

Committee:	ENVIRONMENT, ECONOMIC & COMMUNITY
Section:	Strategic & Economic Planning
Date:	11 December 2012
Item:	12.192/12 PLANNING PROPOSAL – HARWOOD MARINE INDUSTRY PRECINCT

ATTACHMENT**REPORT SUMMARY**

A planning proposal has been lodged with Council to consider rezoning 52 hectares of land adjoining the Harwood slipway to allow for the development of marine related industries. The proponent estimates that the precinct could employ up to 300 people once fully developed. The proposal is generally consistent with a range of strategic policies aimed at enhancing the area's potential to develop a marine based industry sector. Its location adjacent to a significant existing marine infrastructure, being the slipway, is logical. While local planning impacts will need to be further considered as part of a development application process, as they will relate quite directly to the specifics of a particular development proposal, the site seems to be able to meet most planning issues. The matter of a long term road access strategy requires some more detailed assessment through this rezoning process as this is fundamental to the ability to support a marine industrial cluster as proposed.

OFFICER'S RECOMMENDATION

That Council:

1. As the relevant planning authority, initiate the Local Environmental Plan "Gateway" process pursuant to Section 55 of the Environmental Planning and Assessment Act 1979 by endorsing the attached Planning Proposal over Lots 1 - 4 DP1155528, un-notified Crown Reserve and adjoining accreted land, to rezone the land to IN4 Working Waterfront and W3 Working Waterways to enable the development of a marine industry precinct adjoining the existing Harwood slipway.
2. Forward the Planning Proposal to the Department of Planning and Infrastructure requesting a "Gateway" determination, pursuant to Section 56 (1) of the Environmental Planning and Assessment Act.
3. Request a road access strategy to be prepared by the proponent for exhibition with the draft Planning Proposal.
4. Undertake community consultation regarding the Planning Proposal, subject to the determination of the Gateway Process.

COUNCIL RESOLUTION – 12.192/12**(Crs Toms/Hughes)****That Council:**

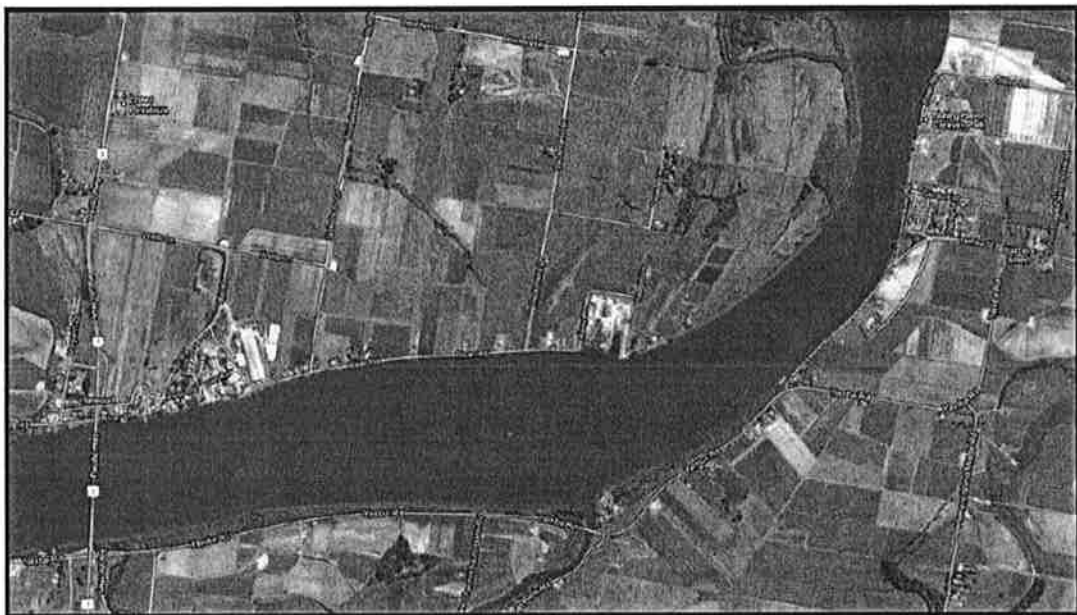
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Voting recorded as follows:**For: Councillors Williamson, Baker, Challacombe, Howe, Hughes, Kingsley, McKenna, Simmons and Toms****Against: Nil****BACKGROUND****A draft Planning Proposal has been submitted to Council as follows:**

