



DC GRANT

INDUSTRIAL LAND REVIEW AND MASTER PLAN

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Lead Consultant URPS

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Consultant
Project Manager Geoff Butler, Senior Associate
Suite 12/154 Fullarton
(cnr Alexandra Ave)
Rose Park, SA 5067
Tel: (08) 8333 7999
Email: geoff@urps.com.au
Website: www.urps.com.au

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Executive Summary and Master Plan

Key Elements of an Industrial Master Plan / Strategy

It is important that appropriate supplies of suitable, well-located industrial land are provided in the Council area and that land set aside for industry is not developed for other purposes. This will ensure there is an adequate supply of land in the Council area to support job creation and community prosperity in the longer term, as well as protecting the amenity of more sensitive uses (i.e. residential). In its broadest sense, industrial land includes land zoned for industry as well as land that is not zoned for industry but is used for industrial purposes.

The development of an industry Master Plan / industrial land strategy is an important element in ensuring, as far as possible, that the industrial land supply is adequate for future needs.

An industrial land strategy should ideally provide:

- A rolling 15-year 'industrial land bank' to ensure a planned supply of industrial land is available to meet future demand on an ongoing basis.
- Protection to existing industrial land to sustain long-term industrial activities.
- The ongoing availability of an immediate supply of industrial land that is 'development ready', with other land in advanced planning for development and available to meet demand if it increases.

Council's Role

Council can readily assist in meeting the first two of these aims through its ability to undertake:

- Identification and provision of future industrial land through analysis, zoning and ongoing monitoring of use.
- Zoning of land to ensure it is protected and available for industrial use.

Other actions which Council could consider, but which are more complex and could carry a potential financial risk, include:

- Facilitating infrastructure funding applications.
- Land banking for future industrial use.
- Development and sale of industrial land.

However, it may be less able to assist in meeting the third aim of providing 'development ready' land as this requires the facilitation of the required infrastructure to ensure the land is ready for use. While Council can undertake an advocacy role with infrastructure providers, unless it contributes funding to gain the required services their provision is largely left to the cost and timing of the developer.



Industrial Land Supply

Within the Council area:

- There is approximately 345 hectares currently zoned Industry.
- Of this 345 hectares only 45 hectares (13%) is currently being used for industry/commercial purposes.
- Of this 45 hectares, the Timberlink Australia sawmill operations at Tarpeena account for some 37 hectares (82%) and makes use of most of its site.
- This means that some 300 hectares (87%) of Industry Zoned land is currently being used for other, non-industrial purposes (i.e. primarily grazing with some forestry).

In addition to this supply of Industry Zoned land, there is also potential to establish industrial development (primarily light or service industries) under current policies within the following zones – Airfield Zone, Commercial Zone, Primary Production Zone, Rural Living Zone, Settlement Zone, Town Centre Zone and Township Zone.

While the raw data indicates a theoretical supply of some 300 hectares of zoned industrial land, in reality it is unlikely that all of this land is currently available for industrial use. There

are a number of reasons for this, including:

- The landowner has no short-term intention to develop the land for industry, despite its zoning.
- Required infrastructure (power, water, sewer, telecommunications) may not be available or is considered too costly to provide.
- The land price being sought is too expensive.
- Existing access roads may be insufficient for the proposed industrial use.
- The location is considered too remote.
- Adjoining sensitive uses (i.e. residential) may impose constraints on the development of the land for industry (noise, operating hours, traffic, etc).
- Environmental issues (i.e. water protection).

Based on these reasons, it is accepted practice to reduce the raw land data by a percentage to determine the net broadhectare land supply likely to be available as follows:

- Land owned by private individuals is reduced by 50 % to account for future uncertainty about future land development intentions.
- Land in other ownership classes (i.e. company or government ownership) is reduced by 25% to account for land that remains undeveloped for reasons such as landowner decisions, environmental constraints, buffer requirements or policy decisions.



This results in the raw figure of some 300 hectares being reduced to a more likely available zoned industry land supply of some 168 – 175 hectares.

However as discussed later in the Recommendations section of this Executive Summary, it is proposed to reduce the extent of some Policy Areas and increase others. This will reduce the current total area of the Policy Areas from approximately 345 hectares to approximately 215-305 hectares. In turn, this will reduce the net broadhectare land supply likely to be available to 80-125 hectares. A snapshot of this data is provided in the following table, including a 'breakdown' of data for each Policy Area.

Industrial Land Demand

Just as analysis of supply can be difficult, so can demand analysis. Industry development can be affected by a number of factors, including the business climate, market demand, government policies, the financial system and technology.

It is generally accepted that the consumption rate of industrial land over a 5 -10 year period can provide an indication of demand, but it is also acknowledged that the amount consumed each year is variable and does not mean that the consumption rate will continue at that level.

Review of development application data provided by Council indicates that, since 2006, some 62 industrial/commercial applications have been approved within the Council area. In this circumstance the term 'commercial' has been taken to include activities such as storage sheds, warehouses, recycling facilities and the like. It does not include activities such as tourist accommodation.

POLICY AREA	AREA OF THE ZONE (Ha)	INDUSTRIAL LAND USE (Ha)	NON-INDUSTRIAL LAND USE (Ha)	PRIVATE OWNERSHIP (50% reduction of Ha)	OTHER OWNERSHIP (25% reduction of Ha)	PROPOSED AREA OF POLICY AREA IN MASTER PLAN (Ha)	PRIVATE OWNERSHIP (50% reduction of Ha)	OTHER OWNERSHIP (25% reduction of Ha)
Millicent Road Policy Area 1	36.2	-	36.2	18.1	-	36.2	18.1	-
Mount Schank Policy Area 2	150.4 (97.7 north) (46.7 south) (1.4 west)	2.0	148.4	23.4	72.8	52.7	23.4	-
Northern Gateway Policy Area 3	15.9	1.0	14.9	7.5-14.9	0.0	32-120	16-60	-
Penola Road Policy Area 4	73.4 14.9 (north) 58.5 (south)	0.0	73.4	36.7	-	40.0 (approx)	20.0	-
Port MacDonnell Policy Area 5	19.6 (4.8 Boat Yard) (4.3 Irven Street) (10.5 Dingley Dell Rd)	- 3.7 0.3 0.0	- 1.1 4.0 10.5	- 0.0 2.0 1.8 (potential development of vacant land)	- 0.8 - -	19.6 (plus potential for an additional 1.2ha to the west)	- 2.0 1.8	0.8 - -
Tarpeena Policy Area 6	48 (36.9 east) (11.0 west)	- 36.9 -	- - 11.0	- - -	- 8.3	36.9 - -	-	-
TOTAL	343.5	43.9	299.5	86.7 - 94.1	81.9	217.4 + to 305.4 +	81.3 - 125.3	0.8

A snapshot of these 62 developments is provided below:

- Only 13% (8) of these developments were located in the Industry Zone, including one development not proceeded with.
- Some 69% (43) of these developments were located within the Primary Production Zone.
- Some 18% (11) of these developments were located within other zones (i.e. Rural Living, Town Centre, Coastal Open Space, Settlement and Commercial Zones).
- Building floor areas ranged from 27m² to 3259m².

Analysis of the 8 proposals within the Industry Zone indicates that:

- 4 of the developments approved, including the one not proceeded with, were located amongst the existing timber mill works within Tarpeena Policy Area 6. The data indicates these developments resulted in only an additional floor area of 1,240m² occurring within this 49 hectare Industry Zone.
- 2 of the developments approved occurred at the Southern United Seafoods' facility within Mount Schank Policy Area 2. It is understood these developments occurred within the existing former abattoir building and did not result in further land take up of the Industry Zone. The Seafoods' facility in this portion of the Zone is within its own discrete site, separated from the bulk of the Zone by the Riddoch Highway.
- 1 of the developments approved occurred within Penola Road Policy Area 4 and comprised a redevelopment of the South East Animal Welfare League facility.
- 1 of the developments approved occurred within Northern Gateway Policy area 3 and comprised the 'Cummins' Motor Repair Station development on a 1 hectare site.

Based on this data, there has been only very limited take up of Industry Zoned land since 2006.

As another measure in determining likely future demand for industrial land within the Council area, input was also sought from the following Government agencies and the wider community:

- Regional Development Australia – Limestone Coast.
- Department of State Development.
- Minister for Regional Development/Minister for Local Government's Office.
- Community meetings/workshops held on 1 June 2016.
- State Coordinator-General \$3 Million Case Management data (noting that proposals are confidential until they are called-in).

None of the Government organisations contacted identified any immediate demand, projects in the pipeline, or had information that might indicate a requirement for new industrial land within the Council area.

Comments provided at the community meetings/workshops held with local landowners/ business persons and the general community identified two potential areas of demand for industry land catering for:

- Smaller scale industry/commercial activities within Port MacDonnell.
- Activities arising from recent trade delegations to China. While not specifically defined, there was considered to be the potential for Chinese investment in larger scale activities, such as an abattoir or milk factory.



Land Supply and Demand Summary

In summary, enquiries have not identified any known demand for industrial activities that are likely to require a large scale presence within the Industry Zone in the near future. While there may be some potential land requirements arising from Chinese investment, this is not defined at this time and could likely be accommodated within the Primary Production Zone (potentially subject to a Development Plan Amendment process), if the land currently zoned for Industry does not have the right locational requirements for the particular activity proposed.

Development approval data over the last 10 years indicates only a small percentage (13%) of the total number of industrial/commercial developments as occurring within the Industry Zone. The data also indicates a very low take up of land within the Industry Zone over this period, with some significant areas remaining.

Investigations indicate that of the 345 hectares area of the combined industry Policy Areas, some 300 hectares is currently used for non-industrial purposes. Based on accepted practice it is unlikely that all of this land would be available for industrial use, with 168 - 175 hectares considered a more likely supply of industry land should the Policy Areas remain unchanged.

However, as discussed earlier, this Review proposes to reduce the size of some Policy Areas and increase others. The overall effect of these actions will result in a combined area reduced from the current 345 hectares to some 215 - 305 hectares (depending on the take up of longer-term options). Applying the same reduction factors as before, a figure of 80 - 125 hectares is considered to reflect a more likely supply of zoned industry land.

While reducing the overall land area available, a significant benefit of this proposal is seen to be in having zoned industrial land in more suitable locations which could help to stimulate industrial activity.

Given the very low take up of Industry Zoned land over the last decade, and lack of identification of specific proposals in the pipeline, it is difficult to be precise about how long this broadhectare land supply will suffice. However, based on current demand indications it far exceeds the desired requirements for the rolling 15-year 'industrial land bank' considered necessary to ensure a planned supply of industrial land is available to meet future demand on an ongoing basis.

Council should continue to monitor Industry Zone land take up to determine the ongoing adequacy of supply.

The development approval data over the last 10 years also indicates some 69% of industrial/commercial developments have occurred within the Primary Production Zone. Given the nature of these developments and their relationship with the region's activities, this figure is considered acceptable and reflects a practical way of dealing with industries that are largely primary production or forestry reliant.

Over this same period, some 18% of industrial/commercial developments have occurred in other zones. This figure is also considered acceptable, as it primarily provides for local activities within townships and settlements and larger scale activities within the Commercial Zone.

Based on feedback from the community meetings/workshops and discussion with Council staff, there is considered to be a need to further investigate local demand for industrial land to accommodate smaller scale local activities, within or near Port MacDonnell.



Recommendations

Based on the investigations and consultation documented in this report, the following discussion and recommendations are provided for Council's consideration:

- **Millicent Road Policy Area 1 (see Figure 1 following):**

The land in this Policy Area is gently undulating, has substantial frontage to Princes Highway and Tollner Road and to a lesser extent Milton Street. The Policy Area is located to the immediate west of the General Industry Zone within the City of Mount Gambier and provides a logical extension for industrial activities.

While it is understood that the current landowner has previously indicated to Council that this land is unlikely to be made available for industrial use in the near future, the land is considered suitable for this purpose and should be retained for its potential longer term industry provision.

It is also understood that there is limited vacant industrial land available within the City boundary and that the City Council expects that demand will be catered for within the DC Grant Council area.

It is recommended this Policy Area be retained to service the western portion of the Council area, and the City of Mount Gambier, in the longer term.

- **Mount Schank Policy Area 2 (see Figure 2 following):**

One of two Policy Areas within the Council area where General Industry activities are envisaged, this Policy Area is gently undulating and has substantial frontage to Riddoch Highway and Post Office Road. An electricity sub-station is located on the northern portion of the Policy Area.

With an area of approximately 146 hectares, this Policy Area provides the largest Industry Zoned site in the Council area and currently comprises three main areas (some 97 hectares located north of Post Office Road, some 47 hectares south of Post Office Road and 1.5 hectares to the west of Riddoch Highway).

The two largest areas are largely undeveloped for industrial uses, being primarily used for farming activities including sheep and cattle grazing. The northern area abuts the Mount Schank State Heritage Area which is located immediately to its east. The volcanic cinder cone of Mount Schank is a striking landscape feature, rising prominently 100 metres above the flat surrounding coastal plain. This Heritage Area also contains the Mount Schank Waterhole.

Given the overall size of the Policy Area, its distance from the City of Mount Gambier, and the general lack of identified industrial demand, it is recommended that the size of the Policy Area be reduced by rezoning the northern portion to Primary Production Zone. This will also assist in retaining pleasant views to and from Mount Schank and in maintaining the overall amenity of the State Heritage Area. Retention of the some 47 hectares in the southern portion of the Policy Area (south of Post Office Road) will still provide opportunities for General Industry activities to be located in this area.

It is recommended that the northern portion of the Policy Area be rezoned to Primary Production Zone, with the southern portion being retained to service General and Light Industry activity in the southern part of the Council area.

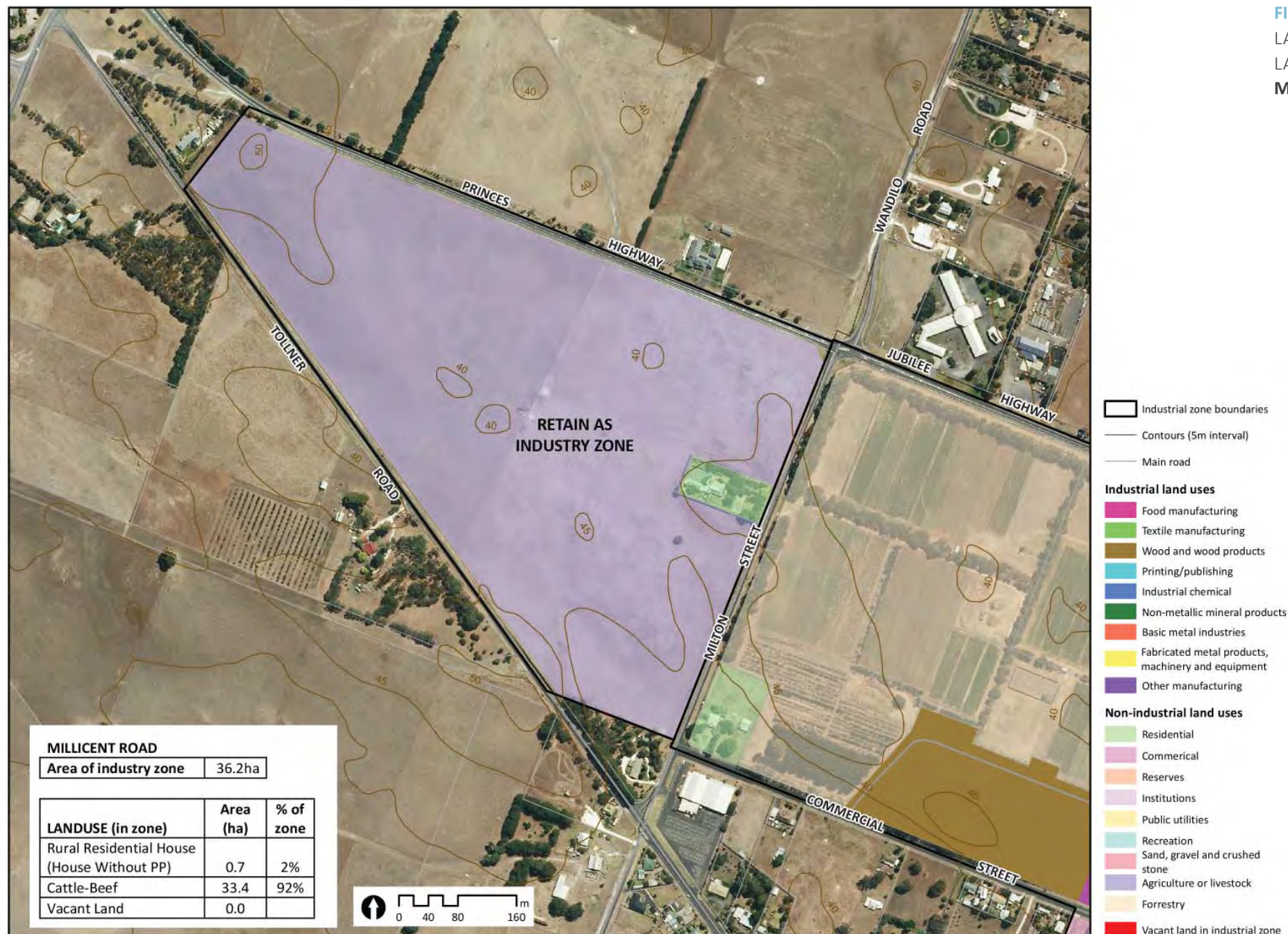


FIGURE 1
LAND USE AND VACANT
LAND - INDUSTRIAL ZONES
MILLCENT ROAD

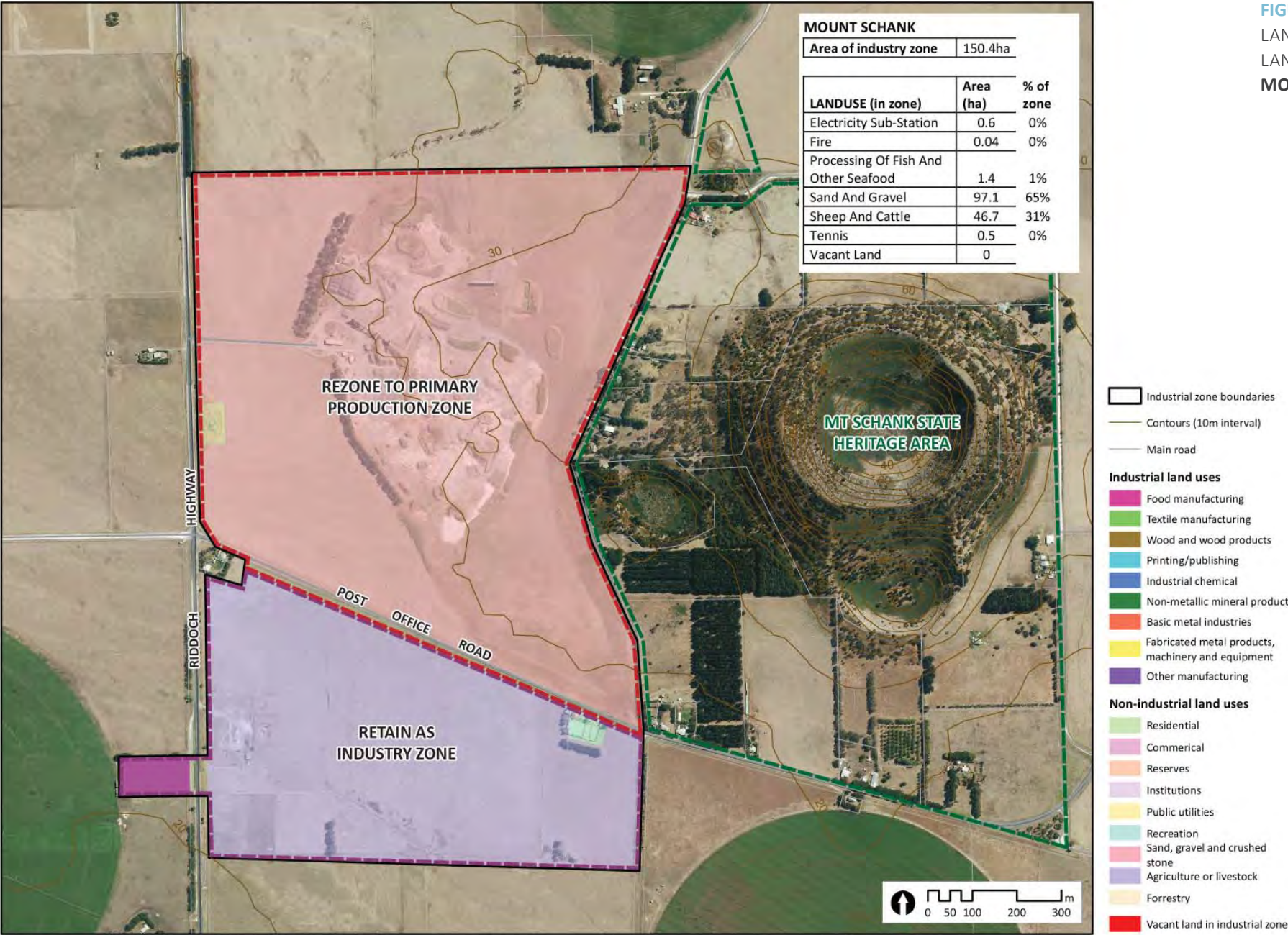


FIGURE 2
LAND USE AND VACANT
LAND - INDUSTRIAL ZONES
MOUNT SCHANK

- **Northern Gateway Policy Area 3 (see Figure 3 following):**

Located some 500 metres from the northern boundary of the City of Mount Gambier and with frontage to Riddoch Highway and Sturm Road, this Policy Area is considered to have potential to be a key location to accommodate industrial activities into the future.

It is separated from the residential areas of the City by Rural Living and Commercial Zones which provide only limited opportunities for dwellings in proximity to the Policy Area, lessening the potential for impact on more sensitive uses.

While identified demand for industrial land is currently low, extension of this Policy Area can be accommodated to the west, with the immediate adjacent land being in the same ownership as the bulk of the current Policy Area. More detailed investigations are required to determine the final boundaries of the extended Policy Area, with consideration being given to the need for suitable buffers to reduce impacts on existing and possible future “sensitive” development. The potential also exists for a longer-term northern extension to the Policy Area.

Any extension to the Policy Area should be suitably serviced by infrastructure (i.e. water, electricity and wastewater management/treatment systems). The cost of providing suitable access to the Riddoch Highway from Sturm Road is known to be a significant impost on the further development of the existing Policy Area, but may be able to be more easily borne if to also service an extended area. This matter should be further considered in light of a later recommendation for the State Government to establish a dual carriageway along this section of the Riddoch Highway, eventually extending all the way to the Mount Gambier Airport.

