1 BASIS FOR CONFIDENTIALITY

1.1 It is recommended that this report be considered in Closed Session pursuant to section 275 (1) of the Local Government Regulation 2012 for the reason that the matter involves
(h) other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

1.2 It is recommended that the report/attachment be deemed non-confidential except for those parts deemed by the Chief Executive Officer to remain confidential in accordance with sections 171 (3) and 200 (5) of the Local Government Act 2009.

2 EXECUTIVE SUMMARY

The Chevron Island planning investigation has been undertaken to determine the most appropriate zoning, building height and residential density outcomes for Chevron Island, having regard to infrastructure capacity.

The project has been initiated in response to stakeholder concerns about:

- the number of development applications and approvals proposing significant increases in density above the mapped residential density;
- the ability of the infrastructure networks to sustainably accommodate further development intensification; and
- existing and anticipated traffic congestion on the island.

This report provides an overview of the Chevron Island planning investigation, including:

a) a summary of recent development applications and approvals;
b) a summary of the key findings of the investigation;
c) potential options to address the key issues; and
d) the recommended policy positions for Chevron Island.

The recommended policy positions are:

<table>
<thead>
<tr>
<th>Summary of issue</th>
<th>Summary of recommended policy position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning</td>
<td></td>
</tr>
<tr>
<td>The majority of Chevron Island is in the High density residential zone, while the intent of the recommended residential density and building height policy positions is for a mid-rise, medium density outcome that is consistent with the strategic intent for the Medium density residential zone.</td>
<td>• modify the zoning map for areas in the High density residential zone on Chevron Island to a Medium density residential zone.</td>
</tr>
</tbody>
</table>
# Residential density

Recent development approvals on Chevron Island have allowed significantly higher densities in the High density residential and Neighbourhood centre zones, despite concerns regarding infrastructure capacity.

- maintain the current residential density of RD6 (1 bed/33m²) in the proposed Medium density residential zone and RD5 (1 bed/50m²) in the existing Neighbourhood centre zone on Chevron Island.

# Building height

A significant portion of Chevron Island (areas within the existing High density residential and Neighbourhood centre zones) has a HX (undefined) building height designation. This may be encouraging high-rise development that is misaligned with the mapped residential density and infrastructure capacity, and may not be delivering the policy intent for the area.

- revise the Building height overlay map for areas in the proposed Medium density residential zone and existing Neighbourhood centre zone on Chevron Island from HX to a mid-rise building height (i.e. up to 33m, as per Building Height Study categories); and

- revise the Strategic framework to clearly articulate intended building height outcomes between Surfers Paradise and Chevron Island.

# Light rail urban renewal area overlay

The majority of Chevron Island is located within the ‘frame area’ of the Light rail urban renewal area overlay. The ‘frame area’ encourages a high-rise, high density built form, suggesting significant uplift and transformation on Chevron Island is desirable. This is misaligned with the recommended residential density and building height policy positions for a mid-rise, RD6 density outcome.

- revise the Light rail urban renewal area overlay map to include the area of Chevron Island currently in the ‘frame area’ to be within the ‘transition area’.

It is proposed that these recommended policy positions be endorsed to be included as part of City Plan Major update 2, with the proposed City Plan updates to be brought back to Council for consideration and endorsement prior to submission for State interest review.

It is proposed that the additional recommendations identified as part of this project will be investigated to inform a future update package.

## 3 PURPOSE OF REPORT

The purpose of this report is to seek endorsement of the preferred policy positions for zoning, building height and residential density outcomes on Chevron Island.

The final drafted content will be presented to the City Planning Committee for consideration and endorsement with the entire Major update 2 package, prior to submission for State interest review.
Additional recommendations resulting from the project will be further investigated to be brought back to Council as part of a future update package.

4 PREVIOUS RESOLUTIONS

The Chevron Island planning investigation was first introduced and noted by Council on 28 March 2017 (G17.0328.025).

Council resolved on 30 May 2017 to include the Chevron Island planning investigation within the scope for Major update 2 to City Plan (G17.0530.018).

5 DISCUSSION

5.1 Purpose

The purpose of the Chevron Island planning investigation is to review the current development outcomes for Chevron Island and determine the most appropriate policy positions for zoning, building height and residential density, taking into consideration:

- inclusion of the area on the Light rail urban renewal area overlay map;
- infrastructure capacity (i.e. wastewater, water, stormwater, open space and community facilities); and
- the impact of development on the transport network (i.e. worsening of congestion).

This project has been initiated in response to stakeholder concerns about:

- the number of development applications and approvals proposing significant increases to density above the mapped residential density;
- the ability of the infrastructure networks to sustainably accommodate further development intensification; and
- existing and anticipated traffic congestion on the island.

