that has been applied to the land. Specific examples are provided in their submission.

The real estate agent's submission also states that the reduced ability to utilise or lease sites has reduced rental and capital values of properties, reducing the equity of their owners and their ability to borrow funds for business purposes.

The other submissions are consistent with the real estate agents submission in relation to demand, capital and rental valuation issues.

While anecdotal evidence suggests that there is currently no demand for bulky goods premises, there is a demand for general industrial land uses in this location. The Planning Proposal includes information to support a rezoning of a portion of the Isles Industrial Estate from a B5 to an IN1 zone, the extent of which is shown in figure 3 below.



Figure 3 – proposed zoning of Isles Industrial Estate

PART 1 - OBJECTIVES AND INTENDED OUTCOMES

The Planning Proposal seeks to retain the B5 zone on lots facing the Pacific Highway to the south of Isles Drive, with the balance of the Industrial Estate zoned IN1. This would retain the highest profile land in a B5 zone.

The PP (rezoning) proposes to:

- rezone lands within the Isles Industrial Estate from a B5 Business Development zone to an IN1 General Industrial zone;
- provide land for development that is in keeping with the environmental and servicing capacity of the land; and
- reduce the potential for land use conflict between properties within the Isles Industrial Estate.

The objectives of the planning proposal are:

- to describe the subject site, the locality in which it is situated, the current zoning and the reason for the need to locate “general” industrial development on the subject lands.
- to request an amendment to the LEP to permit “general” industrial development
- to address the ‘gateway’ assessment criteria under Part 3 of the EP&A Act 1979.
- to provide justifications for the LEP amendment and demonstrate the net community benefits which follow.
- to demonstrate that the planning proposal is consistent with the broad strategic direction for the locality.

The intended outcomes of the planning proposal are:

- To rezone certain lands to allow “general” industrial land uses to be undertaken (with development consent) on land contained within the Isles Industrial Estate in the North Boambee Valley area.
- To achieve broad community acceptance.

PART 2 - EXPLANATION OF PROVISIONS

The proposed outcome will be achieved by:

- Amending the Coffs Harbour LEP 2013 Land Zoning Map on the subject lands in accordance with the proposed zoning map shown in attachment 1; and
- Amending the Coffs Harbour LEP 2013 Floor Space Ratio Map by removing a floor space ratio of 0.5:1 from the subject lands in accordance with the proposed floor space ratio map shown in attachment 2.

PART 3 – JUSTIFICATION

Section A - Need for the planning proposal

1. Is the planning proposal a result of any strategic study or report?

The following local strategic planning documents provide information to support the Planning Proposal:

- **Industrial Lands Strategy 2009 and Employment Lands Strategy 2008**

The main objectives of the Industrial Lands Strategy (ILS) 2009 was to:

- assist Council in preparing its new LEP in accordance with the Standard Instrument;
- establish the existing supply of, and future demand for industrial lands;
- provide a strategic framework for the provision of future industrial lands;
- provide a recommended zoning scheme for existing and future industrial lands; and
- assess the current and future employment opportunities and economic impacts of industrial lands within the LGA.

The ILS recommended the establishment of a hierarchy of industrial areas, which amongst other matters sought to limit bulky goods retailing to specific areas. It also sought to separate incompatible land uses.

At the time the ILS was prepared (during the mid-late 2000's), it found that: *"the dominant industry is service or light industry, predominantly bulky goods, and automotive uses. There are also a number of light manufacturing uses that exist within the estate. The estate also contains a church, and a service centre containing a petrol station and several fast food takeaway facilities. The estate is relatively new, and is continuing to expand at a consistent rate. The major focus for the area appears to be the continuation of light/ service industry with a particular focus on bulky goods"*.

Of particular interest is Section 10.3.4. of the ILS which outlines suggested industry targets for Coffs Harbour to progress its economic development. These include:

- encouraging distributions operations that serve the area between Sydney and Brisbane; and
- providing suitable land for light and high technology or advanced manufacturing.

The location of the Isles Industrial Estate has advantages for both of the above, given its location:

- at the southern extremity of the Coffs Harbour urban area allowing heavy transport movements 24 hours a day without disturbing the amenity of nearby residences;
- adjacent to the connection to the proposed highway bypass which will increase the value of the above; and
- adjacent to the Coffs Harbour Health Campus, which could act as a trigger with the development of health related industrial and service enterprises.

This indicates that the Isles Industrial Estate is of strategic importance for transport oriented business, including logistics, warehousing and distribution.

The Employment Lands Strategy (ELS) took a cautious approach to bulky goods retailing, stating that *“the presence of out-of-centre retailing, particularly in the form of Big Box Retail and Bulky Goods Retail could potentially impact the viability of businesses and industry in town centres. In addition the spatial distribution of different retailing formats could contribute to unsustainable travel patterns and negative land-use conflicts. This not only impacts on the local community, but it also impacts on the competitiveness of local business and industry.”*

The ELS noted the importance of the Isles Estate, stating: *“The precinct is strategically positioned with respect to the highway, is able to offer large lots and occupies a premium position in the local industrial land market.....The precinct should be preserved as a strategic industrial area. Care should be taken to recognise the role and function of the Isles precinct in the local industrial land market place and zoned accordingly.”*

The ILS took a more permissible approach to bulky goods development. It identified that there was increasing bulky goods retail development in the Isles Industrial Estate in response to local demand. Accordingly, the ILS recommended that the Isles Industrial Estate should be zoned partly IN1 and part B5 under the LEP 2013 on the basis of existing demand, broad demand trends and supply analysis and land suitability.

