zenith

town planning

ENTERPRISE LAND REVIEW

for Bega Valley Shire Council

13 July 2016

sustainable thinking

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1. Introduction

1.1 Aims

Bega Valley Shire Council has engaged Zenith Town Planning to investigate recent trends in industrial development in Bega Valley local government area and identify expected future growth patterns. A key requirement is to determine the suitability of existing industrial zoned land to meet future demands.

The aims of the project are to:

a) Review the current status and trends in industrial/employment land development in regional Australia, and

b) Identify likely key drivers and opportunities for the expansion of the local economy (be they internal or external) which require industrial zoned land in the Bega Valley Shire.

At the outset it is worth noting that every region has its own unique opportunities and challenges. The same applies to enterprise land areas within each region. To quote the foreword to the *State of Regional Australia 2015* report prepared by the Commonwealth Department of Infrastructure and Regional Development, an evidence based understanding of a region's performance should underpin community development initiatives, policy settings and investment strategies which can enable a region to prosper and harness the opportunities associated with its own unique advantages.

This sets the scene for this report – to identify actions that may be taken by Bega Valley Shire Council and policy that may be developed to secure industrial growth. Available evidence such as the supply of and demand for industrial zoned land, population and labour force characteristics, and existing and planned infrastructure to cater to industry are considerations.

The overarching goal is employment creation and economic development in a way that sustains the qualities of the natural environment and the strength of the local community. *The industries within a region provide the foundation of economic activity … and … capitalise on a region's comparative and competitive advantage, generating income, providing jobs for locals using the natural and human capital of the region* (Department of Infrastructure and Regional Development, *Yearbook 2014 Progress in Australian Regions*).

1.2 Scope

This paper examines current trends in industrial development in Bega Valley and surrounding regions, identify opportunities, constraints and barriers to industrial growth, and recommends policy directions to Council. The project is to include a communications strategy to facilitate the engagement of key stakeholders in the Bega Valley business community in planning for industrial development.

Essentially the project is to support the sustainable economic development of Bega Valley and consequent job creation for current and incoming residents. This paper builds upon work already undertaken by Strategic Economic Solutions and Council that has analysed the economic and demographic background of the LGA and culminated in an *Economic Development Strategy 2016-2021*. This paper extends that research to the planning realm by exploring opportunities and constraints to industrial growth in terms of the physical capabilities of available land, market and social factors, and planning policies that apply to industrial development. It is acknowledged that the tourism industry is the source of most employment and income in Bega Valley Shire, however, this report is concerned with other industrial uses, their location and future potential including those that are linked to tourism development as suppliers of resources or services.

In making recommendations, relevant strategic policy directions adopted by Council to guide the growth of Bega Valley Shire have been considered. Recommendations include details of any necessary rezoning under *Bega Valley Local Environmental Plan 2013* and/or reclassification from community land to operational land under the *Local Government Act 1993*. The findings of this report contain sufficient detail to inform a planning proposal to reclassify and/or rezone land where this is recommended as an action. Where a rezoning and/or reclassification is recommended, these assessments may be used as strategic justification in a planning proposal prepared in accordance with *A guide to preparing planning proposals* issued by the Department of Planning and Infrastructure in October 2012.

2. Methodology

2.1 Method

The methodology described below has been used to examine industrial development trends, identify emerging industries and to evaluate the suitability of existing industrial areas.

Relevant provisions of environmental planning instruments and local strategies have been reviewed to ascertain implications for the review of enterprise land. The following plans and strategies have been reviewed:

- *Bega Valley Local Environmental Plan 2013* (e.g. for provisions governing industrial development, the location of industrial zones and the effects of mapped constraints),
- the *South Coast Regional Strategy* (e.g. for outcomes and actions to guide industrial development),
- economic strategies such as the *Economic Development Strategy 2016-2021* and background reports including the *Economic Development Discussion Paper* and *Economic Context 2015* (e.g. for key information about demographic, labour force and industry statistics, trends, priorities and directions for local industry), and
- other local strategies, such as the *Business Growth Action Plan, Land Investment Strategy* and *Digital Economy Strategy* (for information and data about Council's management of the local economy).

Key features of the local economy have been analysed in the paper *Economic Context 2015* using 2011 ABS census data. This information which includes socio-economic and demographic characteristics relevant to employment lands, such as population growth and distribution, age structure, skills, qualifications, employment, workforce participation and industry sector data is essential background to the project.

Local and regional industrial development trends have been examined to determine the characteristics of existing industry in Bega Valley Shire, i.e. the range of existing and proposed uses and the locational characteristics of existing industrial development. Factors that affect and drive the local and regional economy are identified. Comparisons are made to surrounding regional economies, i.e. the Far South Coast, and the South-east & Tablelands Regions of NSW (which is also referred to in national and state planning documents as the

Capital Region). Neighbouring areas have strong connections with and influence development in Bega Valley Shire.

Emerging and potential future opportunities for industrial growth are identified in this report based on the analysis of current local and regional trends, and industry drivers. These include the identification of linked industries, for example, businesses that contribute to and benefit from emerging and potential industries by way of the multiplier effect. The prerequisites to facilitate industrial growth, such as specific locational and servicing needs, labour force requirements, land area requirements, and exposure to markets are identified.

Zoned industrial land exists at Bermagui, Bega, North Bega, South Bega, Pambula, South Pambula, Kalaru, Wallagoot, Eden and Snug Cove. The recent take-up of land in these areas is assessed using development approvals, and construction commencements data sourced from Council as measures of demand. The current and potential supply of industrial zoned land is estimated based on further subdivision of vacant and under-utilised land, allowing for environmental constraints and servicing requirements. This analysis combined with population projections enables the projection of specific requirements (land area, uses and location) for industrial land over the coming decade and assist to verify trends in industrial development.

Each industrial area in Bega Valley Shire has been inspected to enable an understanding of locational and contextual factors such as topography, access arrangements, visibility and relationships with surrounding land.

A broad-ranging strengths, weaknesses, opportunities and threats analysis has been carried out and the results presented in the *Economic Development Discussion Paper*. An opportunities and constraints analysis has been carried out in this report for each of the existing industrial areas to determine the suitability of this land for future industrial development. The analysis drills down to the specific attributes of the land and the relationship with the needs of emerging and potential industries. The analysis has considered:

- access and proximity to available land, sea and air transport modes and in-progress or planned improvements to transport infrastructure,
- locational and physical attributes,
- the pattern of industrial land holdings,
- accessibility and distance to markets for the sourcing of raw materials and the distribution of products,
- the pattern of settlement,

- labour force characteristics,
- the relationship of industrial zoned land with adjoining land, and
- environmental attributes of existing zoned employment land including topography, flora and fauna, watercourses and natural hazards.

Further details about each industrial area are provided in inventory sheets as Attachment 1. The outcome of these investigations is the identification of any constraints to development that require further investigation and estimates of the supply of industrial land. Recommendations are made to address these issues, including necessary adjustments to the policy framework to facilitate the development of emerging and potential future industries. This includes further investigation, the application of lot sizes, providing incentives to industrial development and consideration of a new centrally-located industrial estate. Subject to further investigations, this report provides a basis for Council to prepare a Planning Proposal to amend *Bega Valley LEP 2013*.

Consultation with a range of industry participants has been carried out albeit with a limited response. Discussions have also taken place with representatives of the Department of Planning and Environment and the NSW Office of Small Business to inform this report. A community engagement plan is provided as Attachment 2 that aims for closer and more detailed engagement with the business community as well as the wider community about the future of industrial development in Bega Valley Shire. This plan has been prepared in accordance with Council's *Communications Strategy 2013*, and the *Community engagement and communications toolkit*.

2.2 Format

This report is structured as follows:

Chapter 1 *Introduction* – introduces the project and provides information about the aims, scope and limitations

Chapter 2 *Methodology* - provides an explanation of the methodology used to carry out the Enterprise Land Review and the sources of information

Chapter 3 *Policy framework* – provides a summary of the relevant provisions of environmental planning instruments and local strategies that apply to industrial land and industrial development in Bega Valley LGA. The implications of these plans and strategies for future industrial development is discussed

Chapter 4 *The local economy* - a brief overview of the employment and industry characteristics is presented as background information

Chapter 5 *Industry trends and drivers* – provides the results of a literature review and interrogation of approvals data to ascertain national, state, regional and local trends over the past 5 years. Emerging and potential industries and their location and spatial requirements are discussed

Chapter 6 *Consultation with industry and agencies* – details of the questions put to a group of industry participants are provided with a summary of the responses received and details of discussions with representatives of state agencies

Chapter 7 *Industrial development in Bega Valley* – demand/supply analysis with a description of each industrial zone is provided along with an opportunities and constraints analysis to provide an overview of the suitability of these zones to meet future demand

Chapter 8 *Recommendations* – adjustments to policy are recommended along with recommendations for further investigation to determine the suitability of existing and future industrial areas

Attachment 1 – Industrial area inventory sheets – individual inventory sheets are provided for each industrial area

Attachment 2 – Community engagement plan – a consultation plan is provided to guide engagement with the wider community, affected landowners, industry participants and state agencies

References – all documents used to source information for this project are listed as references.

3. Policy framework

The provisions of plans and strategies that influence the location and types of industrial development in Bega Valley Shire and the implications for future industrial development are identified in this chapter.