It is noted that the often prohibitive cost of infrastructure provision is not limited to just this Policy Area, but also must be considered wherever industrial development is proposed.

It is recommended that:

- (1) This Policy Area be retained to service industrial activities which require a near City location.***
- (2) The Policy Area be extended to the west (and potentially longer-term to the north), subject to further investigations delineating suitable boundaries to limit adverse impacts on more “sensitive” development.***

- **Penola Road Policy Area 4 (see Figure 4 following):**

The second of the two Policy Areas within the Council area where General Industry activities are envisaged, the Policy Area comprises two portions separated by land zoned Primary Production.

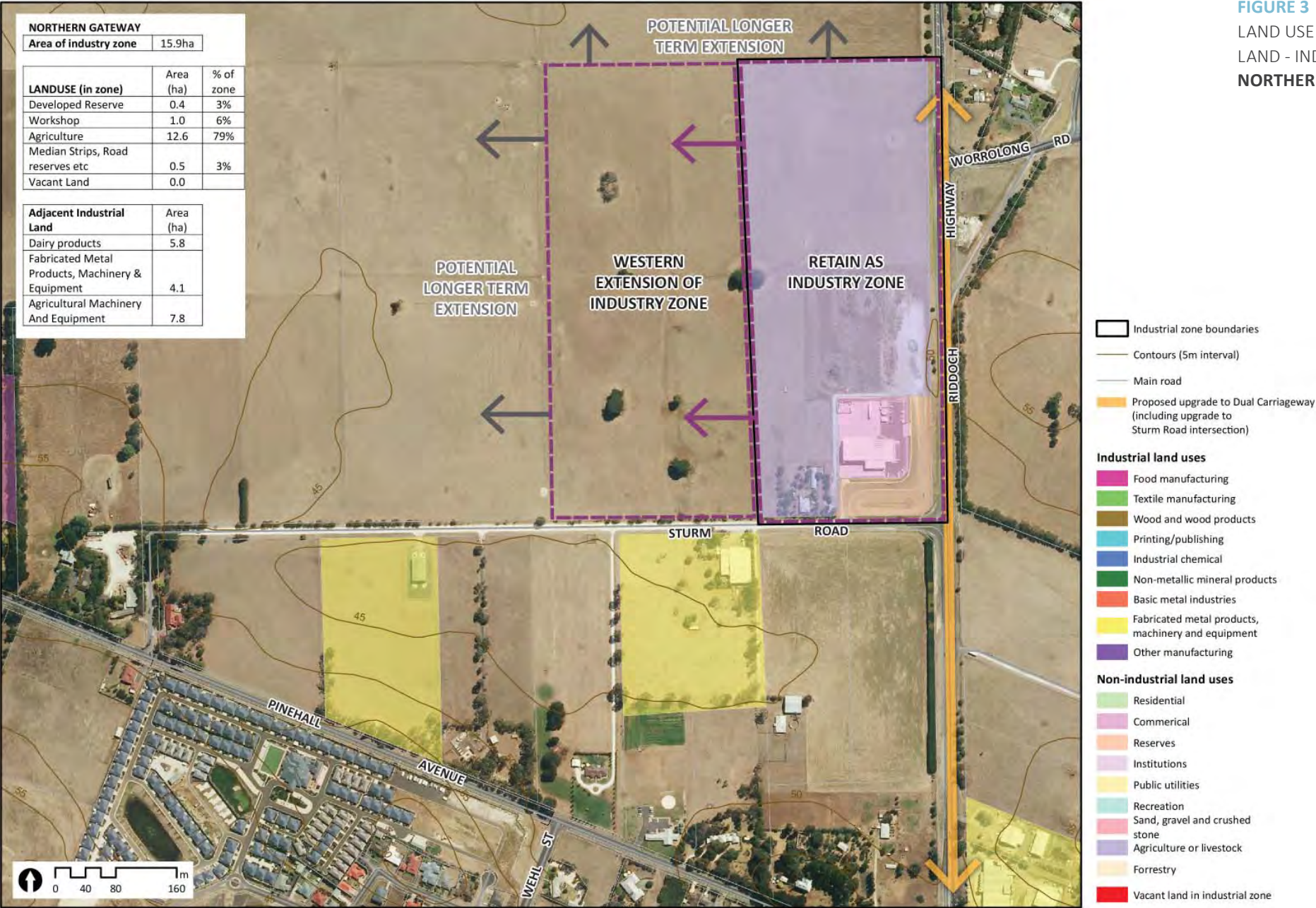
The northern portion of the Policy Area has frontage to Riddoch Highway and Ridge Road, and is quite undulating / steep in parts, with a ridge line running east-west centrally through the area. Given this topography, the land would need to be levelled to accommodate industrial buildings, requiring significant amounts of cut and fill. Further constraints will also apply based on the land's proximity to Mount Gambier Airport (1 km to the south). The land is in alignment with current approach and take-off paths for runway 18/36 and limitations on building heights/chimney stacks and resulting steam/ smoke production from development will be important to ensure aircraft safety. The potential extension of this runway in the direction of the industrial land also needs to be taken into account. In these circumstances this portion of the Policy Area is not considered particularly suitable for industrial purposes.

The southern portion of the Policy Area is located some 400 metres to the east of Riddoch Highway and is accessed from Hutchinson Road, currently an unformed ‘farm track’. Hutchinson Road enters the Riddoch Highway opposite Airport Road. This portion of the Policy Area is gently undulating and from a topography aspect is considered suitable for industrial development.

However, its distance from the Riddoch Highway is considered as a negative, and there is the opportunity to “relocate” this portion of the Policy Area to adjacent to the Highway. The land adjacent to the Highway is also flat/gently undulating, but rising in elevation to the north. At approximately 40 hectares in area, this relocated portion is smaller than the currently zoned 58 hectares to its east, but is still considered sufficient in a time of low demand for industrial land. In addition, other opportunities to accommodate industrial activity are currently available, and proposed, as part of this Master Plan. Retaining a site in this location enables General Industry activities to be accommodated to service this northern part of the Council area but consideration will need to be given to the potential for impacts on Mount Gambier Airport to the west.

It is recommended that:

- (1) The northern portion of the current Policy Area (with frontage to Ridge Road) be rezoned from Industry Zone to Primary Production Zone.***
- (2) The southern portion of the current Policy Area (with frontage to Hutchinson Road) be rezoned from Industry Zone to Primary Production Zone.***
- (3) An alternative site, of approximately 40 hectares, be established to the west of the current southern portion with frontage to the Riddoch Highway. This will require the rezoning of this site from Primary Production Zone to Industry Zone.***



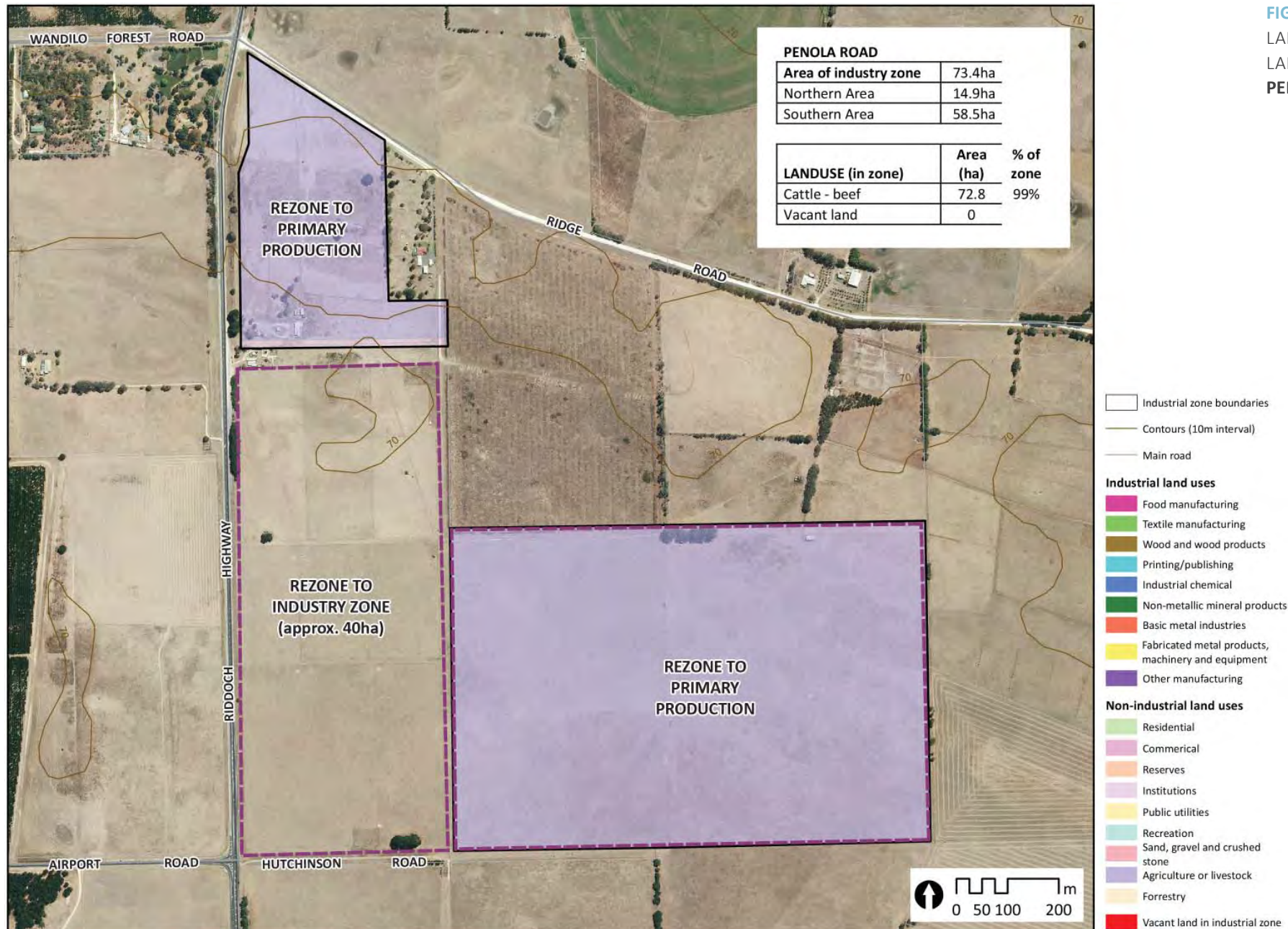


FIGURE 4
LAND USE AND VACANT
LAND - INDUSTRIAL ZONES
PENOLA ROAD

- **Port MacDonnell Policy Area 5 (see Figure 5 and 5A following):**

This Policy Area covers three locations in and near Port MacDonnell:

- Dingley Dell Road to the north of the township
- Irven Street
- Boat Yard (Elizabeth Street).

The intent of the Dingley Dell Road location is to accommodate small home industries where people live and work on the same site. Government land use data indicates this area is primarily residential in nature, with some agriculture still occurring on its eastern extent. Five allotments are indicated as being vacant (i.e. no dwelling). When viewed from Dingley Dell Road it is difficult to determine whether any home industries are being undertaken on the land, with the area presenting more as a rural living area.

While policy for both the Irven Street and Boat Yard sites has an emphasis on industrial and commercial development associated with the fishing industry, the Irven Street land is primarily indicated as residential in nature.

Two attendees at the evening community meeting/workshop voiced concern over their inability to access land for small-scale industry within Port MacDonnell, indicating that no land was 'on the market' in any of the three locations. Given this apparent, but limited demand, potential options have been discussed with Council staff as noted below.

It is recommended that:

- (1) The Dingley Dell Road portion of the Policy Area be retained. While it is not clear if it is meeting its intended function of accommodating small home industries or is acting more as a de-facto rural living area, it is not considered to be a significant matter requiring urgent attention.***
- (2) The Irven Street portion of the Policy Area be retained.***
- (3) The Boat Yard portion of the Policy Area be retained.***

- (4) Options for further development of the Boat Yard portion of the Policy Area be considered, including:***

- ***Investigating whether there is opportunity to repurpose part of the Council depot and to make it available for light industrial activities.***
- ***Investigating the opportunity to extend development to the north of the current boat yard activities as there appears to be vacant land still within the Policy Area boundary.***
- ***Investigating whether land immediately to the west of the Policy Area boundary is suitable for use for industry purposes and whether it would be made available by the Crown for such a purpose.***

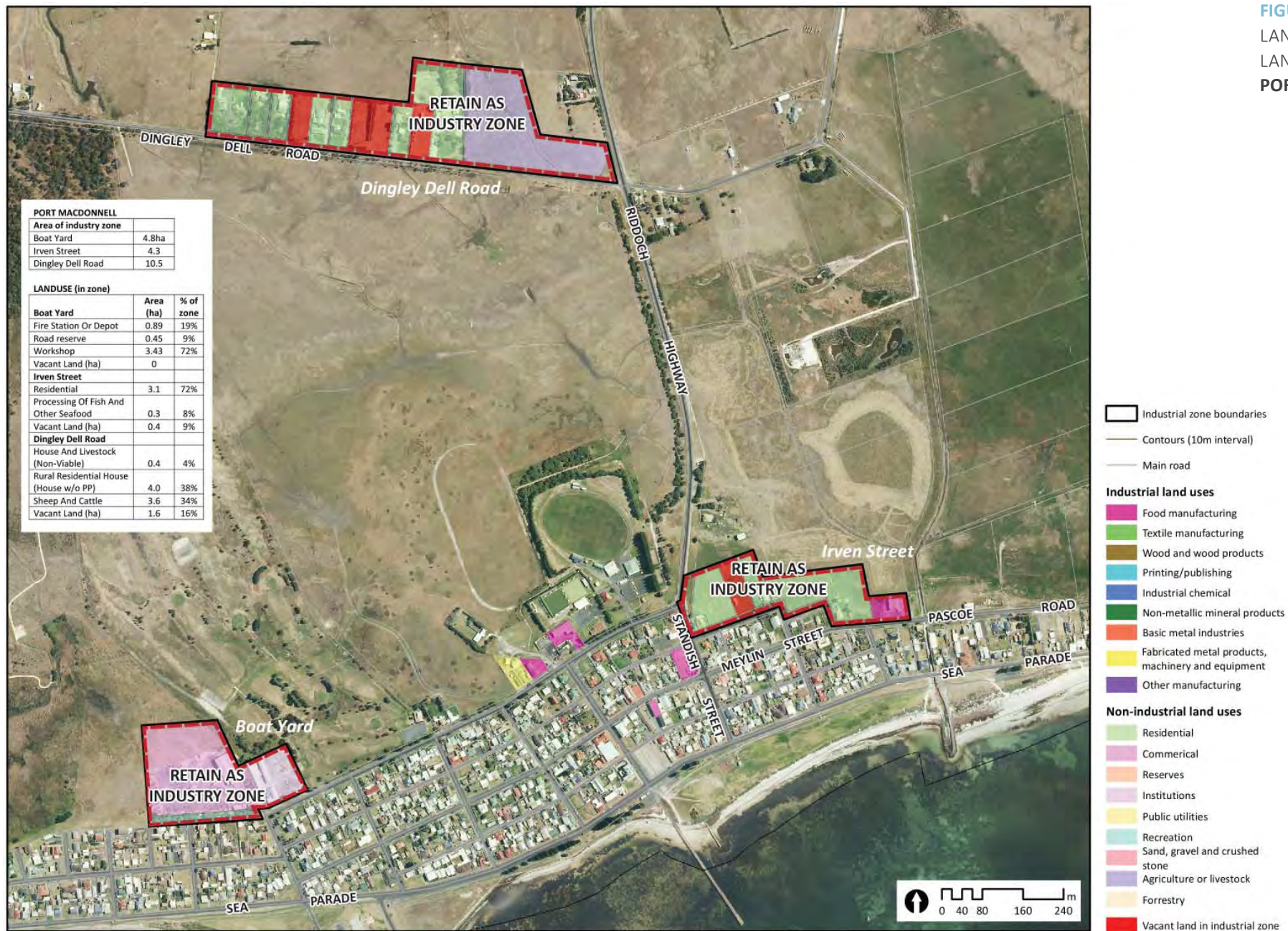
- **Tarpeena Policy Area 6 (see Figure 6 following):**

This Policy Area is located on the northern extent of the Tarpeena township, adjacent to the boundary with Wattle Range Council. The Policy Area primarily accommodates the Timberlink Australia sawmill and timber processing plant, although approximately 11 hectares on the western side of the Policy Area is held by OneFortyOne Plantations. Of this 11 hectares, just over half is under forestry with the remainder being used for agriculture.

Investigations indicate that access to this western portion of the Policy Area is difficult, with no formed roads being located in proximity. There is no access from the Riddoch Highway to the east as the previous road reserve was closed and sold to Timberlink Australia for its sawmilling operations. The road reserve forming the eastern boundary of this western portion is unformed and crosses through "marshlands". Similarly, the road reserve forming the northern boundary to this western portion is also unformed. Given this, and as the western portion of the land forms part of a larger forest plantation extending further to the west, and two high voltage transmission lines are located on the cleared eastern portion, it is proposed that this western portion of the Policy Area be rezoned from its current Industry Zone to Primary Production Zone.

It is recommended that:

- (1) The eastern portion of this Policy Area, accommodating the Timberlink Australia sawmill and timber processing plant, be retained within the Policy Area.***
- (2) The western portion of the Policy Area, accommodating electricity transmission lines and forest plantation, be excluded from the Policy Area and rezoned from Industry Zone to Primary Production Zone.***

**FIGURE 5**

LAND USE AND VACANT LAND - INDUSTRIAL ZONES
PORT MACDONNELL

FIGURE 5A
POTENTIAL BOAT YARD OPTIONS
PORT MACDONNELL



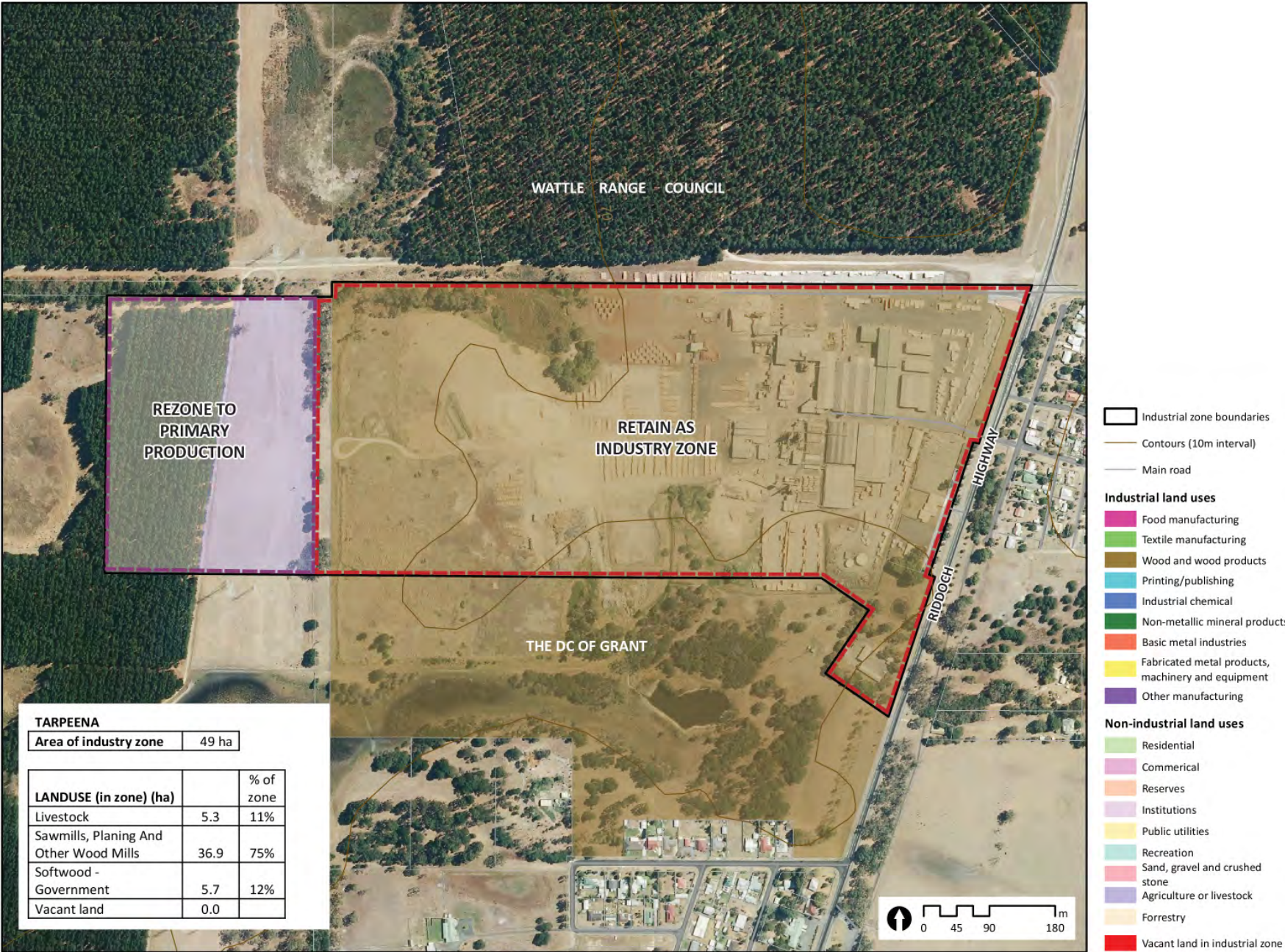


FIGURE 6
LAND USE AND VACANT
LAND - INDUSTRIAL ZONES
TARPEENA

- **Primary Production Zone**

The Primary Production Zone, which comprises the bulk of the Council area, lists 'General Industry' as a non-complying form of development. However, it is noted that this designation has been added as a 'local addition' and is not mandated by the State Government in the SA Planning Policy Library.

Despite listing 'General Industry' as non-complying, other policies within the Zone indicate support for 'industry and warehousing associated with the processing, packaging and distribution of produce'. This wording provides a measure of flexibility which has enabled the approval of a significant number of 'agricultural' industrial proposals within the Primary Production Zone.

However, further flexibility to accommodate appropriate industrial developments within the Primary Production Zone could be achieved by deleting 'General Industry' outright from the non-complying list.

This would then enable consideration of General Industry as a 'merit' use, with guidance being provided by the Zone Objectives and Principles of Development Control.

This approach would reduce ambiguity over the interpretation of policies while potentially facilitating increased development opportunities within the Primary Production Zone. By retaining the link for industries to be associated with 'produce', this would not substantially diminish the 'pressure' on developers to locate their non-produce related industrial proposals within the Industry Zone.

