
Business and Industrial Lands Strategy backgrounder

Key points

- This strategy builds in growth at an unprecedented level. We should never just plan according to a demand-driven growth scenario.
 - There is no evidence provided for the level of demand that the Strategy proposes.
 - The Business and Industrial Lands Strategy (BILS), combined with the Residential Strategy, will drive an unprecedented level of growth in the Shire, that is not necessary, sustainable or desirable.
 - Parts of the Strategy have not been exhibited – the proposal in Direction 4 of the BILS for ‘precincts’ or ‘hubs’ to potentially be created outside existing business or industrial areas has not been exhibited. This is a Trojan horse for spot rezoning.
 - The proposal for rezoning the precinct near the hospital had never been seen before the last meeting of Council, when it was included in the Strategy attached to the agenda. Additionally, there is nothing in any of the reports done that suggest a need for it.
 - The Strategy contradicts the expressed wishes of the community, as evidenced by the submissions, to not have heavy industry in the Shire, yet the Strategy proposes General Industry zones – which permit hazardous industries – instead of Light Industry, which does not.
 - The Strategy ignores the findings of our own *Business Survey Report*, our own *Business and Industrial Lands Background* report and 3 different State planning reports or strategies.
 - DPIE has recommended against elements of the Strategy and no reason has been given to justify going against their recommendation. Usually we are pushing back against the Department to limit growth, why are we pushing back against them to enable the rezoning of land we don’t need?
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Why are we doing a Business and Industrial Lands Strategy?

“This Business and Industrial Lands Strategy (‘The Strategy’) is one of a suite of documents that contribute to local growth management strategy, setting out directions, actions, land suitability, and design principles needed to manage business and industrial lands over the next 20 years for our sustainable future.” BILS p. 3

Whilst it is sensible to do strategic planning, this Strategy was not a priority, given that the land we already have is sufficient for at least a decade. Where is the Growth Management Study that we were supposed to provide according to the *North Coast Regional Plan 2016*? We keep providing planning documents without addressing our actual capacity to manage growth.

The BILS and, incidentally, the Residential Strategy do not address infrastructure meaningfully. The Strategy does nothing to quantify growth or assess its impacts. How can there be a growth strategy *after* we have decided to rezone land?

The suggestion that just because land is rezoned it will not necessarily all be developed is naïve or disingenuous. The same was said to concerned community members about West Byron by the councillors in the last term. When the first DAs for subdivision at West Byron were submitted not only did they maximise the site, they also intruded beyond their zoning into E-zones. The effort it took to get submissions and drive community opposition to this was enormous and we should not have to be doing that – and we will because developers invariably try to maximise their returns – every time a DA for one of these proposed sites comes to council or to the Planning Panel.

The *North Coast Regional Plan 2016* identifies Lismore, Ballina and Tweed Heads as the major business and population centres. This Strategy seems to be aimed at positioning Byron Shire as a new industrial centre in contradiction with the aims of the *NCRP*.

If the Business and Industrial Lands Strategy is working on the premise that increased supply will drive down prices then this is completely unsupported by data and, in fact, evidence in the Shire is that – despite the boom in building that has been taking place, (the biggest growth industry is construction) – prices are increasing. It is also in complete contradiction to any notion of Environmentally Sustainable Development.

Byron Shire is part of the North Coast Region, a State Government declared strategic planning region under the *Environmental Planning and Assessment Act 1997* ('The Act'). This region extends along the NSW coastline from Port Macquarie to Tweed Heads.

The State Government's *North Coast Regional Plan (NCRP)* includes Byron Shire in its vision to be '*the best region in Australia to live, work and play thanks to its spectacular and vibrant communities*'.

The **first Direction** of the NCRP is *Deliver environmentally sustainable growth*. Actions 1.3 and 1.2 require Councils to:

- develop local growth management strategies that identify commercial or industrial urban growth areas
- prepare land release criteria to assess appropriate locations for commercial and industrial uses.