3.1 South Coast Regional Strategy

The *South Coast Regional Strategy* was released by the Minister for Planning in February 2007. The strategy applies to Shoalhaven, Eurobodalla and Bega Valley local government areas and is intended to guide development over the next 25 years. The strategy directs new development to regional growth centres and their surrounding settled areas as a means of preventing sprawl across undeveloped land and to make use of vacant zoned urban land. Bega is identified as a major regional growth centre.

The *South Coast Regional Strategy* estimates that as at May 2004 there was 907 hectares of available vacant employment land in the region. It is noted that there is an oversupply of employment land which should be retained to provide a regional competitive advantage.

Councils are encouraged to secure additional employment lands where localised shortages exist due to factors such as tenure, environmental constraints and servicing issues. The potential for the future decline of manufacturing, agriculture, forestry and fishing is forecast in the strategy. Merimbula airport, the Port of Eden and the multipurpose wharf at Eden are cited as regionally significant employment lands and infrastructure that require protection.

The strategy supports employment growth to be concentrated around Bega and suggests that Council should be proactive in identifying sufficient employment lands in suitable locations. It is suggested that Bega and Merimbula cater to industrial uses such as warehouses, transport logistics and bulky goods operations as key functions.

An action of the strategy is:

Councils will maintain the current net supply of zoned employment lands; however consideration will be given to zoning changes that address concerns regarding tenure, location, constraints and specific opportunities.

3.2 Draft South East and Tablelands Regional Plan

The *South Coast Regional Strategy* is under review at the time of writing this report and a *draft South East and Tablelands Regional Plan* has been released by the NSW Department of Planning and Environment. This draft plan includes a direction to *grow regional strategic assets to support economic growth across the region* (Direction 3.4).

It is noted in the plan that growing the economic competitiveness of the Port of Eden and Canberra Airport will support the region's economic prosperity and that further development of the Port of Eden will improve opportunities for imports and exports. The role of Canberra Airport as a driver of economic growth for the region is also noted with proximity to the region and the consequent benefits of cross-border arterial road connections for movements of freight. Forthcoming international flights will have positive effects by promoting trade and commerce. The draft plan includes two actions with regards to these two infrastructure assets –

Action 3.4.1 Deliver the breakwater wharf extension at the Port of Eden

Action 3.4.2 Protect the role of Canberra Airport to service the south east through relevant local planning controls

3.3 Bega Valley Local Environmental Plan 2013

Three industrial zones are allocated to land in Bega Valley Shire under *Bega Valley LEP 2013*. These are IN1 General Industrial, IN2 Light Industrial and IN4 Working Waterfront. The objectives of each of these zones are given below.

The objectives of zone IN1 General Industrial are:

- *To provide a wide range of industrial and warehouse land uses.*
- *To encourage employment opportunities.*
- *To minimise any adverse effect of industry on other land uses.*
- *To support and protect industrial land for industrial uses.*
- *To allow a range of support services that do not have an adverse impact on the viability of business and commercial zones.*

The objectives of zone IN2 Light Industrial are:

- *To provide a wide range of light industrial, warehouse and related land uses.*
- *To encourage employment opportunities and to support the viability of centres.*
- *To minimise any adverse effect of industry on other land uses.*
- *To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area.*
- *To support and protect industrial land for industrial uses.*
- *To mitigate potential amenity conflicts between industrial uses and nearby residential uses.*
- *To ensure that development has regard to the environmental constraints of the land and minimises adverse impacts on biodiversity, water resources and natural landforms.*

The objectives of zone IN4 Working Waterfront are:

- *To retain and encourage waterfront industrial and maritime activities.*
- *To identify sites for maritime purposes and for activities that require direct waterfront access.*
- *To ensure that development does not have an adverse impact on the environmental and visual qualities of the foreshore.*
- *To encourage employment opportunities.*
- *To minimise any adverse effect of development on land uses in other zones.*

Certain development standards apply to industrial zoned land under the LEP, such as maximum building height controls. The land zoning and development standards that apply to each zoned industrial area in Bega Valley Shire are described in chapter *7 Industrial development in Bega Valley* of this report.

Local and miscellaneous provisions of the planning scheme govern industrial development and relate to impacts on the coastal zone, heritage items, terrestrial biodiversity, riparian land and watercourses, and environmentally sensitive land. Other provisions seek to protect development from the effects of natural hazards such as acid sulfate soils, flooding and bushfire. Provisions relevant to each industrial area and which have the potential to limit or constrain industrial development are also identified in chapter 7.

3.4 Bega Valley Development Control Plan 2013

Sections *2.6 General Commercial and Industrial Development* and *2.8 Specific Requirements – Industrial Development* of *Bega Valley DCP 2013* apply specifically to industrial development. Other sections of the DCP apply industrial development to address issues such as access and parking, environmental protection, signage and the like. These development requirements are applied to individual development proposals and are intended to provide guidance to facilitate industrial development that satisfies the objectives of industrial zones.

3.5 Business Growth Action Plan

The *Business Growth Plan* was prepared in January 2014 and focuses on the five outcomes to facilitate, encourage and support the commercial sector:

1. Embracing business and a stronger economy
2. Providing the foundations
3. Embracing opportunity
4. Partnering for success
5. Enhancing visitor experiences

These can be achieved by a range of actions including the *Land Investment Strategy* to release developable land to trigger development and to support initiatives arising from the development of the South East Regional Hospital, Port of Eden development and upgrades to the airport. An action of the strategy connected to *providing the foundations* and directly related to this review is to *promote appropriately zoned land to encourage business investment and the development of new industries*.

3.6 Land Investment Strategy

An approach to land investment cited in the *Land Investment Strategy* is that Council may use existing land holdings, or sell or develop employment lands to act as a catalyst to generate private investment that creates jobs and increases the range of services available to residents of and visitors to Bega Valley. The ability to enter partnerships with the private sector to develop land or provide infrastructure is also canvassed. It is recommended in the strategy that Council identify and market suitable sites to stimulate high technology business enterprise and to identify key sites to either retain or acquire for strategic purposes.

3.7 Digital Economy Strategy

The *Digital Economy Strategy* outlines opportunities to use digital technology enabled by the rollout of the NBN to create jobs and new business opportunities. The strategy supports growth in knowledge-intensive service sectors such as professional services, health, information technology and education. This may be achieved by clustering like businesses and incubating emerging businesses by facilitating the provision of access to digital infrastructure.

3.8 Economic Context and Economic Development Discussion Paper

The *Bega Valley LGA Economic Context 2015* and *Economic Development Discussion Paper* were prepared by Strategic Economic Solutions in 2015 as background to the economic development strategy. The papers provide a snapshot of demographic, labour force, industrial characteristics and a summary of employment and business statistics in each township that are used to inform the Enterprise Lands Review. The table below gives opportunities and challenges identified in these background papers.

Opportunities	**Challenges**
Knowledge industry growth	Low wage economy
New business growth areas	High skilled workers leaving
New products, services, markets	Demographic workforce gap
Stronger business networks in arts and food	Business innovation and creativity
Improved social and community infrastructure	New tourism markets needed
Better broadband	Maintaining training depth and breadth
Lifestyle attributes material and campaign	

Actions identified to support economic growth and job creation include attracting and growing knowledge industries and developing industry clusters with specific reference to the food sector, health and aged services, and road, sea and air transport and freight.

Economic drivers that affect the local economy of Bega Valley are identified in the *Economic Development Discussion paper* and are referenced in *Chapter 5 Industry Trends and Drivers*.

3.9 Economic Development Strategy 2016-2021

The Bega Valley *Economic Development Strategy 2016-2021* builds upon the five outcomes of Council's *Business Growth Action Plan* that are designed to improve economic wellbeing by ensuring support for existing businesses and by attracting new business to the Shire. The strategy puts forward a series of strategic actions, annual activities and performance indicators for each of these outcomes. Of relevance to this review and in relation to the outcome *partnering for success* the strategy recommends to investigate opportunities for a technology hub, an agriculture centre of excellence, and for a food production and distribution centre of excellence.

4. The local economy

The demographic and employment statistics given in this chapter are pertinent to the Enterprise Land Review as they underpin key drivers of the local economy. Demographic change impacts upon economic growth by driving demand for industries that support specific characteristics of the population, such as health services and aged care.

4.1 The population

As noted in the report *State of Regional Australia 2015*, *demographic change has implications for economic growth, income support and the provision of health and aged care services*. Smaller regions such as the far south coast typically have a high proportion of residents aged 65 years and over. This older group of residents are typically well-educated, diverse and wealthy and represent a substantial human resource of expertise as mentors and volunteers.

Bega Valley is a typical coastal area within close range of a metropolitan area that has a high proportion of persons aged 65 and over. Regional areas with small economies such as Bega Valley are appealing to retirees where lifestyle aspirations drives decisions to relocate based on amenity, personal preferences and financial capacity.

Population forecasts for Bega Valley LGA have been prepared by the Australian Bureau of Statistics. The population in 2011 and the expected population by age category in the years 2021 and 2031 are given in the table below. The bulk of growth is expected to be in the 65 years plus age category at 83%. The working age population cohort of 15 to 64 years is forecast to fall by 7.3% over the same period.