On some occasions, if a proposal is deemed by the State Government to be significant in terms of investment and/or employment, it may facilitate the proposal by rezoning the land via a Ministerial DPA process. With a Government imperative, this process can be undertaken in a relatively quick time-frame.

It is recommended that "General industry" be deleted from the non-complying list in the Primary Production Zone. (Note: such an amendment will need to be introduced via a DPA process.)

- **Other Zones**

Review of all zones within the Council area indicates current potential for industry (primarily Light Industry and Service Industry) to occur in the Airfield, Commercial, Rural Living, Settlement, Town Centre and Township Zones.

Development data indicates that some 18% of the industrial/commercial development approved over the last 10 years has occurred in zones other than the Industry Zone and Primary Production Zone.

This policy approach is considered supportable and practical, as it enables local industrial needs to be met without the need to pick 'winning' sites in advance.

It is recommended that the current policy position, in relation to industrial development within these zones, be retained, subject to the following discussion for the Airfield Zone.

- **Airfield Zone**

The Airfield Zone is located some 8 kilometres north of the City of Mount Gambier and has an area of approximately 250 hectares, shared between airside and landside activities. While supporting light industry, service industry and warehousing within the Zone, policies require these activities to be “ancillary to and in association with aviation activities.”

However, the Mount Gambier Airport Master Plan 2016-2026 supports a more pro-active approach to development, on the basis that:

- The airport has many acres of landside land available for development.
- There is opportunity for great flexibility as to development type.
- The size of the holding provides the potential for aviation and non-aviation business development.
- The airport has identified a number of sites on the landside areas of the airport that can be developed for commercial or light industrial tenants.
- The airport now has the possibility of access to the AARNET high speed fibre optic system which passes through the airport lands, which opens up the possibility of attracting more high tech business development. Coupled with its own water supply system and ample space for development, this makes the airport an attractive site for this type of business investment.
- The airport continues to market itself as a business friendly location with utility services available along with a potential ultra-high speed internet communication link and is vigilant for further opportunities.

To better achieve the land use aims promulgated in the Master Plan it is necessary to amend some policies for the Airfield Zone. This will result in greater opportunities for non-aviation related activities to be established in appropriate areas on the airport, taking advantage of existing infrastructure provision.

It is recommended that some policy positions for the Airfield Zone be amended to achieve greater conformity with the Master Plan, particularly in relation to loosening the nexus between light industry, service industry and warehousing only being envisaged where “ancillary to and in association with aviation activities.”

- **Potential Longer Term Sites (see Figure 7 following):**

While current demand figures do not indicate an overall need to provide additional industrial/commercial land in the Council area, consideration has been given to where the current Industry Zoned land is located, particularly in relation to the City of Mount Gambier.

Further, it is noted from discussions with City Council staff, that there is little vacant industrial/commercial land available within the City boundary and that it is looking to DC Grant to accommodate future larger-scale needs.

Current Industry Zoned land in proximity to the City boundary is located to the north in Northern Gateway Policy Area 3 and to the west in Millicent Road Policy Area 1. There is no corresponding area to the east or south of the City boundary.

While requiring further investigation, a potential future longer-term site for light industrial/commercial development could be on Lake Terrace East, adjacent to the south-eastern boundary of the City.

This land is undulating and a portion of its western boundary would adjoin the City’s Residential Regeneration Zone (currently vacant in this locality). Positives for this site are that it would form an eastern extension of the Commerce/Industry Zone (accommodating Quickmix concrete products/Plunkett’s firewood supplies/transport depot) within the City area and be opposite the City’s eastern General Industry Zone, while providing a longer-term industrial/commercial location in this portion of the DC Grant Council area.

It is recommended that this site be further investigated for suitability as a potential longer-term location for Light Industry/Commercial development.

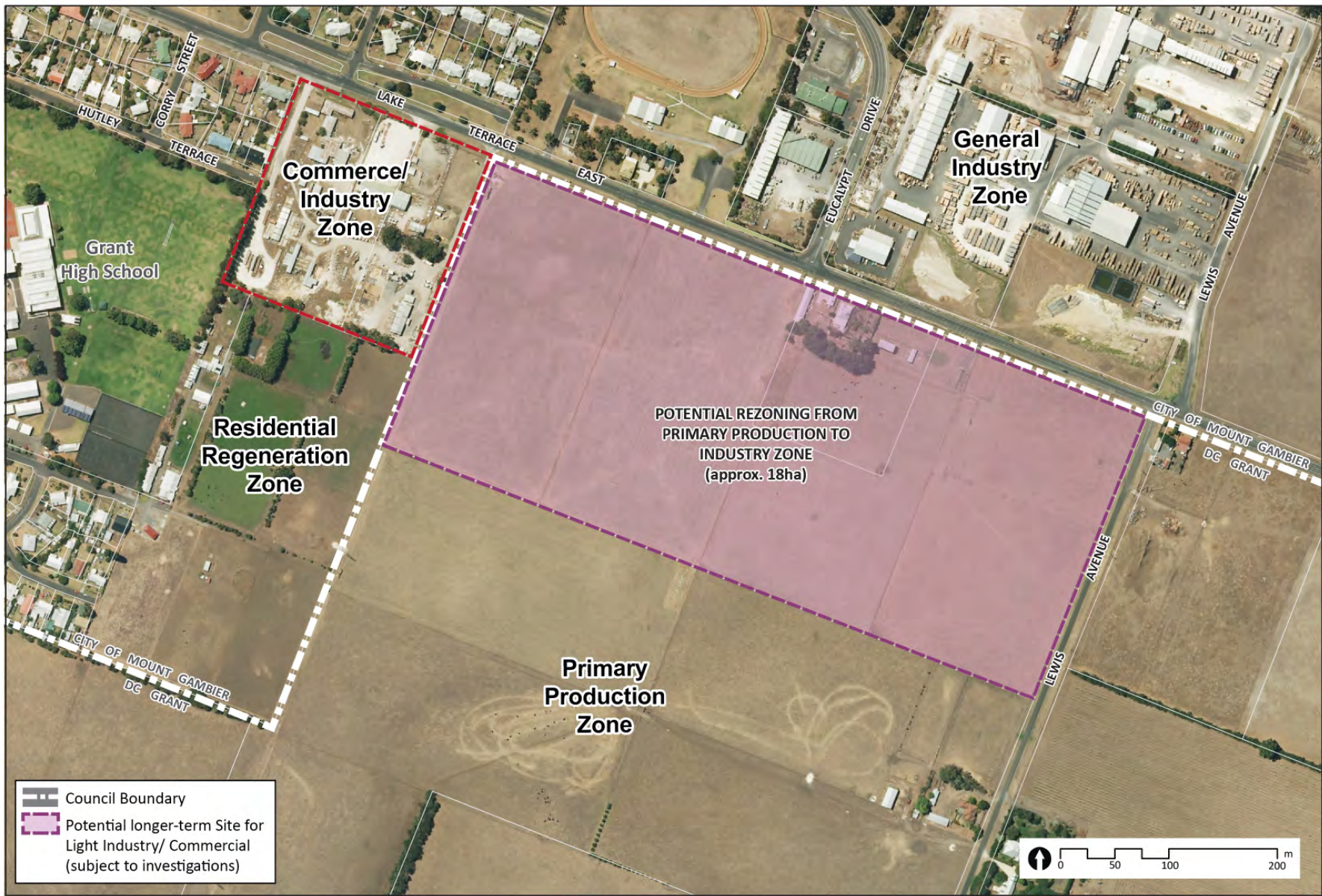


FIGURE 7
POTENTIAL LONGER
TERM SITE
LAKE TERRACE EAST

Consideration has also been given to the location of the current 'major' industrial areas, catering for general industries, in Mount Schank Policy Area 2 and Penola Road Policy Area 4. It is noted that Mount Schank Policy Area 2 is located some 11 kilometres to the south of the southern boundary of the City, with Penola Road Policy Area 4 some 8 kilometres north of the northern boundary of the City.

Council has advised that some developers have indicated these sites are considered too far from the City to be attractive for industrial development. Notwithstanding these comments, there is considered to be merit in retaining portions of these Policy Areas, to accommodate larger scale general industrial developments which might otherwise have adverse impacts on more sensitive developments if located closer to urban areas. It should be noted the Industry Zoning does not prevent the continuation of the existing primary production activities.

In addition, from a strategic perspective, the current locations of these Policy Areas contribute to a relatively 'even spread' of industrial land, based on a north-south spine around the Riddoch Highway and extending from Tarpeena in the north to Port MacDonnell in the south of the Council area.

- **Monitoring**

In order to ensure an appropriate supply of Industry Zoned land is available on an on-going basis, Council needs to put in place a program to monitor and analyse industrial/commercial land uptake.

It is recommended that Council implement a monitoring and analysis program of industrial/commercial land uptake with a 12 monthly reporting cycle to the Planning and Development Committee.

The preceding recommendations form the basis for the DC Grant Industrial Master Plan which is graphically shown on the following Plan.



FIGURE 8

DC GRANT - INDUSTRIAL MASTER PLAN

1 Millicent Road Policy Area 1

Retain to service the western portion of the Council area and Mount Gambier

2 Mount Schank Policy Area 2

Retain land south of Post Office Road and west of Riddoch Highway for General Industry activity to service the southern portion of the Council area

Rezone land north of Post Office Road to Primary Production Zone

3 Northern Gateway Policy Area 3

Extend to the west along the northern side of Sturm Road (and potentially longer-term to the north) as a key location for future industrial activity

4 Penola Road Policy Area 4

Rezone the northern and southern portions to Primary Production Zone

Rezone 40 hectares of land adjacent the eastern side of Riddoch Highway and north of Hutchinson Road for General Industry activity to service the northern portion of the Council area

5 Port MacDonnell Policy Area 5

Retain Dingley Dell Road portion of the Policy Area

Retain Irven Street portion of the Policy Area

Retain Boat Yard portion of the Policy Area and investigate development options for:

- vacant land within the Policy Area to the north of current activities

- the Council Depot on the eastern side of the Policy Area

Investigate development opportunities for land immediately to the west of the current boat yard activities (not within the Policy Area)

6 Tarpeena Policy Area 6

Retain the eastern portion to service timber processing operations

Rezone the western portion to Primary Production Zone

7 Primary Production Zone

Amend policies to enable General Industry to be considered as a merit use

8 Airfield Zone

Amend policies to enable appropriate non-aviation related industry and commercial development to occur on the landside of the Airport

9 Lake Terrace East

Investigate the suitability of land on Lake Terrace East for future longer-term industry and commerce to service the eastern portion of the Council area and Mount Gambier

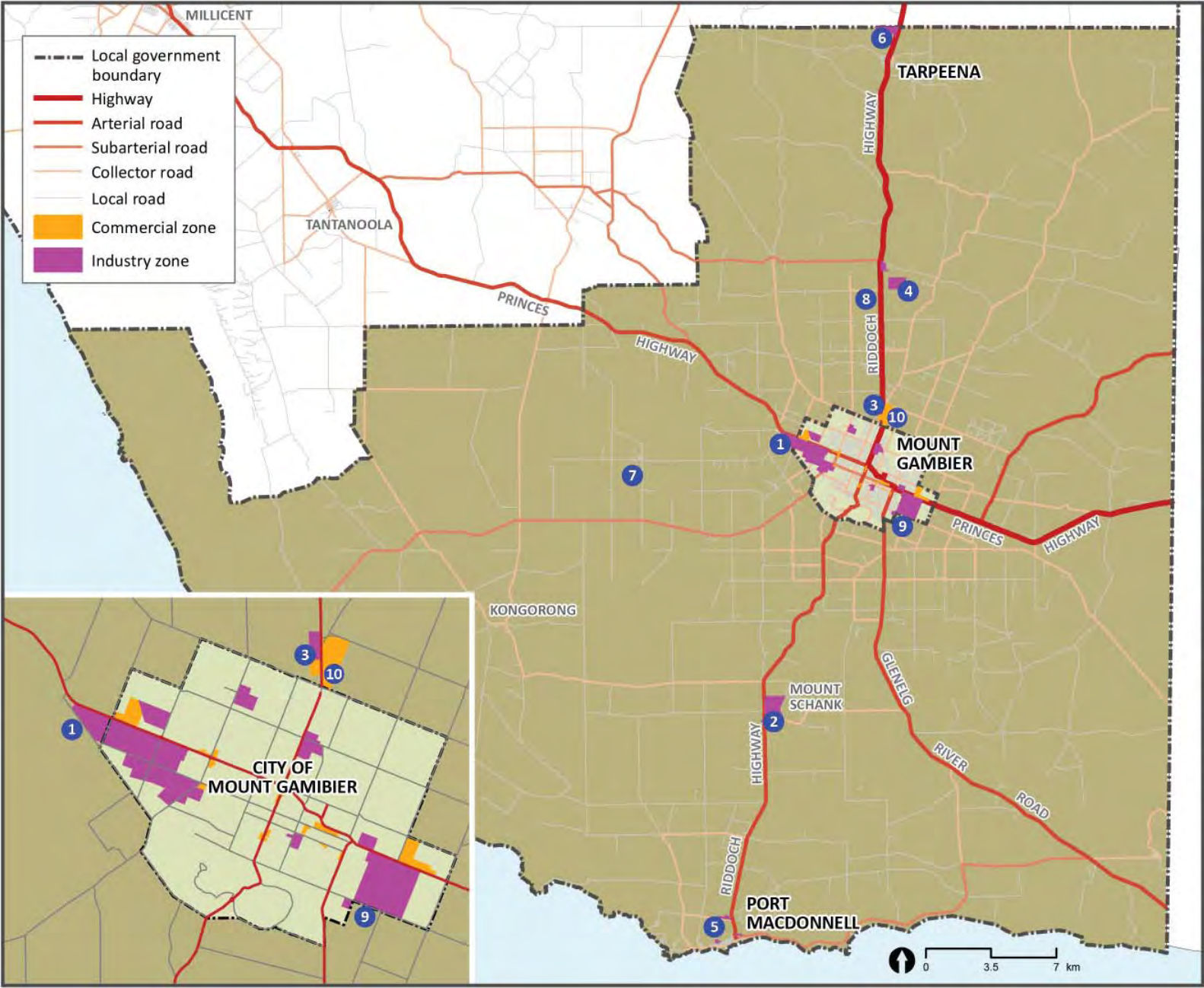
10 Riddoch Highway

Upgrade Riddoch Highway to dual lanes from Pinehall Avenue to Worrolong Road intersection

Longer-term upgrade Riddoch Highway to dual lanes from Mount Gambier to the Airport

General

Retain industry opportunities in the Commercial, Rural Living, Settlement, Town Centre and Township Zones



1.0 Introduction

Industrial Land Review and Master Plan Project

In March 2016, the District Council of Grant engaged planning consultants, Urban and Regional Planning Solutions (URPS), to assist it in the preparation of an Industrial Land Review and Master Plan for all of the Council area.

Council's stated purpose for the Review and Master Plan is for it to "guide the future zoning of land for industrial purposes and future sustainable industrial development activity within the Council area."

The Review and Master Plan may form the basis for the subsequent preparation of an Industry Development Plan Amendment (DPA), if considered necessary by Council. In itself, the Review and Master Plan process does not alter the existing zoning applying within the Council area.

Existing industrial zoned land within the Council area and wider region is shown on **Figure 9**.

Consultation

In addition to undertaking a number of investigations in preparing the Review and Master Plan, URPS has also received input from various sources, including:

- An inspection of the Council area and its industrial zones and developments over a 3 day period.
- An information session/workshop with Council's Elected Members.
- Discussion with Council's Senior Administration and planning staff.
- Meeting with City of Mount Gambier planning staff.
- Contact with various organisations:
 - Regional Development Australia – Limestone Coast
 - Department of State Development
 - Minister for Regional Development and Local Government staff.
- Feedback from 2 community meetings/workshops with invited attendees and the general community. 16 persons attended the afternoon meeting and 11 persons the evening meeting.
- Feedback from Council's Planning and Development Committee.

The Need for a Master Plan

It is important that appropriate supplies of suitable, well-located industrial land are provided in the Council area and that land set aside for industry is not developed for other purposes. This will ensure there is an adequate supply of land in the Council area to support job creation and community prosperity in the longer term.

In its broadest sense, industrial land includes land zoned for industry as well as land that is not zoned for industry but is used for industrial purposes.

The development of an industry Master Plan / industrial land strategy is an important element in ensuring, as far as possible, that the industrial land supply is adequate for future needs.

An industrial land strategy should ideally provide:

- A rolling 15-year 'industrial land bank' to ensure a planned supply of industrial land is available to meet future demand on an ongoing basis.
- Protection to existing industrial land to sustain long-term industrial activities.
- The ongoing availability of an immediate supply of industrial land that is 'development ready', with other land in advanced planning for development and available to meet demand if it increases.

Council can readily assist in meeting the first two of these aims through its ability to undertake:

- Identification of future industrial land through analysis and ongoing monitoring of use.
- Zoning of land to ensure it is protected and available for industrial use.

Other actions which Council could consider, but which are more complex and could carry a potential financial risk, include:

- Facilitating infrastructure funding applications.
- Land banking for future industrial use.
- Development and sale of industrial land.

However, it is probably less able to assist in meeting the third aim of 'development ready' land as this requires the facilitation of the required infrastructure to ensure the land is ready for use. While Council can undertake an advocacy role with infrastructure providers, unless it contributes funding to gain the required services their provision is largely left to the cost of the developer.

Industrial Land

Three types of vacant industrial land are generally recognised:

- Development-ready: land that is immediately available for development – zoned, serviced and market ready.
- Constrained: land that is available but must overcome significant constraints (i.e. it requires remediation, cutting, filling, major infrastructure augmentation) before it is available.
- Unsuitable: industrial zoned land which has low market appeal due to issues such as topography, poor access or land use interface conflicts.

Industrial Land Supply

Factors which can affect the industrial land supply include:

- Whether the land is market ready for immediate purchase. The planning and design, site preparation and civil construction required for industrial land can take between 18 months and three years, and is often beyond the role of state and local government.
- The zone type and allotment size. For example, home industry zones would not meet the needs of all industry sectors as industry needs a range of allotment sizes to meet industry type and individual business requirements.
- The land currently being used for another purpose, such as agriculture. These land holdings may be converted to an industrial land use in the future.
- The physical suitability of the land – industrial developments require relatively flat land.
- Land ownership – the availability of sites in private ownership will largely depend on economic decisions by landowners, not all of whom choose to either sell or develop their land in the short-term.
- Withholding issues – there are a number of types of withholding. In some instances existing industry is holding land for future expansion or buffering.
- Rezoning - whether a Council is monitoring the uptake of industrial land and ensuring a suitable supply is available through rezoning via a Development Plan Amendment, noting this process can often take 18 – 24 months to complete.
- Best use of land – it is estimated approximately 25% of land uses occurring in industrial zones are not industrial, particularly in older and established industrial zones. However

the tighter zoning policies applying to newer industrial estates do not allow non-industrial uses.

- Land use efficiency – it is estimated less than 20% of industrial land in South Australia is utilised for industrial buildings. Better site utilisation efficiency would most likely result in less land being used to develop industrial activities, thereby making more land available for other activities and effectively increasing the number of hectares of available land supply.
- Residential development – increases in residential density in some areas can place pressure on existing nearby industries to change their activities or reduce their external impacts. In some instances this could lead to industry relocation. There is a need to consider surrounding land uses when planning greenfields and to provide adequate separation distances between incompatible land uses.
- Infrastructure – the importance of the linkage between infrastructure provision and access with industry decision making on location and investment needs to be noted. Generally, infrastructure is the responsibility of the owner of the land, including in recent years the need to enter into infrastructure agreements to cover some headwork costs. This is particularly important for larger parcels of land that have been identified as key future supply sites, but which have existing infrastructure constraints.
- Coordination of infrastructure provision with a land development program will provide that land is market-ready when it is needed. This will ensure that investment in infrastructure takes place reflective of demand priorities, and thereby avoiding under utilisation.
- Locational requirements – including access to staff and labour and proximity to customers and suppliers.
- Market trends – land requirements for industry vary across sectors and respond to changing economic conditions, land prices, supply chain relationships and technological advancements
- Sites that are strategically located on rail and road routes are likely to experience continued growth fuelled by demand from industries dependent on freight corridors. The extension and upgrading of arterial roads and other key transport routes have been a key determinant in the development of new industrial areas.
- Environmental policies – such as buffer or separation distances used by the Environment Protection Authority.