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Strategic Planning background

Plans for the Shire are informed by NSW State plans such as:

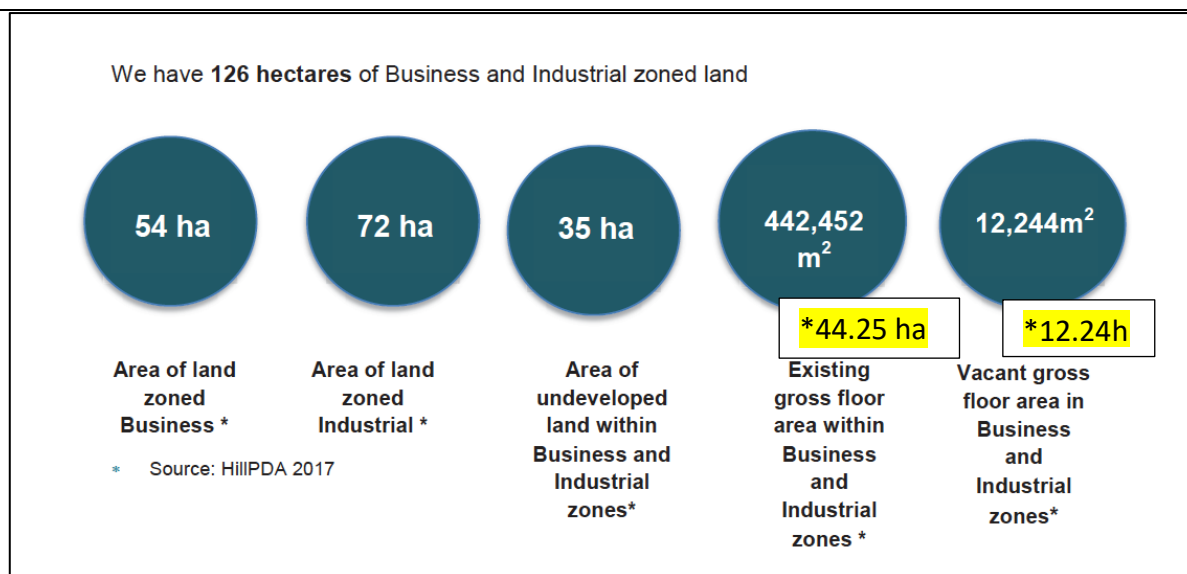
- *North Coast Regional Plan 2017*
- *North Coast Employment Land Review (LGA Analysis Byron) 2015*
- *Northern Rivers Regional Economic Development Strategy 2018 -2022*

Additionally, Council did its own studies and reports to get an assessment of what is happening at the community level. The following were done expressly for the *Business and Industrial Lands Strategy (BILS) 2019*.

- *Byron Business Survey Report-2017-2018*
- *Byron Shire Business and Industrial Lands Background Report*

Not one of these reports or documents support the proposal for the oversupply of land proposed in *Business and Industrial Lands Strategy (BILS)*.

Below shows the current status of our business and industrial lands according to the *Strategy*:



BILS p.6 (NB highlighted text is my addition)

The *North Coast Employment Land Review 2015* assessed Byron's employment land situation up to 2035:

"Over the forecast period, it is estimated:

- Supply of business land will exceed demand by 1.1 hectares
- Supply of industrial land will exceed demand by 22 hectares
- Supply of special uses land will exceed demand by 7.7 hectares

Our assessment has concluded that there is sufficient zoned employment land to accommodate the future employment needs of the Byron LGA).

According to this report, there is no need to release more land for industrial purposes until 2031. Nevertheless, growth has occurred in business in Byron since 2015 so further studies were undertaken.

Council's own report, prepared by Hill PDA, the *Byron Shire Employment Lands Background Report* proposes growth under 3 possible scenarios. Noting that some of the land is subject to constraints, Hill PDA ascertained that:

"Of the 24.4 hectares of zoned and undeveloped land in the LGA, around 11.9 hectares currently has capacity to accommodate some of the projected demand.