5.2 Background

5.2.1 Gold Coast Planning Scheme 2003 (superseded)

Under the superseded Gold Coast Planning Scheme 2003, Chevron Island was regulated by a Local Area Plan (LAP). The LAP sought 8-10 storeys for the majority of the island. A residential density of RD6 (1 bed/33m²) was anticipated in the Commercial precinct and for larger sites in the Inner Residential precinct, otherwise RD5 (1 bed/50m²) was required.
5.2.2 Gold Coast Rapid Transit Corridor Study - August 2011

The Gold Coast Rapid Transit Corridor Study was prepared to provide a framework for guiding growth within Stage 1 of the light rail corridor. The study aimed to capitalise on the strategic public investment in the light rail, identifying where growth and development activity could occur while preserving the natural setting and amenity that defines the Gold Coast.

The study identified the preferred City structure and opportunities for Chevron Island to evolve into a mixed-use quarter, linking Cavill Avenue to the Gold Coast Cultural Precinct. The majority of the island was designated a low to medium rise area, with a higher intensities to be located around the core retail precinct.
5.3 Current policy setting

5.3.1 City Plan

City Plan revised the policy position for Chevron Island to include a large portion of the residential area within the High density residential zone (excluding the outer ring and Neighbourhood centre areas). This area has an undefined building height (HX), and a residential density of RD6 (1 bed/33m²). The Neighbourhood centre zoned area has an undefined building height (HX) and a residential density of RD5 (1 bed/50m²).

These areas are also included within the ‘frame area’ of the Light rail urban renewal area, which encourages high density neighbourhoods and high-rise built form with podiums.

5.3.2 Recent development applications and approvals

Under the current policy setting, recent development applications have gained approval for significantly higher residential densities than RD6. The approvals include densities of 1 bed/7-8m² in high rise towers of 22-47 storeys.
These developments have been approved despite existing and future traffic capacity concerns. Due to the drafting of City Plan, there has been little basis on which to refuse these development applications, despite the fact they substantially exceed the mapped residential density. Reasons for approval have included:

- Chevron Island is designated as an urban neighbourhood in the Strategic framework, intended to be a higher intensity place containing medium or high-rise buildings;
- Chevron Island is included within the ‘frame area’ of the Light rail urban renewal area, requiring high-rise, high intensity development and consolidation of the commuter base to take advantage of alternative modes of transport;
- developments achieve overall compliance with the zone purpose and overall outcomes, with the exception of infrastructure capacity requirements; and
- that the Strategic framework and Light rail urban renewal area overlay code requirements prevail over the zone code to the extent of any inconsistency.

If all recently approved development applications are constructed, the dwelling count on Chevron Island will increase from 1,933 dwellings to 3,062 dwellings (representing an increase of approximately 58%).

5.4 Key findings of the investigation

In response to these recent development approvals and potential infrastructure capacity concerns raised by internal and external stakeholders, an investigation was undertaken to consider the impact of increased densities on Chevron Island and determine a desirable policy position on zoning, building height and residential density. This position was based on a number of expert reports and analysis of infrastructure capacity, and a review of tensions that exist within City Plan between building height, residential density and Light rail urban renewal area intent.

UNAUTHORISED RELEASE OF CONFIDENTIAL REPORTS OR INFORMATION may be an offence under the Local Government Act 2009 and other legislation and could result in disqualification from office and a penalty of up to 100 units.
5.4.1 Infrastructure capacity

(a) Transport

The analysis undertaken in this study has confirmed that there are significant traffic capacity issues during morning and afternoon peak hours for Chevron Island. Conditions are already poor, even without additional development. Although congestion is largely due to through traffic, there is little prospect of diverting significant volumes. The Southport-Burleigh Road contraflow intersection and the Isle of Capri bridge duplication will likely draw a number of trips from Chevron Island; however this will not occur to the degree that will result in a non-worsening of traffic delays if existing and future approved development is established.

(b) Water and wastewater

Gold Coast Water and Waste have confirmed the water and wastewater trunk networks include capacity for approximately 330 additional dwellings for the next 10-15 years. This is significantly less than the recently approved dwelling numbers.

(c) Stormwater

In relation to the stormwater network, an increase in density is unlikely to lead to a significant change in impervious area on the island. On-site stormwater issues can be managed as part of normal development process.

(d) Open space and community facilities

Higher density development on the island is likely to require additional investment in open space. By applying Council’s desired standards of service to the potential density outcomes in accordance with recently approved densities, a future population of 12,066 people in the
study area (a 100% take up scenario) would require an additional 6.68 hectares of local recreation park and 8,200m² of land for community facilities.

