

Lismore

Growth & Realignment Strategy (2022) Addendum

Goonellabah Industrial Land Precinct



1 CONTEXT OF THE ADDENDUM

The Lismore Growth and Realignment Strategy 2022 (GARS) was adopted by Lismore City Council on December 13, 2022. It updates and replaces the Growth Management Strategy (2015 - 2035). The GARS identifies land that is potentially suitable for future housing, commercial and industrial purposes by ensuring future growth areas are consistent with the planning priorities identified in the Local Strategic Planning Statement and meet the economic, social, and environmental expectations of the community.

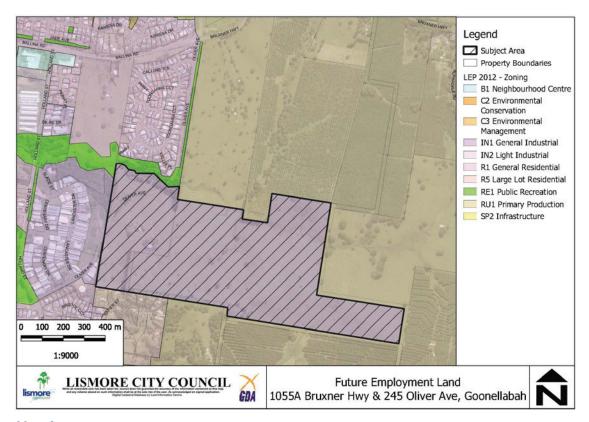
The NSW Department of Planning and Environment (DPE) gave conditional approval to the GARS in a letter to Council dated June 22, 2023. The DPE noted in the letter that the land identified as a potential expansion of the Goonellabah Industrial Precinct (map 18 of the GARS) was supported "for further investigation only". DPE requested additional work be done to confirm the strategic merit and suitability of the site, further analysis on the demand and supply of employment lands, identification of the most appropriate locations for future employments lands, as well as addressing potential land use conflict issues.

In subsequent correspondence between Council and the DPE, it was agreed that an addendum to the GARS was the most appropriate way to address these matters.

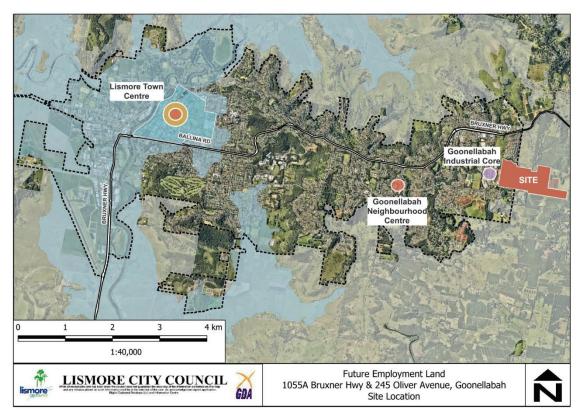
2 SITE DESCRIPTION

The site is made up of two land parcels, 1055A Bruxner Highway (lot 1 DP 957677) and 245 Oliver Avenue (Lot 1 DP 1285218). The two sites together, shown as **Map 1** on following page and map 18 of the GARS, hereby referred to as 'the site', make up approximately 60 hectares.

