1 BASIS FOR CONFIDENTIALITY

1.1 I recommend 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 I recommend 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

City Plan has a suite of industrial zones (Low, Medium, and High) that accommodate a range of corresponding industrial activities. City Plan identifies the expansion of these industrial activity zones through Future industry precinct designations over the underlying industrial zones. The purpose of the Future industry precincts are to easily identify and protect future industrial activity areas until necessary infrastructure is delivered. Aside from a discrete site at Eastlake Street Carrara, the City’s future industrial lands (138 properties) are entirely located in the North within the expansive Yatala Enterprise Area industrial estate (YEA).

The Future Industry Zoned Land Investigation was initiated as a response to three requests (City Plan submissions involving sites and an Improve our City Plan submission to remove their respective properties from the Future industry precincts. Feedback from the industry is that the level of assessment for industrial activities (Impact) within the Future industry precincts is problematic for selling newly developed industrial lots that meet necessary infrastructure requirements but have not benefited from a mapping update to City Plan.

Analysis of the 138 properties within the Future industry precinct designations revealed that 39 properties (Attachment 1) were currently suitable to revert to their underlying industrial activity zones. The removal of the precinct from the subject properties will result in one property with the High impact industry zone, 36 properties with the Medium impact industry zone and 2 properties with split Medium and Low impact industry zonings.

The Future industry precinct designations are recommended to remain over 99 properties within the YEA that do not currently have the necessary infrastructure available. Changing the levels of assessment for land uses within the Future industry precincts, to replicate their respective industrial activity base zones, is the best way to support land owners and the future development of their sites. However, to ensure Council maintains the ability to condition necessary infrastructure outcomes, where the levels of assessment for business
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and industrial activities are ‘accepted subject to requirements’ in the base zone, assessment is recommended to be changed to code assessment in the Future industry precincts.

3 PURPOSE OF REPORT

The Future Industry Zoned Land Investigation was initiated as a response to three requests (City Plan submissions involving sites REDACTED and an Improve our City Plan submission from the REDACTED to remove their respective properties from the Future industry precincts in the Yatala Enterprise Area industrial estate (YEA).

This report outlines the investigation methodology, findings and recommendations for specific changes to update City Plan’s future industrial land mapping designations and levels of assessment for land uses.

4 PREVIOUS RESOLUTIONS

Not applicable.

5 DISCUSSION

5.1 Background

Gold Coast Planning Scheme 2003
Under the Gold Coast Planning Scheme 2003 (2003 Scheme) the entirety of the YEA was located within the Yatala Enterprise Area Local Area Plan (YEA LAP). The YEA LAP was divided into precincts based on a number of factors, one of which included infrastructure constraints. The Future Business and Industry precinct (Precinct 4) was provided to protect land identified for long term future industrial use until necessary infrastructure was delivered. Development applications for industrial activities were impact assessable when lodged within Precinct 4. This was due to the longer term nature for the need of the land and the subsequent ‘out of sequence’ delivery of necessary infrastructure. Interim land uses that did not compromise the long term intent of the land (rural industry and rural residential) for industrial expansion were also contemplated.

City Plan
Land designated under the 2003 Scheme’s YEA LAP Precinct 4 was translated across to one of three industrial activity zone designations (Low, Medium or High) under City Plan. At the time City Plan was made, if the land was either under developed or under serviced with necessary infrastructure for industrial use, it was also given a corresponding Future industry precinct designation. The purpose of the Future industry precincts are to:

- Identify and protect land reserved for Low, Medium and High impact industry activities that currently lack necessary infrastructure;
- Ensure development is staged and designed to provide for appropriate infrastructure to meet Council’s Desired Standard of Service (DSS) for industrial uses;
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- Ensure development that is ‘out of sequence’ with water/sewer infrastructure secures agreements from downstream land holders and bears the full cost of providing the necessary infrastructure to Council’s DSS;
- Ensure interim land uses and subdivisions do not compromise the capacity of the area to intensively develop for low, medium and high impact industrial activities; and
- Ensure land uses do not place unreasonable impacts on the amenity of nearby sensitive uses through separation distances for low and medium impact industrial activities.