Table 4.1: Forecast population growth by age group. Source: ABS

Bega Valley								
	Number of people			Age distribution (% of total population)			Growth 2011-31	
Age	2011	2021	2031	2011	2021	2031	No.	%
<15	5,750	5,600	5,600	17.4%	15.9%	15.0%	**-150**	-2.8%
15-64	20,300	19,750	18,850	61.6%	56.0%	50.7%	**-1,450**	-7.3%
65+	6,950	9,950	12,700	21.1%	28.2%	34.3%	**5,750**	83.0%
All ages	33,000	35,350	37,150	100.0%	100.0%	100.0%	**4,150**	12.5%

4.2 The labour force

The labour force comprises all persons aged 15 years and over in full time or part time employment and unemployed persons who are actively looking for work. The labour force of Bega Valley Shire has grown marginally over the period 2001 to 2011 from 12,389 persons to 13,809 persons.

The labour force participation rate (the number of persons in the labour force expressed as a percentage of persons aged 15 years and over) also grew marginally, from 51.6% to 52.1% and unemployment fell from 9.3% to 5.9% during this period. The labour force for all Australian outer regional areas (which includes Bega Valley) was 59.5% in 2011 with a fall of 0.4% between 2001 and 2011.

Details of population and the labour force are presented in Table 4.2 below for localities and districts in Bega Valley LGA.

Table 4.3: Population and labour force data for localities and districts of Bega Valley Shire, 2011

Area	Resident population	Persons aged 15+	Persons employed	Labour force participation rate
Bega District	5,032	4,018	2,165	53.9
Bega Rural	2,018	1,633	1,024	62.7
Bermagui Coast - Wapengo and District	2,238	1,957	842	43.0
Eden Coast	3,729	3,113	1,653	53.1
Merimbula - Millingandi and District	4,863	3,622	1,790	49.4
Pambula District	2,849	2,278	1,279	56.1
Rural North	2,278	1,919	993	51.7
Rural West	2,748	2,291	1,278	55.8
Tathra - Kalaru and District	3,121	2,638	1,509	57.2
Tura Beach - Mirador and District	3,137	2,799	1,263	45.1
Bega Valley Shire	32,024	26,359	13,870	52.6
Regional NSW	2,516,204	2,024,853	1,141,260	56.4
Capital Region	218,160	167,755	99,013	59.0
Eurobodalla Shire	35,336	29,860	13,543	45.4
New South Wales	6,896,776	5,585,117	3,334,863	59.7

4.3 Industry sectors

Over one-third of the labour force was employed in the services categories of retail trade, accommodation and food services, and health care and social assistance. This correlates with the high dependence on the tourism industry and the ageing of the local population. There were also significant proportions employed in manufacturing, construction, and education and training in 2011.

Table 4.3: Employment by industry sector, Bega Valley LGA 2011. Source: ABS

Industry sector	% of labour force, 2011
Agriculture, forestry, fishing	6.6
Mining	0.3
Manufacturing	9.3
Electricity, gas, water & waste services	1.1
Construction	8.7
Wholesale trade	2.8
Retail trade	12.3
Accommodation & food services	11.1
Transport, postal & warehousing	4.1
Information media & telecommunications	0.8
Financial & insurance services	1.5
Rental, hiring & real estate services	1.4
Professional, scientific & technical services	4.3
Admin & support services	2.6
Public admin & safety	5.2
Education & training	7.8
Health care & social assistance	13.1
Arts & recreation services	1.5
Other services	1.4
Not classified	-

Trends in employment in industry sectors in Bega Valley Shire are shown in Table 4.4 below. The numbers of persons and the percentage of persons employed in each industry sector as a percentage of total employment is given for the years 2001, 2006 and 2011.

The economy of Bega Valley is undergoing structure change which has implications for economic growth and spatial policy. There was a decline in employment in primary industry (agriculture, forestry, fishing and mining) over the period 2001 to 2011 of 4.0%. This has meant that other sectors of the local economy which are primarily located in urban areas have increased in significance as a proportion of total employment. In particular, jobs in health care and social assistance (2.9% increase), construction (1.3% increase) and public administration and safety (1.2% increase) have increased as a proportion of total employment. This reflects the ageing of the population and the rise in the provision of public health services to cater to that population. There have also been minor increases in the education and training and manufacturing sectors.

Table 4.4: Employment change by industry sector, Bega Valley LGA 2001 – 2011. Source: ABS

Industry sector	2001		2006		2011		% change 2001-2011
Agriculture, forestry and fishing	1,191	10.6%	1,031	8.2%	855	6.6%	-4.0%
Mining	9	0.1%	18	0.1%	25	0.2%	0.1%
Manufacturing	1,041	9.3%	1,183	9.4%	1,227	9.4%	0.2%
Electricity, gas, water and waste services	99	0.9%	146	1.2%	148	1.1%	0.3%
Construction	860	7.7%	1,146	9.1%	1,162	8.9%	1.3%
Wholesale trade	422	3.8%	380	3.0%	376	2.9%	-0.9%
Retail trade	1,495	13.3%	1,729	13.7%	1,585	12.2%	-1.1%
Accommodation and food services	1,280	11.4%	1,325	10.5%	1,388	10.7%	-0.7%
Transport, postal and warehousing	454	4.0%	499	4.0%	536	4.1%	0.1%
Information media and telecommunications	124	1.1%	142	1.1%	117	0.9%	-0.2%
Financial and insurance services	186	1.7%	198	1.6%	203	1.6%	-0.1%
Rental, hiring and real estate services	184	1.6%	204	1.6%	189	1.5%	-0.2%
Professional, scientific and technical services	426	3.8%	501	4.0%	561	4.3%	0.5%
Administrative and support services	318	2.8%	328	2.6%	342	2.6%	-0.2%
Public administration and safety	442	3.9%	609	4.8%	662	5.1%	1.2%
Education and training	804	7.2%	897	7.1%	1,014	7.8%	0.6%
Health care and social assistance	1,151	10.2%	1,358	10.8%	1,710	13.2%	2.9%
Arts and recreation services	128	1.1%	224	1.8%	188	1.4%	0.3%
Other services	374	3.3%	409	3.2%	441	3.4%	0.1%
Inadequately described/Not stated	246	2.2%	286	2.3%	267	2.1%	-0.1%
Total	**11,234**		**12,613**		**12,996**		

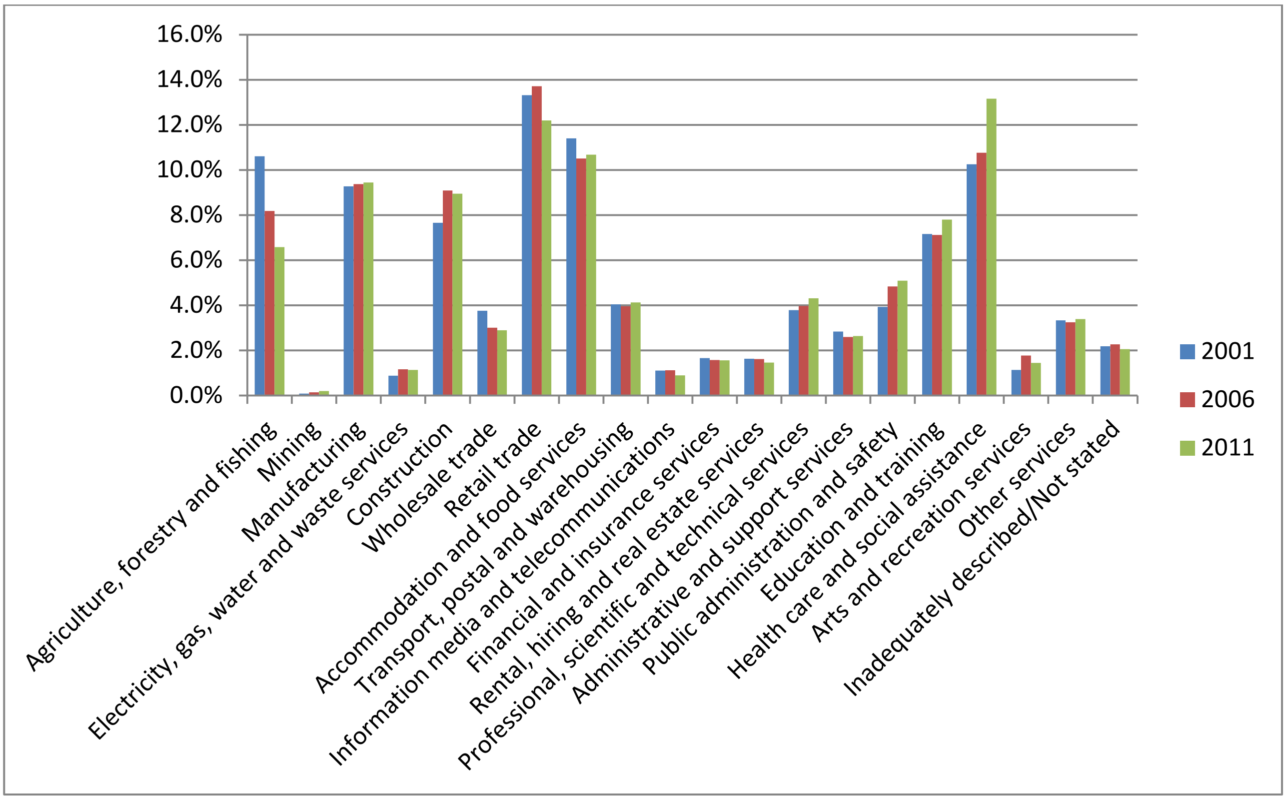


Figure 4.1: Employment change by industry sector, Bega Valley LGA 2001 – 2011. Source: ABS

4.4 Regional comparisons

Broad statistics for outer regional areas (defined by distance from a capital city) and the capital region (which equates to the South-east and Tablelands region), both of which include Bega Valley are given in the *Yearbook 2014 Progress in Australian Regions* (DIRD). The changes that have occurred over the period of 2006 and 2011 are indicative of structural change that is occurring in regional Australia.