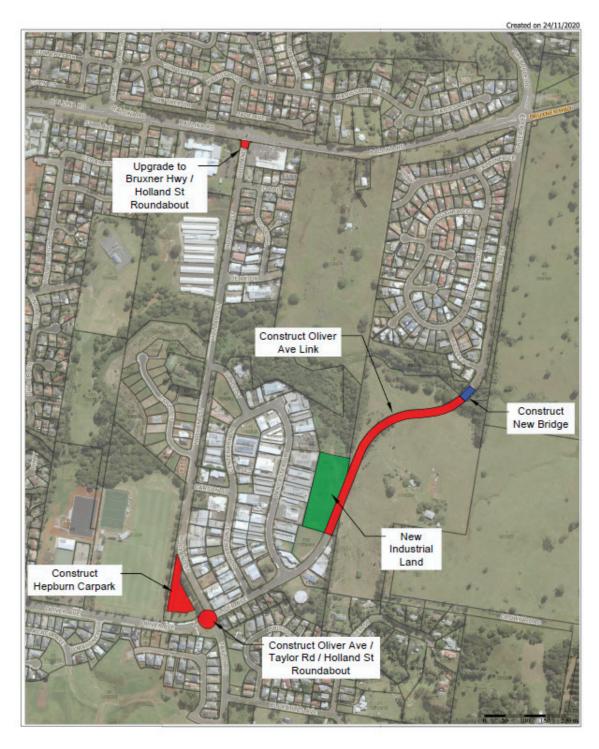
As shown in **Map 2**, the site is located within 8km of the Lismore CBD on the edge of the existing urban area and is directly opposite the existing industrial land in Goonellabah. It is also located within close proximity to the Bruxner Highway which represents an important strategic transport link for any future employment lands. The extension of Oliver Avenue from the existing industrial precinct to the Bruxner Highway was completed in July 2023. The \$14.2 million project was designed to facilitate growth of the Goonellabah industrial precinct and was supported by an \$11 million funding contribution from the NSW Government. **Map 3** shows the works undertaken as part of the Lismore Employment Lands project.

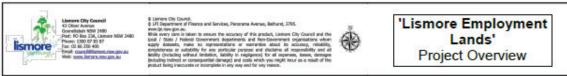


Map 1: Map of the proposed Goonellabah Industrial Precinct expansion area



Map 2: Site Locality Map





Map 3: Overview of Lismore Employment Lands project

245 Oliver Avenue is currently used for some cattle grazing and contains one inhabited rural lifestyle dwelling. 1055A Bruxner Highway has no direct road frontage and is currently used for some cattle grazing and contains one uninhabitable dwelling.

1055A Bruxner is subject to an active Planning Proposal which will be outlined in section 2.1 of this addendum.



2.1 Proposed Future Zoning

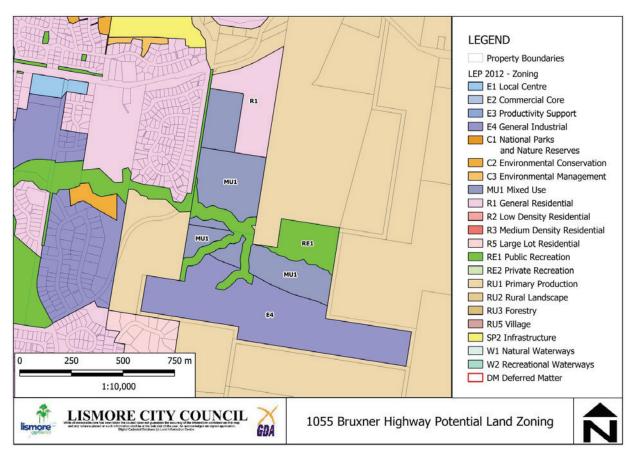
The site has been identified in Section 4.2 of the GARS as "new industrial land". It was envisioned that the entirety of the site would predominantly be Zone E4 General Industrial.

However, a Planning Proposal for the rezoning of part of the site (1055A Bruxner Highway) together with land at 1055 Bruxner Highway, was lodged during the preparation of the GARS. Lot 42 DP 868366 and Lot 1 DP 957677 (identified respectively as 1055 and 1055A Bruxner Highway) are contiguous parcels of land under one ownership that are subject to the Planning Proposal for a mix of R1, General Residential, MU1 Mixed Use, RE1 Public Recreation and E4 General Industrial as shown in **Map 4**.

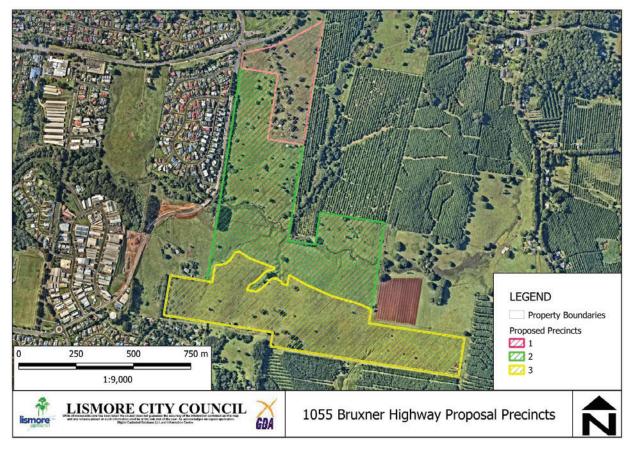
1055 Bruxner Highway has been identified in the GARS as being potentially suitable for future residential and mixed-use zoning to facilitate a new live / work precinct. It does not form part of the additional information provided within this addendum in relation to future industrial land. However the two parcels are subject to the one Planning Proposal that is accompanied by a concept structure plan that enables a continuous flow of development from residential down through to commercial-led mixed use over the Tucki Tucki creek and then into industrial. The success of the Proposal relies on the two sites being rezoned.