- Under Scenario 1 (Low industrial growth), the existing land capacity is sufficient to accommodate the projected demand under both FSR scenarios"
- Under Scenario 2 (Medium industrial growth), this existing capacity is insufficient to accommodate the projected demand under both FSR scenarios. An additional 2.7 to 10.1 hectares of land would be required to accommodate projected demand.
- Under Scenario 3 (High industrial growth), the current capacity is insufficient to accommodate the projected demand under the two FSR scenarios. To accommodate the projected demand additional land of 4.6 to 12.8 hectares would be required."

Why are over 47 hectares being put forward for industrial/business use?

Our own study recommends at the highest growth scenario between 4.6 to 12.8 hectares. No justification is given anywhere in the Strategy for such a massive increase and the supporting studies and reports do not support such an amount of new land. This Strategy assumes the high growth scenario and then quadruples it.

Acknowledging that some of the land included may prove to not be developable, the Strategy does not even prove the need for a high growth scenario of 12.8 hectares, let alone 47 hectares. Additionally, the ABS data shows that the top 4 biggest growing industries in the Shire in the last 5 years are low users of land – see table below.

The additional land requirement, as summarised in Table 4 immediately below, is the amount of land needed to accommodate future growth, assuming that business centres within the trade area are developed to their capacity based on a series of assumptions as detailed in the Background Report.

Table 4: Projected additional land requirements by trade area

Business centre trade area	Current retail/ commercial floor space (sqm)	Current over/ under supply (-) (sqm)	2041 over/ under supply (-) (sqm)	Additional land requirements (ha)
Bangalow	8,615	-1,335	-8,000	0.1 - 0.4
Byron Bay ¹	45,700	5,000	-30,970	0.5 - 1.4
Suffolk Park	1,275	-35	-330	0
Mullumbimby	31,600	5,700	-11,460	0.4 - 1.4
Northern ²	25,525	9,900	2,475	0

¹ Byron Bay Trade Area includes the centres of Byron Bay Town Centre, Sunrise Boulevard and the future town centre release area of West Byron based on current zoning.

² The Northern Trade Area includes the centres of Billinudgel Village, Ocean Shores, Brunswick Heads Village Centre and the future release area of Bayside Brunswick Heads.



A trade area is the geographic area from which a business or centre generates the majority of its customers. Further explanation on commercial floor space demand and trade areas can be found in the Business and Industrial Lands Background

Report and Strategy Section 5 Key Terminology.

*"We have 4,717 businesses in the Byron Shire. Analysis of business counts reveal that, between 2015 and 2018, **an additional 524 business** were recorded. This is significant given that only an additional 27 businesses were recorded over the previous four-year period (between 2011 and 2015)." (BILS 2019)*

Byron Shire - Total registered businesses		2018			2015		Change
			NSW			NSW	
Industry	Number	%	%	Number	%	s %	2015 to 2018
Agriculture, Forestry and Fishing	373	7.9	6.8	403	9.6	7.6	-30
Mining	3	0.1	0.2	15	0.4	0.2	-12
Manufacturing	189	4.0	3.4	180	4.3	3.7	+9
Electricity, Gas, Water and Waste Services	9	0.2	0.3	3	0.1	0.3	+6
Construction	644	13.7	16.0	550	13.1	15.2	+95
Wholesale Trade	220	4.7	3.6	193	4.6	3.9	+27
Retail Trade	429	9.1	5.7	384	9.2	6.3	+45
Accommodation and Food Services	325	6.9	4.0	296	7.1	4.1	+30
Transport, Postal and Warehousing	139	2.9	7.6	140	3.3	6.2	-1
Information Media and Telecommunications	105	2.2	1.2	66	1.6	1.2	+39
Financial and Insurance Services	273	5.8	9.1	211	5.0	8.8	+62
Rental, Hiring and Real Estate Services	465	9.9	10.9	419	10.0	11.2	+46
Professional, Scientific and Technical Services	562	11.9	13.1	517	12.3	13.0	+45
Administrative and Support Services	198	4.2	4.1	156	3.7	4.0	+42
Public Administration and Safety	6	0.1	0.4	6	0.1	0.4	0
Education and Training	108	2.3	1.4	90	2.1	1.4	+18
Health Care and Social Assistance	370	7.8	5.9	299	7.1	5.8	+71
Arts and Recreation Services	123	2.6	1.3	98	2.3	1.3	+25
Other Services	138	2.9	4.0	128	3.1	4.1	+10
Industry not classified	35	0.7	0.9	37	0.9	1.2	-2
Total business	4,717	100.0	100.0	4,191	100.0	100.0	+526