At a national level there has been a declining reliance on agriculture, forestry and fishing, retail trade and the manufacturing sectors between 2001 and 2011 with growth in the share of service industries. These trends are amplified in regional Australia and declines in agricultural employment concentrated in regions where there is a lack of industrial diversity. Structural change has implications for spatial policy as particular industries tend to cluster in specific locations so that industrial growth or decline is concentrated geographically (DIRD 2015).

The report *State of Regional Australia 2015*, prepared by the Commonwealth Department of Infrastructure and Regional Development, provides further regional data for comparative purposes.

According to this report, structural change in outer regional areas followed similar trends to those in major cities – *declining shares for manufacturing and retail trade, with an increase in the employment share for health care and social assistance. However, these regions experienced large shifts in agriculture, forestry and fishing and also mining. This resulted in a higher rate of structural change than in major cities and also in lower employment growth*.

Outer regional areas appear to be transitioning towards a greater reliance on service industries. While agricultural output may continue to grow it will become less labour-intensive. Growth in employment is likely to be generated by human services such as health care and social assistance and the manufacturing of unique and specialized products.

Agriculture, forestry and fishing remained the top employing industry for outer regional areas in 2011 although the percentage of persons employed in that industry decreased from 13.7% to 11.2%. Output has risen and the share of gross value added has remained constant whilst employment has steadily declined as labour productivity has improved. Public administration and safety remained the top employing industry for the Capital region with an increasing proportion of employment from 1.6% in 2006 to 14.4% in 2011.

The main growth industry for outer regional areas over the period 2006-2011 was health care and social assistance, and in the capital region was public administration and safety. The greatest decline in the numbers of person employed occurred in the agriculture, forestry and fishing sector in both outer regional areas and the Capital region.

The region is dominated by small to medium businesses. In the year 2012-13 more than half of businesses in the Capital region were sole traders, with roughly a third of businesses employing 1 to 4 persons and just over 10% employing 5 to 19 persons. There has been growth in knowledge-intensive industries in the Capital region from 2006 to 2011 of 0.5% with 22.6% of people employed in high to medium-high technology manufacturing or knowledge-intensive services which are important due to their links to innovative products and new production processes and productivity. Manufacturing that is more labour intensive and reliant on low-skilled workers has declined in market share to low-cost international competitors. However, the knowledge functions of these businesses has been retained in Australia tending towards fewer more highly-skilled employees. The manufacturing of unique and specialist products, such as in pharmaceuticals and the medical industry, are areas in which regions can compete.

DIRD note in the *State of Regional Australia 2015* that *health care and social assistance witnessed a consistent and significant increase in jobs and share … leading it to become the largest employing* *industry in Australia as a whole*. Growth in this industry is attributed to rising demand for health services and new technologies related to the ageing of the population ageing.

A comparison of demographic and industry characteristics are given in the tables below. The regions are defined as follows:

- The Far South Coast region includes Eurobodalla and Bega Valley local government areas, and

- the South East and Tablelands region covers the far south coast and southern tablelands (the boundaries of this region are used by the NSW Government in the *Economic Development Strategy for Regional NSW* and the *draft South East and Tablelands Regional Plan* and coincides with the Capital Region defined in *Yearbook 2014 Progress in Australian Regions* (DIRD) and as used by the ABS),

Table 4.5 below shows the total population and the median age in 2013 for Bega Valley and comparative regions.

The high median age demonstrates that Bega Valley and the Far South Coast have a higher proportion of aged persons, particularly when compared to NSW as a whole.

Table 4.5: Total populations and median age for Bega Valley and comparative regions. Source: ABS

	Bega Valley LGA	Far South Coast	South East & Tablelands	NSW
Persons	33,313	70,771	219,311	7,410,399
Median age	49.4	50.4	43.1	37.8

The proportions of persons employed in industry sectors in given in Table 4.6. Bega Valley has a higher proportion of persons employed in agriculture, forestry and fishing and the manufacturing sector relative to comparative regions.

Employment in the accommodation and food services and health care and social assistance sectors is also high relative to the South East and Tablelands and NSW and is similar to the Far South Coast region. The services sector accounts for over 60% of employment in the South East and Tablelands region.

Table 4.6: Employment (%) by industry sector 30 June 2011. Source: ABS

Industry sector	Bega Valley LGA	Far South Coast	South East & Tablelands	NSW
Agriculture, forestry, fishing	6.6	4.7	6.5	2.2
Mining	0.3	0.3	0.4	1.0
Manufacturing	9.3	7.1	5.7	8.4
Electricity, gas, water & waste services	1.1	1.1	1.5	1.1
Construction	8.7	9.8	9.0	7.3
Wholesale trade	2.8	2.3	2.4	4.4
Retail trade	12.3	13.5	11.0	10.4
Accommodation & food services	11.1	11.4	8.1	6.7
Transport, postal & warehousing	4.1	3.8	3.9	4.9
Information media & telecommunications	0.8	1.1	1.2	2.3
Financial & insurance services	1.5	1.5	1.5	5.1
Rental, hiring & real estate services	1.4	1.6	1.5	1.6
Professional, scientific & technical services	4.3	4.3	5.3	7.9
Admin & support services	2.6	2.9	2.6	3.3
Public admin & safety	5.2	5.7	14.2	6.1
Education & training	7.8	8.1	7.2	7.9
Health care & social assistance	13.1	13.3	10.8	11.6
Arts & recreation services	1.5	1.6	1.7	1.5
Other services	3.4	3.8	3.6	3.8

Table 4.7 below shows the proportion of businesses by industry sector as at the end of the financial year 2012/13. In that year the highest volume of businesses in Bega Valley Shire was in the primary industries and construction sectors. The same applies equally to the Far South Coast and South East and Tablelands regions, both of which include Bega Valley LGA.

Table 4.7: Proportion of businesses by industry sector 30 June 2013. Source: ABS

Industry sector	Bega Valley LGA	Far South Coast	South East & Tablelands	NSW
Agriculture, forestry, fishing	18.6	13.5	24.8	8.1
Mining	0	0.2	0.2	0.2
Manufacturing	3.6	3.9	3.5	3.8
Electricity, gas, water & waste services	0.3	0.3	0.3	0.3

Industry sector	Bega Valley LGA	Far South Coast	South East & Tablelands	NSW
Construction	17.6	20.4	17.6	14.5
Wholesale trade	2.2	1.9	2.1	3.9
Retail trade	8.7	9.1	6.6	6.5
Accommodation & food services	7.2	7.4	5.0	3.9
Transport, postal & warehousing	5.6	5.3	5.7	6.1
Information media & telecommunications	0.4	0.5	0.4	1.1
Financial & insurance services	4.4	4.3	4.1	8.1
Rental, hiring & real estate services	8.2	8.8	7.2	10.7
Professional, scientific & technical services	6.8	7.4	7.8	12.6
Admin & support services	3.0	3.2	2.8	4.0
Public admin & safety	0.3	0.3	0.3	0.4
Education & training	0.8	1.1	1.0	1.3
Health care & social assistance	4.4	4.6	3.4	5.4
Arts & recreation services	1.5	1.2	1.2	1.3
Other services	4.5	4.6	3.9	4.0
Not classified	2.1	1.9	2.3	3.9

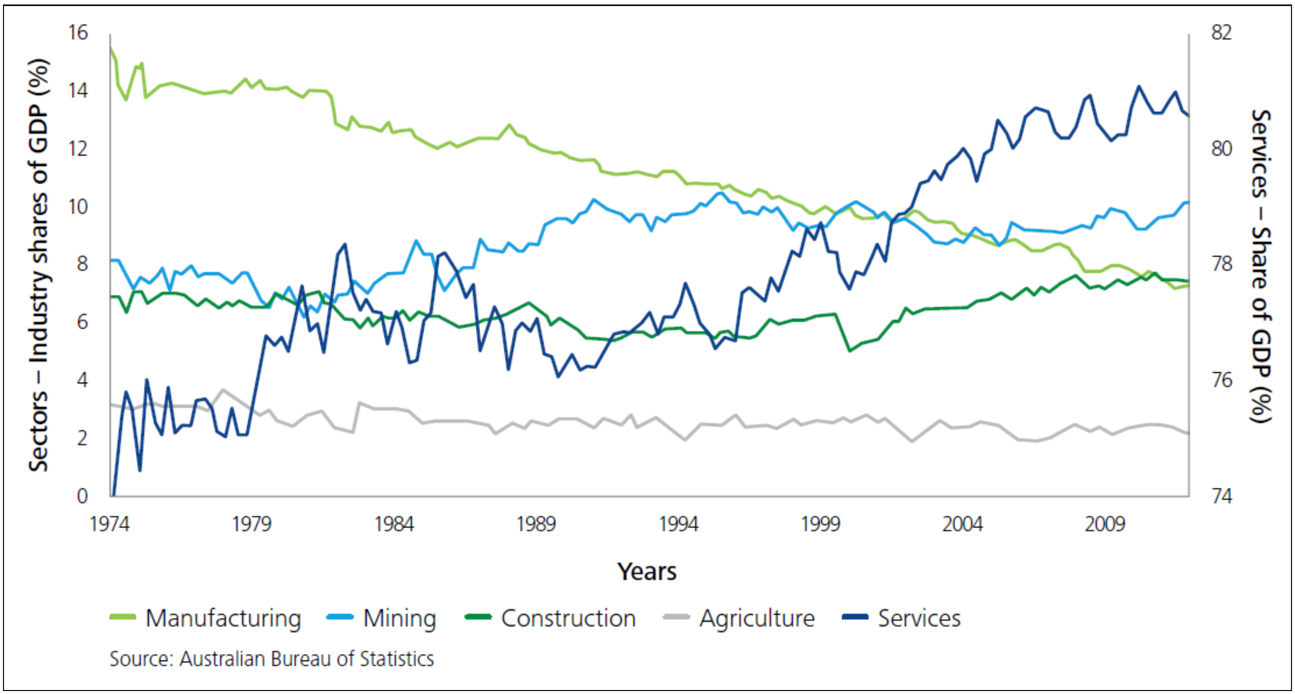
5. Industry trends and drivers

5.1 National trends

Australia is transitioning from an economy dependent on mining and the export of raw minerals to a knowledge-based economy reliant upon health services and professional services. National Economics and the Australian Local Government Association comment in the report *State of the Regions 2015-16* that the national economy is now in transition and growth in areas other than mining along with investment in infrastructure and increased export activity is required to maintain living standards.