Lismore City Council is preparing a site specific DCP that will apply to the land subject to the Planning Proposal with separate controls for each of the three precincts shown in **Map 5**.

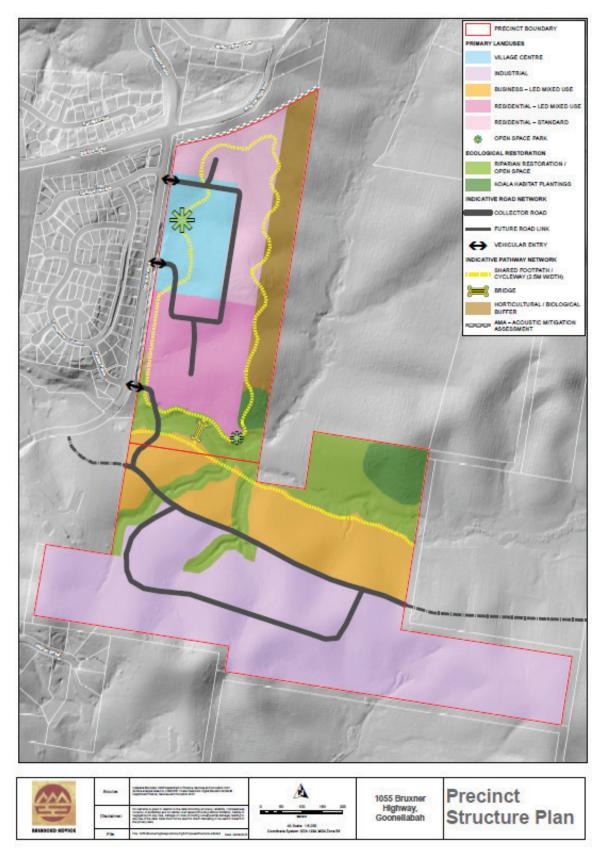
The indicative Structure Plan for the site has also been provided, shown in Map 6.



Map 4: Proposed zoning for 1055 and 1055A Bruxner Highway.



Map 5: Proposed Precincts in Draft DCP for the site.



Map 6: Indicative Structure Plan for 1055 & 1055A Bruxner Highway

At this stage, there is no Planning Proposal for the land at 245 Oliver Avenue. Should 245 Oliver Avenue be proposed for rezoning, the DCP chapter would be revised to apply to that part of the site also.

2.2 Site Constraints and Opportunities

Tucki Tucki Creek - The Tucki Tucki creek intersects part of the site and splits the land subject to the Planning Proposal. Tucki Tucki Creek is identified in a number of Council's strategic planning documents as being an important urban green corridor containing rainforest regrowth and sclerophyll forest. It is also mapped as a key fish habitat under the *Fisheries Management Act 1994*. Appropriate riparian buffers for the creek and its tributaries have been identified in the proposed zoning. The proponent proposes through a draft VPA to rehabilitate the creek corridor.

Ecology - Ecological surveys have been undertaken by Bower Ecology (August 2022) in relation to 1055A Bruxner only, ie part of the site. The study identified two Endangered Ecological Communities across the site along Tucki Tucki Creek and the western boundary fence, and one threatened flora species (scrub turpentine). There is evidence in historical surveys of koalas utilising feed trees on the site. Habitat opportunities for threatened fauna was considered to be fairly limited and the report noted that the loss of any habitat trees will be adequately compensated with a net gain of native vegetation and habitat across the site. This is being addressed through a draft VPA and any DA will be subject to a vegetation management plan.