Development proposals for industrial activities are impact assessable when lodged within the Future industry precincts. There are two corresponding performance benchmarks within the respective industrial zone codes for the Future industry precincts which relate to maintaining large allotment sizes to protect future industrial capacity and with out of sequence development connecting to necessary infrastructure.

5.2 City Plan Submissions

Council has received formal submissions (through the City Plan making process and Improve our City Plan register) from land owners within the YEA that are currently developing industrial allotments. The submissions are requesting the removal of the Future industry precincts from their respective industrial zoned properties. Feedback from the industry is that the level of assessment for industrial activities (Impact) within the Future industry precincts are problematic for selling newly developed industrial lots that meet necessary infrastructure requirements but have not benefited from an update to City Plan.

The investigation was initiated to respond to these specific requests and to review the balance of properties within the YEA that have the Future industry precinct designations. It also reviewed policy options that could support land owners within the Future industry precincts in creating new industrial allotments that can be developed more efficiently without the need for impact assessment.

5.3 Investigation Methodology

Aside from a discrete site at Eastlake Street Carrara, the City’s future industrial lands are entirely located in the North within the YEA. The YEA has a large amount of land holdings (138 properties) across all three industrial activity zones that have the Future industry precinct designations because they were either under developed or under serviced with necessary infrastructure for industrial use at the time the City Plan was made.

The investigation assessed each property in detail to determine its suitability for removal of the Future industry precinct designation in favour of reverting to the underlying industrial activity zone designation (Low, Medium or High impact). The investigation methodology involved the following steps:

1. Define the scope of the ‘Investigation Area’ by identifying properties within the YEA that have the Future industry precinct designation for further analysis;
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2. Determine which properties are either developed and connected to or have the ability to be connected to Council’s necessary infrastructure;
3. Review the development application approval history over the remaining properties, refining the ‘deeper analysis area’ to properties that intend to develop;
4. Deeper analysis includes reviews of:
   a. Development approval history against current land use(s) to determine whether the nature of the activity is an existing, interim or industrial use;
   b. Interim and industrial uses development conditions of approval to identify whether land is subject to infrastructure upgrades and timing if upgrades have not occurred;
5. Categorise which properties should have the Future industry precinct designations removed in favour of their underlying zone (Group A), which are likely (Group B) and are unlikely (Group C) to redevelop in the near term; and
6. Review policy options, to support land owners within the Future industry precinct designations, to efficiently develop their sites (i.e. reducing levels of assessment for appropriate land uses).

5.4 Investigation Key Findings and Recommendations

Precinct Designations
The investigation identifies that the 138 properties with Future industry precinct designations within the YEA have varied land uses (existing, interim and industrial) and necessary infrastructure constraints. The majority of YEA landowners (88 of the 138 properties) have existing development approvals over their properties.

Of the 138 properties that are the subject of the investigation, 39 properties (Map 1 – the eastern side of the M1 and Map 2 – the western side of the M1) are currently suitable to revert to their underlying industrial activity zones. These 39 properties (includes the [REDACTED]) are categorised as Group A and are developed in accordance with their development approvals and satisfy the connection to, or have they have the ability to connect to, necessary infrastructure that meets the Desired Standards of Service (DSS) for industrial uses. Group A no longer warrant the Future industry precinct designations and will yield one property with the High impact industry zone, 36 properties with the Medium impact industry zone and 2 properties with split Medium and Low impact industry zonings.

It is recommended that the City Plan be updated to remove the Future industry precincts from the 39 properties categorised as Group A as part of City Plan Minor Update 4 package. Details of the property descriptions are identified in Attachment 1.
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Map 1 the eastern side of the M1
Group A (Removal of Future industry precinct designations)

Map Key
- Developed and connected to necessary infrastructure
- Ready to connect necessary infrastructure

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Map 2 the western side of the M1
Group A (Removal of Future industry precinct designations)

Map Key
- Empire Estate development submitter
- Ready to connect necessary infrastructure (includes Sandy Creek submitter)
The remaining 99 properties (Map 3 – the eastern side of the M1 and Map 4 – the western side of the M1) within the M1 do not have the necessary infrastructure available and are to retain their Future industry precinct designations. These constraints can either be resolved by landowners developing their land out of sequence to bring forward the necessary infrastructure or over time through the infrastructure schedule of works outlined in the City Plan’s Local Government Infrastructure Plan (LGIP) component.