The chart below sourced from the Deloittes paper *Positioning for prosperity? Catching the next wave* demonstrates the changes in industry share of gross domestic product since 1974.

Chart 5.1: Our changing industrial landscape. Source: Deloitte Australia (2014)



Deloittes note that Australia has distinct economic advantages through our climate, resources, language, tax and regulatory regimes, and proximity to the world's fastest growing markets of Asia. The decreasing value of the Australian dollar also brings benefits in terms of exporting goods and services.

Deloitte Australia also identifies the *fantastic five* industry opportunities for Australia which could add $250 billion to the national economy over the two decades. In addition there are pockets of growth to be found in the domestic economy. The *fantastic five* are:

- gas
- agribusiness
- tourism
- international education
- wealth management

Of these five, agribusiness, international education and tourism can contribute substantially to economic growth in Bega Valley. There appears little opportunity for gas exploration and, in any event, this industry may conflict with the established agriculture and food sectors. Wealth management is better suited to capital cities and large regional centres, although improvements to connectivity by way of the NBN network may provide avenues for local business to gain advantages in this industry.

Australia has the benefits of fresh and safe produce which is highly prized in Asia. The agribusiness sector is ideally suited to Bega Valley – through value-adding to the food sector and through new ventures such as aquaculture. China currently purchases more of Australia's agricultural products than any other country and the China-Australia free trade agreement is likely to boost export market opportunities to our largest trade partner. Of relevance to Bega Valley are the agreements to eliminate tariffs by up to 20% for dairy products within 4 to 11 years and rapid tariff reduction for seafood exports and horticultural products.

Tourism is already the main contributor to local production, however, there are new opportunities associated with the commencement of direct flights from Canberra to Singapore which are under investigation from a broader regional perspective by Sapphire Coast Tourism in conjunction with ACT Tourism and Eurobodalla Shire Council and Snowy Mountains Tourism.

International education is also suited to Bega Valley, for example through opportunities to capitalise on health and medical education on the back of the new Bega Regional Hospital. Deloitte notes that *education is an enabler of productivity and growth for virtually every part of the Australian economy*. Australia possesses research strength, provides specialist courses and an attractive lifestyle to international students. Recent Chinese interest in establishing a flight school for Chinese recreational pilots south of Bega suggests that educational opportunities exist in other market sectors.

Other industry opportunities exist in the fields of ICT which may act as a critical catalyst for other industries such as agribusiness, food processing and food packaging; medical research particularly where research, education and delivery in specialised facilities are clustered; and exploitation of oceanic resources where linked to aquaculture and port development.

There is also growing demand for health services to meet the specialised needs of the ageing population within areas that are predominantly settled by retirees. Industries linked to the retirement sector such as cleaning, catering and food preparation, and community transport may also benefit in coastal lifestyle areas. Waste management, recycling and remediation of waste, the construction of adaptable housing and provision of infrastructure also present opportunities for Bega Valley.

Deloitte Australia emphasise the need for government to understand *where industry sectors are positioned relative to local and global growth opportunities ... considering growth drivers and inhibitors, including technology developments and global and local shifts in regulatory regimes, as well as demographic developments*.

There have been recent declines in the manufacturing sector which may affect the local economy of Bega Valley and declines in fishing and forestry due to changes in community attitudes and environmental protection initiatives that have taken place across Australia.

At the same time there has been substantial outsourcing of information technology and call centre employment to overseas locations by industry corporations, though this does not appear to have affected Bega Valley in any significant way.

Other significant developments nationally are the China free trade agreement which may provide opportunities for local firms to do business internationally, particularly as direct flights commence between Canberra and Singapore. Singapore is positioning itself as the hub of the Asia-Pacific region.

The report *State of the Regions 2015-16*, prepared by the Australian Local Government Association and National Economics identified thirteen factors which are termed *Stylised Facts*. In relation to a specific driver these facts influence regional development and probable effects. These facts and the implications for the economy of Bega Valley are described in Box 5.1 below.

Table 5.1: Stylised Facts for economic growth. Source: ALGA/National Economics

Stylised Fact 1

High-income economies, apart from those with a unique and extensive natural resource base, now depend on sustained innovation as the core driver of long-term economic growth.

Implications for Bega Valley: Industries that capitalise on knowledge and innovation are needed to maintain living standards locally and nationally. Opportunities exist to expand the research and education sectors especially in relation to medical and allied industries.

Stylised Fact Two

The capacity to innovate depends on knowledge and networks at the regional level. Most high-income countries which have maintained sustained growth have done so because they have established successful knowledge-based regions.

Implications for Bega Valley: Proximity to Canberra, a knowledge-based city provides opportunities to develop industry connected through advancements in ICT.

Stylised Fact Three

Successful knowledge-based regions have a high concentration of highly skilled global knowledge workers, such as scientists and engineers. These workers tend to migrate to regions with a wide variety of cultural and lifestyle choices.

Implications for Bega Valley: Much of the local economy is populated by an educated and ageing workforce that has settled in the area for lifestyle reasons. Their knowledge and skills may be drawn upon to assist industrial development particularly in the fields of education, research and ICT.

Stylised Fact Four

There appears to be no limit to the economies of agglomeration, provided that metropolitan built form facilitates the mutual interaction of the whole metropolitan population

Implications for Bega Valley: not applicable to Bega Valley

Stylised Fact Five

Regions with high-productivity jobs (or with commuter access to high-productivity jobs) have high household incomes and low unemployment rates.

Implications for Bega Valley: Jobs available are generally taken by people who live in the region. There is a need to expand and develop industry that takes advantage of local workforce characteristics.

Stylised Fact Six

Until such time as the knowledge-economy can be generalised, the young will continue to leave low-income, high-unemployment regions and migrate to high-income, low unemployment regions.

Implications for Bega Valley: This is true of Bega Valley. Youth leave the region seeking employment and education in Sydney, Canberra, Melbourne and Wollongong. A minority return to establish businesses and for lifestyle reasons.

Stylised Fact Seven

Australia's difficulties in adopting the knowledge economy would be eased if knowledge economy jobs could be decentralised.

Implications for Bega Valley: not applicable to Bega Valley unless commonwealth and state governments resolve to decentralise agencies

Stylised Fact Eight

Infrastructure deficiencies make it difficult for low productivity/high unemployment regions to increase productivity.

Implications for Bega Valley: Bega Valley attracts knowledge workers due to lifestyle, low housing costs and the natural environment. To be productive there needs to be an interface between the local economy and global economy in particular through export industries. This relies upon investment in telecommunications, such as the NBN network, and transport, such as expansion of the Port of Eden.

Stylised Fact Nine

Australia could better exploit the potential of its existing knowledge-economy regions by appropriate infrastructure investments.

Implications for Bega Valley: Improvements in telecommunications and transport are required to strengthen connections to the knowledge economy of Canberra. The NBN satellite dishes at Wolumla could facilitate telecommuting and on-line businesses.

Stylised Fact Ten

Retirees are leaving high-income, high-cost, low-unemployment regions and migrating to low-income, low-cost, high unemployment regions.

Implications for Bega Valley: With an educated and ageing population there is the potential for greater participation of retirees in the local economy.

Stylised Fact Eleven

Low productivity regions are ageing rapidly while high productivity regions are ageing relatively slowly.

Implications for Bega Valley: the high proportion of retirees means that there is dependence on other regions for income, e.g. through property investments in cities or with fund managers. There is potential to leverage the lifestyle attractions of Bega Valley into knowledge-based industries.

Stylised Fact Twelve

Australia's capacity to invest for fully-employed participation in the knowledge economy has been curtailed over the past three decades by its accumulation of debt and by its failure to prepare for the costs of climate change.

Implications for Bega Valley: not directly related to Bega Valley

Stylised Fact Thirteen

Income inequality within and between regions is associated with depressed economic growth.

Implications for Bega Valley: Low access to education opportunities is coupled with low access to employment opportunities. Investment in education and training facilities, such as facilitating training at the AusWide building in Merimbula, expansion of offerings at the University of Wollongong campus, and Chinese investment, can provide opportunities especially leveraging the presence of the new Bega regional hospital.