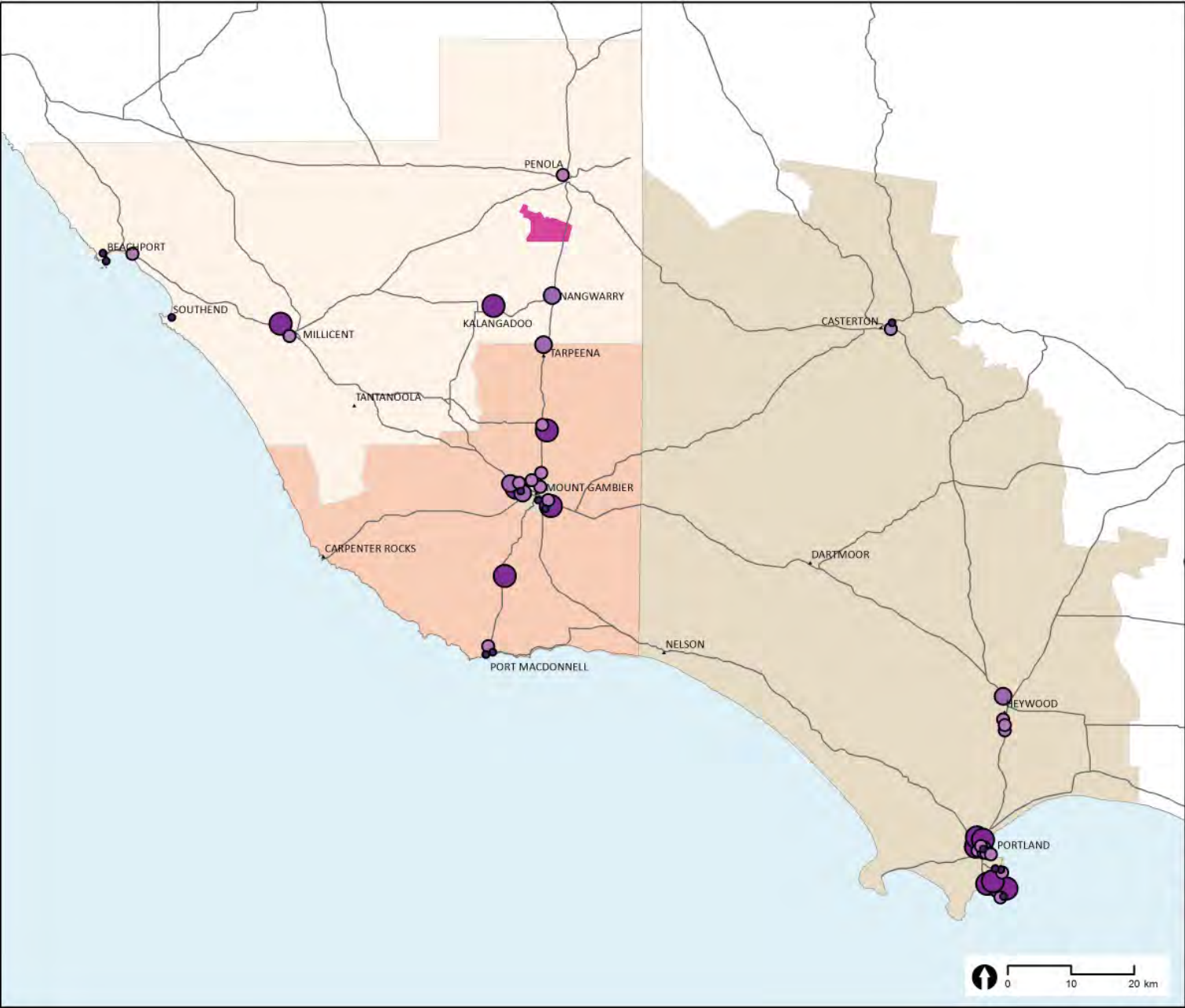


FIGURE 9
INDUSTRIAL ZONED LAND WITHIN
DC GRANT AND THE WIDER
REGION

- Town
- Main road
- Land zoned for industry**
- Size class**
 - Less than 10ha
 - 10.1 to 30ha
 - 30.1 to 50ha
 - Greater than 50ha
- Katnook Primary Industry Policy Area 3
- THE DC OF GRANT
- CITY OF MOUNT GAMBIER
- WATTLE RANGE COUNCIL
- GLENELG SHIRE

- Technological and operational changes - there are a number of trends in industry operations that are influencing the nature of demand for industrial property, including:
 - the varied sizes and activities of industries that wish to locate within an area
 - many industrial processes becoming lighter, cleaner and less polluting
 - an increasing shift to 24 hour / 7 days a week operations
 - the growth of small- and medium-sized enterprises in both the services and manufacturing sectors
 - the incorporation of a combination of other ancillary functions on industrial sites, including sales and marketing
 - more economic operations using B-Double trucks, higher lift fork lifts and computer control of stocks.

These factors may have significant implications for land consumption in the future. It is imperative that land supply and regulatory controls be responsive to changing industry needs.



2.0 What's an Industry

Industry is defined in the Development Regulations 2008 as meaning the carrying on, in the course of a trade or business, of any process (other than a process in the course of farming or mining) for, or incidental to—

- (a) the making of any article, ship or vessel, or of part of any article, ship or vessel; or
- (b) the altering, repairing, ornamenting, finishing, assembling, cleaning, washing, packing, bottling, canning or adapting for sale, or the breaking up or demolition, of any article, ship or vessel; or
- (c) the getting, dressing or treatment of materials (and industrial will be construed accordingly).

An industry is therefore differentiated from land uses such as bulky goods outlet, farming, fuel depot, horticulture, intensive animal keeping, motel, stand-alone office, road transport terminal, service trade premises, stock slaughter works and warehouse.

In terms of land uses referenced in a Development Plan, the Regulations provide other definitions to enable differentiation of types of industries based on their potential impacts as follows:

Light industry means an industry where the process carried on, the materials and machinery used, the transport of materials, goods or commodities to and from the land on or in which (wholly or in part) the industry is conducted and the scale of the industry does not -

- (a) detrimentally affect the amenity of the locality or the amenity within the vicinity of the locality by reason of the establishment or the bulk of any building or structure, the emission of noise, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit, oil, spilled light, or otherwise howsoever; or
- (b) directly or indirectly, cause dangerous or congested traffic conditions in any nearby road.

Service industry means a light industry in which -

- (a) goods manufactured on the site (but not any other goods) are sold or offered for sale to the public from the site; or
- b) goods (other than vehicles or vehicle parts) are serviced, repaired or restored,

and the site occupied for such sale, service, repair or restoration (but not manufacture) does not exceed 200 square metres.

Special industry means an industry where the processes carried on, the methods of manufacture adopted or the particular materials or goods used, produced or stored, are likely

- (a) to cause or create dust, fumes, vapours, smells or gases; or
- (b) to discharge foul liquid or blood or other substance or impurities liable to become foul,

and thereby -

- (c) to endanger, injure or detrimentally affect the life, health or property of any person (other than any person employed or engaged in the industry); or
- (d) to produce conditions which are, or may become, offensive or repugnant to the occupiers or users of land in the locality of or within the vicinity of the locality of the land on which (whether wholly or partly) the industry is conducted.

General industry means any industry other than a service industry, light industry or special industry.

3.0 Strategic Review

A review of strategic and other documents has been undertaken with relevant findings contained in **Table 2** below.

Table 2 Review of strategic and other relevant documents

NAME OF DOCUMENT	SUMMARY	NAME OF DOCUMENT	SUMMARY
Council's Strategic Plan 2016 - 2020	Council's Strategic Plan sets key targets and deliverables over a five year timeframe. The current plan spans from 2016 to 2020 and was adopted by Council on 4 April 2016. Goals 1 and 2 (and associated Strategies) of the Plan are considered relevant to this review as follows: Goal 1: Physical Infrastructure is Improved and Developed Strategy: Assess, plan, and advocate for aviation related business or industry development at and from the Airport. Goal 2: Economic Development Opportunities Pursued & Promoted Strategy: Assist business and industry through advocacy, advice, and facilitation of economic development opportunities. Strategy: Continue to assist industry to facilitate opportunities for value adding. Strategy: Undertake Industrial Development Plan Amendment.		Goal: All South Australians have job opportunities. Target 47: Jobs increase. Employment by 2% each year from 2010 to 2016 (baseline: 2010). Goal: In South Australia we encourage entrepreneurship and enterprise in business. Target 94: Venture capital. Achieve a cumulative total of 100 private equity investments into South Australian companies between 2011 and 2020 (baseline: 2010-11).
SA Strategic Plan (2011)	The South Australian Strategic Plan (2011) was first created in 2004 and has been updated numerous times since. The plan reflects the aspirations for the State's future. Key visions and targets of the plan fall under five main headings, being social, economic, environment, health and education. The plan provides a broad overview of the state as a whole and does not specifically reference particular areas of Industrial land. Regardless of this, the plan does have a strong focus on economic development through investment and competition. Main goals and targets relating to this plan include: Goal: South Australia has a resilient, innovative economy. Target 35: Economic growth. Exceed the national economic growth rate over the period to 2020 (baseline: 2002-03). Target 38: Business investment. Exceed Australia's ratio of business investment as a percentage of the economy by 2014 and maintain thereafter (baseline: 2002-03). Goal: We develop and maintain a sustainable mix of industries across the state. Target 39: Competitive business climate. Maintain Adelaide's rating as the least costly place to set up and do business in Australia and continue to improve our position internationally (baseline: 2004).	Limestone Coast Region Plan (Planning Strategy)	The Limestone Coast Region Plan guides future land use and development in the region for the period 2010–2036. The plan sets out how the government proposes to balance population and economic growth with the need to preserve the environment and protect the heritage, history and character of regional communities. The most relevant principles and policies which directly relate to this plan include: Principle 9: Provide and protect serviced and well-sited industrial land to meet projected demand. Policy 5.1: Encourage industry clusters (including mining, primary production and aquaculture value-adding processing and storage activities) in strategic locations such as freight transport nodes to maximise transport efficiencies and support industry development. Policy 9.1: Provide a supply of well sited and serviced industrial land (including an identified 25-year supply, of which 15 years should be already zoned) in Mount Gambier (in accordance with the Greater Mount Gambier Master Plan), Naracoorte, Bordertown, Keith, Millicent, Snuggery and Kingston. Industrial land at Nangwarry, Tarpeena and the Katnook industrial area also may be required in the long term. Policy 9.2: Ensure an adequate supply of appropriately located industrial land to provide opportunities for small scale and local industries that complement local agriculture, horticulture, fishing and aquaculture, livestock and dairying, and mining in towns throughout the region. Policy 9.4: Retain and support ongoing industrial operations by providing for appropriate buffers to minimise conflicts and managing external impacts, such as noise, vibrations, odour and native vegetation disturbance.

NAME OF DOCUMENT	SUMMARY
Greater Mount Gambier Master Plan (2008)	The Greater Mount Gambier Master Plan was a joint strategic plan between the District Council of Grant, the City of Mount Gambier and Planning SA. The plan identifies future strategic land use areas for housing, industry and retail and aims to build on the existing economic activities which currently exist within the region. Particularly, the plan details specific areas suitable for light industrial uses which is largely located on the western side of Jubilee Highway West. This is further underpinned by objectives and principles which include to: • Protect the investment in existing industry to maintain an employment base for Greater Mount Gambier. • Provide locations where new industry can locate to provide for growth in employment. • Ensure that there is adequate separation between existing and new residential development and industrial activities.
Industrial Development Provisions in the Development Plan with those in SAPPL Version 6	The most recent version of SAPPL is Version 6 released in September 2011. District Council of Grant The most recent consolidated version of Council's Development Plan is dated 11 February 2016. The last amendment was in relation to a Section 29(2)(b)(ii) Amendment. Prior to that the plan was converted to the Better Development Plan format in the 28 August 2014 consolidation along with the Gateway Precincts DPA and the Country/Rural Living Township Expansion DPA. The District Council of Grant has the most up to date version of SAPPL. Mt Gambier The most recent consolidated version of Mount Gambier (City) Development Plan is dated 25 February 2016. The most recent amendment relates to the Local Heritage and Lakes Zone DPA. The Mount Gambier Development Plan has not been updated to the Better Development Plan. Policies and Zones relating to industrial development are not up to date with Version 6 of SAPPL. There are a number of Industry Zones which include a Light Industry Zone, Industry (Timber Mill) Zone, Commerce/Industry Zone, General Industry Zone and an Industry (Enterprise) Zone. All of these zones includes different non-complying triggers and public notification categories.

NAME OF DOCUMENT	SUMMARY
	Wattle Range Council The Wattle Range Council was updated to the Better Development Plan in July 2008. Further Development Plan Amendments have occurred since this time. All general modules and zones related to industry development are not up to date with the current Version 6 of SAPPL. Differences mainly relate to type of development contained within the non-complying tables.
Port MacDonnell and Environs DPA	This proposed amendment is currently on public notification until early June 2016. The amendment relates to the township of Port MacDonnell and proposes the following changes: • the rezoning of land on Springs Road to a Residential Zone; • the rezoning of land on Smiths Road to a Low Density Policy Area within the Residential Zone; • creating a Restricted Development Policy Area east of Bay Road within the Primary Production Zone; • rezoning the Finger Point Wastewater Treatment Plant to an Industry Zone - Infrastructure (Coastal) Policy Area; • extending the Coastal Open Space Zone; • providing additional planning policy for the existing cemetery; • providing amended Desired Character Statements for all the township zones; and • Inserting a Desired Character statement in the existing Industry Zone - Port MacDonnell Policy Area. The only change proposed in this amendment which will affect this review is the proposed insertion of a Desired Character Statement in the existing Industry Zone for the Port MacDonnell Policy Area.
Airfield Zone for industrial opportunities	The latest consolidated version of the Development Plan (11 February 2016) incorporates an Airfield Zone. The Zone is reflective of the Mount Gambier and District Airport. Current industrial opportunities in the Zone include: • Light industry ancillary to an in association with aviation activities • Light industry uses are Category 1 for the purposes of public notification. The non-complying list is the same as SAPPL Version 6, however the District Council of Grant's Development Plan includes an exception for Tourist Accommodation which allows on-merit assessment of tourist accommodation where it is in association with aviation activities.

NAME OF DOCUMENT	SUMMARY
Mount Gambier Airport Master Plan (2016-2026)	The Airport Master Plan outlines the longer term goals for the Airport, its tenants and its management team. The plan aims to facilitate growth through economic sustainability and accountability while maintaining safe operation of the facility. Main objectives of the plan relating to industrial activity and economic development include: • <i>‘To encourage land use and development which enhances the core aviation function of the airport and integrates with airport operations and the local region.</i> • <i>To strengthen the range of exiting uses and compatibility of these and new land uses.</i> • <i>To aggressively seek new industry and participants to establish operations at the Mount Gambier Airport.’</i> Opportunity 5.3.4 recognises that the airport may have the potential for a light industrial precinct given the sites existing infrastructure which includes water, electricity and access to AARNET high speed fibre optic system.

NAME OF DOCUMENT	SUMMARY
Industry Zoned land	There are three Council's which adjoin the District Council of Grant, being Wattle Range Council, City of Mount Gambier and Glenelg Shire Council (Victoria). Wattle Range Council The Wattle Range Council was converted to the Better Development Plan in 2008. Includes a Light Industry Zone and Industry Zone. All land adjoining the District Council of Grant from Wattle Range Council is zoned Primary Production. Industry Zoned land is located on the outskirts of the township of Kalangadoo, Beachport, Millicent and Penola. Light Industry Zoned areas include small pockets within the townships of Beachport, Southend and Millicent. The Industry Zone is largely the same as Version 6 of SAPPL with a few local insertions mostly regarding amenity and design considerations, as well as the designation of Category 1 and 2 forms of development. The Light Industry Zone is largely the same as Version 6 of SAPPL with local insertions including setback provisions and designation of Category 1 and 2 forms of development. City of Mount Gambier The City of Mount Gambier Development Plan has not been converted to the Better Development Plan. Industry Zones include a Light Industry Zone, Industry (Timber Mill) Zone, Commerce/ Industry Zone, General Industry Zone and an Industry (Enterprise) Zone. The General Industry Zone adjoins the District Council of Grant near Jubilee Highway West and Lewis Avenue. The Commerce/Industry Zone also adjoins the District Council of Grant near Lewis Avenue. No other Industry type zones adjoin the District Council of Grant. Glenelg Shire Council The Glenelg Shire Council adjoins the District Council of Grant along its western boundary. The Public Park and Recreation Zone and the Farming Zone are the only two zones which adjoin the District Council of Grant.

NAME OF DOCUMENT	SUMMARY
Council's Economic Development Plan (2009-2014)	While the intentional life of Council's Economic Development Plan was from 2009-2014, main objectives and actions are still relevant to this Review and Master Plan. The main objective of the Economic Development Plan is to: 'Strengthen the economic base and promote employment opportunities.' The plan promotes industry/business, infrastructure and community services as the three main areas for economic development of the region. Specifically, the plan has three main actions relating to industrial land supply being the: 1) Review the success of industrial estate planning, 2) Review and update the Industrial Estate Business Plan, 3) Initiate website promotion to attract industry. Other actions relevant to this review include: • the continuation to support road infrastructure to assist road transport industries; • promotion of Yahl Industrial complex to start-ups; and • facilitation for the reactivation of Mt Schank meatworks facility.
RDA Limestone Coast - Regional Roadmap (2013-2016)	The RDA Limestone Coast Roadmap provides the direction and priority for regional development. It sets out the economic, environmental and social vision for the region, articulates the drivers of change, identifies strengths, challenges, needs and opportunities, and lists 5 key priority areas for action. While it does not specifically mention the District Council of Grant Industrial Land, it sets the scene for the Limestone Coast as a whole. Main priorities relating to this Master Plan include: 1. Economic Development and Diversification i. Increasing advanced manufacturing particularly in the forest and forest products industry. ii. Increasing exports and expansion of markets for regional products. iii. Developing industry clusters to maximise economic development within the region 2. Human Capital Development i. Promoting skills and workforce development ii. Championing the establishment of an innovation hub.

NAME OF DOCUMENT	SUMMARY
Mount Gambier Industrial Land Review 1999/2000	The Mount Gambier Industrial Land Review was a joint project between the District Council of Grant, the City of Mount Gambier and the South East Economic Development Board. The review identified the suitability of existing and possible future industrial land in the City and surrounding district. Particular attention was given to the Rural (Deferred Industry) Zone (i.e. the Kennedy Land, the Tollner Road General Industry Zone (i.e. the Dicenso Land) and the Avey Road Country Living Zone (i.e. the McPherson Land). The review detailed the existing land use and zoning, economic, development and environmental trends, options for new sites and recommendations. All recommendations made by the review are relevant to this current review. Many of the recommendations were to review in more detail particular areas and policies. Recommendations related to both the City of Mt Gambier and the District Council of Grant. Recommendation 11.2 relates directly to the District of Grant and includes: 11.2.1 Delete the current industrial zone land in the District Council of Grant, bounded by Jubilee Highway West, O'Leary Road, Wireless Road West and Wandilo Road. 11.2.2 Review the future zoning of land in question, including the potential of the Millicent Road frontage remaining as a Commercial Zone. 11.2.3 Review existing industrial policy in relation to any new site to be specific to any chosen location and incorporate performance based standards in the council-wide planning policy.

4.0 Review of all Zones

Overview

A review of all Zones within the Grant Council Development Plan (consolidated 11 February 2016) has been undertaken to determine policies of relevance to industry development.

These are discussed in the following section.

In addition to the Zone' policies, it should be noted that some General Section (council-wide) policies also apply to the assessment of industrial developments, including under:

- Design and Appearance
- Hazards
- Industrial Development
- Infrastructure
- Interface between Land Uses
- Siting and Visibility
- Transportation and Access
- Waste.

Zone Policies

All 14 zones within the Development Plan have been reviewed to determine their impact on industrial development proposals.

A summary of these policies is provided in **Table 3**.

Definitions for the various forms of industry are discussed earlier, under What's an Industry? It should be noted that where the generic term 'Industry' is used, this incorporates 'Light Industry', 'General Industry', 'Service Industry' and 'Special Industry'.

Industry

The Industry Zone is distributed across six separate policy areas:

- Millicent Road Policy Area 1
- Mount Schank Policy Area 2
- Northern Gateway Policy Area 3
- Penola Road Policy Area 4
- Port MacDonnell Policy Area 5
- Tarpeena Policy Area 6.

While 'Light Industry' and 'Service Industry' can be considered as a merit activity in all Policy Areas, 'General Industry' and 'Special Industry' are listed as non-complying within four Policy Areas. It is only within the Mount Schank Policy Area 2 and Penola Road Policy Area 4, where these activities can also be considered as a merit activity.

These policy areas are shown on **Figure 10**.

Airfield

While no forms of industry are listed outright as non-complying within the Zone, policies indicate that light industry and service industry ancillary to and in association with aviation activities is envisaged.

Given the infrastructure/services already in place at the Airport, there is the potential to also consider non-aviation related light industry and service industries being located on the site, provided the scale and type of activities did not impede operational requirements for the Airport.

Minor changes to the Airport Zone policies will be required to facilitate this, via a Development Plan Amendment (DPA) process.

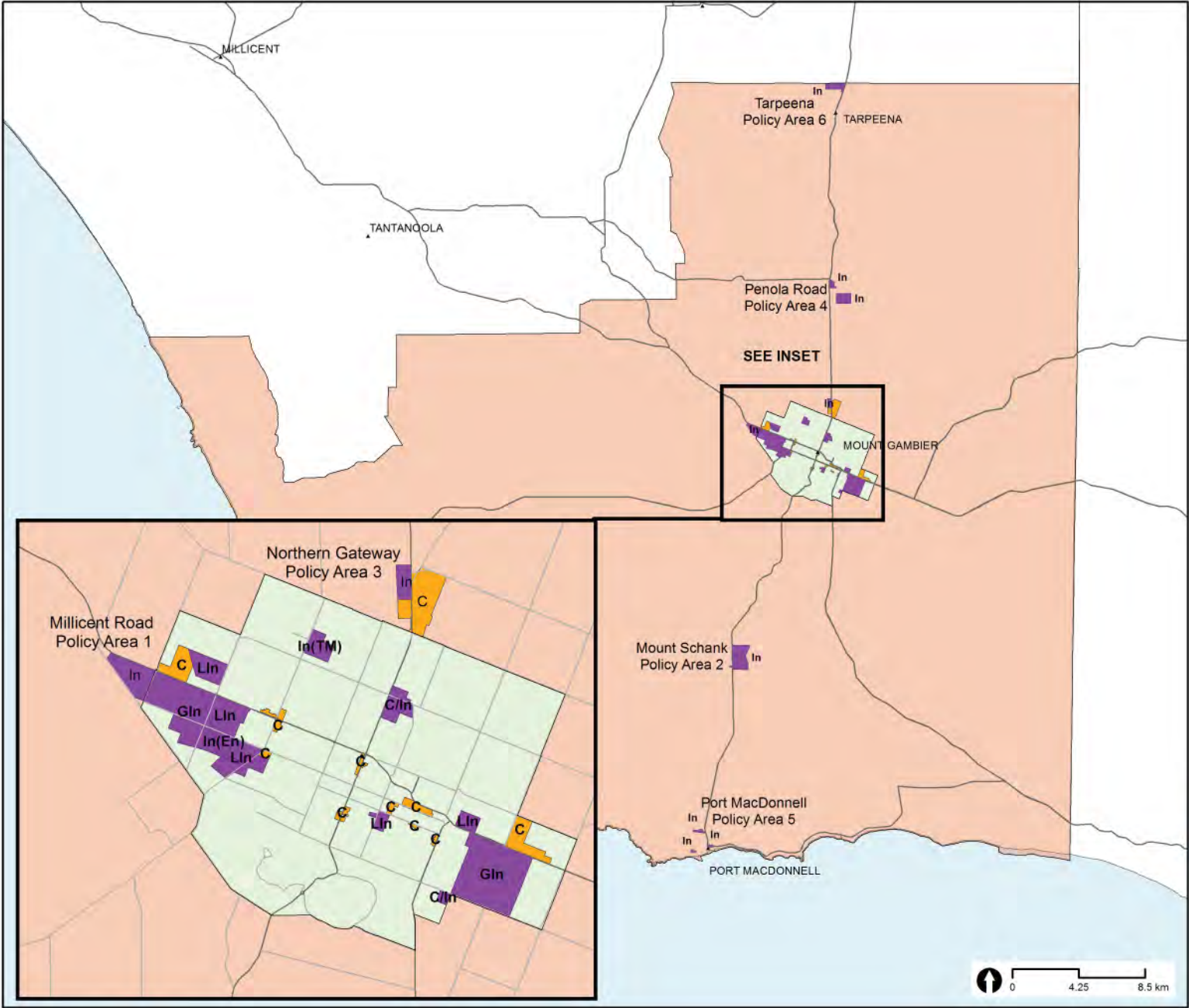


FIGURE 10
CURRENT INDUSTRY AND
COMMERCIAL ZONED LAND

Residential / Open Space

Six zones list the generic term 'Industry' as a non-complying form of development and therefore do not support the establishment of any forms of industry within each particular zone. This policy position is not unexpected within these zones, which consist of the:

- Caravan and Tourist Park Zone
- Coastal Conservation Zone
- Coastal Open Space Zone
- Coastal Settlement Zone
- Open Space Zone
- Residential Zone.