Currently there are 53 properties with development approvals but not all the necessary infrastructure to warrant removal of their Future industry precinct designations and they are categorised as Group B. Within Group B there are 23 properties with development approvals for industrial uses but are yet to fully develop while a further 30 properties have development approvals for interim uses. It is envisaged Group B are likely to develop in the near term

Group C comprise the remaining 46 properties whose landowners have yet to seek any development approval and are not able to readily connect to necessary infrastructure, making them unlikely to redevelop in the near term.
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Map 3 – the eastern side of the M1
Groups B & C (Retention of Future industry precinct designations)

Map Key

- **Group B**
  - Industry development approval not yet developed
  - Interim use development approved

- **Group C**
  - No development approval history

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Map 4 – the western side of the M1
Groups B & C (Retention of Future industry precinct designations)
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All of the Future industry precinct designated land is within the City Plan’s Local Government Infrastructure Plan (LGIP’s) component’s Priority Infrastructure Area (PIA).

Other policy improvements to support landowners in the precinct
The interim uses in the Future industry precincts tables of assessment are rural and residential activities and not well aligned to the underlying industrial activity base zones focus of business and industrial activities. These interim uses have not facilitated or triggered the delivery of necessary infrastructure to the Precinct.

In addition, feedback from the industry is that the level of assessment for industrial activities (Impact) within the Future industry precincts is problematic for selling newly developed industrial lots that meet necessary infrastructure requirements, but have not benefitted from a mapping update to City Plan to remove the precinct. As a result, officers investigated the option of reducing the level of assessment for appropriate industrial activities envisaged in the base zone to promote investment in these areas. It is proposed that aligning the levels of assessment for uses within the Future industry precinct with uses in their respective industry base zones, with some exceptions, is the best way to do so (i.e. reducing the impact assessment trigger for uses that are envisaged in the base zone).

City Plan benchmarks, under code assessment, provide for the conditioning of necessary infrastructure to meet the DSS for industrial land uses. To mitigate the risk of losing the ability to condition necessary infrastructure outcomes, where the levels of assessment for business and industrial activities that are ‘accepted subject to requirements’ (i.e. don’t require a material change of use application and be assessed by Council) in the base zone as a result of the proposed alignment, it is recommended that these uses be changed to code assessment in the Future industry precinct. Consequentially, many of the current Future industry precinct’s rural and residential ‘interim use’ activities will become impact assessable to deter interim uses and promote the development of the precinct for its intended purpose and trigger the delivery of necessary infrastructure.

It is recommended that City Plan be updated to replace the levels of assessment for land uses in the Future industry precincts with their respective industrial activity base zones, except where levels of assessment for business and industrial activities are ‘accepted subject to requirements’, these will be changed to code assessment. It is proposed that this change be undertaken as part of the City Plan Major Update 2 package.

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

The initiatives and goals of the Corporate Plan that have a specific impact on the future growth in employment and where that employment is located are outlined below. The Future Industry Zoned Land Investigation supports City Plan and Economic Development Strategy which are key strategies in the Corporate Plan. This report supports the following strategy of the Corporate Plan:
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2. Prosperity built on a strong diverse economy

2.3 We have infrastructure that supports productivity and growth.

Key Strategies

- Develop priority precincts to maximise the economic benefits of the central business district, Yatala and the airport precinct.
- Develop and implement the Local Government Infrastructure Plan, which identifies the trunk infrastructure and standards of service required to support urban development.

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 the following corporate risk: CO00510 – City Plan delivers inadequate and/or ineffective strategic development policy (e.g. poor planning, built form, growth, social and environmental outcomes – including flood impacts).

10 STATUTORY MATTERS

Not applicable.

11 COUNCIL POLICIES

Not applicable.

12 DELEGATIONS

Not applicable.

13 COORDINATION & CONSULTATION

A number of internal stakeholders were consulted in relation to the progress of the Future Industry Zoned Land Investigation through both an internal working group meeting, and a request for comments/feedback on the recommendations contained in this agenda report.