Who needs all this land?

Note the biggest growth areas in business numbers are, in order:

	Increase since 2015
1. Construction	95
2. Health Care and Social Assistance	71
3. Financial and insurance services	62
4. Rental, hiring and real estate	46
5. Professional, Scientific and Technical Services	45
6. Retail trade	45
7. Administrative and Support Services	42
8. Information Media and Telecommunications	39
9. Accommodation and Food Services	30
10. Wholesale trade	27
TOTAL of top 10 businesses that increased by number	475
TOTAL increase in businesses in the Shire	528

Of the businesses that increased in number, most do not require a lot of land. Construction work, the biggest growth area, is mostly undertaken on site and health care and social assistance are also undertaken in situ or in small consulting rooms.

Financial and insurance services are not large space users, nor are rental, hiring and real estate or professional scientific and technical services which only require office space.

What does all this look like?

A thumbnail sketch:

Considering that the Strategy identifies 11.9 unconstrained and developable hectares of industrial land already (119,000 sqm) then, subtracting 25% for roads and infrastructure, we are looking at 446 lots of 200 sqm. (NB average warehouse sizes in the BAIE are between 180 – 300 sqm and the average size of a 3-bedroom house is 230sqm),

If we approve the additional 47 hectares (470,000 sqm) and then remove, say, 30% as constrained and then a further 25% for driveways and parking etc, there remains 246,750 sqm of space. If the average business needed 200 sqm of space, that allows for 1,233.75 new industrial spaces.

If we consider the industries in the table above, this amount of overprovision is unjustifiable. Some industries require larger areas of land but they are few. Truly large industries need to go to the regional centres of Ballina, Tweed and Lismore, as the North Coast Regional Plan recommends.

Is the strategy for Byron to have an Amazon warehouse? [The Sydney one is 4.3ha](#). With this strategy we could have 13 of them. As you can see below, Bunnings uses only 5800 sqm – less than 60% of a hectare. We could have 101 Bunnings with this Strategy.



“Capacity within existing industrial areas

Byron Shire currently provides a total of around 72 hectares of land within its industrial areas as shown on Figure 29 below. Of this, around 24.4 hectares is undeveloped.

Analysis indicates 202,166 square metres of existing gross floor area with an estimated 7,741 square metres of vacant gross floor area within industrial areas (at 2017).

A constrained capacity analysis determined that a proportion of land already zoned but undeveloped did not meet the Business and Industrial suitable land principles identified under Direction 4 and may not be appropriate for redevelopment. More details of this assessment are contained in the Background Report.