Commercial / Settlement

Three Zones list both 'General Industry' and 'Special Industry' as non-complying forms of development, but enable consideration of both 'Light Industry' and 'Service Industry' as a merit form of development. This policy position is considered reasonable, given these Zones consist of the:

- Commercial Zone
- Settlement Zone
- Town Centre Zone.

Rural Living / Primary Production

Two Zones list 'General Industry' as a non-complying form of development, but enable consideration of other forms of industry as a merit form of development. These Zones consist of the:

- Rural Living Zone
- Primary Production Zone.

Given the Objectives and Desired Character for the Rural Living Zone, consideration could be given to listing 'Special Industry' as a non-complying form of development within the Zone.

As indicated, the Primary Production Zone, which comprises the bulk of the Council area, lists 'General Industry' as a non-complying form of development. However, it is noted that this designation has been added as a 'local addition' and is not mandated by the State Government in the SA Planning Policy Library.

Despite listing 'General Industry' as non-complying, other policies within the Zone indicate support for 'industry and warehousing associated with the processing, packaging and distribution of produce'. This wording provides a measure of flexibility which has enabled the approval of a significant number of 'agricultural' industrial proposals within the Primary Production Zone.

However, further flexibility to accommodate appropriate industrial developments within the Primary Production Zone could be achieved by deleting 'General Industry' outright from the non-complying list.

This would then enable consideration of General Industry as a 'merit use' with guidance being provided by the Zone Objectives and Principles of Development Control. This approach would reduce ambiguity over the interpretation of policies while potentially facilitating increased development opportunities within the Primary Production Zone. By retaining the link for industries to be associated with 'produce', this would not substantially diminish the 'pressure' on developers to locate their non-produce related proposals within the Industry Zone.

On some occasions, if a proposal is deemed by the State Government to be significant in terms of investment and/or employment, it may facilitate the proposal by rezoning the land via a Ministerial Development Plan Amendment process. With a Government imperative, this process can be undertaken in a relatively quick timeframe.

Townships

Five townships (Kongorong, Tarpeena, Allendale East, Donovans and Yahl) are within a Township Zone. All forms of industry are merit in the first four of these townships, however only a small portion on the western side of Yahl is able to accommodate industry.

Given that 'small-scale light and service industry development' is envisaged in the Zone, consideration could be given to amending the non-complying list to limit the potential for 'General Industry' and 'Special Industry' to be located within these town boundaries.

Comment

Current zone policies are considered to generally cater well for smaller-scale light industry and service industry proposals, whether in townships/settlements, commercial or industry zones.

The Primary Production Zone provides a degree of flexibility to accommodate ‘produce’ related industry and warehousing, but additional flexibility could be provided.

Industry Zone policies (via the various Policy Areas) reflect the locations of each Policy Area, with those in or near residential/urban areas being limited to less impacting, light industry activities. Conversely, those Policy Areas located further away from residential/urban areas are seen as accommodating industrial activities with the potential for greater impacts. This is considered a reasonable policy position, leaving aside the issue of whether these latter Policy Areas are considered too far from the City of Mount Gambier to attract industrial development.



Table 3 Review of all zones within the Grant Council Development Plan for Industry Relevant Policies

Zone	Objectives	Desired Character	PDC's	Complying Schedule 4	Merit	Non-Complying	Public Notification	
							Development Plan	Schedule 9
Airfield	Objective 1	Yes	PDCs 1, 6	N/A	M	N/A	Light Industry Category 1	N/A
Caravan and Tourist Park	N/A	N/A	N/A	N/A	-	Industry	N/A	N/A
Coastal Conservation	N/A	N/A	N/A	N/A	-	Industry	N/A	N/A
Coastal Open Space	N/A	N/A	N/A	N/A	-	Industry	N/A	N/A
Coastal Settlement	N/A	N/A	N/A	N/A	-	Industry	N/A	N/A
Commercial	N/A	N/A	PDC 1	N/A	M*	General Industry Special Industry	Light Industry Category 2 Service Industry Category 2	N/A
Industry - Millicent Road Policy Area 1 - Mount Schank Policy Area 2 - Northern Gateway Policy Area 3 - Penola Road Policy Area 4 - Port MacDonnell Policy Area 5 - Tarpena Policy Area 6	Objectives 1,2, 3	Yes	PDCs 1, 3, 5, 6, 7, 9	N/A	M*	General Industry except within Mount Schank Policy Area 2 or within Penola Road Policy Area 4 Special Industry except within Mount Schank Policy Area 2 or within Penola Road Policy Area 4	Light Industry Category 1 Service Industry Category 1 General Industry located outside Millicent Road Policy Area 1 Category 2	Service Industry Category 1** Light Industry Category 1** General Industry Category 1**
Open Space	N/A	N/A	N/A	N/A	-	Industry	N/A	N/A
Primary Production	N/A	N/A	PDCs 1, 4	N/A	M*	General Industry	Industry associated with primary production Category 2	N/A
Residential	N/A	N/A	N/A	N/A	-	Industry	N/A	N/A
Rural Living	N/A	N/A	N/A	N/A	M*	General Industry	N/A	N/A
Settlement	N/A	N/A	PDC 4	N/A	M*	General Industry Special Industry	N/A	N/A
Town Centre	N/A	N/A	N/A	N/A	M*	General Industry Special Industry	N/A	Category 1**
Township	N/A	N/A	PDC 5	N/A	M*	Industry except where located outside the Yahl Policy Area 11	N/A	N/A

* Merit – other than non-complying

** Category 1 development becomes Category 2 development where adjacent to land in another zone.

5.0 Supply and Demand

Supply

Review of the Industry Zone (and associated Policy Areas) within the Development Plan indicates:

- There is approximately 345 hectares currently zoned Industry.
- Of this 345 hectares only 45 hectares (13%) is currently being used for industry/commercial purposes.
- Of this 45 hectares, the Timberlink Australia sawmill operations at Tarpeena account for some 37 hectares (82%) and make use of most of its site.
- This means that some 300 hectares of Industry Zoned land is currently being used for other, non-industrial purposes (i.e. primarily grazing with some forestry).

A snapshot of the current status of the Industry Zone is provided in **Figure 11**.

However, analysis of supply can be difficult with the raw figures not always telling the full story. It may not take into account that not all of the remaining land may be available for industrial development into the future. There are a number of reasons for this, including:

- The land owner has no short-term intention to develop this land for industry, despite its zoning.
- Required infrastructure (power, water, sewer, telecommunications) may not be available or is considered too costly to provide.
- The land price being sought is too expensive.
- Existing access roads may be insufficient for the proposal.
- The location is considered too remote.
- Adjoining sensitive uses (i.e. residential) may impose constraints on the development of the land for industry (noise, operating hours, traffic, etc).
- Environmental issues (i.e. water protection).

It is generally accepted that a 15-year supply of zoned industrial land is a suitable guide for planning purposes. To determine whether an area is over supplied (i.e. has a greater than 15-year supply) or under supplied (i.e. has a less than 15-year supply), the net broadhectare land supply is divided by the average annual consumption rate to calculate this figure.

As indicated above, there are a number of reasons why industrial zoned land may not be available for industrial use into the future. In determining the net broadhectare land supply available, the Government typically 'broadbands' these issues into two main reasons as follows:

- The amount of broadhectare land owned by private individuals. This figure is then reduced by 50% to account for future uncertainty about future land development intentions.

As an example, it is understood the current owner of the industrial zoned land in Millicent Road Policy Area 1 has indicated this land will not be made available for industrial purposes, despite it being considered suitable for this activity. However, it must also be taken into account that circumstances can change over time and that the land could be considered for retention for the longer term. Such an action does not prejudice the continuation of current approved activities/existing uses.

- The amount of broadhectare land in all other ownership classes is reduced by 25% to account for land that remains undeveloped for reasons such as landowner decisions, environmental constraints, buffer requirements or policy decisions.

By applying these reductions to the raw figure of 300 hectares, this amount is reduced to a more likely available industry land supply of some 168 - 175 hectares. However, as a result of other investigations, it is proposed to reduce the extent of some Policy Areas and increase others. This will reduce the current total area of the Policy Areas from approximately 345 hectares to approximately 215-305 hectares. In turn, this will reduce the net broad hectare land supply likely to be available to 80-125 hectares. A snapshot of this data is provided in **Table 1**, including a 'break-down' of data for each policy area.

The average annual consumption rate of Industry Zone land since 2006 is discussed below in Demand. In summary, there has proven to be negligible take up of this land over the last 10 years and therefore on this basis the proposed net broadhectare land supply of 80-125 hectares is considered sufficient.

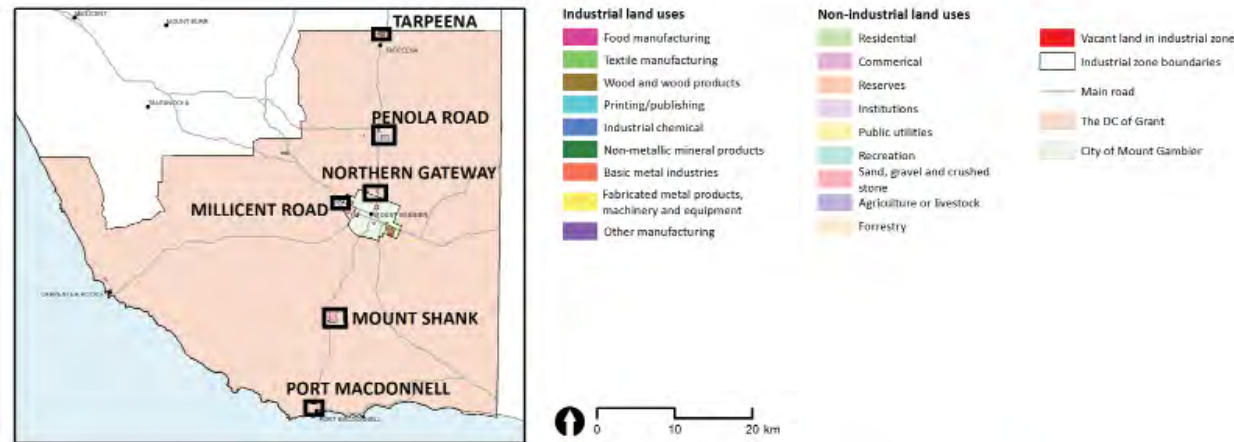


FIGURE 11
LAND USE AND VACANT
LAND - INDUSTRIAL ZONES

NORTHERN GATEWAY



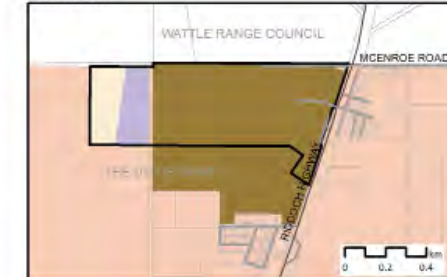
NORTHERN GATEWAY		
Area of industry zone 15.9ha		
LANDUSE (in zone)	Area (ha)	% of zone
Developed Reserve	0.4	3%
Workshop	1.0	6%
Agriculture	12.6	79%
Median Strips, Road reserves etc	0.5	3%
Vacant Land	0.0	

MOUNT SHANK



Area of industry zone 150.4ha		
LANDUSE (in zone)	Area (ha)	% of zone
Electricity Sub-Station	0.6	0%
Fire	0.04	0%
Processing Of Fish And Other Seafood	1.4	1%
Sand And Gravel	97.1	65%
Sheep And Cattle	46.7	31%
Tennis	0.5	0%
Vacant Land	0	

TARPEENA



TARPEENA		
Area of industry zone 49 ha		
LANDUSE (in zone) (ha)	Area (ha)	% of zone
Livestock	5.3	11%
Sawmills, Planing And Other Wood Mills	36.9	75%
Softwood - Government	5.7	12%
Vacant land	0.0	

PORT MACDONNELL



PORT MACDONNELL		
Area of industry zone		
Boat Yard	4.8ha	
Irven Street	4.3	
Dingley Dell Road	10.5	
LANDUSE (in zone)	Area (ha)	% of zone
Boat Yard	4.8	19%
Fire Station Or Depot	0.89	9%
Road reserve	0.45	9%
Workshop	3.43	72%
Vacant Land (ha)	0	
Irven Street	3.1	72%
Processing Of Fish And Other Seafood	0.3	8%
Vacant Land (ha)	0.4	9%
Dingley Dell Road	0.4	4%
House And Livestock (Non-Viable)	4.0	38%
Rural Residential House (House w/o PP)	3.6	34%
Vacant Land (ha)	1.6	16%

PENOLA ROAD



PENOLA ROAD		
Area of industry zone 73.4ha		
Northern Area	14.9ha	
Southern Area	58.5ha	
LANDUSE (in zone)	Area (ha)	% of zone
Cattle - beef	72.8	99%
Vacant land	0	

MILLICENT ROAD



MILLICENT ROAD		
Area of industry zone 36.2ha		
LANDUSE (in zone)	Area (ha)	% of zone
Rural Residential House (House Without PP)	0.7	2%
Cattle-Beef	33.4	92%
Vacant Land	0.0	

In addition to this supply of Industry Zoned land, there is also potential to establish industrial development (primarily light or service industries) under current and proposed policies within the following zones:

- Airfield Zone
- Commercial Zone
- Primary Production Zone
- Rural Living Zone
- Settlement Zone
- Town Centre Zone
- Township Zone.

Demand

Just as analysis of supply can be difficult, so can demand analysis. Industry development can be affected by a number of factors, including the business climate, market demand, government policies, the financial system and technology.

It is generally accepted that the consumption rate of industrial land over a 5 -10 year period can provide an indication of demand, but it is also acknowledged that the amount consumed each year is variable and does not mean that the consumption rate will continue at that level.

Review of development application data provided by DC Grant indicates that, since 2006, some 62 industrial/commercial applications have been approved within the Council area. In this circumstance the term 'commercial' has been taken to include activities such as storage sheds, warehouses, recycling facilities and the like. It does not include activities such as tourist accommodation.

A 'snap shot' of these 62 developments is provided below:

- They have a combined total value of \$41M.
- 7 developments accounted for over 80% (\$34M) of this total.
- Floor areas ranged from 27m² to 3259m².
- Some 69% (43) of these developments were located within the Primary Production Zone.
- Some 18% (11) of these developments were located within other zones (i.e. Rural Living, Town Centre, Coastal Open Space, Settlement and Commercial Zones).
- Only 13% (8) of these developments were located in the Industry Zone, including one development not proceeded with.

Closer inspection of these latter 8 proposals indicates that:

- 4 of the developments approved, including the one not proceeded with, were located amongst the existing timber mill works within Tarpeena Policy Area 6. The data indicates these developments resulted in only an additional floor area of 1,240m² occurring within this 49 hectare Industry Zone.
- 2 of the developments approved occurred at the Southern United Seafoods' facility within Mount Schank Policy Area 2. It is understood these developments occurred within the existing former abattoir building and did not result in further land take up of the Industry Zone.
- 1 of the developments approved occurred within Penola Road Policy Area 4 and comprised a redevelopment of the South East Animal Welfare League facility.
- 1 of the developments approved occurred within Northern Gateway Policy Area 2 and comprised the 'Cummins' Motor Repair Station development on a 1 hectare site.

Based on this data, there has been only very limited take up of Industry Zoned land since 2006.

As another measure in determining likely future demand for industrial land within DC Grant, input has also been sought from the following Government agencies and the wider community:

- Regional Development Australia – Limestone Coast.
- Department of State Development
 - Investment Attraction South Australia; Food and Agribusiness
 - Strategic Economics and Policy Co-ordination Division.
- Minister for Regional Development/Minister for Local Government.
- Community meetings/workshops held on 1 June 2016.
- State Coordinator-General \$3 Million Case Management data.

None of the Government organisations contacted identified any immediate demand, or projects in the pipeline, or had information that might indicate a requirement for new industrial land within DC Grant at that time.

Comments provided at the community meetings/workshops held with local landowners/business persons and the general community, also did not identify any likely specific demand for industrial land in the area, with two exceptions.

The first exception was in relation to industrial land supply at Port MacDonnell, where two locals voiced their frustration at not being able to secure industrial land for smaller engineering works, despite there being vacant land within Port MacDonnell Policy Area 5. The locals advised they had contacted various owners within the three areas comprising Policy Area 5, only to be told that the land was not available.

The second exception was the potential for demand for industrial land arising from recent trade delegations to China. While not at all defined, there was considered to be the potential for Chinese investment in larger scale activities, such as an abattoir or milk factory.

In Summary

In summary, enquiries have not identified any specific demand for industrial activities that are likely to require a large scale presence within the Industry Zone in the near future. While there is considered, by some, to be some potential from Chinese investment, this is not defined at this time and could likely be accommodated within the Primary Production Zone (potentially subject to a Development Plan Amendment process), if the land currently zoned for Industry does not have the right locational requirements for the particular activity proposed.

Similarly, development approval data over the last 10 years indicates only a negligible take up of land within the Industry Zone with some significant, vacant areas remaining within the Zone.

As indicated, some 69% of industrial/commercial developments over the last 10 years have occurred within the Primary Production Zone and 18% elsewhere, as shown on **Figure 12**. Given the nature of these developments and their relationship with the region's activities, this figure is considered acceptable and reflects a practical way of dealing with industry that is largely resource reliant.

Local demand for industrial land to accommodate smaller scale local activities, within or near Port MacDonnell, has been anecdotally identified with potential options discussed in the Recommendations for the Port MacDonnell Policy Area.



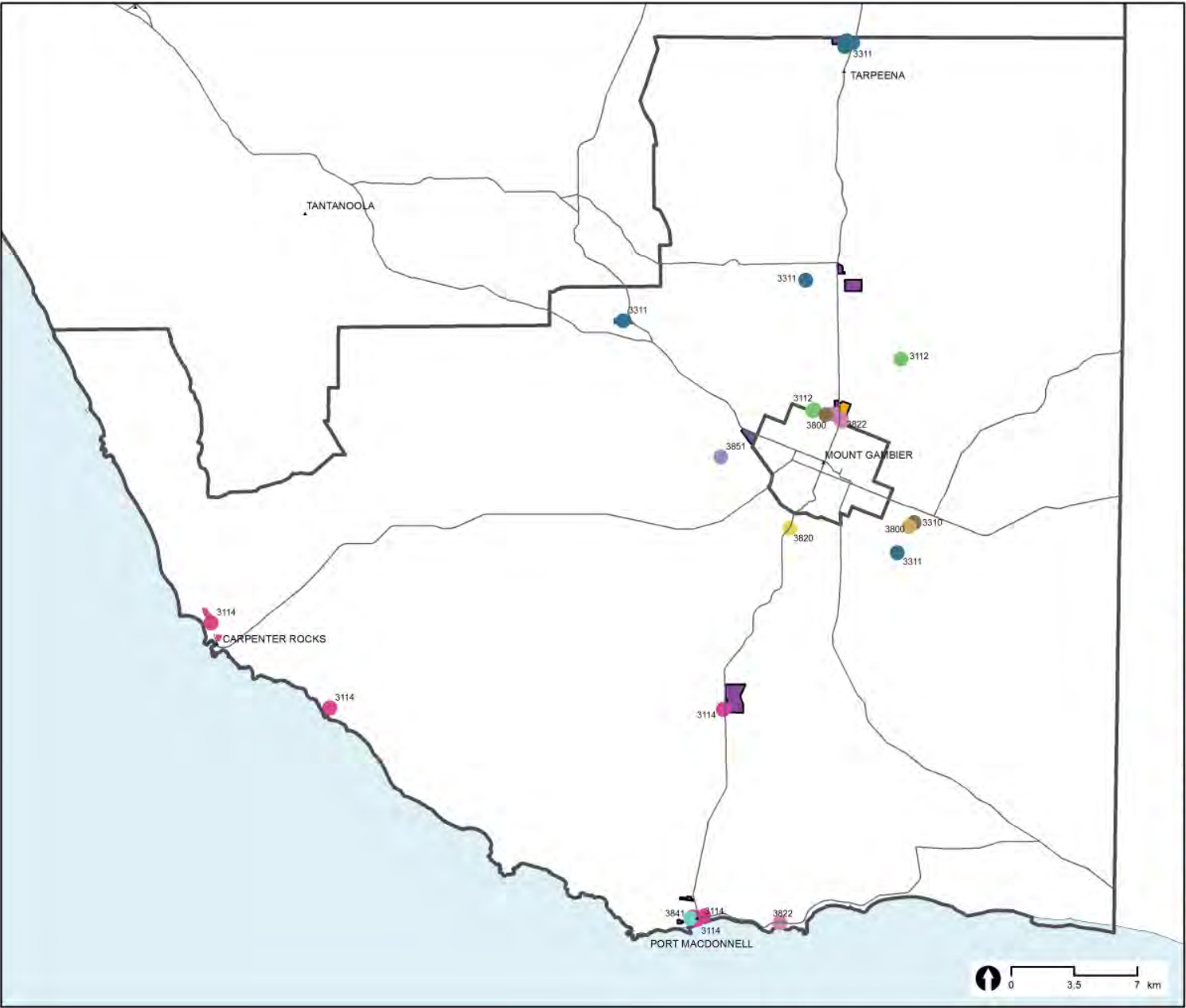


FIGURE 12
INDUSTRIAL LAND USES
OUTSIDE OF INDUSTRIAL
ZONES

— Main road
Local government areas
Commercial zone
Industry zone

Industrial land use

- 3112 - Food manufacturing (dairy)
- 3114 - Fish and seafood processing
- 3310 - Manufacturing wood and wood products
- 3311 - Sawmills, planing and other wood mills
- 3800 - Fabricated metal products, machinery & equipment
- 3820 - Manufacture of machinery, except electrical
- 3822 - Agricultural machinery and equipment
- 3841 - Ship building and repairing
- 3851 - Professional and scientific equipment

Note - only industry land uses outside industry zones are labelled

6.0 Importance of Infrastructure to Industry

Roads

A review of the 2030 Regional Transport Plan (June 2013), prepared for the South East Local Government Association, has been undertaken. The focus of the review was on actions of relevance to industry development within the DC Grant area.