Deficiencies within a region can only be addressed by development strategies that address both human and physical capital requirements, including education and training to create conditions conducive to knowledge-based industries and transport and telecommunications infrastructure. Investment is required to expand and capitalise on local assets (lifestyle, environment and labour force characteristics) and knowledge linkages with Canberra.

5.2 Local economic drivers

Key economic drivers that influence the economy of Bega Valley are described in the *Economic Development Discussion Paper* produced in May 2015. The paper identifies the following:

- **Infrastructure** – Merimbula Airport, the Port of Eden, the NBN network, and proposed upgrades to freight corridors
- **Tourism** – seasonal and cyclical but dominates the local economy through nature-based products and experiences
- **Primary industry** – dairying remains strong but forestry and fishing in decline
- **Food sector** – large producers such as Bega Cheese and a range of small producers
- **Ageing population** – demand for accommodation and services by seniors and growth in health services
- **Loss of youth** – young people leaving the area to obtain tertiary education or employment
- **Lifestyle** – the natural environment and diverse living opportunities
- **Knowledge and information and communications technology sectors** – clusters of technology-enabled industries

In addition to the above can be added venture capital. As the region becomes more connected with Canberra and the ACT, access to the financial markets and the potential for venture capital initiatives to support and invest in local agribusiness are expanding. Technological change also opens up and drives new opportunities although unequal access to fast broadband speeds positions some locations above others as potential business development sites.

Deloitte Access Economics in a paper titled *Infrastructure for Illawarra's Economic Future* prepared in 2014 cited that the digital economy is a major driver of the NSW economy and infrastructure needs due to the rollout of the NBN broadband network and trends towards working from home and online delivery of services.

The RDA funded report *Economic Development Opportunities in the Greater Capital Region* notes that five key industry sectors have been experiencing employment growth in recent years across the region. *These industries are likely to provide good short to medium term (and possibly longer term) opportunities for investment and growth*. These sectors are arts and recreation services, supporting the tourism industry, professional scientific and technical studies, education and training, and health care and social assistance.

The drivers listed above support development and expansion of the following industry sectors in Bega Valley Shire:

- **Agribusiness** – as noted in the proceedings of the CURF annual forum in 2015, *the region* has *the potential to benefit from the Trans Pacific Partnership and other trade agreements, including by tapping into enormous Asian demand for food supplies … We do have a significant competitive advantage in terms of producing high quality, safe, healthy produce which is growing in demand and will continue to do so. Additionally, with the free trade agreements now in place with China, Japan and South Korea there is preferential market access to about 1.5 billion people who are seeking the high quality produce*. There is potential to increase production of horticultural produce, e.g. vegetables and herbs, marine produce, e.g. mussels, oysters, fish and sea urchins, and beef and dairy products to export locally and to global markets. The NSW Government support this view as stated in the *Economic Development Strategy for Regional NSW* released in January 2015, *regional NSW is responsible for 90% of NSW agricultural production and agriculture is a significant employer in rural NSW. There are opportunities for growth in this sector, with a shift towards higher productivity across 2006-11 and significant export growth potential driven by strong demand from Asia.* The strategy contains actions to increase the value of the agricultural sector and exports which includes developing an industry action plan and an export strategy linked to the food processing manufacturing sector

- **Value-added food processing and packaging** – the recent rapid growth of organic foods and demand for local products may stimulate the need for linked industries such as food processing and packaging. These may be efficiently exported to international destinations due to the forthcoming commencement of direct flights from Canberra to Singapore and Wellington, NZ. However, as pointed out by a representative of the NSW Office of Regional Development (see chapter 6), there is a mis-match locally as boutique food producers are conscious of energy inputs to food production and do not always seek to grow their markets where this would involve expansion of 'food miles' and energy use

- **Health infrastructure** – the development of Bega Regional Hospital may stimulate demand for allied and ancillary services requiring industrial land. As noted in the report *State of Regional Australia 2015*, *a town which already has a sizeable hospital is more likely to become the site for expansion of regional medical services. The existence of the initial infrastructure increases the possibility of the establishment of similar and related infrastructure.* The development of the regional hospital will encourage the retention of the aged in Bega Valley Shire as demand for health services can now be met locally

- **Education** – the need for training and investment to provide tertiary education has been recognised by Bega Valley Shire Council through the purchase of a training facility in Merimbula and the development University of Wollongong campus. Growth in this sector is dependent upon technology and the provision of NBN broadband and the range of offerings of vocational skills training being provided at TAFE campuses.

- **Renewable energy** – the *draft South East and Tablelands Regional Plan* identifies that there are opportunities to invest in renewable energy produced by wind, solar and waves. Although investment in this sector is expected to be significant in the future, it is unlikely to generate local manufacturing opportunities but assembly could be carried out locally in industrial space

- **Manufacturing** – the increasing competiveness of the local labour force and the marginal increase in the proportion of persons employed in this sector demonstrate that there is potential for expansion of this sector to support other growth areas, such as health services, the food sector and ICT. The *Economic Development Strategy for Regional NSW* contains actions to encourage growth and productivity through design-led innovation in sub-sectors such as food processing and renewable energy

5.3 Planned infrastructure improvements

Infrastructure is vital to shaping settlement patterns and underpins local economies by enabling the flow of people and resources. Major transport infrastructure services in Bega Valley Shire are described below with details of any planned improvements.

Road transport

The Princes Highway provides north-south linkages for Bega Valley along the coast to Sydney and south to Melbourne. The Snowy Mountains Highway and Monaro Highways provide east-west linkages to inland towns and Canberra.

The *Draft Princes Highway Corridor Strategy* was released by Roads and Maritime Services in March 2016. This strategy includes details of existing road conditions and planned upgrades for sections of the Princes Highway within NSW. It is noted in the draft strategy that in 2011 freight tonnage on the Princes Highway between Bega and the Victorian border was 1,450kt per annum north of Eden and 1,700kt south of Eden. This is forecast to increase by between 54% and 59% for various road sections as the population is predicted to grow at the rate of 0.5% per annum from 33,150 persons in 2011 to 36,450 in 2031. There are no significant improvements planned for the Princes Highway within Bega Valley LGA that would enhance freight movements, however, there are emerging opportunities for transport logistics to freight produce and products to Canberra, Sydney and Melbourne should production increase and the combined efforts of individual growers invoke economies of scale.

The Snowy Mountains Highway experiences closures on a regular basis due to landslips. Improvements to the road have been carried out in recent years including road widening, pavement reinforcement and the installation of guard railing. Other than the widening of the Bemboka Bridge over the Bemboka River that is currently underway, RMS do not have any planned improvements to this east-west road corridor.

The Port of Eden

The Port of Eden has well established service providers including harbour tugs, launch services, stevedores, marine engineers and ships chandlers. There is potential to expand port operations to cater for additional freight options. The NSW Government and Bega Valley Shire Council have prepared design and feasibility studies for the extension of the breakwater wharf at the Port of Eden, a wave attenuator and potential freight routes. The Australian Government has committed $10 million to development of the port and has recently declared an election commitment of a further $44 million.

Merimbula Airport

Flights to and from Sydney and Melbourne are currently available via Merimbula Airport which has recently undergone security enhancements. The Australian Government has recently declared an election commitment of $5.6 million for the upgrade of Merimbula Airport to enable larger planes to regularly service Bega Valley from interstate capitals, while leveraging new international flight routes from Canberra.

Canberra Airport

Canberra Airport services the ACT and south east region of NSW in terms of domestic air passenger movements and freight transfers. In September 2016 direct overnight flights to Singapore and Wellington, New Zealand will commence with four flights per week capable of transporting 20 tonnes of freight each flight. This will enable goods such as fresh food produce to be processed during the day then delivered the following morning in Singapore. Singapore airport is a strategic hub and will facilitate the speedy distribution of produce to other markets in south-east Asia. This ability will open up new opportunities for producers in Bega Valley to export local produce to respond to the demand for fresh, clean and reliable foods. Discussions with a representative of the airport confirmed that there are niche export opportunities that will become available through accessibility to a range of Asian markets such as in marine, food and horticultural produce. Potentially, the arrangements that existing exporters have in place may change due to more reliable road freight access to Canberra in comparison to other capital cities.

6. Consultation with industry and agencies

6.1 Industry consultation

Consultation with a range of industry stakeholders has been carried out as part of this project. The stakeholders that were approached are industry participants and comprise representatives of business chambers, property consultants, surveyors and building designers.

Each industry participant was asked six questions to assist to identify factors affecting industrial development in Bega Valley LGA as well as opportunities to facilitate industrial growth. Two attempts were made by telephone and/or email to consult with the industry participants but only four individuals responded to the survey.

6.2 Participant responses

Table 6.1 below provides the six questions and a summary of these responses.