Applicant	Harwood Slipway Pty Ltd
Owners	Harwood Slipway Pty Ltd (Lots 1 - 4 and accreted land adjoining Lots 2 - 4) Crown land (Un-notified Crown Reserve and accreted land adjoining Lot 1) – authorisation to lodge Planning Proposal provided by NSW DPI – Catchment & Lands Division
Subject land	Lots 1, 2, 3, & 4 DP1155528 Un-notified Crown Reserve 30.48 metres wide adjoining Lot 1 DP1155528 Accreted land adjoining Lots 1 - 4 DP1155528 Careys Lane Harwood Island
Current Zoning CVLEP 2011	RU1 – Primary Production W2 – Recreational Waterways
Proposal	Rezoning to allow the development of a marine industry precinct, specifically to rezone the site to : • IN4 Working Waterfront – to apply to all of lots 1 - 4 & the un-notified Crown Reserve being the area predominantly used at present for grazing and cane

	production. This is intended to allow for a range of industrial activities that rely on or benefit from a location adjacent to a navigatable waterway, and ancillary industries. • W3 – Working Waterways – to apply to a 50 metre strip of water immediately adjacent to Lots 1 - 4 and the accreted land adjoining these lots. This is intended to allow for water based infrastructure such as wharves, jetties & moorings. The precise distribution of the zones is not yet specified as it will be influenced by the resolution of the title of the accreted lands.
Date of submission	1 November 2012

The subject is indicated in the following extract from the submitted draft Planning Proposal.



The existing zoning is also indicated as below (from the draft Planning Proposal):



ISSUES

The draft Planning Proposal essentially seeks to allow the opportunity for an industrial precinct to evolve over time taking advantage of being located adjacent to existing marine industrial infrastructure (the Harwood slipway) and ready access to a navigatable waterway. In this sense, the draft Planning Proposal responds to a number of strategic policy outcomes as identified in this report and the attached documentation. The land subject of the draft Planning Proposal is about 52 hectares however it is unlikely that the whole site would be developed as such. Individual developments would require specific development applications in the future.

As such, the draft Planning Proposal is broad in nature. Some key aspects will require to be further refined through the consultation process associated with a gateway decision (such as road access and precise zoning locations), whilst others of more detail will be resolved at development application stage. Council is requested at this stage to consider whether the concept has sufficient planning merit to warrant the rezoning proposal to progress further, specifically to seek a Gateway determination. If received, that Gateway determination will enable consultation with Government Agencies and the wider community as well as further detail being addressed on any key issues.

A detailed draft Planning Proposal with supporting technical information has been submitted and is in the attachments (prepared by GHD Pty Ltd).

A summary of some of the key issues follows.

Consistency with Strategic Framework

A number of strategies have identified the opportunity to further develop and encourage a marine cluster to take advantage of the navigation opportunities provided by the Clarence River. These include:

The Clarence Edge – Clarence Valley Economic Development Strategic Plan (CVC 2006)
 Clarence Industrial Lands Strategy (CVC 2007)
 Clarence Marine Cluster Assessment (CVC 2009) and subsequent prospectus
 Clarence River Way Masterplan (CVC 2009)

More specifically, the *Clarence Edge* includes the following:

A.2	Marine Industry Cluster	Geographically concentrated marine industry precinct to facilitate greater interaction between businesses and facilitate import replacement and efficiency advantages.	Year 1	DSRD NRRDB Industry Capability Network CVC Private sector	A.2 .1 Identified the need for a marine hub in the Mid North Coast Regional Strategy. Have identified with planning the Clarence River as preferred site on North Coast, have identified the Harwood marine area as a preferred cluster site. A.2.3 and 1.4 marine prospectus developed for the Clarence A.2.5 One developer now advancing rezoning option. Zoning requires finalization of the Department Planning & Infrastructure's Marine Policy (currently draft) to establish rezoning criteria.
		1. Identify support for a marine industry cluster in the Clarence Valley	Year 1		
		2. Review supply chain analysis study	Year 1		
		3. Undertake demand and needs assessment for a marine industry cluster in the Clarence Valley	Year 2		
		4. Implement strategies to address constraints and capitalise on opportunities	Year 2		
		5. Land acquisition and zoning	Year 3		
		6. Develop investor brief			

The *Clarence Marine Precinct* (CVC 2009) identifies the following:

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 *Mid North Coast Regional Strategy* (2009) identifies:

"In the case of some marine-based industries that depend upon access to navigable waterways, additional opportunities for industry establishment may be provided outside growth areas. The Department of Planning will work on suitable locational criteria to assist in guiding any future

development opportunities." (page 27). It is understood that draft guidelines have been prepared but not released for consultation.