Important Farmland - The entirety of the site was identified as State Significant Farmland in the Northern Rivers Farmland Protection Project (2005). The Department of Primary Industries (DPI's) important agricultural land mapping and the associated protections in the SEPP Primary Production (2021) are yet to be finalised. Adjacent land to the north, east and south is also identified as State Significant Farmland (2005).

Bushfire - The site is identified as containing Category 3 (Grasslands) vegetation.

Access and Connectivity— As outline in section 2, the site benefits from the recent extension of Oliver Avenue and access to the Bruxner Highway, offering connection to the M1 in the east and out to further regional areas in the west. 245 Oliver Avenue has direct access to Oliver Avenue however the land at 1055A has no direct vehicle access to a public road. Vehicle access will need to be created through 245 Oliver Ave which is not in the same ownership and is not subject to the Planning Proposal. Alternatively, an access could be created through the southern end of 1055, requiring the construction of a new bridge across Tucki Tucki Creek.

Potential Land Use Conflicts – Surrounding farmland is predominantly utilised for intensive horticulture (macadamia production) with some grazing land. The use of chemical sprays on macadamia plantations presents the greatest potential for land use conflict. Council's DCP (Buffer Areas) provides that a biological buffer of a minimum of 30m within an overall buffer of 80m is sufficient to manage the risk to residential development from chemical spray by capturing airborne pesticides through the creation of a vegetation filter. The DCP does not prescribe a suitable buffer between intensive horticulture and industrial uses, however land use conflict is considered to be less than for residential land as occupation of industrial land is only during defined business hours. It is considered that risk can be managed through an appropriate buffer at the subdivision design stage.

There are also a small number of residential properties located along the southern boundary of the site. These are separated by a 20m Crown Road reserve. Council's DCP prescribes a 20m minimum (and 40m recommended) buffer between residential and general industrial uses. These buffers can be achieved at the subdivision design stage.

Flood -The site is completely out of the flood zone and offers flood-free land for businesses and industries.

3 EMPLOYMENT LAND SUPPLY ANALYSIS

3.1 Existing Industrial Lands

Recent State-wide amendments to the reclassification of 'Business' (B) and 'Industry' (IN) zones to 'Employment' (E) zones means there is now an umbrella classification for all employment lands, rather than the previous distinction between 'Business' and 'Industry' zones. The following supply analysis is restricted to the E4 General Industrial and E3 Productivity Support zones as these are the zones that best align with industrial land uses.

GIS mapping analysis indicates there is currently 290ha of land zoned E4 General Industrial and 34ha zoned E3 Productivity Support within the Lismore LGA, making a combined total of 324ha of industrial zoned land. An analysis recently undertaken by Hill PDA for the Northern Rivers Joint Organisation (NRJO) of Councils – *Northern Rivers Employment Lands Audit and Strategy* – removed any land that was outside of cadastral boundaries (ie roads, road reserves and other non-functional areas). It concluded that there was 254ha of E4 land and 26ha of E3 land, making a total of 280ha of developable industrial zoned land in Lismore.

Hill PDA also classified land as either 'developed' or 'vacant' and found Lismore had 179ha of developed and 101ha of vacant industrial land.

Of these 101 vacant hectares, Hill PDA found 75ha were affected by hard constraints, 19ha by soft constraints that are manageable, and 5.9ha of unconstrained land. This means that a maximum of 25ha of Lismore's vacant industrial land could be developed should the soft constraints be overcome, and if not, only 5.9ha would be developed.

3.2 Existing Industrial land outside of the Flood Planning Area

Demand for new employment lands is discussed at Section 4. It shows the market is desperately seeking industrial land that is outside of flood impacted areas.