Table 6.1: Questions and responses

Question	Responses
1. What are the factors that influence industrial development in Bega Valley?	• Lack of available industrial zoned land that is not flood prone or on steep slopes and that has access for large vehicles • Lack of visibility/exposure of industrial land to public roads and passing traffic. • Signage not useful in advertising industrial areas • Prefer use of service lanes to prevent car parking on through roads • Need large areas to accommodate large floor plate businesses such as bulky goods with highway exposure and car parking
2. *What are the barriers to future industrial development in Bega Valley?*	• Lack of flat land in industrial areas • Development contributions and costs associated with provision of infrastructure • Insufficient large lots • Lack of qualified trades people and access to cheap labour • Need facilities for training
3. *How can local government enable growth?*	• Rezone and release industrial land for large scale development in a central location • Address the cost of headworks that are borne by developers • Overcome objections and bureaucratic impediments • Identify parcels of land on thoroughfares and make available at low cost • Partner with developers to upgrade roads and access to suitable sites • no public transport • freight difficulties due to topography which increases costs to develop

4. *What attributes does land in Bega Valley have that are attractive to industry?*	• centrally located level land above high flood level • size and space. Lots of rural land that could be converted to industrial zone. Farms may be suitable for industrial use and have access to water, etc • regional areas are attractive for low land costs which offset high freight costs • opportunities to find products that due to volumes, materials, etc are not practical to make offshore. Look for things where business needs space, e.g. storage of materials, fabrication. Eden to be a container port therefore find large space on route to the terminal that has visibility • Bega Valley is remote to large population, however there is suitable open sites accessible to transport networks. Suitable industrial undeveloped land is generally low cost compared to many more populated areas • Bega is the regional centre of the far south coast with all facilities
5. *What industries do you see as being suitable for Bega Valley?*	• any general industry, vehicular transport, (as there is no rail likely to be available) larger storage and cold storage areas, manufacturing (we are located 6 hours from about 10 million of Australia's population) • ICT, home business and any technology-based industry, e.g. solar energy • Industries that require local manufacturing due to customization and storage needs. Council may need to acquire land and establish an industrial zoned estate • Any industry that can make suitable use of Eden Port and our transport road network to Sydney, Canberra and Melbourne
6. *How can business and Council better collaborate to drive growth?*	• Re-establish the professionals group of council to assist in planning for better industrial growth • Keep communicating with business and gain an understanding of the needs of business • Be open, welcome new developers and industry partners. Improve communications and efficiency in approvals process. Stand up and make decisions. Spend on infrastructure

In summary, the industry participants that responded to the survey unanimously agreed that there is a lack of suitable industrial zoned land that is unconstrained, has highway exposure and is able to accommodate large floorplate businesses, and is centrally located. Infrastructure is deficient and constrained by topography which increases costs to business, e.g. road freight costs. ICT, renewable energy providers, manufacturing and storage were cited as industries suited to Bega Valley. The partnering of Council with business was suggested as was the development of a new industrial estate by Council.

6.3 Discussions with state agencies

Discussions were held with representatives of the NSW Department of Planning and Environment and the NSW Department of Industry – Office of Regional Development concerning industrial development in Bega Valley Shire to verify drivers of the local economy, business opportunities and obstacles to development. Below is a summary of the points raised by these representatives.

NSW Department of Planning and Environment

- Canberra Airport is a driver for the local economy. There are no curfews. Companies with existing and established freight arrangements are likely to continue with those arrangements but there will be opportunities for small businesses, such as food producers, to export direct to Singapore and onwards after direct flights to Singapore commence. However, there has not been any analysis undertake yet to identify opportunities for freight connections using the Canberra to Singapore air link
- The protein economy was noted. Asian countries in particular are seeking nutritious and safe foods from Australian regions
- Roads and Maritime Services have identified pinch-points such narrow bridges and inadequate pavements for road freight using B-Double trucks. Refer to the *draft Princes Highway Corridor Strategy*
- Refer to the background study for the *Illawarra Regional Plan* prepared by Deloitte Access Economics for information about factors driving the south coast economies

NSW Department of Industry – Office of Regional Development

- Check the status of the freight link via Imlay Road to the Hume Highway. Upgrades to this road have the support of SEATS
- A storage facility is currently being built beside Bega Cheese factory to provide refrigeration prior to processing. This will enable refrigeration to be carried out locally
- Proposed upgrades to the Port of Eden and masterplanning for Snug Cove offers new opportunities for aquaculture, oil and gas from Gippsland in Victoria, tourism through cruise ships and defence due to overflows of activities and demand for berthing from the multi-purpose wharf on the southern side of Twofold Bay
- The lack of a curfew at Canberra Airport will enable overnight freight of food produce to Singapore. The cut-off for deliveries to the airport will be 9.30pm. There is also the possibility of direct flights to China from Canberra in the future, further expanding export opportunities for south coast business operators
- Direct Asian flights from Canberra means that there is potential for increasing export of marine produce – oysters, mussels, sea urchins, and agricultural produce – beef and dairy,

- A scoping study is currently being prepared to look at the potential for agribusiness opportunities on the far south coast, being co-ordinated by RDA. The food and beverage produce of the south coast is well suited to export markets. The success of Bega Cheese is evidence
- The NSW Government is promoting small clusters of producers that do not have the scale or resources to collaborate and leverage export opportunities. There are business opportunities for processing facilities, packaging and value-adding to local fresh produce
- There is a desire of some local producers to operate sustainably, e.g. the locavore movement. This is counter to expansion to supply offshore markets as some producers are not seeking to expand output or to grow their markets
- Tourism may be used to build awareness of produce of the south coast and to develop export markets through experiences such as restaurants, markets, food trails and events
- Obstacles to developing export opportunities need to be addressed such as ensuring consistency of volumes of produce to be able to meet demand and gaining accreditation for overseas supply

These discussions confirmed that there is significant potential in Bega Valley for the growth of agribusiness and aquaculture and linked industries such as processing, packaging and to value-add to raw food produce. The forthcoming flights from Canberra to Singapore will provide direct access to south-east Asian markets enhancing export opportunities. Infrastructure improvements to the Port of Eden and Merimbula Airport will further support industrial growth and distribution of products to other regions. Progress may be hampered by the lack of planned arterial road upgrades and there is scope for Council to lobby further to bring these to fruition.

7. Existing industrial zones

7.1 Location and lot sizes

The industrial areas of Bega township are split into north, central and south. There are several small areas zoned for industrial use scattered throughout the settlement which are historical in nature and in some cases present the potential for land use conflict, e.g. where adjoining residential land.

In addition to the existing industrial areas of Bega, a draft planning proposal has been prepared to address a deferred matter from *Bega Valley LEP 2013* to release additional industrial land at South Bega. The land is 10.7 hectares in area and is proposed to be zoned IN2 Light Industrial with a maximum building height of 14 metres. Land in the vicinity that is occupied by a pumping station and water supply infrastructure are to be zoned SP2. Four parcels of land immediately abutting the land subject to the planning proposal are already zoned IN1 General Industrial and are occupied by light industrial uses - a bus depot, stockfeeds warehouse and retail outlet, and land revegetation depot.

There are two separate and distinct industrial areas in Eden – at Imlay Street and on the Princes Highway. Snug Cove is zoned IN4 Working Waterfront and is used for industry associated with the wharves and the fishing industry. There is no land available for further un-related development at Snug Cove.

Industrial land in Pambula is located within the urban area, to the east of the village and west of the settlement of South Pambula. It is in these three settlements that the majority of industrial land is located.

Other small pockets of industrial land exist at Edrom which is the site of the woodchip mill south of Eden, at Kalaru village and at Wallagoot which comprises two small industrial parcels adjacent Kalaru racecourse.

The tables and charts below illustrate the use of industrial land in Bega Valley LGA and the spread of parcel sizes in each settlement.

The towns with the greatest number of industrial allotments are Bega and Eden. These two settlements provide almost 80% of all industrial lots across Bega Valley LGA, although only 14 vacant lots (subdivided and unsubdivided) exist in Bega and 24 in Eden.

There are only a total of 41 vacant lots in the whole LGA although 10 lots are occupied by dwellings in Bega, Bermagui and Eden.

Table 7.1: Use of industrial zoned land by settlement

Status of industrial zoned land	Bega	Kalaru	Bermagui	Eden	Wallagoot	Pambula	South Pambula	Total
Occupied lots - industry	91	1	19	70	1	29	24	235
Occupied lots - dwellings	2	0	5	3	0	0	6	16
Vacant lots	14	0	1	24	0	2	5	46
Total lots	107	1	25	97	1	31	35	297

Size of parcels	Bega	Kalaru	Bermagui	Eden	Wallagoot	Pambula	South Pambula
0 - 1,000sqm	52	0	1	32	0	5	2
1,000 - 5,000sqm	36	0	18	54	0	23	12
5,000 - 10,000 sqm	9	0	2	6	0	2	8
10,000sqm +	10	1	4	5	1	1	13

Size of parcels	Bega	Kalaru	Bermagui	Eden	Wallagoot	Pambula	South Pambula
1,000 - 2,000sqm	16	0	4	23	0	8	4
2,000 - 3,000sqm	9	0	7	18	0	10	2
3,000 - 4,000sqm	3	0	5	2	0	4	0
4,000 - 5,000sqm	8	0	2	11	0	1	6

The spread of industrial land parcels by size in Bega Valley LGA is shown in the charts below (Figures 7.1 and 7.2). Small industrial lots less than 1,000 square metres dominate in Bega whereas lots within the range 1,000 to 5,000 square metres are the most prevalent in Eden, Bermagui and Pambula. Figure 7.2 drills down further to quantify the numbers of lots in the range 1,000 to 5,000 square metres in 1,000 square metre increments.