It should be noted that since the ILS was undertaken there has been a considerable amount of development in the Isles Industrial Estate, including the development of a new section to the west of Engineering Drive. Many of the lots marked as vacant in the ILS report are now occupied.

• 2014 Land Use Survey

In 2013/2014 Council officers undertook a survey of the development occupying the land within the Isles Industrial Estate. The survey identified the nature of each development and assessed whether the occupying land use was permissible under a B5 and/or IN1 zone.

The findings of this survey indicate that almost all developments would be permissible within the IN1 zone, with very few permissible within the B5 zone (such as bulky goods retailers).

Many developments are not permissible in a B5 zone, such as freight transport facilities, depots, and vehicle repair stations. Several premises that might superficially appear to be bulky goods retailers (such as plumbing supplies) which are permissible in the B5 zone only appear to more precisely conform to the definition of hardware and building supplies, which is permissible within the B5 and IN1 zone.

Development that is permissible within the B5 zone is scattered across the precinct.

The permissible uses within the B5 zone are much more limited than the IN1 zone ie. freight transport facilities are prohibited in the B5 zone.

The exception to the above is the cluster of food and drink premises around the Pacific Highway. These premises are regarded as take away food outlets and they are permissible in the B5 and IN1 zone.

- **Review of B5 zoning Isles Industrial Estate (2014)**

This report reviewed the relevance of the B5 Business Development zoning on lands in the Isles Industrial Estate in North Boambee Valley since the introduction of LEP 2013. The review included an examination of land uses in the estate, many of which were established in between the adoption of the Industrial Lands Strategy 2009 and the introduction of LEP 2013. The review provided background information to inform the PP and is included as Attachment 2 to this report.

The review notes that a number of changes to consumer spending have occurred since the ILS was produced, namely:

- *"The growth of household retail consumption has reduced due to the global financial crisis and the consequent propensity of households to increase savings and reduce debt;*
- *A more cautious approach by financial institutions to lend money for developments, including retail and bulky goods developments whose viability is often dependent on securing future tenants, and*
- *The impact of the internet on retailing. While this impact is still relatively low, it is increasing. Households are ordering goods direct via the internet and using the internet for price comparison. This is having an impact on the nature of retailing, increasing competition and reducing retail (such as bulky goods) margins. It is not yet clear what the eventual impact on retailing patterns will be, however it is likely to place downward pressure on the demand for retail floorspace per capita.*

These changes have had the effect of reducing the per capita demand for retail floor-space."

The review goes on to say that *"it seems likely the future savings patterns of households will more closely resemble those evident prior to the "boom" years of the 1980's-2000's than those immediately prior to the global financial crisis.*

Notwithstanding the above, the pressure on retail profit margins will continue to favour lower rent bulky goods formats relative to more conventional commercial centres. This will lead to a continuing demand for bulky goods floorspace, although probably not at the growth level experienced in the past. Consumers appear to favour one stop bulky goods centres or clusters which provide variety and comparison shopping similar to Homebase at Park Beach. The exception is freestanding major destination stores such as Bunnings and Masters."

Due to previous planning controls which allowed bulky goods retailing within the precinct, there is mix of bulky goods and "industrial" land uses through the Estate. Anecdotal evidence suggests that there is now a higher demand for general industrial land uses in the Isles Industrial Estate relative to the demand for bulky goods premises.

- **Options to Move Forward**

The Review of the B5 zoning in the Isles Industrial Estate (2014) has identified a number of issues relating to the coexistence of the B5 and 1N1 zones at the Isles Industrial Estate.

There is not a simple solution to this land use zoning dilemma that will satisfy all parties. Any solution is likely to involve a compromise.

Several options are available:

Option 1. Continue with the existing land use zoning pattern.

This option is not preferred as it would continue the existing LEP issue that has been described in this Report.

Option 2. Reduce the area zoned B5 to high profile locations. Industrial uses could then occupy the lower profile locations while still taking advantage of high transport accessibility and the strategic location of the Estate.

This option may be preferred as there is evidence to support the need for lower rent bulky goods in high profile locations as well as this zone being potentially in excess of that needed in the local marketplace.

Option 3. Recognise the strategic nature of the Isles Industrial Estate and zone the entire Estate 1N1.

This option is not preferred. The disadvantage of this option is that opportunities for the expansion of bulky goods retailing in the Estate would be severely curtailed and that existing bulky goods operations that have established in good faith under the B5 and 4A zonings could only continue under "existing use rights". It should be noted that this situation already exists for certain industrial uses within the B5 zone that operate under existing use rights since the inception of LEP 2013.

Option 4. Amend the land uses permissible in the 1N1 and B5 zones. While this option may relieve restrictions on businesses operating under existing use rights, it does not address the LEP issue that has been described in this Report.

This option is not preferred as the objectives of the zone would be diminished.

The Review of the B5 zoning in the Isles Industrial Estate (2014), previous studies and submissions received from businesses/property owners indicates there is merit in consolidating the spatial area within the Isles Industrial Estate zoned B5.

Option 2 is the preferred way forward and offers the greatest benefits and least disadvantages of the options. It enables bulky goods retailing to continue to develop but provides greater scope for the continued operation and expansion of industrial uses in a strategic location.