GIS analysis indicates that 83% of Lismore's existing industrial land is within the Flood Planning Area (ie it is impacted by a 1% AEP or 1:100 probability flood event). The industrial sites that are outside of the Flood Planning Area are:

- **Tuncester** Approximately 18ha of land zoned E4. The land has multiple owners across the various parcels with vehicle access from Rifle Range Rd. Existing land uses includes Hurfords hardwood timber processing facility and a vehicle wreckers. A desktop assessment of the site constraints indicates there is some potential for further development within this area.
- North Lismore Approximately 8ha of land zoned E4. The land has multiple owners across the various parcels, including some existing residential dwellings. The area has some general industrial buildings and a Boral concrete plant. The undeveloped part of this site that is above the 1% flood height has a slope of 20-33%. The slope, location and access to this site suggest there is very little chance of this land being further developed for industrial purposes.
- East Lismore Approximately 8ha of land zoned E4. There are multiple parcels fronting Military Rd, Industrial Drive and Rifle Range Rd. Existing land uses include Northern Rivers Buslines depot, a childcare centre, some general industrial buildings, storage sheds and the Army Reserve facility. There is no further developable industrial land within this East Lismore precinct.
- Wyrallah Rd (Monaltrie) Approximately 11ha of land zoned E4. Existing land uses include a Lismore Council depot facility and some general industrial buildings fronting Skyline Rd. Approximately 8ha is undeveloped land owned by two separate landowners. The site at 246 Wyrallah Rd has been affected by landslips and other geotechnical issues. Significant work is required to make the site suitable for future industrial use. The site at 232 Wyrallah Rd is directly adjacent to the Wilson Park Primary School. The site constraints of this area suggest there is little chance of this land being further developed for industrial purposes in the short to medium term.

• **Goonellabah** - Two separate industrial precincts are located generally in the Holland St / Oliver Ave area with a total approximate area of 31ha. Existing land uses include a range of general industrial buildings and storage sheds. An area of 3.9ha is owned by Essential Energy and utilised as an electricity transmission sub-station. There may be some potential for further development at the southern end of this site, however vehicle access is only available via Warrawee Crt and the surrounding residential streets. The only other undeveloped land within the Goonellabah industrial area is approximately 1.3ha owned by Lismore Council at 260 Oliver Ave.

Of the 25ha of developable vacant industrial land identified by Hill PDA within the Lismore LGA, LCC's analysis is that only 6-8ha at Tuncester and 1.3ha at Goonellabah is considered to be flood free and otherwise unconstrained and suitable for new industrial development within the short to medium term. That is less than 10ha of currently zoned land available to support demand for new businesses, as well as the demand from businesses looking to relocated out of the floodplain.

3.3 Consideration of other future industrial sites

When Council's Growth Management Strategy 2015 (GMS) was reviewed in 2022, a number of additional sites were considered for future industrial use. However, site constraints and other factors such as potential land use conflict resulted in only two small sites at 245 Wyrallah Rd, Monaltrie (approximately 9ha) and another at 122-130 Three Chain Rd, South Lismore (approximately 14ha) being included in the revised Growth and Realignment Strategy adopted by Council.

The GARS identified the potential expansion of the Goonellabah Industrial Precinct that is the subject of this addendum.

Section 4.3 of the GARS also identifies land west of Richmond Hill Road that is likely to be impacted by the future realignment of the Bruxner Highway as being worth of further investigation for a regional employment lands precinct. Lismore City Council, in consultation with Ballina Council, will undertake further investigation into this site at a later date. Now, and for the foreseeable future this is an investigation area only and any suitable sites that may come forward from this area are expected to be very long term.

No further suitable future industrial sites have been identified. Although it is noted that the GARS provides that site specific rezoning or the utilisation of 'additional permitted use' provisions will be considered to allow for a merit-based assessment in circumstances where critical infrastructure such as schools, sewage treatment facilities, airport services etc, or significant employers identify a particular parcel of land for relocation.

4 EMPLOYMENT LAND DEMAND ANALYSIS

4.1 Hill PDA Employment Lands Audit (Regional)

The Northern Rivers Joint Organisation (NRJO) commissioned Hill PDA to undertake an employment lands study for the seven LGAs (Ballina, Byron, Clarence Valley, Kyogle, Lismore, Richmond Valley and Tweed) in the region. The Northern Rivers Employment Lands Audit and Strategy draft report (June 2023) represents the most up to date and comprehensive analysis of employment lands supply, demand and emerging trends. It provides anticipated demand for a 20 year period, utilising two different growth scenarios:

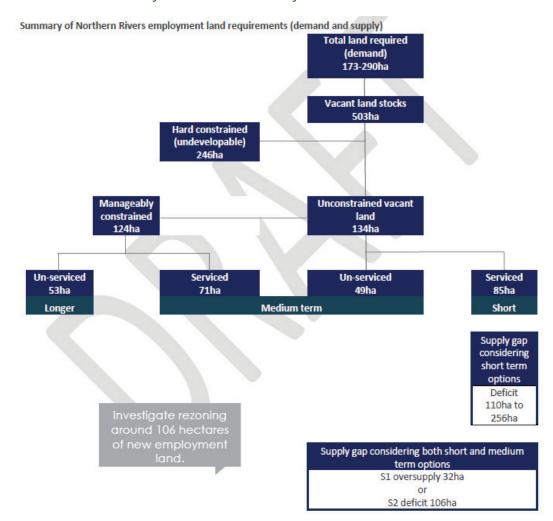
- Scenario 1 uses DPE's Common Planning Assumption projections, and
- Scenario 2 uses Forecast.id estimates.

Under Scenario 1, employment across the Northern Rivers would increase by around 20,855 jobs or 16% over the 20-year period. Under Scenario 2, employment across the Northern Rivers would increase by around 40,960 jobs or 31% over the 20-year period.

Hill PDA have undertaken a range of analytical exercises to distribute the total jobs growth to industry sectors and have provided calculations of total floor space required and total additional land required to service the demand scenarios. Land constraints and serviceability have then been considered to determine the need for additional employment lands in the short to medium terms. The repot recommends an additional 106ha of new employment land be rezoned to meet anticipated demand across the region.

Lismore, and the site proposed for an expansion of the Goonellabah industrial precinct, is strategically located to be able to service the wider region with a proposed upgrade of the Bruxner Highway from Goonellabah to Wollongbar improving safety and travel times to the Pacific Highway and coastal areas.

Figure below shows a summary of the Hill PDA analysis.



It should be noted that the demand forecasting for employment lands undertaken by Hill PDA utilises a set of assumptions including analysis of NSW State Government employment projections (November 2022). Their analysis concludes that the rezoning of around 106 hectares across the Northern Rivers should be investigated in order to sufficiently support the expected employment growth.

However, Hill PDA's analysis does not significantly consider that the demand for new employment lands in the Lismore LGA will primarily be from existing businesses seeking to relocate out of flood affected areas, rather than not being driven by other growth factors. It is crucial that Lismore City Council enable the relocation of flood impacted business seeking to move and is able to attract new businesses to support economic recovery and jobs growth.

4.2 Local evidence of demand

The primary area of industrial land in Lismore now is located in South Lismore, from Cook Street in the north down to Habib Drive and Krauss Avenue in the south. This industrial precinct occupies approximately 66 hectares of developed industrial land. All these businesses are within the flood planning area and were significantly impacted in the 2022 floods. Should all these businesses wish to relocate over time, we need a comparable amount of land. The total amount of flood affected industrial land in South Lismore is around 180ha which includes large areas of undeveloped land for future expansion. In order to cater for future expansion of industrial employment opportunities in Lismore, a similar amount of flood free industrial land is sought.

Lismore City Council's Destination and Economy team regularly engage with businesses and industrial developers looking for opportunities in the region. Anecdotal feedback from the industry since the floods of 2017 is that there is an ongoing demand for flood-free industrial land in Lismore. This situation has been exacerbated rapidly since the devastating flood of 2022.

There are currently (July 2023) eleven clients actively working with Council to identify new industrial land opportunities. Some of these are long-standing businesses with 50+ employees including one with 100+ employees. Another is a major industrial style retailer that could serve as an anchor tenant to attract other retailers. Feedback from many of the businesses engaging with Council is that unless there is new land released outside of flood affected areas to meet their needs, many will relocate to Ballina, Casino or further north. Lismore is still seen as a desirable place to locate business because of its geographic proximity to both the coastal areas and inland areas, with strong transport connections and other logistical support. The planned upgrade of the Bruxner Highway from Goonellabah to Wollongbar will only improve Lismore's strategic advantage as a desirable location for future employment lands.

