

ITEM	14.067/16	REZ2016/0002 PLANNING PROPOSAL FOR WORKFORCE ACCOMMODATION – FAIRTRADER DRIVE, YAMBA
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Meeting	Environment, Planning & Community Committee	12 July 2016
Directorate	Environment, Planning & Community	
Reviewed by	Manager - Strategic & Economic Planning (David Morrison)	
Attachment	Yes	

SUMMARY

<i>Applicant</i>	Rob Donges Planning Consultant
<i>Owner</i>	Kahuna No.1 Pty Ltd
<i>Address</i>	Lots 3-9 DP 1139117 Fairtrader Drive, Yamba
<i>Submissions</i>	Nil

A planning proposal application was lodged with Council on 24 May 2016 seeking to enable the use of vacant industrial land in Yamba to provide for temporary workforce accommodation for workers involved in the Woolgoolga to Ballina Pacific Highway upgrade project. It is proposed that the accommodation be provided for up to four years to the end of 2020 with a corresponding "sunset provision". Being zoned IN1 – General Industrial, the use is prohibited and therefore requires an amendment to the Clarence Valley Local Environmental Plan 2011 (CVLEP) to enable a development application to be considered. The key issue for is whether the temporary loss of land identified for employment generating industries is a justifiable inconsistency with Section 117 Direction 1.1 Business and Industrial Zones and the IN1 Zone Objectives, which both support protection of such land from non-employment generating uses.

Given the temporary (four year) nature of the proposal, the amount of vacant industrial land in Yamba and the historical rate of uptake, and the potential for housing market imbalances due to the significant infrastructure upgrades underway, it is recommended that the planning proposal has merit in the circumstances and be referred to the Gateway to seek clarification whether the inconsistency with Section 117 Direction 1.1 is warranted.

OFFICER RECOMMENDATION

That Council :

1. As the Relevant Planning Authority, endorse the planning proposal at Attachment 1 to amend the Clarence Valley Local Environmental Plan 2011 to enable "workforce accommodation" to be permitted with consent for a period of four years on Lots 3-9 DP 1139117, Fairtrader Drive, Yamba,
2. Accept inconsistencies with Section 117 Directions 1.1 – Business and Industrial Zones and 4.4 Planning for Bushfire Protection due to the specific planning circumstances and temporary nature of the use, and undertake further relevant Agency consultation prior to public exhibition,
3. Advise the Department of Planning and Environment that should the Gateway determination allow the planning proposal to proceed, that it will accept any plan making delegations offered under Section 59 of the Environmental Planning and Assessment Act, 1979, and
4. Require the proponent, prior to exhibition of the planning proposal, to provide a preliminary site contamination investigation under State Environmental Planning Policy No. 55 and a due diligence aboriginal cultural heritage assessment.

COMMITTEE RECOMMENDATION

Baker/Williamson

That the Officer Recommendation be adopted.

Voting recorded as follows:

For: Williamson, Hughes, McKenna, Baker

Against: Nil

COUNCIL RESOLUTION – 14.067/16

Williamson/McKenna

That Council :

- 1. As the Relevant Planning Authority, endorse the planning proposal at Attachment 1 to amend the Clarence Valley Local Environmental Plan 2011 to enable "workforce accommodation" to be permitted with consent for a period of four years on Lots 3-9 DP 1139117, Fairtrader Drive, Yamba.**
- 2. Accept inconsistencies with Section 117 Directions 1.1 – Business and Industrial Zones and 4.4 Planning for Bushfire Protection due to the specific planning circumstances and temporary nature of the use, and undertake further relevant Agency consultation prior to public exhibition.**
- 3. Advise the Department of Planning and Environment that should the Gateway determination allow the planning proposal to proceed, that it will accept any plan making delegations offered under Section 59 of the Environmental Planning and Assessment Act, 1979.**
- 4. Require the proponent, prior to exhibition of the planning proposal, to provide a preliminary site contamination investigation under State Environmental Planning Policy No. 55 and a due diligence aboriginal cultural heritage assessment.**

Voting recorded as follows:

For: Hughes, Kingsley, Lysaught, Simmons, Williamson

Against: Toms, Baker, McKenna

FORESHADOWED MOTION

Toms

That Council as the Relevant Planning Authority, not endorse the planning proposal at Attachment 1 to amend the Clarence Valley Local Environmental Plan 2011 to enable "workforce accommodation" to be permitted with consent for a period of four years on Lots 3-9 DP 1139117, Fairtrader Drive, Yamba.