Option 2 therefore has two sub options:

- i) The northern side of Isles Drive as far west as Industrial Drive could be zoned 1N1 under this option, and provide high profile locations for industrial enterprises.
- ii) The second sub option is retaining the B5 zone on lots facing the Pacific Highway to the south of Isles Drive, with the balance of the Industrial Estate zoned IN1. This option would retain the highest profile land in a B5 zone.

Option 2 sub option (ii) is preferred and offers the best outcome in maintaining the integrity of the industrial area while providing opportunities for B5 zone development in the highest visibility location. Sub option (i) has the disadvantage of eroding the integrity and strategic benefits of the industrial area.

Option 2 sub option (ii) therefore contains the recommended course of action, and supports the recommended zoning layout within the PP.

The location of the Isles Industrial Estate just north of the connection to the proposed highway bypass is of strategic importance to the LGA. It provides an opportunity for transport and logistics/distribution related industries and those industries reliant on flexible transport options to establish and grow while minimising their impact on other urban areas. Option 2(ii) contains the recommended course of action, as it provides greater scope for this strategic advantage to be capitalised upon for the long term benefit of the Coffs Harbour LGA.

2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

A planning proposal is the best method to achieve the intended outcomes in this situation. It accords with prevailing strategy and policy and is effective without imposing regulatory burden. The resultant development will also generally accord with the prevailing surrounding land use activities.

3. Is there a net community benefit?

The Planning Proposal is considered to provide a benefit in the local community, including:

- provision of additional strategically located industrial zoned land to the LGA;
- provision for an economic use for land which has remained largely vacant and disused for many years; and
- provision of additional employment opportunities for the local community through full-time and part-time jobs associated with the additional industrial activities, including the construction of those new industries.

Section B - Relationship to strategic planning framework.

- 4. Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?**

The Mid North Coast Regional Strategy 2009 (MNCRS) is the applicable regional strategy for Coffs Harbour. The Strategy aims to ensure that adequate land is available and appropriately located to accommodate the projected housing and employment needs for the region's population over the next 25 years.

The Strategy designates Coffs Harbour as a major regional centre within the Mid North Coast region. Due to the size and regional centre role of Coffs Harbour and Port Macquarie, the Strategy recommends that the projected industrial land requirements will primarily be focused upon these areas to support their future growth. The Coffs Coast Region (Coffs Harbour, Bellingen and Nambucca Local Government Areas) will require an additional 83 hectares of industrial land within the next 25 years.

The Strategy also defines potential areas for growth within each LGA. The Department has released these as the 'Growth Areas Map' for the region. The Growth Areas Maps indicate the lands which are proposed as employment lands and refer to land identified to provide the necessary projected industrial or commercial land. The proposed growth areas identified in the strategy for Coffs Harbour are confined to South Woolgoolga, on the western side of the Pacific Highway directly adjacent to the existing Woolgoolga industrial estate and within North Boambee Valley (which includes the land subject to this Planning Proposal).

The strategy also forecasts an additional 47,000 jobs will need to be created by 2031 for the Mid North Coast. Of this 47,000, the Strategy outlines that 75% of these will be needed to meet the demands arising from the housing and servicing of additional population. The remaining 25% of jobs will need to be created in new industries or services supplying markets outside the Mid North Coast.

The proposal is consistent with the Mid North Coast Regional Strategy (MNCRS). The proposal is in keeping with the objectives of providing additional employment opportunities in close proximity to new release areas.

- 5. Is the planning proposal consistent with the local council's Community Strategic Plan, or other local strategic plan?**

Coffs Harbour 2030 Plan

This is a strategic level document which identifies the specific strategies that Coffs Harbour community have identified that need to be undertaken to move towards achieving a more sustainable society.

The Planning Proposal seeks to implement appropriate and relevant strategies of the Coffs Harbour 2030 Plan to achieve the following objectives:

- **Objective - LP 2** *We have a strong and diverse economy*

Strategy - LP 2.1 *Maximise opportunities for workforce participation*

Comment – The Planning Proposal will enable employment activities that will assist in achieving this strategy. The eventual construction of buildings will provide employment and post construction employment may include trade apprenticeships etc.

Strategy - LP 2.2 *Encourage the provision of facilities and services which attract, create and support career opportunities for young people*

Comment – Trade industries consistently attract, create and support career opportunities for young people.

The implementation of these community endorsed strategies as part of this Planning Proposal, will assist in achieving the outcomes of the 2030 plan.

Local Growth Management Strategy

The Coffs Harbour City Local Growth Management Strategy, endorsed by the Director General on 11 November 2009, comprises a number of themed strategies and studies including the following:

Our Living City – A Settlement Strategy for Coffs Harbour

The OLCSS 2010 (the Settlement Strategy) identifies that the LGA will experience considerable population growth by 2031. This population growth will in turn create demand for business and employment opportunities, which will create demand for additional employment land.

The Settlement Strategy outlines a number of specific recommendations that relate specifically to employment lands including:

Land Availability

There is a need to make allowances to increase employment lands within Coffs Harbour LGA. There is a need to assess the demand for additional employment zones, large lots and current zoning boundaries. Council needs to consider rezoning land to enable more appropriate land uses.

In terms of economic development, the OLCSS seeks to maintain the business centres hierarchy and increase employment and education opportunities. The strategy identifies significant growth around the South Coffs Harbour area including the North Boambee Valley release area (849 potential dwellings), South Coffs release area (477 potential dwellings) and Boambee Rural Residential release area (23 potential dwellings). New dwellings in these release areas will likely increase demand for industrial uses associated with the growth of the area.