A residual **12.9 hectares of vacant land** remains available for industrial purposes as detailed by geography in Table 4 below” **BILS p.54**

Table 4: Estimated residual vacant industrial zoned land

Industrial area	Residual vacant land (ha)	Proportion of overall zoned land (%)
Byron Arts and Industry Estate	2.9	7
West Byron (new release)	7.5	100
Bangalow Industrial Estate	-0.2	4
Billinudgel Industrial Estate	0.5	6
Mullumbimby Industrial Estate	1.8	17
Ross and Coolamon Scenic Drive Industrial areas	0	0

*“Byron Shire currently provides a total of around 54 hectares of land within its **business centres**. Of this, 10.9 hectares is undeveloped and 4,503sqm is vacant gross floor area (GFA). A capacity analysis to remove constrained properties that have already been developed to their maximum potential was undertaken for each trade area.”*

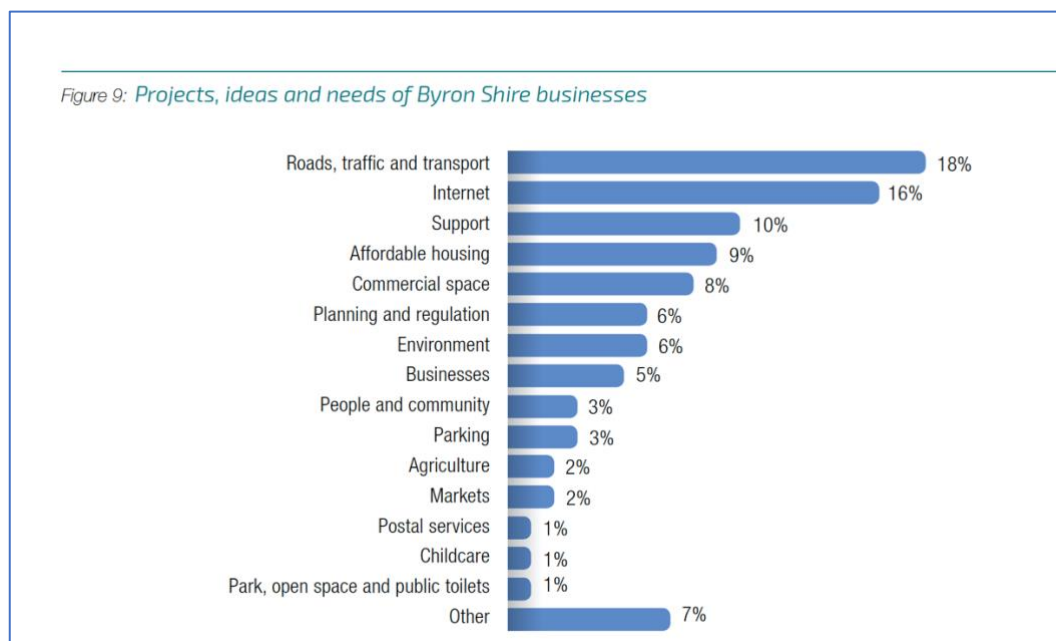
p.25 BILS.

The demand is not there

Byron Business Survey 2017

“Businesses were asked to identify and suggest any specific ideas, projects to meet their business needs. The three most commonly listed were alleviating traffic congestion, maintaining roads and internet access. These were followed by support for local businesses, housing affordability (including rentals) and the availability of commercial space.”

As the table below shows, commercial space was a concern for merely 8% of respondents.



Byron Business Survey 2017

New land inclusions in the Strategy.

Whilst there is a great deal of the 47 hectares that is unsuitable for inclusion, one area that has no place in the Strategy is the Gulgan North Precinct. The *North Coast Regional Strategy 2016* does not support it.

“Commercial precincts outside of centres.

Additional commercial precincts are not to be encouraged.

Proposals for new commercial precincts are not to be encouraged. Proposals located outside existing centres are appropriate only if they respond to retail supply and demand, accommodate innovations in the retail sector, maximise the use of existing infrastructure and enhance the value of the public realm.”

NCRS 2016.

The Department of Planning does not support it:

“DPI Agriculture does not support the development of this land for non-primary production purposes. The land is identified as regionally significant farmland and part of a larger agricultural landscape that is considered a highly important agricultural resource for the region. There is concern that development of this nature could potentially create an incremental creep of changing land use upon this landscape increasing the risk of land use conflict and loss of important agricultural land. The inclusion of this land within the strategy is not supported.