A future population of 8,292 people in the study area (a 50% take up scenario) would require an additional 3.66 hectares of local recreation park and 5,600m² of land for community facilities.

While demand for district and Citywide facilities is also expected to increase with increased densities, this would be provided external to Chevron Island to service a wider catchment.

![Open space requirements based on Council’s Desired Standards of Service](image)

Retrofitting of open space is not an option in areas like Chevron Island where land has already been developed and density is intensifying. This will require a new approach to service provision, focusing on the quality of spaces and multiple uses of facilities rather than provision of large scale new land allocations. Possible solutions such as increased embellishment of existing open space to increase useability will need to be considered.
5.4.3 Tension between building height, residential density and light rail urban renewal area

Despite these infrastructure capacity issues since the commencement of the City Plan, a number of development applications have highlighted policy tensions for Chevron Island based on the relationship between zoning, residential density provisions and building height intentions. These tensions are especially challenging in the context of the transformational policies that underpin the Light rail urban renewal area.

Development proposals have been approved with significantly higher densities than RD6 (down to 1 bedroom/7m² or nearly 5 times the mapped residential density) despite infrastructure capacity concerns. As outlined above, these applications have been approved because of the way in which City Plan has been drafted. Given that planning schemes must be read as a whole, the policy directions of the High density residential zone, when read together with the HX building height designation and Light rail urban renewal area overlay provisions clearly support the approval of higher density development, despite exceeding what is identified on the Residential density overlay map.

5.5 Options

Three options have been considered to address the above issues:

<table>
<thead>
<tr>
<th>Option</th>
<th>Policy position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Maintain current settings</td>
<td>• maintain the High density residential zoning;</td>
</tr>
<tr>
<td></td>
<td>• maintain a residential density of RD6; and</td>
</tr>
<tr>
<td></td>
<td>• maintain a building height of HX.</td>
</tr>
</tbody>
</table>

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ITEM 6 (Continued)
CHEVRON ISLAND PLANNING INVESTIGATION
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<table>
<thead>
<tr>
<th>Option 1 - Maintain current settings</th>
</tr>
</thead>
<tbody>
<tr>
<td>It avoids a major policy shift and associated risks compensation, and is consistent with current approvals. However, this option is not supported for the following reasons:</td>
</tr>
<tr>
<td>- the status quo does not contribute to a resolution of the existing traffic issues, and may considerably worsen those problems:</td>
</tr>
<tr>
<td>- it maintains a policy setting (and community expectations) for a scale of development that may be more suited to places more directly served by the light rail; and</td>
</tr>
<tr>
<td>- as larger development sites become harder to assemble, poorer design outcomes may result.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Option 2 - Restrict further development potential to limit worsening of traffic conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 2 will result in no substantive intensification or development on Chevron Island. The transport capacity assessment suggests that the island’s transport network is already at capacity and will worsen as development occurs. With limited options to resolve these traffic concerns through infrastructure delivery, restricting development on the island and maintaining the current population levels will limit worsening of already poor traffic conditions. However, this option is not supported for the following reasons:</td>
</tr>
<tr>
<td>- this option does not address the current capacity issues and the traffic situation is likely to worsen regardless;</td>
</tr>
<tr>
<td>- the removal of development opportunities may reduce the impetus for additional investment in active transport, embellishment of public spaces and transit;</td>
</tr>
<tr>
<td>- the removal of all development opportunity underutilises what is a relatively central, well serviced neighbourhood, and may be unduly restrictive and limit flexibility for renewal and improvements to the current housing stock;</td>
</tr>
</tbody>
</table>
• it is likely to be challenged in the courts (through appeals on applications) and could evoke compensation claims; and
• it is as a dramatic reversal of policy.

5.5.3 **Option 3 - Reduce development height to a mid-rise range, consistent with the RD6 density setting (preferred option)**

Option 3 sets height and density outcomes at consistent mid-rise levels, and encourages projects that are likely to be feasible. This option is preferred for the following reasons:

• it reduces uncertainty around potential yield and better meets the market;
• it allows for housing renewal in a neighbourhood relatively central and well serviced;
• it rationalises potential dwelling growth to help manage worsening traffic conditions (noting that it will still result in increased congestion); and

5.6 **Recommended policy positions**

5.6.1 **Residential density**

The current mapped residential density on Chevron Island is considered appropriate given infrastructure capacity. Revising the density provisions in City Plan is not desirable as this cannot be adequately serviced by transport infrastructure. While current mapped residential density will still likely result in worsening of traffic conditions, this is of a manageable level and the associated worsening may actually trigger a change in travel behaviour.