Industrial Lands Strategy 2009

The Industrial Lands Strategy (ILS) was produced to provide a strategic planning framework to guide the future development of industrial lands within the local government area (LGA). The following sections of the ILS are considered to be relevant to this issue:

Section 9.1 of the ILS states that:

“Coffs Harbour is a major regional centre which has been identified for significant population growth in a number of state, regional and local planning documents including the NSW State Plan, the Mid North Coast Regional Strategy and the Coffs Harbour OLCSS Interim Document 2008. With this population growth will come an urgent need to provide employment opportunities to the existing and future population of the LGA. Provision of industrial land to assist in providing these jobs is therefore a key priority of Coffs Harbour City Council.

... Consultation with various stakeholders within the LGA has revealed that there is a strong perception that there is limited industrial land within the LGA to cater for future demand. This has, to a certain extent, subsequently been confirmed by the Industrial Land Audit. The industrial land audit indicated that although there is vacant land zoned and suitable for development, there is limited land being developed and offered for sale.”

Section 9.2.3 of the ILS states that there is a demand for an additional 50 ha of industrial land area by 2031 (SGS Economics and Planning).

Section 10.2.3 of the ILS states that:

“some of the industrial precincts (including the Isles Industrial Estate) have potential to be developed more intensely either through development of existing vacant land or redevelopment into more intensive industrial uses that have potential to provide more employment for the local government area.”

Employment Lands Strategy 2008

The Council-endorsed Employment Lands Strategy (ELS) provides the following commentary on the future role of the Boambee North Industrial Precinct.

Boambee North Industrial Precinct – “The precinct should be preserved as a strategic industrial area with the potential to accommodate a greater share of traditional industrial activity. The portion of the precinct fronting the highway already accommodates significant Bulky Goods Retail operations. This should be formalised as part of a B5 Business Development zoning. Although the proposed by-pass route would mean a slightly longer travel time to the highway, this is not likely to jeopardise the function of the precinct as a traditional industrial area.”

Business Centres Hierarchy Review 2011

The Business Centres Hierarchy Review (BCHR) document states that:

"There should be no increase to the land area where bulky goods retailing is permissible for at least 10 years because there is an adequate supply of land zoned for this purpose."

It is considered that this Planning Proposal aligns with these strategic documents.

6. Is the planning proposal consistent with applicable state environmental planning policies (SEPP)?

SEPP 55 – Remediation of Land

Site investigations have been undertaken prior to the original development of the subject lands for industrial purposes over 10 years ago. The subject lands are therefore considered to be suitable for the change in land use.

SEPP 71 – Coastal Protection

The subject site is located within the Coastal Zone, and is therefore subject to the provisions of SEPP 71. Clause 7 requires that the matters for Consideration under Clause 8 should be taken into account by a Council when it prepares a draft LEP that applies to land within the Coastal Zone.

The Clause 8 matters for consideration include the following:

Clause 8 Matter for Consideration	Comment
(a) the aims of this Policy set out in clause 2,	The proposal is considered to be consistent with the aims of the policy set out in Clause 2.
(b) existing public access to and along the coastal foreshore for pedestrians or persons with a disability should be retained and, where possible, public access to and along the coastal foreshore for pedestrians or persons with a disability should be improved,	Not applicable
(c) opportunities to provide new public access to and along the coastal foreshore for pedestrians or persons with a disability	Not applicable
(d) the suitability of development given its type, location and design and its relationship with the surrounding area	Land immediately to the west of the subject lands is zoned for industrial uses. The subject lands held an industrial zone for over 10 years prior to LEP 2013 coming into effect on 27 September 2013. The proposed zoning and the likely land uses that will apply to the area are therefore considered to be suitable with surrounding land uses etc.
(e) any detrimental impact that development may have on the amenity of the coastal foreshore, including any significant overshadowing of the coastal foreshore and any significant loss of views from a public place to the coastal foreshore	Not applicable
(f) the scenic qualities of the New South Wales coast, and means to protect and improve these qualities	The planning proposal will not compromise the scenic qualities of the New South Wales coast.
(g) measures to conserve animals (within the meaning of the <i>Threatened Species Conservation Act 1995</i>) and plants (within the meaning of that Act), and their habitats,	The subject lands abutt Newports Creek to the north, which includes an E2 zone that has been applied to the riparian area surrounding the creek. This planning proposal does not impact on the existing E2 zoning.
(h) measures to conserve fish (within the meaning of Part 7A of the <i>Fisheries Management Act 1994</i>) and marine vegetation (within the meaning of that Part), and their habitats	See (g) above.
(i) existing wildlife corridors and the impact of development on these corridors	See (g) above.
(j) the likely impact of coastal processes and coastal hazards on development and any likely impacts of development on coastal processes and coastal hazards	The site is affected by flooding. Extensive studies have been undertaken previously that assess the likely impacts of flooding in the area. The suitability of the site for industrial development in relation to flooding has been demonstrated previously. No additional specific assessment is proposed as part of this process.
(k) measures to reduce the potential for conflict between land-based and water-based coastal activities,	Not applicable