In terms of freight transport, the Plan concluded future demands associated with the major regional commodities of wine, horticulture, livestock and grain remained consistent with previous projections. However, the large increase in the number of hardwood timber plantations (particularly in the south of the Limestone Coast region) would place significant additional demands on the road network when timber harvesting commenced.

The Plan identified the sources of freight movements in the region as comprising two fundamental types:

- Individual properties throughout the region. In this instance, freight movements are generally of low volume and spread across various roads in the network, dictated by the needs of individual businesses. In some cases, use of B-Doubles may be required. These are generally approved via issue of individual permits or, if required on a regular basis, through gazettal of a Commodity Freight Route under DPTI's Heavy Vehicle Access Framework.

The presence of B-Doubles may dictate that these "farm/industry gate to arterial road" freight routes qualify as important freight routes within an individual council's area of responsibility. However, the routes do not necessarily qualify as regionally significant unless the daily quantity of B-Double movements is high enough that the quantity of freight being moved brings substantial economic benefit to the region. This would be the case where freight movements from a large number of individual properties start to concentrate onto a common route.

- Industrial and logistics development zones in Key Towns and Important Centres. These zones generate significant economic activity which is of benefit to an individual council's area of responsibility and to the Limestone Coast region. In some cases, the centres are of importance to the state as a whole.

Within DC Grant, the timber mill at Tarpeena has been identified as a Major Regional Industry/Logistics Centre. As such, any local roads connecting this facility to a nearby arterial road automatically qualify as being of regional significance.

A number of other industrial areas/facilities have been identified as Minor Industry Centres in the Council area. Local roads connecting minor industrial zones to a nearby arterial road will qualify as being of local importance, but to be considered of regional significance will require a sufficient number of freight movements to demonstrate economic benefit to the region as a whole.

These facilities/areas and associated Regional Freight Routes for DC Grant are shown on **Figure 13**, while a summary of the predicted freight generation demands is provided in **Table 4**.

**South East Local Government Association
2030 Regional Transport Plan**

FIGURE 13
REGIONAL FREIGHT
ROUTES

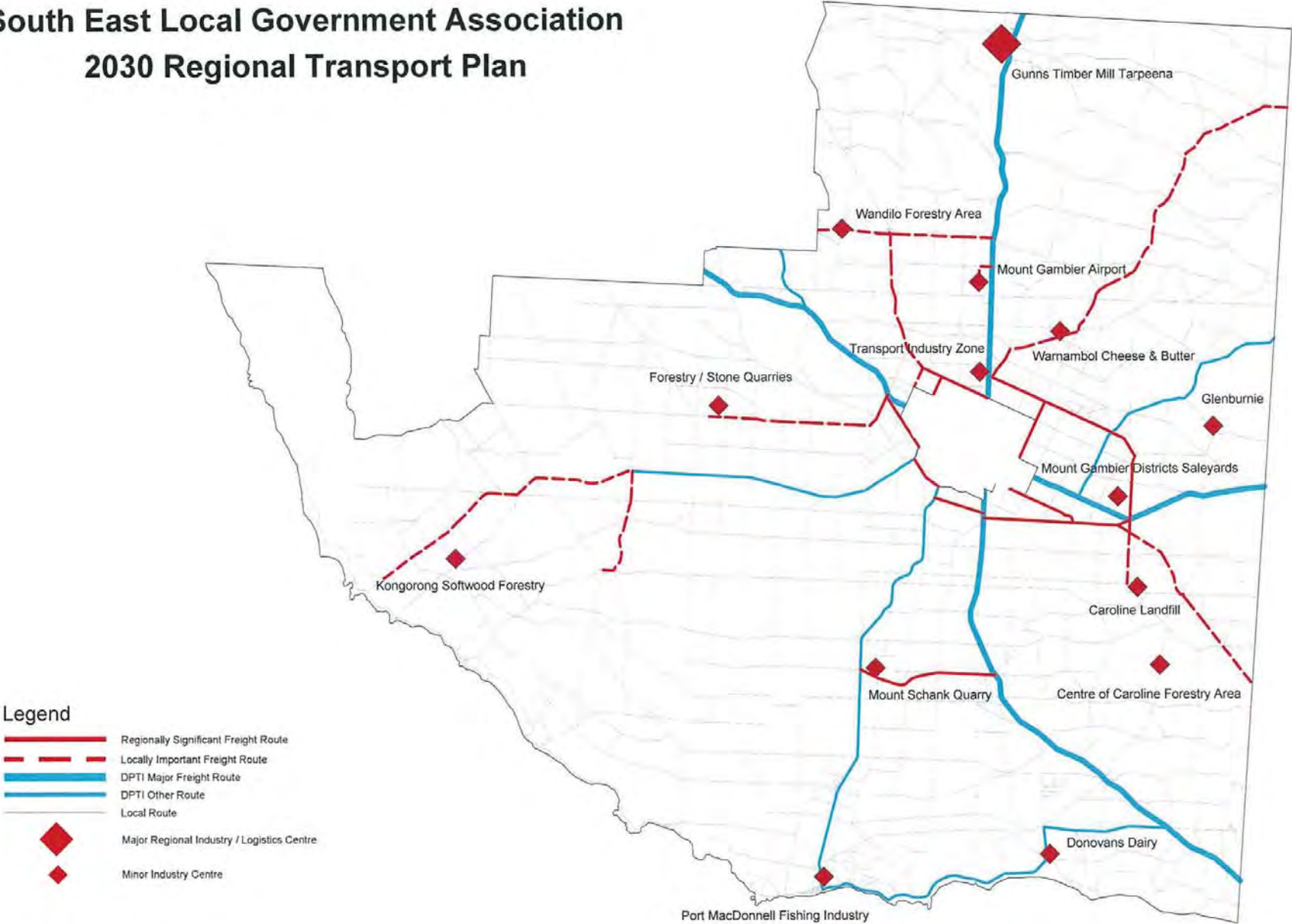


Table 4 Predicted Freight Generation Demands in DC Grant

Freight Generator	Current/Predicted Capacity Commentary	Regional Significance
Softwood Forestry Plantations - Kongorong - Caroline - Glenburnie - Wandilo	Individual sites are likely to generate less than 50,000 tonnes each. The main impact is in relation to routes near the processing facility	Minor Industry Centres
Gunns Tarpeena Mill	520,000 tonne sawlog capacity	Major Industry Centre
Mount Gambier District Airport - Associated Industry Zone	100,000 passengers per annum plus freight traffic	Minor Industry Centre
Transport Industry Zone (north of Mount Gambier)	Only development so far is Cummins Diesel headquarters	Minor Industry Centre
Mount Gambier District Saleyard	125,000 cattle / 250,000 sheep per annum. One sale per week. High percentage of impact by small vehicles. 80% output by B Doubles	Minor Industry Centre
Windfarm	Short term high intensity construction phase	Minor Industry Centre
Port MacDonnell Industry Zone	Localised to fishing industry	Minor Industry Centre
Donovans Dairy plus other dairies in the vicinity	Average Milking Herd 2,000 cows	Minor Industry Centre
Limestone Mines	Concentrated south-west of Mount Gambier but located in various different quarries	Minor Industry Centre

Key recommendations from the Plan considered of relevance to this Review include:

- Establishment of consistent regional road transport links within the Limestone Coast region and across the South Australian / Victorian border which are of an appropriate “fit for purpose” standard.
- Development of a network of regional freight routes for heavy vehicles which complement the state government managed arterial road system by linking current and future significant sources of freight to their planned destinations.
- Adoption of revised Regional Freight Routes, as shown on various maps within the Plan (see **Figure 13**).

Electricity

SA Power Networks (SAPN) is the licensed electricity distributor for South Australia. In considering electricity supply to industrial areas within DC Grant regard has been given to the SAPN Distribution Annual Planning Report (5 November 2015) and the Location SA Map Viewer – Electricity Networks for DC Grant.

The Report is the SAPN’ assessment of the distribution system’s capacity to meet forecasted demand over the forward planning period and possible plans for augmentation of the distribution network. It includes consideration of potential constraints and where they are expected to arise within the forward planning period. The report is based on the information and estimates available at the time and is subject to annual review.

DC Grant falls within the SAPN’ South East Region. Review of the South East Regional Development Plan section of the Report indicates electricity is supplied to the various towns and localities throughout the Region directly from the 33kV sub-transmission network or via Zone Substations. These Zone Substations are operated at 33,000 Volts stepped down to 11,000 Volts and are upgraded when load exceeds capacity.

Customers are supplied from the SAPN’ distribution system via 33kV lines and 11kV primary distribution feeders and 19kV SWER systems. These lines and feeders are extended and upgraded as required to meet customer demand, customer connection requests and to maintain quality of service.

While there are no system limitations forecast for the primary distribution feeders under normal conditions in the Region in the next two years, it is noted that the line from Mt Schank to Allendale East is nearing capacity.

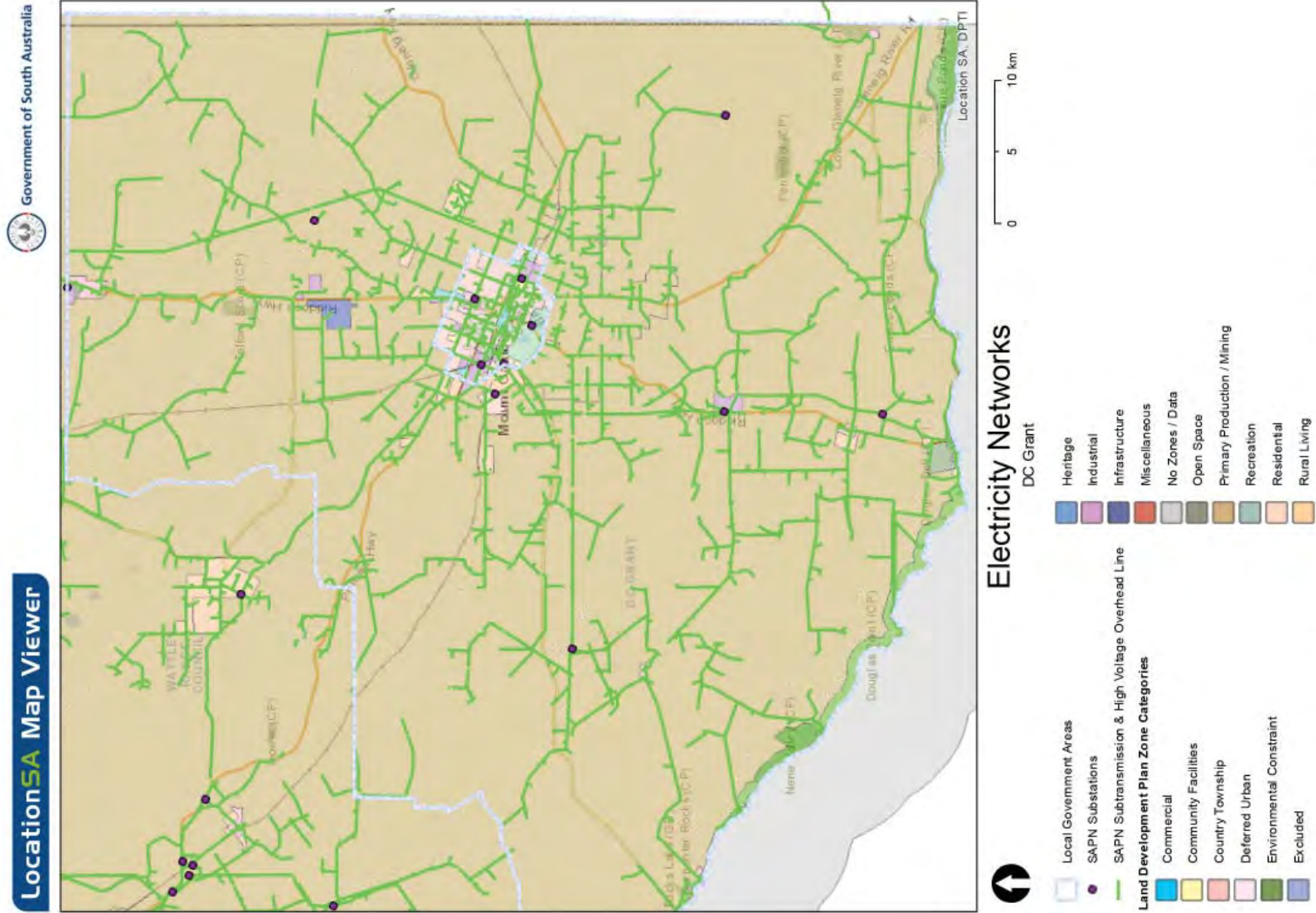


FIGURE 14 ELECTRICITY NETWORKS

Disclaimer: The information provided above is not represented to be accurate, current or complete at the time of printing this report. The Government of South Australia accepts no liability for the use of this data, or any reliance placed on it. <http://location.sa.gov.au/Viewer/discclaimer.html>

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May 31, 2016

Future (non-committed) augmentation due to large customer connections are not included in the Report. Large customer projects may require a Zone Substation upgrade as well as 11kV feeder or 33kV line modifications. Network augmentations required for such projects will be managed in accordance with the National Electricity Rules and assessed on a case by case basis. In this circumstance, SAPN recommends that it be notified as early as possible during the planning stages of a project so that customer connection requirements can be met.

The existing 11 kV feeder lines for the southern section of the South East Region are shown on **Figure 14** and a summary of electricity supply to each of the Policy Areas comprising the Industry Zone is shown in **Table 5**.

Water and Sewer

SA Water data, provided on the Location SA Map Viewer, and summarised in **Table 5**, indicates the current provision of potable water and sewer services for each area comprising the overall Industry Zone.

If existing capacity is insufficient to service a future development area, SA Water can be approached seeking augmentation of the service – this is when mains are upgraded to service whole areas of land development. It does not usually apply to a single development.

In this circumstance augmentation charges (additional costs) can be imposed. They are payable on top of costs normally associated with land development.

There are a number of factors that impact on the augmentation charge. These include:

- the cost of completing the work
- the size of the area
- the number of potential allotments that can be served.

Augmentation may include:

- duplication of a water main
- creation of additional water storage
- construction of a sewage pumping station
- construction of larger diameter sewers.

These services can be staged or delayed. They will then be done once the existing infrastructure is unable to serve the level of development that has taken place.

The balance of the region obtains its water from a combination of surface and groundwater and, in the case of the City of Mount Gambier, the Blue Lake.

Extraction of groundwater is subject to the requirements of the Lower Limestone Coast Water Allocation Plan.

In the absence of being able to connect into a sewer system, some developments will require on-site wastewater systems to treat and dispose of wastewater. The type and size of the system required will depend on the nature of the development and the amount of wastewater produced.

Typical on-site wastewater treatment systems include:

- Septic tank and trenches
- Aerated wastewater treatment plants
- Septic tanks which are then connected into Community Wastewater Management System (CWMS) infrastructure where wastewater is further treated off-site. In DC Grant CWMS are situated in townships at Port MacDonnell, Donovans, Pelican Point, Tarpeena, Cape Douglas and Allendale East. It is understood these schemes primarily treat domestic wastewater.
- Purpose designed ‘package treatment plants’ which are designed and engineered to cater for different volumes and types of effluent.

Natural Gas

Natural gas is supplied to industrial, residential and other customers in the Mount Gambier region via the South East Pipeline System (SEPS). SEPS is a transmission pipeline which is owned and operated by Epic Energy, providing a gas transportation services for customers in the electricity generation, gas distribution and industrial sectors.

The SEPS is 70km in length and consists of two mainline pipelines (Katnook to Snuggery and Glencoe to Mount Gambier) and two lateral pipelines (Katnook to Safries and Kalangadoo to Nangwarry). Originally constructed to transport gas from the Katnook gas fields to users at Penola, Snuggery and Mount Gambier, declining production from the Katnook gas fields required the SEPS to be linked to the SEA Gas Pipeline via the South East South Australia (SESA) Pipeline.

Gas is now sourced from the offshore Otway basin gas fields near Port Campbell and the western underground gas storage at Iona in southern Victoria. The SEA Gas Pipeline has a current capacity of around 110 PJ/y, but this could be increased with additional compression. The SESA Pipeline has a design capacity of ~40 TJ/day.

While primarily transporting gas for providers such as Origin Energy, which then distribute the gas to individual households, Epic can provide a direct service to future major users as it currently has capacity in its pipeline. However, as Epic is not a purchaser of gas it will require the end user to purchase its own gas from a supplier. The end user will also be responsible for providing the required infrastructure to service the development (i.e. pipeline and meter costs).

Table 5 Infrastructure Provision

ZONE AREA	ELECTRICITY	WATER	WASTEWATER
Tarpeena	11kV line along Riddoch Highway. Tarpeena substation on north side of zone	Potable system – drinking water main, along Riddoch Highway	No wastewater network nearby
Penola Road (adj airport)	11kV line along Ridge Rd and south to Hutchinson Rd (to both areas of zone)	No potable water supply network nearby	No wastewater network nearby
Northern Gateway	11kV line along Riddoch Highway and Sturm Rd (along boundaries of zone)	No potable water – distribution network finishes at Pinehall Ave / Bishops Rd (City of Mount Gambier boundary)	No wastewater network – network finishes at Pinehall Ave / Bishops Rd (City of Mount Gambier boundary)
Millicent Road	11kV line along Milton St and Tollner Rd (along zone boundary)	Potable system along Commercial Rd, edge Milton St, also along Cafpirco Rd to west of zone	No wastewater network – network extends along Commercial St but ends about 700m from Millton St
Mount Schank	11kV line along Riddoch Highway and along Post Office Rd and through zone	No potable water supply network nearby	No wastewater network nearby
Port MacDonnell – Dingley Dell Road	11kV line along Dingley Dell Rd	No potable water supply network nearby	No wastewater network
Port MacDonnell – Boat Yard	11kV line along Russell St	Potable network along Russell St	No wastewater network
Port MacDonnell – Irven Street	11kV line through middle of zone	Potable network along Irven St and at western end of zone along Meylin St	No wastewater network

DATA SOURCE – Location SA Map Viewer

7.0 Separation Distances

The Evaluation distances for effective air quality and noise (August 2016) guidelines have been prepared by the Environment Protection Authority (EPA) for use in the assessment of development proposals to ensure that incompatible land uses are located in a way that minimises impacts caused by air and noise emissions.

The primary role of the guidelines is to serve as an aid in the assessment of development proposals. The application of the guidelines will assist in protecting amenity in residential and other sensitive areas, and can also be used by planning authorities to protect industry from encroachment by sensitive land uses that would adversely affect industry viability.

The distances quoted in the guidelines are recommended evaluation distances between various industrial uses and sensitive land uses. The guidelines also include a mechanism for a developer to demonstrate that an evaluation distance, other than the recommended distance, is appropriate.

While primarily focussed on protecting the amenity of sensitive land uses, such as dwellings, schools, child care centres, hospitals and the like, the guidelines can also be used in considering the location of new industrial areas and in determining the potential for industry to industry impact. This is important as some industrial activities are more sensitive to impacts than others.

In some circumstances, some industrial activity can affect the supply of industry land. This can occur through effectively 'sterilising' the surrounding land (whether owned or not) for buffer purposes, by requiring a larger site for buffer purposes or by reducing the appeal of the area for other more sensitive industrial activities, either for operational reasons or market perceptions. In other circumstances, the required buffer zone could still be used for other compatible uses.

Recommended evaluation distances for selected activities are provided in **Table 6**, giving an indication of the potential impacts of these activities and how they can affect industry land requirements.

Table 6 Recommended evaluation distances and/or noise evaluation

Activity	Description	Air and/or noise evaluation distance (metres)
Wood Preservation Works	Using creosote as preservative	500
	Storage only of creosote logs	200
	Using non-creosote preservative	200
Hot Mix Asphalt Preparation	Old technology	1,000
	New technology	500
Concrete Batching Works		200
Pulp or Paper Works		Individual assessment (1000 - 2000)
Wood Processing Works	Sawing, milling, chipping etc	500
	Joinery operations	100
Dairies	More than 100 milking animals	500
Abattoirs or Slaughterhouses	Other than poultry	500 - 1,000
	Poultry only	300 - 1,000
Composting Works	>200 tonnes/year	1,000
	>20 tonnes and < 200 tonnes/year	300
	≤20 tonnes/year	100
Milk Processing Works	>5 ML/year	500
	≤5 ML/year	100
Fish Processing	>100 tonnes/year	200
	≤100 tonnes/year	100

8.0 Industry in a Groundwater Protection Area

Concept Plan Map Gra/1 Blue Lake Groundwater Capture Zone within the Development Plan shows that the following industry Policy Areas are located within the Blue Lake Capture Area and Buffer Area:

- Millicent Road Policy Area 1
- Northern Gateway Policy Area 3
- Penola Road Policy Area 4.

The locations of these Policy Areas within the Capture Area and Buffer Area are shown on **Figure 15**.

Specific policies of relevance to industry development within this Capture Area and Buffer Area are located within the Natural Resources General Section of the Development Plan:

- Objective 14: Protection of **'Area 1 - Blue Lake Groundwater Protection Area'** and **'Area 2 - Blue Lake Capture Area and Buffer Area'** as shown on *Concept Plan Map Gra/1 - Blue Lake Groundwater Capture Zone* from development liable to lead to pollution of the Blue Lake.
- PDC 17: No development which has the potential to pollute the water quality in the Blue Lake should be undertaken within **'Area 1 - Blue Lake Groundwater Protection Area'** and within **'Area 2 - Blue Lake Capture Area and Buffer Area'** as shown on *Concept Plan Map Gra/1 - Blue Lake Groundwater Capture Zone*.

While this policy position does not preclude the establishment of industrial development within the Capture Area and Buffer Area, it does indicate that increased attention should be paid to proposals to ensure they will not pollute the groundwater. This could result in additional establishment costs and ongoing maintenance costs, particularly in relation to on-site wastewater treatment and disposal when mains sewers are not available. In larger developments this could also result in additional land being required to cater for on-site treatment systems.