A reduction in density is not warranted in an area that is otherwise well serviced and in close proximity to employment and recreational opportunities.

It is noted that recommended changes to zoning and building height below will further reinforce this policy position.

**Recommendations:**

• maintain the current residential density of RD6 (1 bed/33m²) in the proposed Medium density residential zone and RD5 (1 bed/50m²) in the existing Neighbourhood centre zone on Chevron Island.

5.6.2 **Building height**

The current HX building height for a significant portion of Chevron Island is encouraging high-rise outcomes, with a resulting density significantly higher than what is anticipated by City Plan and the available infrastructure capacity. It is recommended that the building height for Chevron Island be generally aligned with the RD6 density, which is more appropriate within a mid-rise built form (i.e. 8-10 storeys). This is comparable with the former building height policy setting from the Gold Coast Planning Scheme 2003 provisions.
Updates to the Strategic framework will be required to reflect this policy position. The framework currently encourages ‘the city’s tallest buildings’ in Surfers Paradise, which includes Chevron Island. Updates are required to clearly articulate the anticipated building heights to be encouraged between Surfers Paradise and Chevron Island.

**Recommendations:**

- revise the Building height overlay map for areas in the proposed Medium density residential zone and existing Neighbourhood centre zone on Chevron Island from HX to a mid-rise building height (i.e. up to 33m, as per Building Height Study categories); and
- revise the Strategic framework to clearly articulate intended building height outcomes between Surfers Paradise and Chevron Island.

### 5.6.3 Zoning

As a result of the above residential density and building height recommendations, it is considered that the intent for the High density residential zoned areas of Chevron Island is more appropriately reflected by the purpose of the Medium density residential zone, that seeks to provide for a range and mix of medium density residential uses, and contribute to a transitioning density from lower intensity areas to higher intensity areas near centres, the high rise coastal spine and areas well serviced by public transport.

**Recommendations:**

- modify the zoning map for areas in the High density residential zone on Chevron Island to a Medium density residential zone.

### 5.6.4 Light rail urban renewal area

The inclusion of Chevron Island in the ‘frame area’ of the Light rail urban renewal area overlay has justified higher density development, as the overlay code encourages an intense built form and suggests significant uplift and transformation is desirable. This is misaligned with density provisions and infrastructure capacity, and the above policy positions.

**Recommendations:**

- revise the Light rail urban renewal area overlay map to include the area of Chevron Island currently in the ‘frame area’ to be within the ‘transition area’.

### 5.7 Other recommendations

A number of other recommendations are provided to support these policy positions. These will not form part of Major update 2 and will be investigated to inform a future update.
5.7.1 Transport

While proposed road upgrades in the surrounding area will provide some additional traffic capacity on Chevron Island, there are no feasible infrastructure options to further address current traffic congestion or create additional traffic capacity.

City Infrastructure’s review of the Transport Strategy and the development of an Active Transport Strategy will examine ways to alleviate traffic and encourage active transport across the City, which may assist to address traffic concerns on Chevron Island. However, any additional development, including development in accordance with the recommended policy positions, will likely exacerbate the already congested network.

5.7.2 Open space and community facilities

Future growth in accordance with the recommended policy position will not achieve Council’s desired rate of provision for open space and community facilities without acquisition of additional land on Chevron Island. However, providing additional land for open space and community facilities on the island this is not possible or feasible, due to the availability and cost of suitable land.

5.8 Potential implications of proposed policy changes

The proposed policy changes identified for Chevron Island may result in superseded planning scheme requests being lodged and in turn potential for compensation, depending on Council’s assessment of applications and the Applicant demonstrating that there has been any potential loss in yield or land value.

Compensation can arise when an adverse planning change is made that reduces the value of an interest in a premises. An affected owner may claim compensation if:

- the local government refuses a superseded planning scheme request in relation to the development; and
- a development application has been made for the development; and
- the development application is:
  - refused; or
5.9 Alignment with other projects

A number of other projects are currently underway as part of Major update 2. The recommendations of these projects will be informed by the outcomes of this investigation, and may in turn affect the final development outcomes for Chevron Island.

6 ALIGNMENT TO THE CORPORATE PLAN, CORPORATE STRATEGIES AND OPERATIONAL PLAN

The City Plan is identified as a key deliverable in ensuring the themes of the Corporate Plan are achieved. Accordingly, all the themes (the best place to live and visit, prosperity built on a strong diverse economy and people contribute to a strong community spirit) of the Corporate Plan are applicable. A robust City Plan is essential to achieve the desired outcomes detailed in the Corporate Plan.