(l) measures to protect the cultural places, values, customs, beliefs and traditional knowledge of Aboriginals,	The subject lands have been previously subject to the assessment of Aboriginal cultural heritage. No additional specific assessment is proposed as part of this process.
(m) likely impacts of development on the water quality of coastal water bodies,	Storm-water runoff from eventual development will be required to be accommodated within the existing urban storm-water system, and comply to Council's development standards for industrial development.
(n) the conservation and preservation of items of heritage, archaeological or historic significance,	The subject lands do not contain any known items of heritage, archaeological or historic significance. (also see (l) above).
(o) only in cases in which a council prepares a draft local environmental plan that applies to land to which this Policy applies, the means to encourage compact towns and cities,	The site is located within an established urban area and adjacent to the future South Coffs urban area and catchment.
(p) only in cases in which a DA in relation to proposed development is determined: (i) the cumulative impacts of the proposed development on the environment, and (ii) measures to ensure that water and energy usage by the proposed development is efficient.	This proposal relates to a rezoning of lands. Development applications will likely be received following rezoning. Having regard to the location of the site in an industrial area, and also having regard to the likely form of development, environmental impacts can be appropriately managed.

SEPP Infrastructure 2007

Consultation is required with authorities as part of the gateway rezoning process. Any future traffic generating development will be referred to NSW Roads and Maritime Services under this SEPP at the Development Application stage.

7. Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

Direction 1.1 – Business and Industrial Zones

Requirement	Comment	Meets Requirement?
(1) The objectives of this direction are to: (a) encourage employment growth in suitable locations, (b) protect employment land in business and industrial zones, and (c) support the viability of identified strategic centres.	The proposal will encourage employment growth in a suitable location (as described in Part 3 of this report). The finalization of the planning proposal will foster the creation of an increased number of jobs on the subject lands. In this respect full time and part time jobs are estimated as part of the operation of industrial facilities in addition to immediate employment associated with the construction process as well as multiplier effects. Amending the existing LEP in the manner	Yes

	proposed will enable development that is consistent with the level and range of services which are expected within such a centre.	
(4) A planning proposal must: (a) give effect to the objectives of this direction, (b) retain the areas and locations of existing business and industrial zones, (c) not reduce the total potential floor space area for employment uses and related public services in business zones, (d) not reduce the total potential floor space area for industrial uses in industrial zones, and (e) ensure that proposed new employment areas are in accordance with a strategy that is approved by the Director- General of the Department of Planning.	The Planning Proposal is technically inconsistent with the objectives of this direction. The proposal changes an existing business zone to an industrial zone, and the subject lands are located within a business / industrial location. The proposal will reduce the total potential floor space area for certain employment uses such as bulky goods retail in (B5) business zones by removing the (B5) business zone from the subject lands and replacing it with an industrial (IN1) zone. This has been demonstrated to be acceptable as there is an adequate supply of B5 zoned land elsewhere. Floor-space for industrial uses will be increased from the existing situation. The site is not located in a "new" employment area, and retains the same broad industrial land use category that has historically occurred in the area.	No

Direction 2.1 – Environmental Protection Zones

Requirement	Comment	Meets Requirement?
(1) The objective of this direction is to protect and conserve environmentally sensitive areas.	The subject lands are located adjacent to environmentally sensitive lands zoned E2 Environment Protection, being the riparian area of Newports Creek. This planning proposal does not alter or remove any environmental protection zones.	Yes
(4) A draft LEP shall include provisions that facilitate the protection and conservation of environmentally sensitive areas.	This planning proposal does not alter or remove any environmental protection zones.	Yes
(5) A draft LEP that applies to land within an environment protection zone or land otherwise identified for environment protection purposes in a LEP shall not	This planning proposal does not alter or remove any environmental protection zones.	Yes

reduce the environmental protection standards that apply to the land (including by modifying development standards that apply to the land).		
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Direction 2.2 – Coastal Protection Zones

Requirement	Comment	Meets Requirement?
(1) The objective of this direction is to implement the principles in the NSW Coastal Policy.	The Planning Proposal includes management actions that will implement the principles of the NSW Coastal Policy.	Yes
(4) A draft LEP shall include provisions that give effect to and are consistent with: (a) the <i>NSW Coastal Policy: A Sustainable Future for the New South Wales Coast 1997</i> , and (b) the <i>Coastal Design Guidelines 2003</i> , and (c) the manual relating to the management of the coastline for the purposes of section 733 of the <i>Local Government Act 1993</i> (the <i>NSW Coastline Management Manual 1990</i>).	The proposal is consistent with these policy documents as it incorporates: • connection with existing urban areas; • general consistency with settlement strategies for the creation of compact towns; • the efficient connection to services, including transport, water and sewer services.	Yes

Direction 3.4 – Integrating Land Use and Transport

Requirement	Comment	Meets Requirement?
(1) The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives: (a) improving access to housing, jobs and services by walking, cycling and public transport, and (b) increasing the choice of available transport and reducing dependence on cars, and (c) reducing travel demand including the number of trips generated by	Although private transport is likely to be the dominant mode of transport, the site's location is central to Coffs Harbour and its hinterland and is well serviced by main roads. Freight and deliveries to the site will be easily accessible due to the site's proximity to the Pacific Highway. The site is located in an existing industrial flavored area. Its amendment to allow for general industrial use purposes is appropriate in the context of this direction.	Yes

development and the distances travelled, especially by car, and (d) supporting the efficient and viable operation of public transport services, and (e) providing for the efficient movement of freight.		
(4) A planning proposal must locate zones for urban purposes and include provisions that give effect to and are consistent with the aims, objectives and principles of: (a) improving Transport Choice – Guidelines for planning and development (DUAP 2001), and (b) the Right Place for Business and Services – Planning Policy (DUAP 2001).	The proposal provides the following measures to integrate land use and transport planning in accordance with the DUAP documents mentioned in this direction: • The land is located within close proximity to a main arterial road; • The land is connected to available pedestrian and cycleway networks; • The land adjoins an existing business zone.	Yes