Given the proposal's ability to build on the significant existing marine infrastructure present at the Harwood slipway, the draft Planning Proposal positively seeks to implement the above strategic planning framework.

Road Access

Access to the site is proposed to utilise the existing sealed network off the Highway from Watts Lane, Nicholson's Lane and River Road. A traffic assessment has been submitted with the draft Planning Proposal. That assessment concludes that to 2020, the Pacific Highway and Watts Lane Intersection will be adequate to accommodate anticipated loads, and thereafter, Highway upgrading will produce a grade separated intersection. It also recommends that River Road, with some relatively minor improvements to comply with Austroads standards, is sufficient to accommodate traffic for the same period. Thereafter, it recommends that alternative routes could be developed.

Also, the proximity of River Road to a potentially unstable riverbank needs to be addressed as to its geotechnical capacity to accommodate increased loads.

The difficulty with a traffic assessment for a concept such as this marine precinct is the difficulty of assessing impacts where precise timing and nature of future traffic is presently unknown. In some respects, these matters will be addressed at development application stage with any necessary upgrading being attributed to that development consent at that time.

Given the nature of River Road in particular and the presence of dwellings on it and on the alternative road network, some additional consideration of a long term road access strategy that considers a likely ultimate development potential for the site should be prepared and exhibited with the draft Planning Proposal.

This strategy needs to address in more detail:

- The adequacy of existing roads to accommodate increased traffic loads
- Geotechnical limitations on the existing road network
- Current flood immunity of the road network from the Pacific Highway and if necessary, requirements to provide 1 in 20 year protection in order to provide for adequate evacuation
- Identification of suitable development thresholds to trigger upgrading
- Options for upgrading
- Likely costs

Local Amenity

Aside for the traffic issue, there is potential for noise nuisance to existing dwellings surrounding the site. Once more, the precise impact is difficult to assess until a specific development proposal is submitted. At that time, a noise report and consideration of buffers will need to be considered. It is likely that notwithstanding the 52 hectare site area, a large portion of that rezoned land will not be able to be developed for these reasons.

Flooding

A flood assessment has been submitted with the draft Planning Proposal. The site is flood prone with the assessment indicating depths ranging from .8 to 1.5 metres and low velocity in a 1% event. It is proposed to provide building pads to the 1% level. The flood assessment concludes that such filling will not have a significant impact on flood characteristic in the area and that Council's normal DCP controls can be met. The main issue in this case is to determine whether there is adequate flood immunity on existing access roads to enable the evacuation and

emergency planning requirements of the DCP to be met. While this will be subject of more detailed assessment at development application stage, an assessment of the flood immunity to the existing road network should be addressed as part of the road access strategy mentioned above.

Loss of Regionally Significant farmland

The land is identified as regionally significant farmland under the Department Planning and Infrastructure's mapping. The *Mid North Coast Regional Strategy (2009)* recommends that such land is zoned for its protection and will not be available for urban rezoning, unless, as recommended by the *Mid North Coast Farmland Mapping Project Final Recommendations Report 2008* where "there is a need to rezone land for marine-based industries that depend on access to navigable waterways". As the Clarence floodplain is generally regionally significant farmland this potential conflict is inevitable. The framework above suggests that the development of a marine cluster in this context is possible. Nevertheless, during formal consultation the opinion of the Department Industry and Investment (Agriculture) and the Cane Cooperative should be sought.

Economic Impact

This is discussed in more depth in the Sustainability Assessment. The proponent suggests that the existing slipway and related development has an annual turnover of about \$10M pa and employs in the order of 35-60 full time staff equivalents (pers. Comm.. 22/11/2012). The draft Planning Proposal suggests that once fully developed, the marine industrial precinct is anticipated to employ about 300 full time staff equivalent. The economic impact and contribution to the Clarence Valley is significant. The ability to attract such investment is due to the ability to build on the existing marine infrastructure provided by the slipway and its location on a significant navigable waterway. The ability to attract such investment requires confidence that the site is supported as a marine cluster, and hence the requested rezoning at this time.