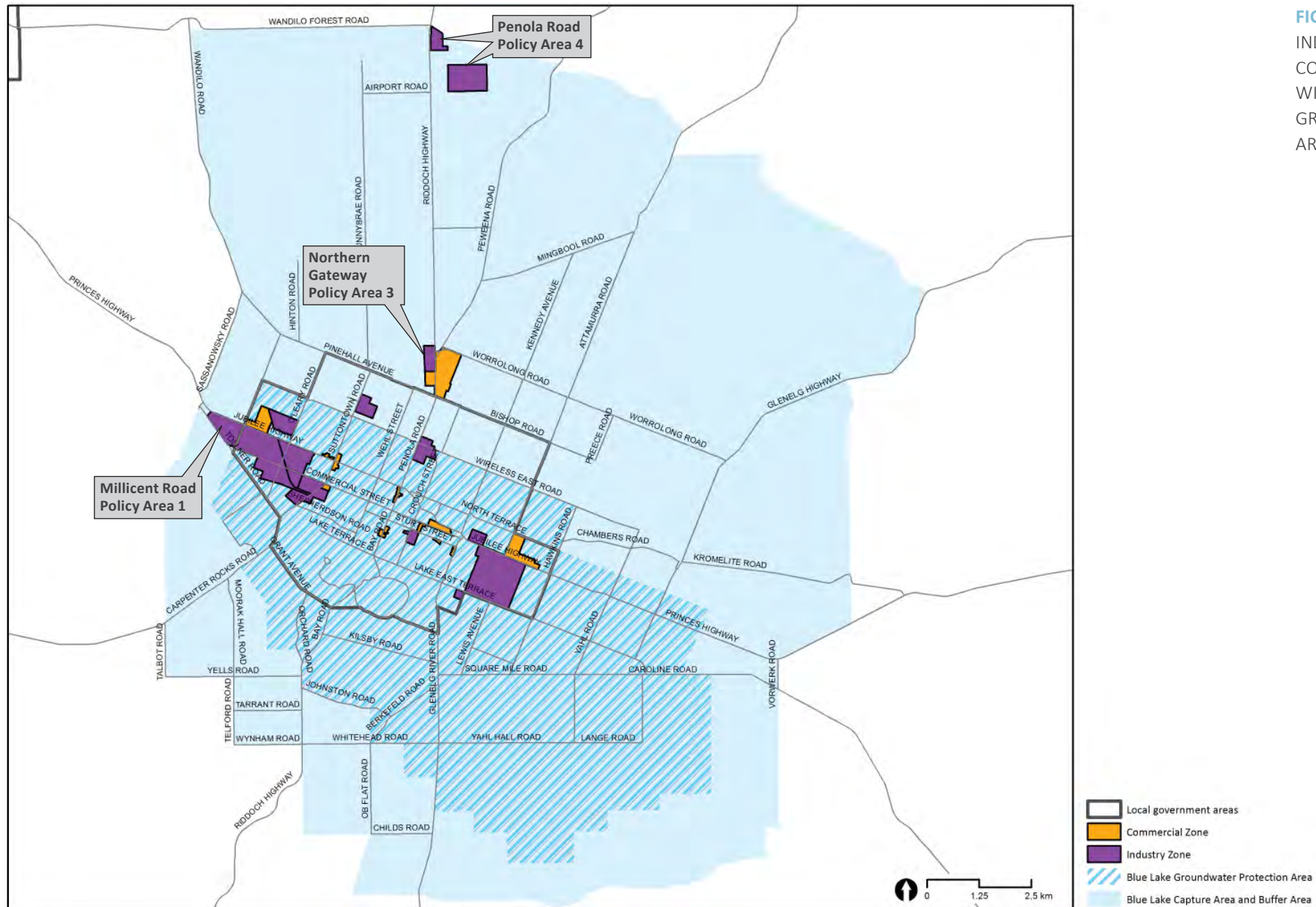


FIGURE 15
INDUSTRY AND
COMMERCIAL ZONES
WITHIN THE BLUE LAKE
GROUNDWATER CAPTURE
AREA AND BUFFER AREA

9.0 Industry in a Bushfire Risk Area

The Development Plan contains a number of policies applying to development of land identified as being subject to General, Medium or High bushfire risk as shown on the *Bushfire Protection Area BPA Maps – Bushfire Risk*.

Review of these Maps indicates that the Policy Areas comprising the Industry Zone are located within the following Bushfire Risk areas:

Policy Area	Level of Bushfire Risk
Millicent Road Policy Area 1	General
Mount Schank Policy Area 2	General
Northern Gateway Policy Area 3	General
Penola Road Policy Area 4	Northern portion - High Southern portion - General
Port MacDonnell Policy Area 5	Dingley Dell Road - Excluded Irven Street - Excluded Boat Yard - Excluded Potential area to west of Boat Yard - Medium
Tarpeena Policy Area 6	Western portion - High Eastern portion - Medium

Figure 16 shows generalised Bushfire Risk Areas for the whole Council area, including the Primary Production Zone where a number of industrial activities have located within the last decade.

Consideration of bushfire risk should be taken into account in the location, siting and design of industrial development.



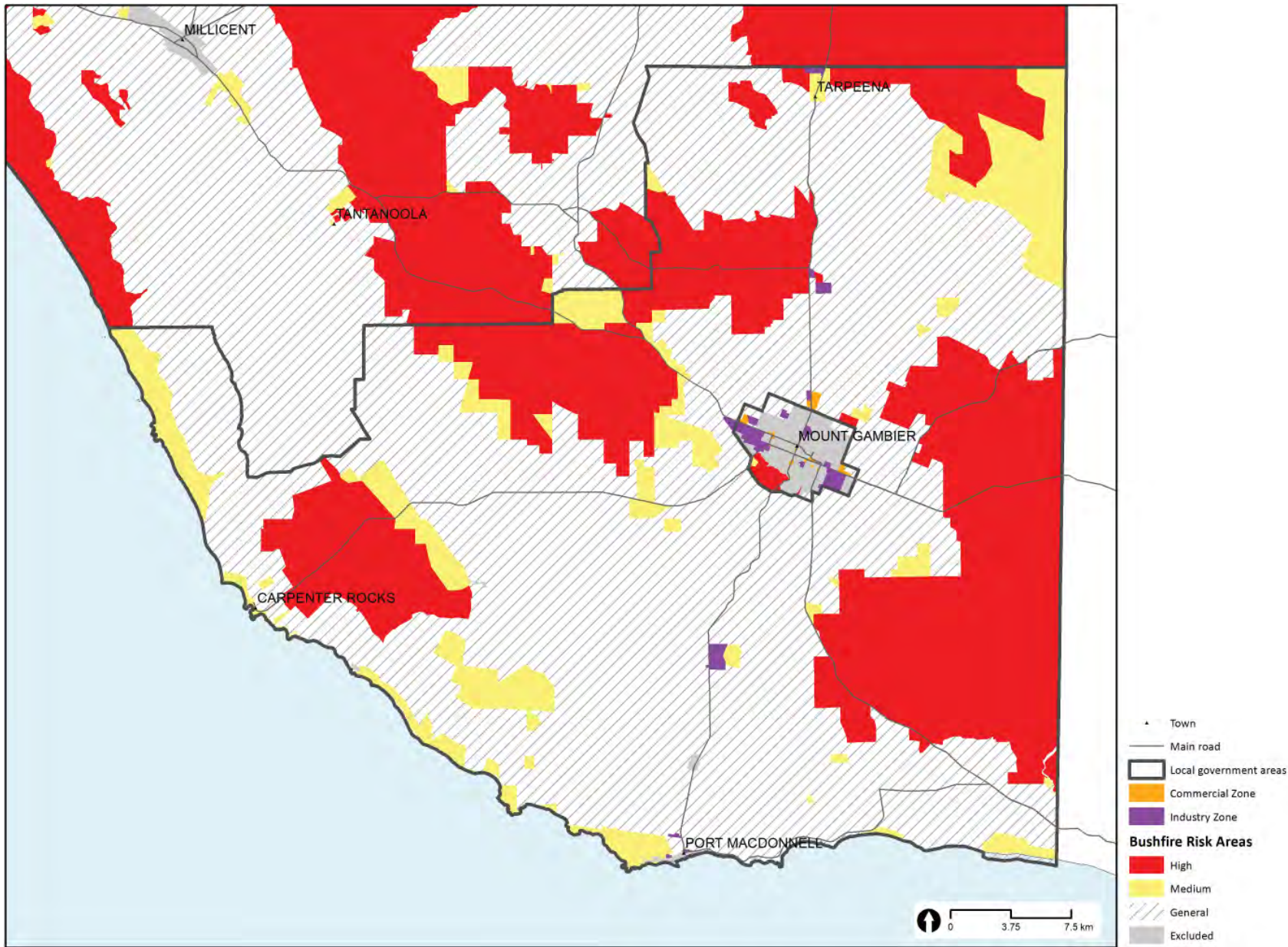


FIGURE 16
INDUSTRY AND
COMMERCIAL ZONES
SHOWING BUSHFIRE RISK

10.0 Truck Parking/Depots in Primary Production/Rural Living Zones

During discussions with Elected Members and at the community meeting / workshops, the issue of truck parking within the Rural Living and Primary Production Zones was raised. Concern was expressed over such issues as the potential growth in truck numbers parked on a property, decreased amenity in the locality and increased impacts on neighbours from truck movements.

Review of the Development Regulations 2008 indicates that:

- “The parking of any vehicle exceeding 3,000 kilograms in weight (including the weight of any attached trailer) on land used for residential purposes” becomes development under the Development Act 1993 and therefore requires development approval.
- A “road transport terminal means land uses primarily for the bulk handling of goods for transport by road, whether or not the land is also used for –
 - (a) the loading and unloading of vehicles used to transport such goods;
 - (b) the parking, servicing or repairing of vehicles used to transport such goods.”

Review of the South Australian Planning Policy Library Terminology List, prepared to assist in the interpretation of planning policies and increase consistency in Development Plans, indicates support for the use of terms in Development Plans including:

- Truck Parking – as per the definition above.
- Transport Depot – to be used for storage / parking of vehicles if no bulk handling takes place on the land.
- Road Transport Terminal – as per the definition above.

Review of the policies for the Rural Living Zone indicates that a “Road transport terminal” is listed as a non-complying form of development. Apart from reference to a “transport depot” at Mount Percy Road, Compton, there are no other specific policies for “Truck parking” or “Transport depot” within the Zone. However, it is noted that some General Section policies could be applied in the assessment of proposals for these uses.

If this issue is considered to be significant, additional policies could be provided in the Zone to give further assessment guidance. For example, policies could require the parking of a vehicle exceeding 3,000 kilograms to:

- Only occur within specific Precincts.
- Be limited in numbers.

- Be parked on the same allotment as the dwelling occupied by the driver of the vehicle.
- Be able to enter and exit the property in a forward direction.
- Other than minor maintenance, not include acts or activities associated with the use or maintenance of the vehicle.
- Operate within the statutory mass and dimension limits for General Access Vehicles (as prescribed under the Road Traffic Act, 1961).
- Be parked on an allotment of at least 2 hectares.
- Not be in the form of a B-Double.
- Be setback a defined distance from the front boundary and side and rear boundaries.
- Have sealed parking and access areas (including internal driveways) or have a surface that can be treated and maintained to a suitable standard to withstand the weight of the vehicle and minimise dust and mud nuisance.
- Have parking and access designed and sited so that movement of the vehicle to and from the property does not result in nuisance to adjoining neighbours as a result of noise, dust, fumes, vibration, odour or potentially hazardous loads.
- Not have refrigerated trailers parked on the property at any time while the motor is in operation.
- Only enter and exit the property in accordance with specified hours.
- Not require the handling or trans-shipment of freight on the property.
- Be screened from views from adjoining properties and the public roads by existing buildings and landscaping.

Review of the policies for the Primary Production Zone indicates that a “Road transport terminal” is listed as a non-complying form of development only within the Horticulture Policy Area 8. There are no specific policies for “Truck parking” or “Transport depot” within the Zone. However, it is noted that some General Section policies could be applied in the assessment of proposals for these uses.

While these uses are considered more appropriately located in Industry or Commercial Zones, they are not considered inappropriate, in some circumstances, within the Primary Production Zone. Similar policies as discussed above for the Rural Living Zone could be inserted into the Primary Production Zone, if considered warranted, via a Development Plan Amendment process.

11.0 Funding

Possible funding sources to assist with the development of industrial land have been investigated, with input provided by:

- Regional Development Australia – Limestone Coast.
- Department of State Development.
- SA Minister for Regional Development / Minister for Local Government's Office.

It should be noted that funding programmes / grants are subject to change, can be limited in time scale and are often dependent on the priorities of the Government of the day.

Within this scenario, current potential funding sources identified include:

SA Regional Development Fund

The purpose of the Regional Development Fund (RDF) is to increase economic growth and productivity for regional South Australia. The RDF provides \$15 million per annum and is administered by Regions SA.

The broad objectives of the RDF are to support regional economic development by:

- Creating new jobs and improving career opportunities.
- Providing better infrastructure facilities and services.
- Strengthening the economic, social and environmental base of communities.
- Supporting the development and delivery of projects.
- Leveraging funding and investment.

Round 3 (2016-17) of the RDF consisted of 2 grant programs:

- The Major Projects Program for grants of between \$200,000 and \$2 million. This is aimed at supporting major economic projects designed to strengthen regional industries, support local economies and provide opportunities through investment in strategic projects.
- The Community Infrastructure Program for grants of between \$200,000 and \$1 million to support investment in regional communities to develop their economic infrastructure and grow their capabilities as a foundation for future jobs and economic growth.

The RDF is currently (June 2016) not open for applications.

For further information: *Contact Regions SA Grants Manager on (08) 8429 0506.*

Australian Government's National Stronger Region Fund

The Australian Government National Stronger Region Fund (NSRF) programme commenced in 2015 and provides funding of \$1 billion over 5 years to fund priority infrastructure in regional and disadvantaged communities. The programme is administered by the Australian Government's Department of Infrastructure and Regional Development.

Key features of the programme are:

- Grants must be between \$20,000 and \$10 million.
- Local government and incorporated not-for-profit organisations are eligible to apply.
- Grant funding must be matched in cash on at least a dollar for dollar basis.
- All partner funding must be confirmed.
- NSRF funding will be provided for capital projects which involve the construction of new infrastructure, or the upgrade or an extension of existing infrastructure.
- The project must deliver an economic benefit to the region beyond the period of construction. Projects should support disadvantaged regions or areas of disadvantage within a region.
- The NSRF funded component of the project must be completed on or before 31 December 2019.

The RDF is currently (June 2016) not open for applications.

For further information: investment.infrastructure.gov.au/funding/NSRF

12.0 Recommendations

Based on the investigations and consultation documented in this report, the following discussion and recommendations are provided for Council's consideration:

- **Millicent Road Policy Area 1 (see Figure 1):**

The land in this Policy Area is gently undulating, has substantial frontage to Princes Highway and Tollner Road and to a lesser extent Milton Street. The Policy Area is located to the immediate west of the General Industry Zone within the City of Mount Gambier and provides a logical extension for industrial activities.

While it is understood that the current landowner has previously indicated to Council that this land is unlikely to be made available for industrial use in the near future, the land is considered suitable for this purpose and should be retained for its potential longer term industry provision.

It is also understood that there is limited vacant industrial land available within the City boundary and that the City Council expects that demand will be catered for within the DC Grant Council area.

It is recommended this Policy Area be retained to service the western portion of the Council area, and the City of Mount Gambier, in the longer term.

- **Mount Schank Policy Area 2 (see Figure 2):**

One of two Policy Areas within the Council area where General Industry activities are envisaged, this Policy Area is gently undulating and has substantial frontage to Riddoch Highway and Post Office Road. An electricity sub-station is located on the northern portion of the Policy Area.

With an area of approximately 146 hectares, this Policy Area provides the largest Industry Zoned site in the Council area and currently comprises three main areas (some 97 hectares located north of Post Office Road, some 47 hectares south of Post Office Road and 1.5 hectares to the west of Riddoch Highway).

The two largest areas are largely undeveloped for industrial uses, being primarily used for farming activities including sheep and cattle grazing. The northern area abuts the Mount Schank State Heritage Area which is located immediately to its east. The volcanic cinder cone of Mount Schank is a striking landscape feature, rising prominently 100 metres above the flat surrounding coastal plain. This Heritage Area also contains the Mount Schank Waterhole.

Given the overall size of the Policy Area, its distance from the City of Mount Gambier, and the general lack of identified industrial demand, it is recommended that the size of the Policy Area be reduced by rezoning the northern portion to Primary Production Zone. This will also assist in retaining pleasant views to and from Mount Schank and in maintaining the overall amenity of the State Heritage Area. Retention of the some 47 hectares in the southern portion of the Policy Area (south of Post Office Road) will still provide opportunities for General Industry activities to be located in this area.

It is recommended that the northern portion of the Policy Area be rezoned to Primary Production Zone, with the southern portion being retained to service General and Light Industry activity in the southern part of the Council area.

- **Northern Gateway Policy Area 3 (see Figure 3):**

Located some 500 metres from the northern boundary of the City of Mount Gambier and with frontage to Riddoch Highway and Sturm Road, this Policy Area is considered to have potential to be a key location to accommodate industrial activities into the future.

It is separated from the residential areas of the City by Rural Living and Commercial Zones which provide only limited opportunities for dwellings in proximity to the Policy Area, lessening the potential for impact on more sensitive uses.

While identified demand for industrial land is currently low, extension of this Policy Area can be accommodated to the west, with the immediate adjacent land being in the same ownership as the bulk of the current Policy Area. More detailed investigations are required to determine the final boundaries of the extended Policy Area, with consideration being given to the need for suitable buffers to reduce impacts on existing and possible future “sensitive” development. The potential also exists for a longer-term northern extension to the Policy Area.

Any extension to the Policy Area should be suitably serviced by infrastructure (i.e. water, electricity and wastewater management/treatment systems). The cost of providing suitable access to the Riddoch Highway from Sturm Road is known to be a significant impost on the further development of the existing Policy Area, but may be able to be more easily borne if to also service an extended area. This matter should be further considered in light of a later recommendation for the State Government to establish a dual carriageway along this section of the Riddoch Highway, eventually extending all the way to the Mount Gambier Airport.

It is noted that the often prohibitive cost of infrastructure provision is not limited to just this Policy Area, but also must be considered wherever industrial development is proposed.

It is recommended that:

- (1) This Policy Area be retained to service industrial activities which require a near City location.***
- (2) The Policy Area be extended to the west (and potentially longer-term to the north), subject to further investigations delineating suitable boundaries to limit adverse impacts on more “sensitive” development.***

- **Penola Road Policy Area 4 (see Figure 4 following):**

The second of the two Policy Areas within the Council area where General Industry activities are envisaged, the Policy Area comprises two portions separated by land zoned Primary Production.

The northern portion of the Policy Area has frontage to Riddoch Highway and Ridge Road, and is quite undulating / steep in parts, with a ridge line running east-west centrally through the area. Given this topography, the land would need to be levelled to accommodate industrial buildings, requiring significant amounts of cut and fill. Further constraints will also apply based on the land’s proximity to Mount Gambier Airport (1 km to the south). The land is in alignment with current approach and take-off paths for runway 18/36 and limitations on building heights/chimney stacks and resulting steam/smoke production from development will be important to ensure aircraft safety. The potential extension of this runway in the direction of the industrial land also needs to be taken into account. In these circumstances this portion of the Policy Area is not considered particularly suitable for industrial purposes.

The southern portion of the Policy Area is located some 400 metres to the east of Riddoch Highway and is accessed from Hutchinson Road, currently an unformed ‘farm track’. Hutchinson Road enters the Riddoch Highway opposite Airport Road. This portion of the Policy Area is gently undulating and from a topography aspect is considered suitable for industrial development.

However, its distance from the Riddoch Highway is considered as a negative, and there is the opportunity to “relocate” this portion of the Policy Area to adjacent to the Highway. The land adjacent to the Highway is also flat/gently undulating, but rising in elevation to the north. At approximately 40 hectares in area, this relocated portion is smaller than the currently zoned 58 hectares to its east, but is still considered sufficient in a time of low demand for industrial land. In addition, other opportunities to accommodate industrial activity are currently available, and proposed, as part of this Master Plan. Retaining a site in this location enables General Industry activities to be accommodated to service this northern part of the Council area but consideration will need to be given to the potential for impacts on Mount Gambier Airport to the west.

It is recommended that:

- (1) The northern portion of the current Policy Area (with frontage to Ridge Road) be rezoned from Industry Zone to Primary Production Zone.***
- (2) The southern portion of the current Policy Area (with frontage to Hutchinson Road) be rezoned from Industry Zone to Primary Production Zone.***
- (3) An alternative site, of approximately 40 hectares, be established to the west of the current southern portion with frontage to the Riddoch Highway. This will require the rezoning of this site from Primary Production Zone to Industry Zone.***

- **Port MacDonnell Policy Area 5 (see Figures 5 and 5A):**

This Policy Area covers three locations in and near Port MacDonnell:

- Dingley Dell Road to the north of the township
- Irven Street
- Boat Yard (Elizabeth Street).

The intent of the Dingley Dell Road location is to accommodate small home industries where people live and work on the same site. Government land use data indicates this area is primarily residential in nature, with some agriculture still occurring on its eastern extent. Five allotments are indicated as being vacant (i.e. no dwelling). When viewed from Dingley Dell Road it is difficult to determine whether any home industries are being undertaken on the land, with the area presenting more as a rural living area.

While policy for both the Irven Street and Boat Yard sites has an emphasis on industrial and commercial development associated with the fishing industry, the Irven Street land is primarily indicated as residential in nature.

Two attendees at the evening community meeting/workshop voiced concern over their inability to access land for small-scale industry within Port MacDonnell, indicating that no land was 'on the market' in any of the three locations. Given this apparent, but limited demand, potential options have been discussed with Council staff as noted below.

It is recommended that:

- (1) ***The Dingley Dell Road portion of the Policy Area be retained. While it is not clear if it is meeting its intended function of accommodating small home industries or is acting more as a de-facto rural living area, it is not considered to be a significant matter requiring urgent attention.***
- (2) ***The Irven Street portion of the Policy Area be retained.***
- (3) ***The Boat Yard portion of the Policy Area be retained.***
- (4) ***Options for further development of the Boat Yard portion of the Policy Area be considered, including:***
 - ***Investigating whether there is opportunity to repurpose part of the Council depot and to make it available for light industrial activities.***

- ***Investigating the opportunity to extend development to the north of the current boat yard activities as there appears to be vacant land still within the Policy Area boundary.***
- ***Investigating whether land immediately to the west of the Policy Area boundary is suitable for use for industry purposes and whether it would be made available by the Crown for such a purpose.***

- **Tarpeena Policy Area 6 (see Figure 6):**

This Policy Area is located on the northern extent of the Tarpeena township, adjacent to the boundary with Wattle Range Council. The Policy Area primarily accommodates the Timberlink Australia sawmill and timber processing plant, although approximately 11 hectares on the western side of the Policy Area is held by OneFortyOne Plantations. Of this 11 hectares, just over half is under forestry with the remainder being used for agriculture.

Investigations indicate that access to this western portion of the Policy Area is difficult, with no formed roads being located in proximity. There is no access from the Riddoch Highway to the east as the previous road reserve was closed and sold to Timberlink Australia for its sawmilling operations. The road reserve forming the eastern boundary of this western portion is unformed and crosses through "marshlands". Similarly, the road reserve forming the northern boundary to this western portion is also unformed. Given this, and as the western portion of the land forms part of a larger forest plantation extending further to the west, and two high voltage transmission lines are located on the cleared eastern portion, it is proposed that this western portion of the Policy Area be rezoned from its current Industry Zone to Primary Production Zone.