LINKAGE TO OUR COMMUNITY PLAN

Theme 5 Our Leadership

Objective 5.1 We will have a strong, accountable and representative Government

Strategy 5.1.4 Provide open, accountable and transparent decision making for the community

THE PROPOSAL

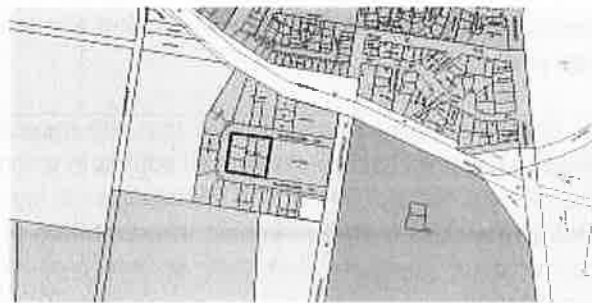
The planning proposal application is at Attachment 1. The development concept is for 16 x 8 bedroom pre-fabricated residential buildings (128 beds) plus a laundry and covered recreational area. Each 8 bedroom

building is proposed to have its own living area and kitchen. Aside from car parking, the development does not propose additional shared facilities such as a canteen, gymnasium, and the like which are commonly provided in many such developments in other contexts (eg mining), meaning residents will need to source most of their recreational and living needs independently from the community.

The site area totals 1.15 hectares of vacant industrial land in Fairtrader Drive, Yamba. Density proposed is about 85 beds/hectare. Access to Yamba is via the industrial estate and Deering Street/Angourie Road. The proponents are Kahuna No.1 (land owner) and the McFayden Group (a construction company with previous contracts on the Highway upgrade) and the proposal is targeted at workers involved in the Pacific Highway upgrade. The proposal indicates that McFayden Group expect to employ 50 people on the upgrade with two thirds coming from outside the area, many possibly "DIDOs" (drive in drive out) hence the need for targeted accommodation. The balance of the development will be available for lease by other construction companies. Hence, the development is demand driven.

The planning proposal seeks an amendment to the CVLEP by making "workforce accommodation" and additional permissible use on the site notwithstanding the IN1 – General Industrial zone, via Schedule 1 of the CVLEP. This "scheduling" is intended to be complimented by a "sunset provision" which requires cessation of the use in four years.

The subject land is indicated edged black in the locality sketches below.



BACKGROUND

How to respond to potential short term housing demands created by the variety of infrastructure projects in the Clarence Valley (Pacific Highway upgrade, Grafton Bridge, New Grafton Correctional Centre, private investments, etc) has been previously considered by Council, in particular at its meeting held on 19 April 2016. Council supported a generic amendment to the CVLEP to enable "workforce accommodation" to be considered in residential zones, complimented by a policy statement defining a number of design criteria that should apply to specific proposals and to identify criteria applicable to any proposals in other zones.

That more generic amendment to the CVLEP has passed through the Gateway and has been exhibited for public comment, and is the subject of a separate report to this meeting to consider final adoption.

This planning proposal relationship to the adopted policy statement's criteria for proposals in non-residential zones is addressed in detail in the planning proposal (Attachment 1) and in following sections of this report.

One key consideration is addressing the real need for such dedicated workforce accommodation proposals, which is a combination of an assessment of supply of accommodation, the logistics/constraints to increasing supply in a short time, and the real demand for such. All of these are extremely difficult to quantify with little or no real empirical data to rely on, hence a degree of judgement is required. The principal Highway proponents, The Roads and Maritime Services (RMS)¹ and Pacific Complete² have

¹ Pacific Highway Upgrade Construction Workforce Survey, Port Macquarie to Coffs Harbour, RMS, April 2016

undertaken some assessment of the Highway accommodation needs which provide a starting point to such an assessment. This is discussed in the Issues section of this report.