The landowners of 1055 and 1055A Bruxner Highway have also been in discussion with a number of businesses looking to either establish in Lismore, or to relocate from an existing flood affected premises. For reasons of commercial confidentiality, the businesses who have been engaging with Council and/or the landowners cannot be identified by name in this document. However, there are businesses across numerous industries expressing a high level of demand for new industrial land in Lismore including the following industry sectors:

- manufacturing
- agricultural support
- essential service
- · freight services
- construction and engineering

Of the eleven businesses actively working with LCC to find flood-free industrial land, six have been clear on how much land they are seeking, with the total area being approximately 15ha, exceeding what is currently available within the whole LGA for just six business relocations. Other businesses who have been in direct contact with the landowners of 1055 and 1055A Bruxner Highway have indicated demand for a further 8ha.

It must be acknowledged that this estimated land requirement is an absolute minimum of industrial land needed to support Lismore's industrial businesses. Many businesses in Lismore will be searching for land on their own or through other property experts. These figures are solely based on the businesses that Lismore City Council is actively working with and those provided by the landowners.

This report has focused on the demand and supply of industrial land (Zone E3 and E4), however there has also been anecdotal evidence of demand for new flood-free commercial floor space, particularly for office use. The rezoning proposal for 1055A Bruxner Highway includes an area of MU1 that is shown in the draft Structure Plan (Map 6) and the draft DCP as being 'business led'. The subject site will also allow for new commercial development within a live-work precinct.

4.3 Economic Review and Analysis

Lismore City Council engaged Astrolabe to undertake an economic review and analysis background paper to inform its Economic Development Strategy. The Astrolabe draft report (July 2023) makes a number of relevant recommendations including:

- immediate focus should be on arresting the decline in Lismore, by retaining and maintaining existing business and institutional operations
- the attraction of talent (jobs) is essential to halting further economic decline
- Council should conduct an audit of employment and industrial lands to identify areas of sectors where Council may intervene to increase activity or productivity.

Endorsing the site in Lismore's GARS will positively contribute to the achievement of the above. By recognising the site in the GARS, part of the site (1055A) will be able to be rezoned in the next 12 months.

5 NORTH COAST REGIONAL PLAN (2041)

A draft version of the North Coast Regional Plan 2041 (NCRP) was on exhibition during the writing of Council's GARS. The Regional Plan has subsequently been finalised. The Lismore narrative section acknowledges the physical, social and emotional damage caused by the floods of 2022 and identifies that "rebuilding and reimagining of Lismore's future will be a priority in the coming years".

The Productive and Connected theme for Lismore identifies support for the development of employment lands including commercial and industrial employment opportunities.

The NCRP also identifies the protection and on-going viability of important farmland as a priority for Lismore and is also generally expressed through Objective 8 'Support the Productivity of Agricultural Land'.

The subject site was identified as State Significant Farmland in the Northern Rivers Farmland Protection Project (2005) and is included in the Draft Important Farmland Mapping (2022). The conflict between the need to protect important farmland and the need to deliver suitably located, flood-free employment lands is the fundamental issue to consider in any consideration of the most appropriate use(s) of the subject site.

The NCRP provides that some pockets of mapped important farmland may not be suitable for agricultural production due to non-biophysical factors and provides urban growth variation principles (Appendix B) to be utilised to assess the suitability of non-agricultural land uses.

5.2 Urban Growth Variation Principles

In relation to the variation principles for land identified as Important Farmland, the following comments address the relevant criteria:

Criteria	Comment
The planning area is contiguous with existing zoned urban land.	Yes. The land directly to the west is E4 General Industrial land containing existing industrial businesses. Land to the north of 245 Oliver Avenue, beyond the RE1 recreational zone of the Tucki Tucki Creek is R1 General Residential land. Land directly north of the Bruxner Highway is the Pineapple Road residential precinct, zoned R1 general Residential and subject to DA approved residential subdivisions. A small area of the land directly south is zoned R5 Large Lot Residential and contains existing dwellings.
Agricultural capability	Residential and contains existing dwellings. State Significant Farmland (SSF) and State Significant Agricultural Land (SSAL) are determined based on a Land Capability Assessment. The area between Alstonville to Goonellabah, is identified as Class 3 Land (moderate limitations) according to the Land and Soil Capability Mapping (eSpade 2022). Land capability maps are created relying upon a range of input layers that may vary in quality. This 'macro level' mapping is not considered suitable by NSW DPI for assessing planning proposals or development applications. Therefore, to determine the agricultural production quality of land, detailed site investigations are required which consider slope, soil depth, and site constraints. An agricultural assessment report was undertaken for the subject site (Ecoteam, August 2022). Assessment of part of the site (1055A Bruxner) reveals that the agricultural viability of the site is identified as follows: • Class 3 and 4 Agricultural Land: The ridge terrain is identified as Class 3 Agricultural Land and hillslope terrain is identified as Class 4 Agricultural Land. Class 3 and 4 terrains and make up approximately 14ha (18.6%) and 39ha (52%) respectively. Limitations to class 3 and 4 land are the steep slopes (up to 30%), erosion hazards, and the very limited depth of arable soil (10 cm). This terrain may be suited to speciality crops such as macadamias, however, the steep hillslopes and rock outcrop footslopes of the subject property make the use of this land for this type of agriculture very limited. • Class 5 Agricultural Land: The footslope/gully terrain is identified as Class 5 Agricultural Land. Class 5 land takes up approximately 22ha (30%) of the site due to poor soil, rock outcrops and land use conflicts with the creek and drainage lines. As a result, the Agricultural Assessment assigns the subject property was found to contain a high portion of Class 5 Agricultural Land within footslopes and gullies. This land type is unsuitable for agriculture, or light grazing. Agr
	It is expected that the same findings would apply to 245 Oliver Avenue.

Criteria Comment Demonstrated The Lismore Growth and Realignment Strategy 2022 (GARS) was conditionally approval by DPE in a letter to Council dated June 22, 2023. It identified that through a Department the Oliver Ave employment lands at Goonellabah were supported for further investigation only. This addendum addresses the strategic merit and suitability approved local strategy that no of the site and other issues raised by DPE. other suitable land is available. Sections 3 - Employment Land Supply Analysis addresses the issue of whether there is other suitable land available. The conclusion is that other than two small sites that have been included in the GARS, there are no other suitable sites available and that there are two other small parcels of already zoned, vacant and developable industrial land. The total available and future industrial land for Lismore is therefore around 33 hectares. Section 4 identifies the regional and local need for land and concludes from local evidence that Lismore needs significant areas of new industrial land to support businesses that are actively seeking flood-free land in Lismore and anticipated regional growth. The subject site represents the most suitable land to assist with the relocation of existing industrial businesses out of flood affected areas, which is identified as a priority for the Lismore economy in Astrolabe's draft report. The site will also contribute to the 106ha of additional employment land required for the region as recommended in the Hill PDA report, allowing for future employment growth in Lismore.

6 CONCLUSION

This addendum to the Lismore Growth and Realignment Strategy 2022 addresses issues raised by the DPE to confirm the strategic merit and suitability of land at Oliver Avenue for use as future employment land.

An analysis of the supply of existing flood free industrial land shows there is less than 10ha of developable land available within the Lismore LGA, and only 23 hectares of land put forward in the GARS for future rezoning. The demand analysis supports the need for significant new industrial land to be made available in the region and specifically in Lismore. Substantial local evidence is provided demonstrating the desire for established businesses to relocate from flood prone lands to other areas within Lismore that is generally beyond the demand dynamics of regional employment land growth as outlined in Hill PDAs report for the NRJO, *The Northern Rivers Employment Lands Audit and Strategy*.

The site incorporates approximately 60 hectares of land that is directly opposite existing industrial land in Goonellabah and is also located within close proximity to the Bruxner Highway which represents an important strategic transport link for any future employment lands. A \$14.2 million extension of Oliver Avenue to the Bruxner Highway was completed in July 2023 to support growth of the Goonellabah Industrial Precinct.

The conflict between the need to protect important farmland and the need to deliver suitably located, flood-free employment lands is the fundamental issue to consider in any consideration of the most appropriate use(s) of the subject site. The variation principles for land identified as Important Farmland set out in the North Coast Regional Plan have been addressed and support a variation being applied so that the site may be identified as future industrial lands.