The following table outlines the internal stakeholders that have reviewed the agenda report and the outcome of that participation:
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RECOMMENDATIONS FOR CITY PLAN REFLECTING THE KEY FINDINGS OF THE FUTURE INDUSTRY ZONED LAND INVESTIGATION
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<table>
<thead>
<tr>
<th>Name and/or Title of the Stakeholder Consulted</th>
<th>Directorate or Organisation</th>
<th>Is the Stakeholder Satisfied With Content of Report and Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Coordinator</td>
<td>Gold Coast Water and Waste (Customer Engagement)</td>
<td>Supported</td>
</tr>
<tr>
<td>Coordinator</td>
<td>Gold Coast Water and Waste (Service Sustainability)</td>
<td>Supported</td>
</tr>
<tr>
<td>Executive Coordinator</td>
<td>City Infrastructure (Transport Planning, Policy and Programming)</td>
<td>Supported</td>
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<tr>
<td>Special Coordinator</td>
<td>City Planning (Strategic Infrastructure)</td>
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<td>Coordinator</td>
<td>City Assets (Stormwater)</td>
<td>Supported</td>
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<tr>
<td>Executive Coordinator</td>
<td>City Planning (City Development)</td>
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</tr>
<tr>
<td>Coordinator</td>
<td>City Planning (City Plan)</td>
<td>Supported</td>
</tr>
</tbody>
</table>

14 STAKEHOLDER IMPACTS

External / Community Stakeholder Impacts

The community will be consulted when City Plan Major update 2 undergoes statutory public notification prior to consideration of adoption.

Internal Stakeholder Impacts

Internal stakeholders have been involved with this project since its inception, including input on initial findings and the recommendations provided in this report. Internal stakeholders will continue to be consulted as the update progresses through the statutory process.

15 TIMING

If Council supports the recommendations, it is proposed that the Future industry precinct designations will be removed from the 39 properties (identified in the Group A category) as part of the City Plan Minor Update 4 package schedule for December 2017.

It is proposed that the changes to the tables of assessment for the 99 properties (identified in the Groups B and C categories) and the Eastlake Carrara property that retain their Future industry precinct designations, will form part of the City Plan Major Update 2 package.
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16 CONCLUSION

The Future Industry Zoned Land Investigation was initiated as a response to requests (involving properties REDACTED to remove their respective properties from the Future industry precinct. Feedback from industry is that the level of assessment for industrial activities (Impact) within the Future industry precinct is problematic for selling newly developed industrial lots that meet necessary infrastructure requirements. The investigation reviewed all properties within the Future industry precinct.

An analysis of the YEA’s 138 properties with Future industry precinct designations revealed that 39 properties (Attachment 1) are currently suitable to change to their underlying industrial activity zones. These 39 properties REDACTED are developed in accordance with their development approvals and satisfy the connection to, or have the ability to connect to, necessary infrastructure that meets the DSS for industrial uses. The proposed removal of the precincts from these properties will result in one property with the High impact industry zone, 36 properties with the Medium impact industry zone and two properties with split Medium and Low impact industry zonings.

The remaining 99 properties within the YEA are recommended to retain their Future industry precinct designations as they do not currently have the necessary infrastructure available to service them. Changing the levels of assessment for land uses within the Future industry precincts, to replicate their respective industrial activity base zones, is the best way to support these land owners. This will facilitate the right type of development activities (industry/business not rural/residential) and will help create the necessary demand to deliver the appropriate infrastructure. However, to ensure the ability to condition necessary infrastructure outcomes, where the levels of assessment for business and industrial activities are ‘accepted subject to requirements’ (i.e. don’t require a material change of use application and assessment by Council) in the base zone as a result of the proposed alignment, it is recommended that these uses be changed to code assessment in the Future industry precincts. Consequentially, many of the current Future industry precincts rural and residential ‘interim use’ activities will become impact assessable.

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 It is recommended that the City Plan be updated to remove the Future industry precinct designations from the 39 properties identified in Attachment 1 as part of the City Plan Minor Update 4 package.
3 It is recommended that City Plan be updated to replace the levels of assessment for land uses in the Future industry precincts with their respective industrial activity base zones, except where levels of assessment for business and industrial activities are ‘accepted subject to requirements’, these will be changed to code assessment.

4 It is recommended that the revised tables of assessment for the Future Industry Precincts, as outlined above, be updated as part of City Plan Major Update 2.

Author: Wing Chiu
Senior Regional Planner
10 October 2017

Authorised by: Dyan Currie
Director Planning & Environment