Direction 4.1 – Acid Sulfate Soils

Requirement	Comment	Meets Requirement?
(1) The objective of this direction is to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils.	According to the Acid Sulfate Soils Risk maps, the subject lands are in a “low - medium risk” area, being within a Class 3, 4 & 5 area on the acid sulfate soils risk map.	
(4) Council shall consider the Acid Sulfate Soils Planning Guidelines adopted by the Director-General of the Department of Planning when preparing a draft LEP that applies to any land identified on the Acid Sulfate Soils Planning Maps as having a probability of acid sulfate soils being present.	This planning proposal does not propose an intensification of land uses on land identified as having a probability of containing acid sulfate soils on the Acid Sulfate Soils Planning Maps. Therefore, an acid sulphate soils study assessing the appropriateness of the change of land use given the presence of acid sulfate soils is not required. As the subject land is in the low to medium risk (ie Classes 3 and 5) little or no risk is likely to occur with acid sulphate soils.	Yes

Direction 4.3 – Flood Prone Land

Requirement	Comment	Meets Requirement?
(1) The objectives of this direction are: (a) to ensure that development of flood prone land is consistent with	Newports Creek, which adjoins the subject lands is subject to flooding, and most of the subject lands are within the	Yes

the NSW Government's Flood Prone Land Policy and the principles of the <i>Floodplain Development Manual 2005</i>, and (b) to ensure that the provisions of an LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land.	1% AEP flood extents. Some of the land has been filled. Coffs Harbour City Council has undertaken a flood assessment, which has been prepared with the NSW Government's Flood Prone Land Policy and the principles of the <i>Floodplain Development Manual 2005</i> in mind. The flood assessment includes consideration of the potential flood impacts both on and off the subject land.	
(4) A draft LEP shall include provisions that give effect to and are consistent with the NSW Flood Prone Land Policy and the principles of the <i>Floodplain Development Manual 2005</i> (including the <i>Guideline on Development Controls on Low Flood Risk Areas</i>). (5) A draft LEP shall not rezone land within the flood planning areas from Special Use, Special Purpose, Recreation, Rural or Environmental Protection Zones to a Residential, Business, Industrial, Special Use or Special Purpose Zone. (6) A draft LEP shall not contain provisions that apply to the flood planning areas which: (a) permit development in floodway areas, (b) permit development that will result in significant flood impacts to other properties, (c) permit a significant increase in the development of that land, (d) are likely to result in a substantially increased requirement for government spending on flood mitigation measures, infrastructure or services, or (e) permit development to be carried out without development consent except for the purposes of agriculture (not including dams, drainage canals, levees, buildings or structures in floodways or high hazard areas), roads or exempt development. (7) A draft LEP must not impose flood	4) The Planning Proposal has been prepared such that it is consistent with the principles of the <i>Floodplain Development Manual 2005</i>. 5) The Planning Proposal complies with this requirement. 6) a) The area affected is not located in a floodway. b) The proposal will not result in significant flood impacts to other properties. c) The Planning Proposal will permit an equivalent level of development on those lands. d) No such government spending will be required as a result of this Planning Proposal. e) The Planning Proposal complies with this requirement. 7) The Planning Proposal does not	Yes

related development controls above the residential flood planning level for residential development on land, unless a council provides adequate justification for those controls to the satisfaction of the Director-General (or an officer of the Department nominated by the Director-General). (8) For the purposes of a draft LEP, a council must not determine a flood planning level that is inconsistent with the Floodplain Development Manual 2005 (including the <i>Guideline on Development Controls on Low Flood Risk Areas</i>) unless a council provides adequate justification for the proposed departure from that Manual to the satisfaction of the Director-General (or an officer of the Department nominated by the Director-General). Consistency (9) A draft LEP may be inconsistent with this direction only if council can satisfy the Director-General (or an officer of the Department nominated by the Director-General) that: (a) the draft LEP is in accordance with a floodplain risk management plan prepared in accordance with the principles and guidelines of the Floodplain Development Manual 2005, or (b) the provisions of the draft LEP that are inconsistent are of minor significance.	propose a residential zone, or residential development on the land and therefore complies with this requirement. 8) The Planning Proposal complies with this requirement. 9) The Planning Proposal complies with this requirement.	
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Direction 4.4 – Planning for Bushfire Protection

Requirement	Comment	Meets Requirement?
(1) The objectives of this direction are: (a) to protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas, and	Objectives noted.	