It is recommended that:

- (1) ***The eastern portion of this Policy Area, accommodating the Timberlink Australia sawmill and timber processing plant, be retained within the Policy Area.***
- (2) ***The western portion of the Policy Area, accommodating electricity transmission lines and forest plantation, be excluded from the Policy Area and rezoned from Industry Zone to Primary Production Zone.***

- **Primary Production Zone**

The Primary Production Zone, which comprises the bulk of the Council area, lists 'General Industry' as a non-complying form of development. However, it is noted that this designation has been added as a 'local addition' and is not mandated by the State Government in the SA Planning Policy Library.

Despite listing 'General Industry' as non-complying, other policies within the Zone indicate support for 'industry and warehousing associated with the processing, packaging and distribution of produce'. This wording provides a measure of flexibility which has enabled the approval of a significant number of 'agricultural' industrial proposals within the Primary Production Zone.

However, further flexibility to accommodate appropriate industrial developments within the Primary Production Zone could be achieved by deleting 'General Industry' outright from the non-complying list.

This would then enable consideration of General Industry as a 'merit' use, with guidance being provided by the Zone Objectives and Principles of Development Control.

This approach would reduce ambiguity over the interpretation of policies while potentially facilitating increased development opportunities within the Primary Production Zone. By retaining the link for industries to be associated with 'produce', this would not substantially diminish the 'pressure' on developers to locate their non-produce related industrial proposals within the Industry Zone.

On some occasions, if a proposal is deemed by the State Government to be significant in terms of investment and/or employment, it may facilitate the proposal by rezoning the land via a Ministerial DPA process. With a Government imperative, this process can be undertaken in a relatively quick time-frame.

It is recommended that "General industry" be deleted from the non-complying list in the Primary Production Zone. (Note: such an amendment will need to be introduced via a DPA process.)

- **Other Zones**

Review of all zones within the Council area indicates current potential for industry (primarily Light Industry and Service Industry) to occur in the Airfield, Commercial, Rural Living, Settlement, Town Centre and Township Zones.

Development data indicates that some 18% of the industrial/commercial development approved over the last 10 years has occurred in zones other than the Industry Zone and Primary Production Zone.

This policy approach is considered supportable and practical, as it enables local industrial needs to be met without the need to pick 'winning' sites in advance.

It is recommended that the current policy position, in relation to industrial development within these zones, be retained, subject to the following discussion for the Airfield Zone.

- **Airfield Zone**

The Airfield Zone is located some 8 kilometres north of the City of Mount Gambier and has an area of approximately 250 hectares, shared between airside and landside activities. While supporting light industry, service industry and warehousing within the Zone, policies require these activities to be "ancillary to and in association with aviation activities."

However, the Mount Gambier Airport Master Plan 2016-2026 supports a more proactive approach to development, on the basis that:

- The airport has many acres of landside land available for development.
- There is opportunity for great flexibility as to development type.
- The size of the holding provides the potential for aviation and non-aviation business development.
- The airport has identified a number of sites on the landside areas of the airport that can be developed for commercial or light industrial tenants.
- The airport now has the possibility of access to the AARNET high speed fibre optic system which passes through the airport lands, which opens up the possibility of attracting more high tech business development. Coupled with its own water supply system and ample space for development, this makes the airport an attractive site for this type of business investment.

- The airport continues to market itself as a business friendly location with utility services available along with a potential ultra-high speed internet communication link and is vigilant for further opportunities.

To better achieve the land use aims promulgated in the Master Plan it is necessary to amend some policies for the Airfield Zone. This will result in greater opportunities for non-aviation related activities to be established in appropriate areas on the airport, taking advantage of existing infrastructure provision.

It is recommended that some policy positions for the Airfield Zone be amended to achieve greater conformity with the Master Plan, particularly in relation to loosening the nexus between light industry, service industry and warehousing only being envisaged where “ancillary to and in association with aviation activities.”

- **Potential Longer Term Site (see Figure 7):**

While current demand figures do not indicate an overall need to provide additional industrial/commercial land in the Council area, consideration has been given to where the current Industry Zoned land is located, particularly in relation to the City of Mount Gambier.

Further, it is noted from discussions with City Council staff, that there is little vacant industrial/commercial land available within the City boundary and that it is looking to DC Grant to accommodate future larger-scale needs.

Current Industry Zoned land in proximity to the City boundary is located to the north in Northern Gateway Policy Area 3 and to the west in Millicent Road Policy Area 1. There is no corresponding area to the east or south of the City boundary.

While requiring further investigation, a potential future longer-term site for light industrial/commercial development could be on Lake Terrace East, adjacent to the south-eastern boundary of the City.

This land is undulating and a portion of its western boundary would adjoin the City's Residential Regeneration Zone (currently vacant in this locality). Positives for this site are that it would form an eastern extension of the Commerce/Industry Zone (accommodating Quickmix concrete products/Plunkett's firewood supplies/transport depot) within the City area and be opposite the City's eastern General Industry Zone, while providing a longer-term industrial/commercial location in this portion of the DC Grant Council area.

It is recommended that this site be further investigated for suitability as a potential longer-term location for Light Industry/Commercial development.

Consideration has also been given to the location of the current 'major' industrial areas, catering for general industries, in Mount Schank Policy Area 2 and Penola Road Policy Area 4. It is noted that Mount Schank Policy Area 2 is located some 11 kilometres to the south of the southern boundary of the City, with Penola Road Policy Area 4 some 8 kilometres north of the northern boundary of the City.

Council has advised that some developers have indicated these sites are considered too far from the City to be attractive for industrial development. Notwithstanding these comments, there is considered to be merit in retaining portions of these Policy Areas, to accommodate larger scale general industrial developments which might otherwise have adverse impacts on more sensitive developments if located closer to urban areas. It should be noted the Industry Zoning does not prevent the continuation of the existing primary production activities.

In addition, from a strategic perspective, the current locations of these Policy Areas contribute to a relatively 'even spread' of industrial land, based on a north-south spine around the Riddoch Highway and extending from Tarpeena in the north to Port MacDonnell in the south of the Council area.

- **Monitoring**

In order to ensure an appropriate supply of Industry Zoned land is available on an on-going basis, Council needs to put in place a program to monitor and analyse industrial/commercial land uptake.

It is recommended that Council implement a monitoring and analysis program of industrial/commercial land uptake with a 12 monthly reporting cycle to the Planning and Development Committee.

The recommendations form the basis for the DC Grant Industrial Master Plan which is graphically shown as Figure 8 in the Executive Summary to this report.

Bibliography

Development Regulations 2008; Government of South Australia

Discussions with:

- Epic Energy
- RDA -Limestone Coast
- Department of State Development
- SA Minister for Regional Development's Office

Distribution Annual Planning Report (5 November 2015); SA Power Networks

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Evaluation distances for effective air quality and noise management (August 2016), SA Environment Protection Authority

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Grant Council Development Plan
(consolidated 11 February 2016); Government of South Australia

Greater Mount Gambier Master Plan (February 2008); Government of South Australia

Green Triangle Region Freight Action Plan (2008); Government of South Australia - Government of Victoria

Limestone Coast Region Plan (a volume of the Planning Strategy) August 2011;
Government of South Australia

Limestone Coast - Regional Roadmap 2013 - 2016; Regional Development Australia

Location SA Map Viewer; South Australian Government

Lower Limestone Coast Water Allocation Plan (various Fact Sheets November 2013); Natural Resources South East / Government of South Australia

Mount Gambier Airport 2016 - 2026 Master Plan; District Council of Grant

Mount Gambier (City) Development Plan
(consolidated 21 April 2016); Government of South Australia

Mount Gambier Industrial Land Review 1999/2000 for District Council of Grant and City of Mount Gambier; MasterPlan

National Stronger Region Fund website; Australian Government

Port MacDonnell and Environs DPA; District Council of Grant

2030 Regional Transport Plan
(June 2013) for South East Local Government Association; HDS Australia P/L

SA Strategic Plan 2011; Government of South Australia

SEA Gas website; South East Gas P/L

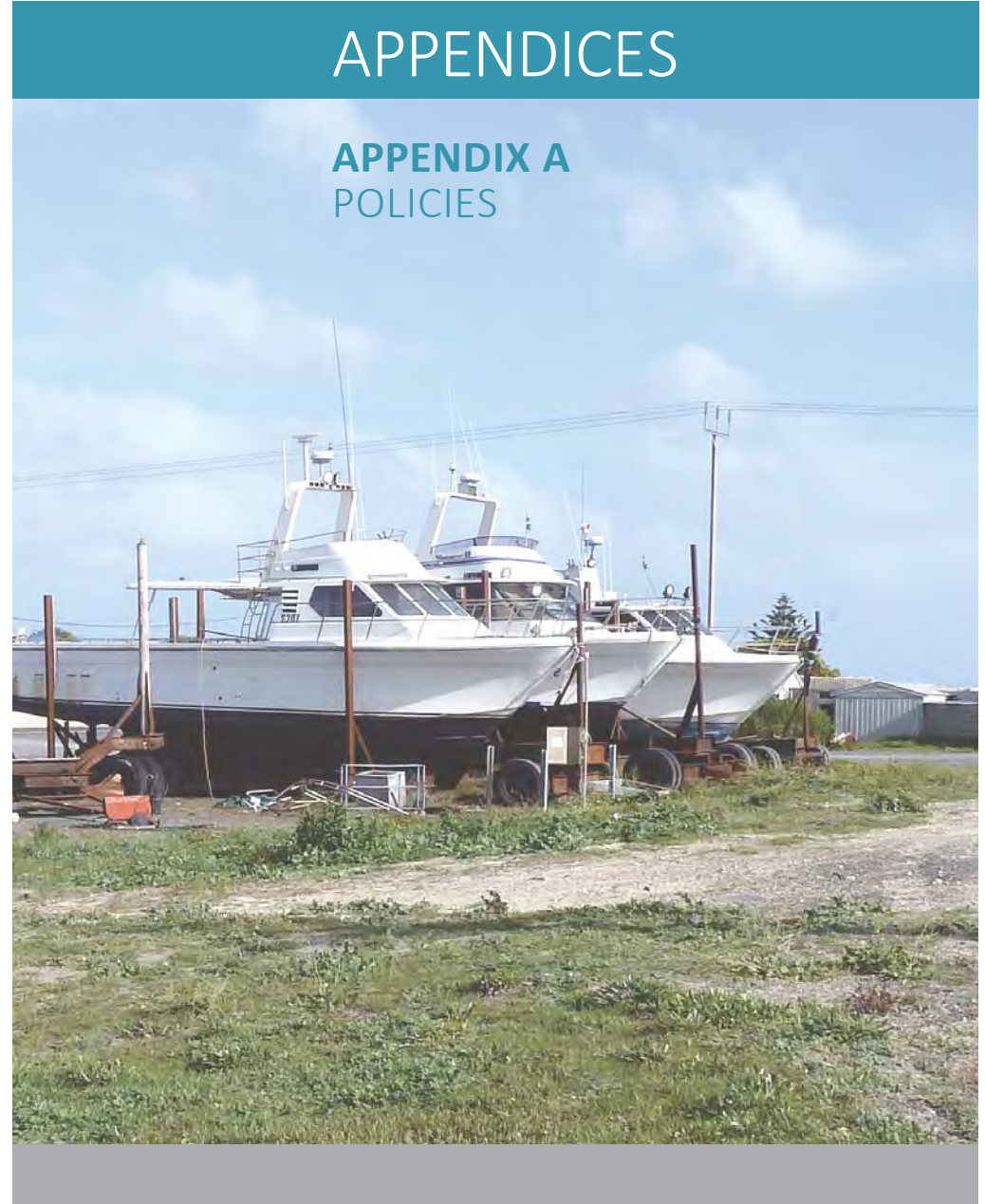
South Australian Planning Policy Library (Version 6 September 2011);
Government of South Australia

Strategic Plan 2016 - 2020 (adopted 4 April 2016); District Council of Grant

Wattle Range Council Development Plan
(consolidated 7 February 2016); Government of South Australia

APPENDICES

APPENDIX A POLICIES



APPENDIX A Policies

Review of strategic and other relevant documents	
Name of document	Relevant policies/targets/etc.
Council's Strategic Management Plan	Objective: To strengthen the economic base, promote employment opportunities and sustainable growth in the District. Community Development and Support Objective: To plan, design, co-ordinate and implement the social, community, recreational, health and medical services, facilities and infrastructure necessary for the enhancement of the physical, social and cultural amenity of our District. Quality Environment Objective: To protect and enhance the natural and built environment for a sustainable future for the District. Expected Outcomes: 2.3 Liaise and foster partnerships with public and private sector organisations for economic development, employment growth and tourism. 2.4 Promote the development and expansion of business. 2.5 Ensure adequate land is available for economic growth and acreage living in the District. 2.6 Liaise with the Regional Development Australia Limestone Coast to implement strategies for population growth for the Lower South East. 4.8 Endorse Council as a rural Council encompassing townships, country and rural living, coastal townships and areas, commercial, primary industry, business, bulky goods and industrial land uses.

Actions:

1.10.2 Advocate for funding for identified infrastructure needs for industry sectors and Council assistance within budget.

2.3.4 Liaise and foster relationships with key industries including dairying, timber, horticulture, viticulture, beef, sheep/lamb and aquaculture to promote and assist with industry development and expansion.

2.3.5 Continue to progress and support identified developments including :- an industrial area adjoining Tarpeena (including co-generation plant) utilisation of the old boatyard site, renewable energy, marine facilities at Port MacDonnell and Airport Pilot Training Facilities and associated industries.

2.4.1 Implement the recommendations of the Economic Development Plan of Council in promoting and developing industrial and employment growth.

2.4.2 Advocate on behalf of industry and business at all levels of Government to attract funding and assistance for the establishment of projects and/or expansion of existing business throughout the District.

2.4.3 Assist businesses in value adding and diversification in all primary industries.

2.5.1 Undertake the rezoning of land for appropriate purposes in accordance with the Greater Mount Gambier Master Plan to ensure orderly and proper planning and development in the Council area.

4.8.1 Annually assess opportunities for township expansion, business growth and value adding in the primary sector.

SA Strategic Plan (2011)

Target 16: Economic disadvantage. By 2020, increase by 2 percentage points the share of total household income earned by low income South Australians (baseline: 2007-08).

Goal: South Australia has a resilient, innovative economy.

Target 34: Credit rating maintain AAA credit rating (baseline: 2004)

Target 35: Economic growth. Exceed the national economic growth rate over the period to 2020 (baseline: 2002-03)

Target 36: Labour productivity. Exceed Australia's average labour productivity growth rate through to 2020 (baseline: 2002-03)

Target 37: Total exports. Increase the value of South Australia's export income to \$25 billion by 2020 (baseline: 2002-03)

Target 38: Business investment exceed Australia's ratio of business investment as a percentage of the economy by 2014 and maintain thereafter (baseline: 2002-03).

Goal: We develop and maintain a sustainable mix of industries across the state.

Target 39: Competitive business climate Maintain Adelaide's rating as the least costly place to set up and do business in Australia and continue to improve our position internationally (baseline: 2004).

Goal: All South Australians have job opportunities.

Target 47: Jobs increase employment by 2% each year from 2010 to 2016 (baseline: 2010)

Target 48: Ageing workforce participation increase the proportion of older South Australians who are engaged in the workforce by 10 percentage points by 2020 (baseline: 2010)

Target 49: Unemployment maintain equal or lower than the Australian average through to 2020 (baseline: 2004)

Target 50: People with disability increase by 10% the number of people with a disability employed in South Australia by 2020 (baseline: 2009)

Target 51: Aboriginal unemployment halve the gap between Aboriginal and non-Aboriginal unemployment rates by 2018 (baseline: 2008)

Goal: We meet industry skill needs by training South Australians.

Target 55: Apprentices increase the number of apprentice completions in trade occupations by 20% by 2020 (baseline: 2009)

Limestone Coast Region Plan (Planning Strategy)

Principle and policies:

Principle 9 Provide and protect serviced and well-sited industrial land to meet projected demand.

Principle 10 Focus commercial development in key centres and ensure it is well sited and designed.

Principle 11 Strategically plan and manage the growth of towns.

Principle 12 Design towns to provide safe, healthy, accessible and appealing environments.

5.1 Encourage industry clusters (including mining, primary production and aquaculture value-adding processing and storage activities) in strategic locations such as freight transport nodes to maximise transport efficiencies and support industry development.

5.2 Establish appropriate buffers to protect existing strategic infrastructure and sites and corridors identified as potential locations for future infrastructure from encroachment that may compromise their operation or expansion.

5.4 Ensure land uses surrounding the airport, aerodromes and airstrips are compatible with these facilities and do not detract from their operation.

5.6 Protect the transport functionality of road and rail corridors through planning policy in Development Plans.

6.2 Support new horticultural development in locations between Bordertown and Naracoorte and north and south of Mount Gambier (as identified on Map 4), and ensure compatible land uses in these areas.

6.7 Co-locate intensive primary industries and compatible processing activities to reduce land-use conflict and achieve efficiencies in production, processing, distribution, energy efficiency and waste recycling, taking into account environmental, infrastructure and rural amenity issues.

9.2 Ensure an adequate supply of appropriately located industrial land to provide opportunities for small scale and local industries that complement local agriculture, horticulture, fishing and aquaculture, livestock and dairying, and mining in towns throughout the region.

Limestone Coast Region Plan (Planning Strategy)

9.3 Site and locate industrial land to ensure:

- management of interfaces with residential areas and other sensitive uses, and protection from encroachment
- optimal use of existing and planned infrastructure (for example, wastewater re-use plants)
- provision for future expansion
- accordance with Environment Protection Authority policies, codes of practice and guidelines
- an efficient road freight network that minimises the impacts of freight movements on neighbouring areas
- access to required energy and water supplies.

9.4 Retain and support ongoing industrial operations by providing for appropriate buffers to minimise conflicts and managing external impacts, such as noise, vibrations, odour and native vegetation disturbance.

9.5 Support the growth of renewable energy and 'green' technologies by setting aside employment lands and ensuring flexibility in zoning to allow new industries to establish.

9.6 Provide for the establishment of facilities in appropriate locations to support new markets and products for recycled materials and animal waste products.

12.6 Manage interfaces between residential, town centres and industrial areas to avoid potential conflicts.

Greater Mount Gambier Master Plan (2008)

OBJECTIVE: *Ensure that new industry can be established and existing industry can continue to operate.*

- Protect the investment in existing industry to maintain an employment base for Greater Mount Gambier.
- Provide locations where new industry can locate to provide for growth in employment.
- Ensure that there is adequate separation between existing and new residential development and industrial activities.

Industrial Development Provisions in the Development Plan with those in SAPPL Version 6

SAPPL

Small-scale agricultural industries, home-based industries, mineral water extraction and processing plants, and wineries in rural areas.

PDC's 10 – 16.

Port MacDonnell and Environs DPA

Proposed Desired Character Statement insertion:

Industry Zone – Port MacDonnell Policy Area

Future development in the policy area is expected to enhance the visual environment through appropriate design and siting of buildings, and landscape screening away from public roads and adjoining sensitive land uses.

Airfield Zone for industrial opportunities

NA

Mount Gambier Airport Master Plan (2016-2026)

5.3 Opportunities and Prospects

5.3.4 On site business development

The Mount Gambier Airport is situated on approximately 250 hectares of land which provides the potential for aviation and non-aviation business development. The airport has identified a number of sites on the landside areas of the airport that can be developed for commercial or light industrial tenants. The airport now has the possibility of access to the AARNET high speed fibre optic system which passes through the airport lands, which opens up the possibility of attracting more high tech business development.

Coupled with its own water supply system and ample space for development, this makes the airport an attractive site for this type of business investment.

The airport continues to market itself as a business friendly location with utility services available along with a potential ultra-high speed internet communication link and is vigilant for further opportunities.

6.2 Objectives

To encourage land use and development which enhances the core aviation function of the airport and integrates with airport operations and the local region.

To strengthen the range of exiting uses and compatibility of these and new land uses.

To aggressively seek new industry and participants to establish operations at the Mount Gambier Airport.

Council's Economic Development Plan (2009-2014)

Industrial Estates (page 13)

Action:

1. Review the success of industrial estate planning,
2. Review and update the Industrial Estate Business Plan,
3. Initiate website promotion to attract industry.

Road Transport (page 13)

Actions:

1. Continue to support improvements to road infrastructure to assist this vital industry.

Roads (page 15)

Actions:

6. Review industry use of roads and provide appropriate access for vehicles including B Doubles and underpasses for stock.

Disadvantaged People (page 18)

Actions:

1. Discuss potential development and expansion of Heritage Industries Inc. to further assist and provide job opportunities for people with a disability and their carers/supporters.

Township Plans (page 20)

Actions:

1. Work with industries, particularly the timber industry to attract major industrial activity in Tarpeena,
2. Promote opportunities for new development in Port MacDonnell, particularly the former boatyard site and heritage properties,
5. Promote the Yahl Industrial Complex for start up businesses.
6. Facilitate reactivation of Mount Schank meatwork facility.

Industry Zoned land

- NA

**RDA
Limestone
Coast –
Regional
Roadmap
(2013-2016)**

Regional Plan Priorities

1. Economic Development and Diversification

- i Increasing advanced manufacturing particularly in the forest and forest products industry.
- ii Increasing exports and expansion of markets for regional products.
- iii Developing industry clusters to maximise economic development within the region.

2. Infrastructure

- i Advocating for investment for the maintenance and upgrade of infrastructure associated with the South East Drainage and Watercourse network, particularly as it relates to regional transport, industry and agriculture.
- ii Promoting increased power availability and reliability.
- iii Promoting mobile phone coverage and high speed broadband availability.

3. Human Capital Development

- i Promoting skills and workforce development
- ii Championing the establishment of an innovation hub.

**Mount
Gambier
Industrial
Land Review
1999/2000**

Recommendations 11.2 District Council of Grant

- 11.2.1** Delete the current industrial zone land in the District Council of Grant, bounded by Jubilee Highway West, O'Leary Road, Wireless Road West and Wandilo Road.
- 11.2.2** Review the future zoning of land in question, including the potential of the Millicent Road frontage remaining as a Commercial Zone.
- 11.2.3** Review existing industrial policy in relation to any new site to be specific to any chosen location and incorporate performance based standards in the council-wide planning policy.

DC GRANT
INDUSTRIAL LAND REVIEW
AND MASTER PLAN

October 2016