It is noted that this site was part of a planning proposal for residential development that did not proceed. The land in this area has significant constraints, including being mapped as regionally significant farmland, partly constrained by slope, and containing high environmental value vegetation. Council would need to clarify how these, and any other constraints, would be addressed if the site was included as an investigation area, especially since a previous proposal for residential development on the site did not proceed.

The draft Strategy will need to demonstrate how the proposed site is consistent with the North Coast Regional Plan (NCRP) 2036, since it is mapped as containing high environmental value vegetation and important farmland.”

Jeremy Gray
Director Regions, Northern

The inclusion of this land defies logic.

- Why would Council go to the trouble of resisting the Department over this land?
- The inclusion of this land is contradictory to planning principles and brings into question the integrity of Council and damages our reputation
- Its inclusion gives the appearance of special treatment being given to the landowner
- There is no evidence of a need for this land to be included
- It has been rejected by the Department previously

Byron Hospital and the employment ‘anchor’ sites

The inclusion of the hospital area in the strategy for development is completely new. It was never exhibited so should not be in there. As one of the ‘anchor’ precincts or ‘hubs’ to be created outside existing business or industrial areas, the potential to enable spot rezoning is concerning.

“Health services anchor criteria

The Byron Ambulance Station and Central Hospital at Ewingsdale is a purpose-built health service anchor. The public hospital provides a range of acute and sub-acute inpatient services and receives more than 20,000 emergency department attendances each year. Byron Central Hospital has been designed to provide integrated services for hospital patients and community health clients, as well as an enhanced working environment for doctors, nurses and other clinical staff.

Any development proposal in proximity to the hospital will be assessed against its consistency with the function of the hospital, its ability to value add to existing community and economic benefits of the hospital and its commercial viability. Areas adjoining the hospital precinct are to be utilised for allied hospital services, except where designated as having high ecological values or for public access and movement. Allied uses could encompass premises offering ...”

p. 82 of the BILS

The areas around the hospital do not appear to be zoned for any of the above purposes. The zoning around the hospital is RU1 and RU2 land and the residential area of Ewingsdale is R5 with a minimum subdivision size of 8,000m².

The Belbeck property (the RU2 on either side of the hospital) was assessed for an aged care complex in 2016 and the following was determined by the Department of Planning:

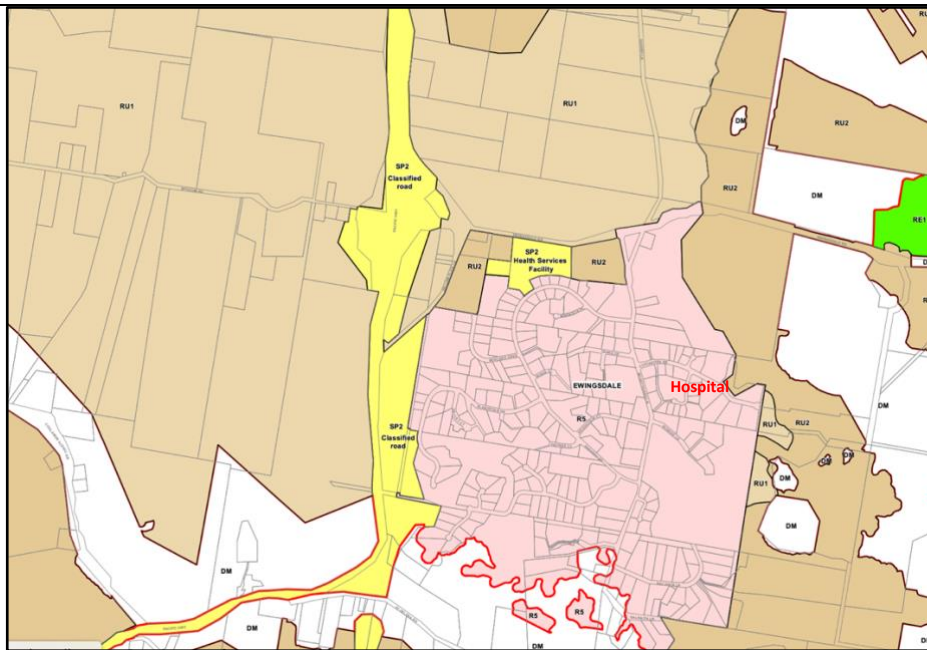
“The Site is not in an approved Local Growth Management Strategy (LGMS) or the current Far North Coast Regional Strategy or North Coast Regional Plan. Additionally, it is not in accord with State Environmental Planning Policy (Rural lands) or Northern Rivers Farmland Protection Project.”