KEY ISSUES

The planning proposal addresses all the relevant planning issues in detail, the key issues being:

1. Demand/need for workforce accommodation
2. Loss of employment land, albeit temporary
3. Site and development suitability

1. Demand/need for workforce accommodation

Council's Workforce Accommodation Policy Statement³ recognises that there is the potential, at least, for short term housing market imbalances due to the workforce requirements arising from a range of infrastructure projects being undertaken in the Valley to 2020. Accordingly, dedicated workforce accommodation may be just one mechanism to mitigate any resultant housing stress.

The Pacific Complete report, drawing on background research by the RMS profiling the Highway construction workforce on the Port Macquarie to Coffs Harbour section to quantify demand, attempts to quantify potential housing supply. In doing so, it makes conclusions about the need for dedicated accommodation based on this supply-demand analysis. It also takes into account project planning to manage peak loads etc.

Pacific Complete's broad conclusion is that the impact on local housing supply and affordability will be minimised assuming that the market self adjusts in a number of ways such as taking up accommodation in a number of locations and forms, and managing peak loads (such as at key tourism times) along the Highway corridor. [Note : this is staff's succinct interpretation of the report's more extensive conclusions]. Hence, Pacific Complete conclude that they do not propose to establish and dedicated worker camp style accommodation.

Council's scope in addressing this issue is significantly larger than that within the ambit of the Pacific Highway components. The Pacific Complete report's scope does not address the cumulative impact of other public infrastructure projects or private investments. It also only addresses the direct employment impacts of the Highway and has not addressed the indirect impacts, which are variously reported to be two to three times that of direct employment. Hence, the demand assessment is significantly understated in terms of the overall impacts being experienced in the Clarence Valley in the coming years.

On the supply side of the equation, Council's analysis of the PC study suggests that it is underpinned by some untested assumptions such as:

- accepting each way travel times of up to 90 minutes for workers. This extends the potential bed supply to areas such as Byron Bay, Casino. Industry inquiries suggest that this is not favoured in many of the construction sectors.
- a corresponding larger study area that may inflate the supply analysis.
- a fluid interchangeability of room availability between permanent and tourist accommodation.
- vacancy rates being based on a single night assessment (mid-August) at a time of traditionally low tourism demand.

On the basis of the foregoing, the planning proposal is considered to meet the need assessment requirement of Council's policy statement. The planning proposal has also demonstrated the likely

² Woolgoolga to Ballina Upgrade, Construction Workforce Accommodation Study, Pacific Complete,

³ Adopted by Council 19 April 2016

unavailability of existing residential areas as an alternative (as identified by Council's policy as a preferred alternative) due to the short time frame available to provide accommodation and the logistics of providing necessary infrastructure. The fact that this planning proposal has been initiated on behalf of a company anticipating to employ a significant number of workers on the Highway upgrade lends weight to this conclusion.

2. Loss of employment land

Ministerial Section 117(2) Direction 1.1 aims, amongst other things, to "*protect employment land in business and industrial zones*". More specifically a planning proposal must "*not reduce the total floor space area for industrial uses in industrial zones*" (clause (4)(d)). Council's IN1 – General Industrial zone objectives essentially reiterate this principle and would need to be addressed by any development application. The planning proposal is fundamentally inconsistent with this Direction. Notwithstanding, a planning proposal may be approved if Council can satisfy the Department Environment and Planning that the inconsistency can be justified if it is, inter alia, "*of minor significance*" (cl. (5)(d)).

Hence, consideration of this Direction is centre to the consideration of this planning proposal application.

The need for such accommodation and the unsuitability of residentially zoned alternatives is addressed in the foregoing and in the planning proposal itself (Appendix 1). However the impact on available industrial land supply is a different issue. Aside from the accommodation issue, the potential for these infrastructure projects to generate wider and more long lasting economic benefits to the local economy requires, in part, an adequate supply of industrial land being available to allow "spin off" industries to develop.