(b) to encourage sound management of bush fire prone areas.		
(4) In the preparation of a draft LEP a Council shall consult with the Commissioner of the NSW Rural Fire Service under section 62 of the EP&A Act, and take into account any comments so made,	The Planning Proposal will be referred to the NSW RFS as part of the Agency consultation stage.	Yes
(5) A draft LEP shall: (a) have regard to <i>Planning for Bushfire Protection 2006</i> , (b) introduce controls that avoid placing inappropriate developments in hazardous areas, and (c) ensure that bushfire hazard reduction is not prohibited within the APZ.	PBP-2006 is primarily concerned with residential development and development for a "special fire protection purpose". Apart from s.4.3.6(f), PBP-2006 is essentially silent in relation to commercial or industrial land. Bushfire hazard reduction will not be prohibited on any of the subject lands.	Yes
(6) A draft LEP shall, where development is proposed, comply with the following provisions, as appropriate: (a) provide an Asset Protection Zone (APZ) incorporating at a minimum: (i) an Inner Protection Area bounded by a perimeter road or reserve which circumscribes the hazard side of the land intended for development and has a building line consistent with the incorporation of an APZ, within the property, and (ii) an Outer Protection Area managed for hazard reduction and located on the bushland side of the perimeter road, (b) for infill development (that is development within an already subdivided area), where an appropriate APZ cannot be achieved, provide for an appropriate performance standard, in consultation with the NSW Rural Fire Service. If the provisions of the draft LEP permit Special Fire Protection Purposes (as defined under section 100B of the <i>Rural Fires Act 1997</i>), the APZ provisions must be complied with, (c) contain provisions for two-way access roads which links to perimeter roads and/or to fire trail	No development is proposed as part of this Planning Proposal, however the Planning Proposal will enable potential development that will be able to comply with these requirements.	Yes

networks, (d) contain provisions for adequate water supply for fire-fighting purposes, (e) minimise the perimeter of the area of land interfacing the hazard which may be developed, (f) introduce controls on the placement of combustible materials in the Inner Protection Area.		
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Direction 5.1 – Implementation of Regional Strategies

Requirement	Comment	Meets Requirement?
(1) The objective of this direction is to give legal effect to the vision, land use strategy, policies, outcomes and actions contained in regional strategies.	The proposal is consistent with the MNCRS as outlined earlier in this report.	Yes
(4) Planning proposals must be consistent with a regional strategy released by the Minister for Planning.	The proposal is consistent with the MNCRS as discussed in earlier in this report.	Yes

Section C - Environmental, social and economic impact

8. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

No, the land is located within an established urban setting and has operated as a functioning industrial estate for over ten years.

9. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

Other impacts not already considered in this report which may result from the operation of general industrial land uses are:

- Traffic management;
- Operating hours;
- Litter; and
- Pedestrian movements in the vicinity.

It is considered that these elements can be easily managed through appropriate operational management conditions and other such requirements which would be detailed and if deemed appropriate, approved as part of any Development Application submitted to Council subsequent to the planning proposal process.

10. How has the planning proposal adequately addressed any social and economic effects?

The planning proposal seeks to promote equitable access to the provision of services and facilities for the local community. This is achieved by including provisions and objectives which reflect Council's long term strategic vision for the City as endorsed in the Our Living City (OLC) Settlement Strategy, Industrial Lands Strategy and the Coffs Harbour 2030 Plan.

Economic growth and development of the City will be an outcome of the planning proposal. As detailed elsewhere in this report, the likely development resulting from this Planning Proposal would include construction and operational employment opportunities.

Section D - State and Commonwealth interests.

11. Is there adequate public infrastructure for the planning proposal?

The proposed rezoned area is readily serviced with reticulated water and sewer, connection to the electrical grid and telecommunications network, and has direct access to the Pacific Highway. The proposal represents an acceptable regression to a land use that is more compatible with the area, and which was the zoning of the land for over 10 years.

12. What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?

Consultation with relevant government agencies will be undertaken as part of the Planning Proposal process, including:

- NSW Rural Fire Service;
- NSW Office of Environment and Heritage; and
- NSW Office of Water.

PART 4 – COMMUNITY CONSULTATION

The proposed rezoning is classified as a 'low impact' planning proposal. This means that the planning proposal is generally consistent with the pattern of surrounding land use zones and/or land uses; is consistent with the strategic planning frame work (i.e. Local Growth Management Strategies); presents no issues with regard to infrastructure servicing; is not a principal LEP; and does not reclassify public land.

In the case of this Planning Proposal, the "public notice" mentioned above will form part of the subsequent consultation process.

Therefore it is considered appropriate to undertake public consultation of the planning proposal for a period of 28 days.

This will be confirmed during the gateway assessment.

The community consultation will be managed by Council and conducted via the normal statutory process.

PART 5 – INDICATIVE TIMETABLE

Table 1 outlines the indicative timeframe for this planning proposal:

Table 1 Indicative timetable

Task	Estimated timeframe
Decision by CHCC to proceed	December 2014
Gateway Determination	January 2015
Finalisation of additional information as requested by Council and Gateway Determination	January – February 2015
Review and update of the planning proposal	January – February 2015
Public exhibition of PP for not less than 28 days	January – February 2015
Agency consultation	February 2015
Review submissions	February – March 2015
Report to Council	March 2015
Preparation of a final Planning Proposal for submission to the Planning & Infrastructure requesting the LEP amendment to be made	April 2015
Submission to Planning Minister	April 2015
Responses to Ministerial comments	April - May 2015

SUMMARY AND CONCLUSIONS

Coffs Harbour City Council has initiated a planning proposal to modify LEP 2013 to rezone part of the Isles Industrial Estate - Isles Drive, Industrial Drive, Forge Drive, Elswick Place and Collison Place North Boambee Valley from B5 Business Development to IN1 General Industrial, as shown in Attachment 1. It also includes the removal of the 0.5:1 category from the Floor Space Ratio Map, as it relates to the subject lands as shown in Attachment 2.