The City Plan is an initiative in the Operational Plan.

7 GOLD COAST 2018 COMMONWEALTH GAMES™ IMPACT

Not applicable.

8 FUNDING AND RESOURCING REQUIREMENTS

Not applicable.

9 RISK MANAGEMENT

This activity supports the mitigation of Planning and Environment Directorate Risk number CO000510:

‘City Plan delivers inadequate and/or ineffective strategic/development policy (e.g. poor planning, built form, growth, social and environmental outcomes - including flood impacts).’
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10 STATUTORY MATTERS

The proposed changes to City Plan constitute a major amendment under the Statutory guideline 01/16, Making and amending local planning instruments, April 2016 (MALPI).

The proposed updates are recommended for inclusion in the Major update 2 package.

11 COUNCIL POLICIES

Not applicable.

12 DELEGATIONS

Not applicable.

13 COORDINATION & CONSULTATION

The following stakeholders have been consulted throughout this project and prior to presentation of this report to Council:

<table>
<thead>
<tr>
<th>Title of the Stakeholder Consulted</th>
<th>Directorate</th>
<th>Is the Stakeholder Satisfied With the Recommendations (Yes/No)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager, City Development Planning and Environment</td>
<td>Planning and Environment</td>
<td>Yes</td>
</tr>
<tr>
<td>Acting Executive Coordinator, Major Projects Planning and Environment</td>
<td>Planning and Environment</td>
<td>Yes</td>
</tr>
<tr>
<td>Executive Coordinator, Planning Assessment Planning and Environment</td>
<td>Planning and Environment</td>
<td>Yes</td>
</tr>
<tr>
<td>Coordinator, Transport Network Analysis City Infrastructure</td>
<td>City Infrastructure</td>
<td>Yes</td>
</tr>
<tr>
<td>Coordinator, Strategic Land Use Planning Gold Coast Water and Waste</td>
<td>Gold Coast Water and Waste</td>
<td>Yes</td>
</tr>
</tbody>
</table>

The Mayoral Technical Advisory Committee (MTAC) will be informed of the drafted outcomes prior to finalising the Major update 2 update package.

14 STAKEHOLDER IMPACTS

The policy improvements to City Plan recommended by this report will form part of City Plan Major update 2.

Internal stakeholders have been and will continue to be consulted as the update progresses through the statutory process.

Under the statutory process, City Plan Major update 2 will be required to undergo a public consultation period (with all submissions considered) prior to its adoption.
15 **TIMING**

This matter is proposed to be progressed as part of City Plan Major update 2.

16 **CONCLUSION**

The recommended policy positions for planning outcomes on Chevron Island are:

<table>
<thead>
<tr>
<th>Summary of recommended policy position</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning</td>
<td>• modify the zoning map for areas in the High density residential zone on Chevron Island to a Medium density residential zone.</td>
</tr>
<tr>
<td>Residential density</td>
<td>• maintain the current residential density of RD6 (1 bed/33m²) in the proposed Medium density residential zone and RD5 (1 bed/50m²) in the existing Neighbourhood centre zone on Chevron Island.</td>
</tr>
</tbody>
</table>
| Building height                         | • revise the Building height overlay map for areas in the proposed Medium density residential zone and existing Neighbourhood centre zone on Chevron Island from HX to a mid-rise building height (i.e. up to 33m, as per Building Height Study categories); and  
  • revise the Strategic framework to clearly articulate intended building height outcomes between Surfers Paradise and Chevron Island. |
| Light rail urban renewal area           | • revise the Light rail urban renewal area overlay map to include the area of Chevron Island currently in the ‘frame area’ to be within the ‘transition area’. |

It is proposed that these recommended policy positions be endorsed to be included as part of City Plan Major update 2, with the proposed City Plan updates to be brought back to Council for consideration and endorsement prior to submission for State interest review.
17 RECOMMENDATION

It is recommended that Council resolves as follows:

1. That the report/attachment be deemed non-confidential except for those parts deemed by the Chief Executive Officer to remain confidential in accordance with sections 171 (3) and 200 (5) of the Local Government Act 2009.

2. That the recommended policy positions, as identified in Attachment A, be endorsed to be included as part of City Plan Major update 2.

3. That the Mayoral Technical Advisory Committee be informed on the proposed City Plan updates as part of Major update 2.

4. That the proposed changes to the City Plan be brought back to Council for endorsement prior to submission for State interest review.

5. That the other recommendations, as identified in Attachment A, be further investigated and considered as part of a future update package.

Author: Lisa Kubler
Senior Planner
26 September 2017

Authorised by: Dyan Currie
Director Planning and Environment