The Fairtrader Drive/Quarter Deck Place industrial estate represents the only significant vacant industrial land in Yamba. Other zoned areas are essentially already developed.

The planning proposal has addressed the aspect of available supply and historic demand, and the impact that this proposal may have on that for the four year period proposed. In short:

Total Zoned area	8.92 Ha	
Developed	2.95 Ha	(33%)
Vacant	5.97 Ha	(67%)
Proposed Development	1.15 Ha	
Nett vacant land availability	4.82 Ha	(54%)

Hence, by removing the proposed site out of the available supply, this industrial estate will be 54% vacant. The estate was developed in about 2007, and in that time about 1.44 Ha of land has been developed. This means that the average rate of development to date has been in the order of .2 Ha/yr. At the historical rate of development, the net available land supply would be in excess of 20 years. It is expected that the economic impetus provided by the infrastructure projects would increase that rate of development (i.e the multiplier effect), however for that vacant supply to be exhausted during the four years proposed by the planning proposal it would require a development rate during that time of about 10 times that being currently experienced.

There is no empirical benchmark against which to draw a conclusion as to how much vacant land supply should be "preserved", this is really a matter of judgement. Nevertheless, it is concluded that the temporary loss of 1.15 hectares of industrial land is not likely to restrict the availability of such land in Yamba during the life of the proposal. This, together with the housing needs assessment previously and the fact that the proposal is for a four year period only after which it will return to the available supply, are considered justification to accept an inconsistency with Section 117 Direction 1.1.

3. Site and Development Suitability

The planning proposal addresses in some detail the design matters raised in Council's policy statement (refer Appendix D). These address the potential to impact on the amenity of adjoining residents, and on providing a reasonable amenity for the occupants of the development.

While location in a residential area is the preferred Council position, it is recognised that this can create significant impacts, especially where in, local streets, by the nature of the occupancy (i.e peak travel times being at early morning hours etc). Hence, not all residential sites would be suitable. In this instance, the location in an industrial area negates such impacts as there are no adjoining residential areas and road access is through industrial precincts or collector/arterial roads.

In terms of scale, the development is within Council's nominal preferred parameter of residents. The nett proposed density of the proposal is about 110 residents/Ha. This is difficult to benchmark however comparison with an approved "village" recently at Woodburn equates to about 250 residents/Ha.

Parking and traffic will need to be assessed in detail at the development application stage. The traffic assessment submitted as part of the proposal indicates that the peak and daily traffic loads are consistent with what would be expected from an industrial development on the site. The parking proposed (.5 space per resident) may be less than that suggested by other standards which suggest .75 or 1.0⁴ spaces per resident. This can be addressed in more detail in a development application.

Whilst the site was filled as part of the subdivision works in 2007, there is incomplete information on the nature of that fill to demonstrate its suitability for residential accommodation and accordingly, a preliminary site contamination report in accordance with the requirements of State Environmental Planning Policy No 55 should be required if a gateway determination is received. Similarly, a due diligence assessment of aboriginal cultural heritage should be required at that same stage as it was not undertaken at the subdivision stage. In both instances however, the previous filling and subdivision suggest that these two matters are not critical.

Accordingly, it is concluded that the proposal can meet appropriate design and site suitability standards.

COUNCIL IMPLICATIONS

Budget/Financial

No implications. The planning proposal has been prepared at the cost of the applicant.

Asset Management

It is unlikely that any additional asset implications will arise from the proposal.

Policy or Regulation

Environmental Planning and Assessment Act 1979

Ministerial Section 117(2) Directions, in particular Direction 1.1(4)(d)

Clarence Valley Council Workforce Accommodation Policy Statement, adopted 19 April 2016

Consultation

External consultation with public and relevant Agencies, in particular the Rural Fire Service (as required by Section 117 Direction 4.4(4).

Legal and Risk Management

No risk anticipated.

⁴ *Non-resident Worker Accommodation*, Economic Development Queensland, PDA Guideline No.3, March 2014

Prepared by	David Morrison, Manager Strategic & Economic Planning
Attachment	1 – Planning Proposal