Zoning

The proposed IN4 Working Waterfront zone identifies sites for maritime purposes and for activities that require direct waterfront access. Light industries are also permitted where they relate to waterfront industrial and maritime activities permitted in the zone. Broader industrial developments that do not meet this criteria are not permitted. The W3 Working Waterways zone provides for infrastructure that creates an interface between the marine industries and the navigational opportunity provided by the River, such as wharves etc. Hence, the proposed zones provide the adequate level of control to ensure that the marine precinct develops as intended.

CONSULTATION

External consultation has not yet occurred as a Gateway determination is required before this can occur. At that time, consultation with a range of Government agencies relevant to traffic, fish habitat and general ecological values, land tenure associated with the Crown and accreted land, agricultural values would be anticipated. Wider community consultation would also occur at that time, including with the Native Title Claimant group.

Internal consultation has identified future road access requirements as the most significant issue to be resolved.

SUSTAINABILITY ASSESSMENT**Summary Statement**

The Planning Proposal implements key economic objectives identified by a number of strategic planning exercises. Identifying the site with a suitable zoning is important in facilitating consideration of specific proposals when they arise and sends an important signal to allow investment in this sector with confidence. Most planning issues can be readily addressed although some additional assessments to address long term road access implications is warranted at this rezoning stage. Hence, the draft Planning Proposal is positive in terms of economic development and governance.

Ecology

No significant impacts anticipated.

Economic

The Clarence Valley has been identified in a range of strategies as having a comparative advantage in the potential to build on marine based industries, arising from the opportunity provided by the River itself and the ability to build on to the existing marine industry base.

Based on the information provided by the proponent, the existing Harwood slipway development is likely to have the following impact on the Clarence Valley economy (based on Council's Local Impact Model):

Direct : \$10M annual turnover and 50 full time job equivalents

Indirect : \$18.7M and approx. 90 jobs.

On the proposed 300 jobs anticipated once the precinct is fully developed, the precinct may have a \$85M annual turnover, with the local impact likely to be up to \$160M p.a. and a total in the order of 700 jobs. This will of course take some years to eventuate. Such an impact represents about a 3% increase to the gross regional product (Clarence Valley).

Social & Cultural

The potential economic benefits are significant and would contribute to the general well being of the community.

Human Habitat & Infrastructure

Local amenity impacts will be largely addressed at development application stage when the specific development impacts are known. Potential impact on road access should be considered in more detail at this stage through a road access strategy.

Governance

The request for the Planning Proposal is in advance of any specific development proposal. However, such future developments are difficult to anticipate and require sufficient signals from the planning system that the site is suitable. Hence, the rezoning being sought is an important initial step in implementing a statutory environment that is capable of attracting such investment.

Guiding Sustainability Principles

The following guiding sustainability principles are most relevant to this issue:

- Supporting social and intergenerational equity.
- Promoting ecologically sustainable development.
- Encouraging community involvement and awareness.
- Taking a precautionary and anticipatory approach.
- Focusing on continuous improvement.

OPTIONS

1. Support referral of the draft Planning Proposal to the Gateway, subject to a more detailed road access strategy being prepared prior to exhibition.
2. Refer the draft Planning Proposal to the Gateway without any additional requirements.
3. Defer consideration of the draft Planning Proposal and seek additional information in regard to road access.
4. Not support the draft Planning Proposal.

Option 1 is recommended.

The proponent now has review rights should Council or the Gateway refuse to support the draft Planning Proposal or impose conditions.

FINANCIAL IMPLICATIONS

No direct financial implications to Council. Costs of processing the Planning Proposal application are covered by the application fee. The recommended requirement for a road access strategy needs to address potential financial arrangements to deliver that long term outcome in a manner that does not impose a burden on Council.

Des Schroder
DEPUTY GENERAL MANAGER – ENVIRONMENTAL & ECONOMIC

Prepared by staff member:	David Morrison
Approved/Reviewed by Manager:	Des Schroder
Section:	Strategic & Economic Planning
Attachment:	Draft Planning Proposal (Excluding technical attachments)