It is very likely that the Belbeck land will be back on the agenda if this part of the Strategy proceeds and the community will have to defend it once again. Additionally, the pressure to develop land at McGettigans Rd and Quarry Lane will be intense. It would be easy for the hospital to build over the current car park area if it was necessary to provide more services near to the hospital. It is yet to be proven that there is a need, as none of the supporting documents provide any data on this late entry to the Strategy.

The employment anchor activities are identified as:

- health services anchor criteria;
- knowledge and creative industries, and
- co-operative businesses and innovation hubs.

The proposal for anchor sites in Direction 4 of the Strategy suggests that they can be located outside existing business and industrial zoned areas. The potential for this to be exploited is alarming and is contrary to the NCRS that says that “Additional commercial precincts are not to be encouraged.” It should be noted that the Bangalow Food Hub was not supported by the DPIE as a stand-alone commercial site.



Zoning map showing Byron Hospital – note the zoning in surrounding areas is rural - either RU1 or RU2.



Staging the Strategy

The BILS claims to be a strategy for the next 20 years. Why are the new areas of land, additional to land that is already zoned for commercial purposes, to be made available within 10 years or less? See the table below.

There is no information in the BILS about infrastructure planning for proposed lands. This is essential because we will end up developing all the land in a short time. It should be noted that the under the North Coast Regional Strategy 2006, Byron had to supply dwellings until 2031. By 2016 we had delivered all the housing that we were supposed to deliver up until 2031. The 2017 North Coast Strategy set us a new target which we will reach within 2-3 years although it's supposed to last until 2036.

The anticipated delivery timeframe for each, as identified in the tables, is explained as follows:

- **Short term** means anticipated to progress to a planning proposal for inclusion in a business and/or industrial zone **within the next three years**
- **Medium term** means anticipated to progress to a planning proposal for inclusion in a business and/or industrial zone within the following **3 to 5 years**
- **Long term** means anticipated to progress to a planning proposal for inclusion in a business and/or industrial zone within the following **5-10 years**.

BILS p. 64

In conclusion

Although this is by no means a comprehensive assessment of the *Business and Industrial Lands Strategy 2019*, it is a snapshot of what is wrong with it. Apart from the issues with planning itself, the Strategy reads like a marketing document rather than a strategic plan, making motherhood statements and unsupported assertions.

I sincerely believe we would be wrong as a Council to adopt this Strategy.

- By doing so we ignore the studies we undertook as a Council and the existing state planning documents.
- It is a blueprint for growth on a huge scale that is contradictory to the ideals of a progressive, environmentally-conscious council.
- The amount of land proposed is not wanted or needed; it does not reflect the results of the Byron Business Survey – commercial space is number 5 on the list of priorities.
- Without justification it assumes a high growth scenario for provision of land and proffers 4 times the amount land that high growth scenario says we need for a 20 year period.
- It includes land that does not fit the aims of the Strategy and which casts an unnecessary pall of distrust on Council's judgement and transparency.
- Parts of it have never been exhibited – ie the proposed hospital precinct.
- It opens a gate for spot rezoning that goes against best planning practice.