The planning proposal is consistent with the Mid North Coast Regional Strategy and consistent with all relevant State Environmental Planning Policies.

The Planning Proposal is technically inconsistent with Section 117 Direction No. 1.1 – Business and Industrial Zones, and accordingly Council seeks endorsement from NSW Planning and Environment in regard to this inconsistency as justified in the above report.

The Planning Proposal is also consistent with Council's Community Strategic Plan 2030 and Local Growth Management Strategy.

When finalised, the planning proposal will result in:

- the provision of additional strategically located industrial zoned land in the Coffs Harbour LGA; and
- an economic use for land which has remained largely vacant and disused for many years; and
- more logical development opportunities for the lands that are of a similar scale and land use to surrounding development; and
- the provision of developable land that will provide additional employment opportunities for the local community through full-time and part-time jobs associated with the additional industrial activities, including the construction of those new industries.

Attachment 1 – Proposed Land Use Zones



Attachment 2 – Proposed floor space ratio



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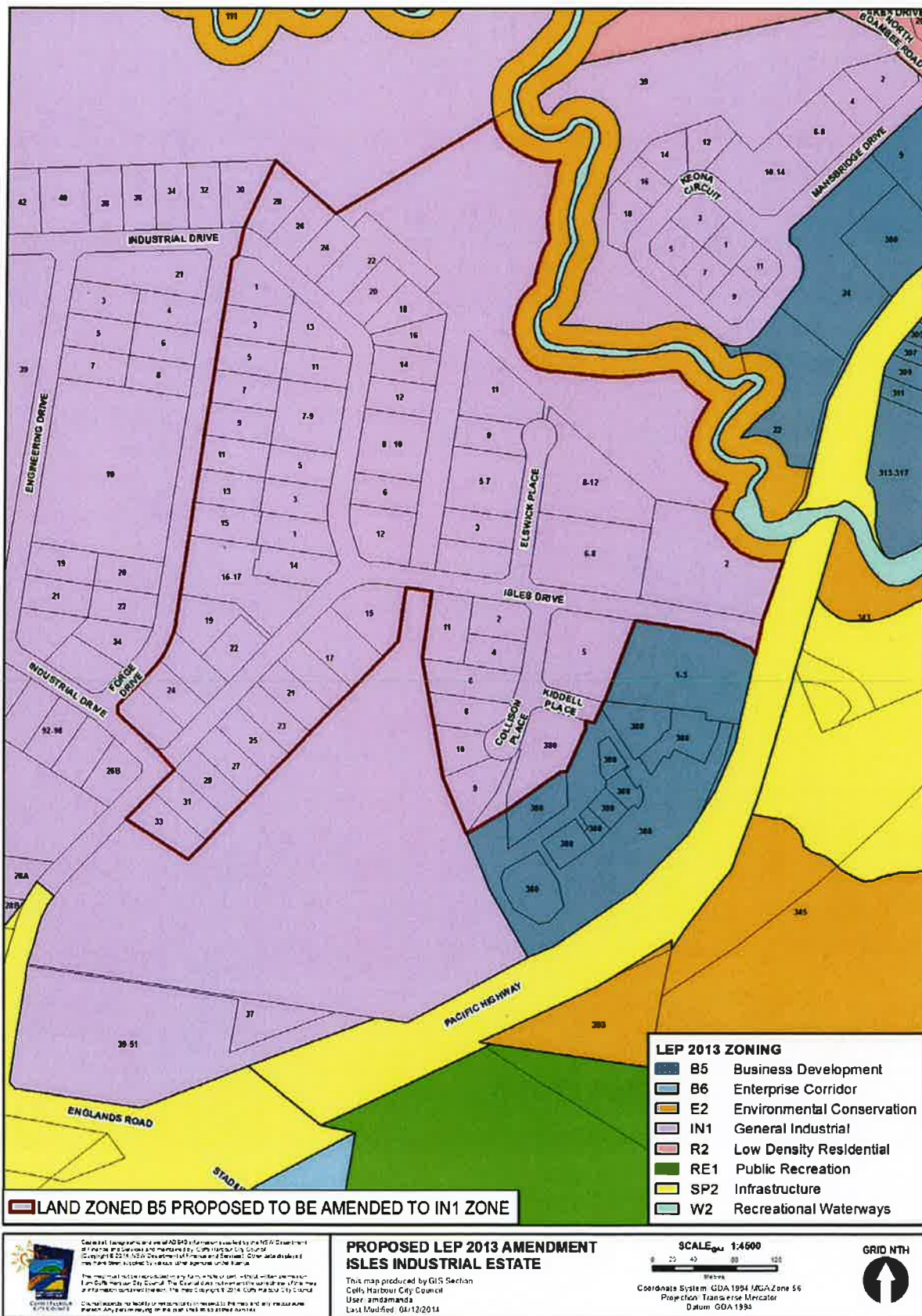
PROPOSED LEP 2013 AMENDMENT ISLES INDUSTRIAL ESTATE

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SCALE 1:2500
0 20 40 60 80 100
Metres
Coordinate System: GDA 1994 MGA2 zone 56
Projection: Transverse Mercator
Datum: GDA 1994



Attachment 1 – Proposed Land Use Zones



Attachment 2 – Proposed floor space ratio