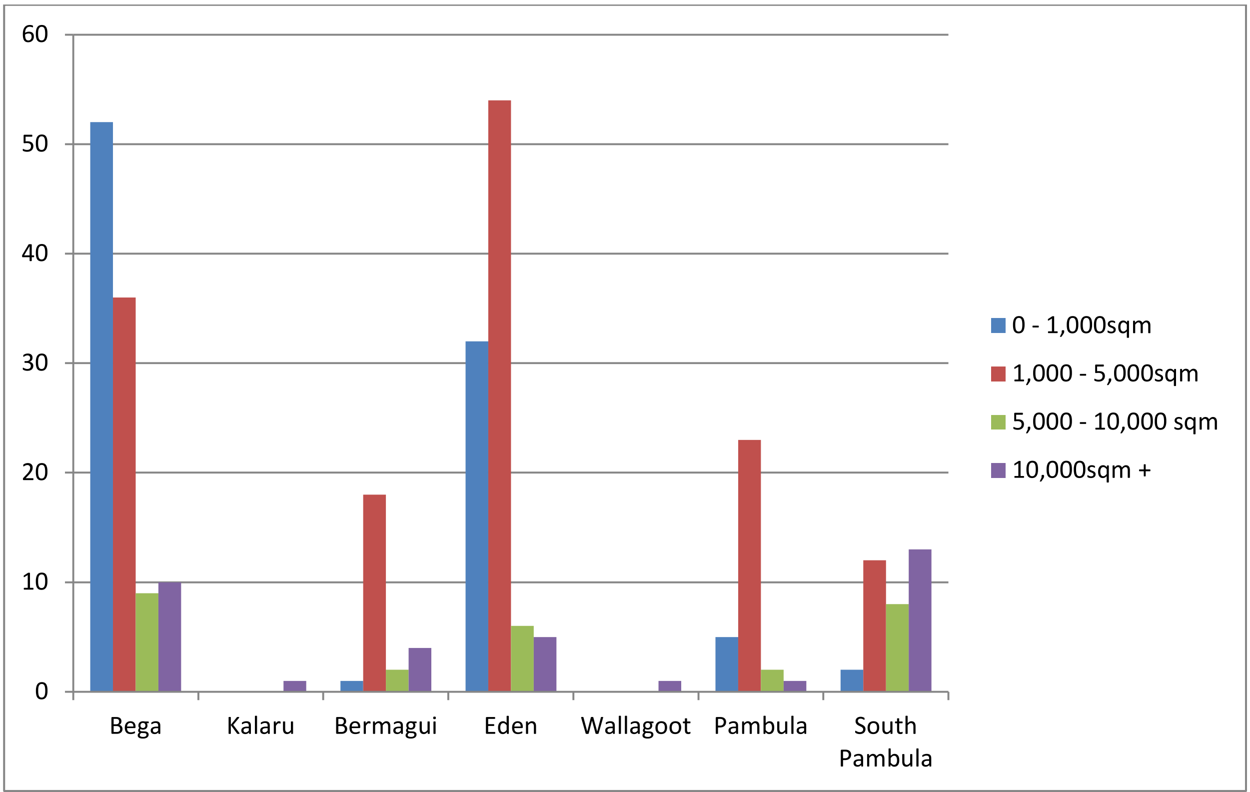


Figure 7.1: The spread of lot sizes in industrial areas by settlement. Source: BVSC

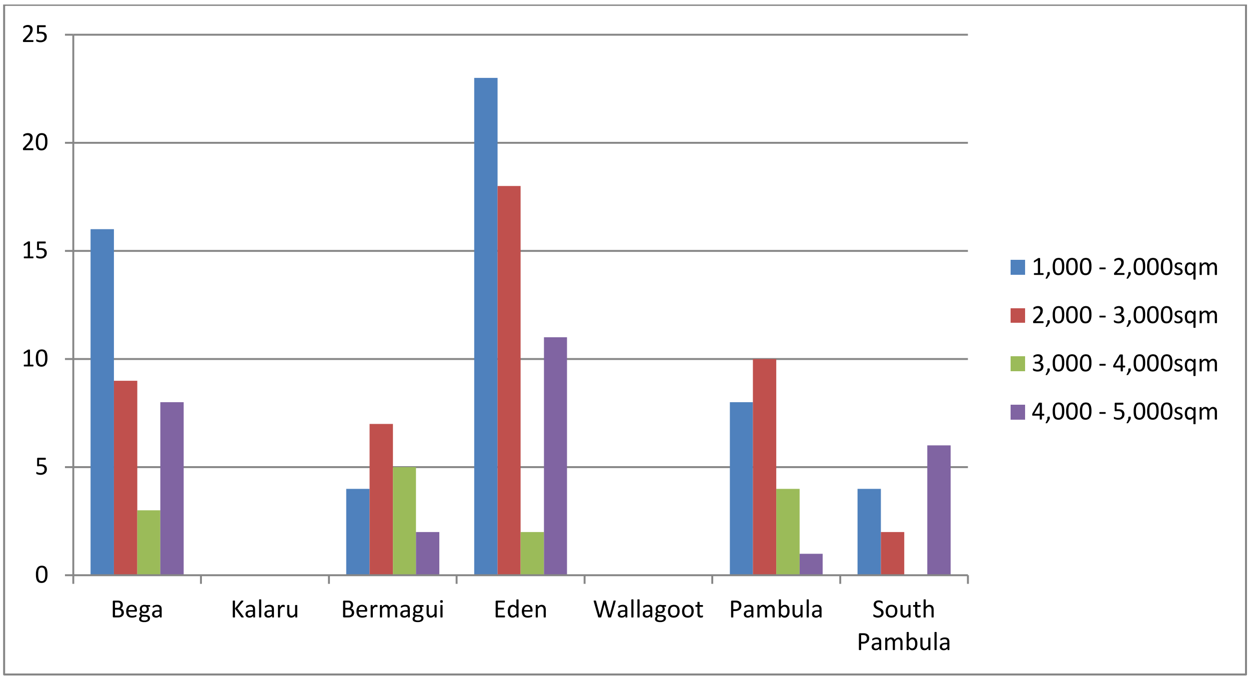


Figure 7.2: The spread of lot sizes in the 1,000m2 to 5,000m2 range by settlement. Source: BVSC

7.2 Industrial development in Bega Valley

Approvals issued by Bega Valley Shire Council for development within industrial zoned areas over the period 2010 to 2015 have been interrogated to ascertain the level of activity taking place in each industrial area.

Although the number of development consents issued is an indication of the take-up of industrial land, construction commencements are evidence that consents have translated to works on the ground. CCs are therefore a more accurate measure of development activity.

Table 7.2 below shows the consents and CCs issued in industrial zones. Figures are also given for rural and business zones as a comparison and to demonstrate that some industrial activities take place in rural areas and commercial centres.

The data includes approvals for additions and alterations to existing buildings, earthworks, changes of use to existing buildings and subdivision. Although these are not actual new developments, the data gives an indication of the level of industrial activity.

Table 7.2: Consents and construction certificates issued 2010-2015

	Development consents industrial zones	Construction certificates industrial zones	Development consents rural zones	Construction certificates rural zones	Development consents business zones	Construction certificates business zones
2010	14	5	0	3	8	0
2011	12	8	3	1	1	3
2012	8	6	2	2	0	0
2013	6	10	0	2	0	1
2014	8	9	6	2	4	1
2015	2	3	4	1	0	1
Total	50	41	15	11	13	6

There were 50 consents issued in total over the 2010-2015 period with 41 construction commencements. There is often delay enacting a consent so the CCs do not necessarily correlate with consents in each year.

A total of 15 consents were issued for industrial development in rural zones and 13 in business zones across Bega Valley LGA with 11 and 6 construction certificates respectively over the 2010-2015 period. Approvals in rural zones were for a range of uses including rural industries, a concrete batching plant, an extractive industry, and light industrial uses such as a vehicle repair station ad brewery. Approvals in business zones were for service stations, a car wash, and bulky goods uses such as marine sales and display, vehicles sales and storage.

Tables 7.3 and 7.4 below give a breakdown of consents and construction certificates respectively for industrial zones by settlement. These figures are used in the opportunities and constraints analysis of each industrial area provided in Chapter 7.

Table 7.3: Development consents issued for industrial development by settlement, 2010-2015. Source: BVSC

Development consents in industrial zones by settlement										
	Bega	South Pambula	Kalaru	Bermagui	Eden	Merimbula	Wallagoot	Pambula	Edrom	Total
2010	9	1	1	0	3	0	0	0	0	14
2011	1	2	3	1	4	0	0	1	0	12
2012	5	2	0	0	1	0	0	0	0	8
2013	4	1	0	0	1	0	0	0	0	6
2014	3	1	2	1	1	0	0	0	0	8
2015	1	0	0	1	0	0	0	0	0	2
Total	23	7	6	3	10	0	0	1	0	50

Table 7.4: Construction certificates issued for industrial development by settlement, 2010-2015. Source: BVSC

Construction certificates in industrial zones by settlement										
	Bega	South Pambula	Kalaru	Bermagui	Eden	Merimbula	Wallagoot	Pambula	Edrom	Total
2010	4	0	0	0	0	0	0	1	0	5
2011	2	3	0	0	2	0	0	0	1	8
2012	3	1	0	0	2	0	0	0	0	6
2013	5	2	0	1	1	0	1	0	0	10
2014	3	1	1	1	1	0	0	2	0	9
2015	1	2	0	0	0	0	0	0	0	3
Total	18	9	1	2	6	0	1	3	1	41

Development activity has been principally in Bega, Eden and South Pambula industrial areas. A total of 23 consents were issued for industrial development in Bega between 2010 and 2015 along with 18 construction certificates. Although 6 consents were issued for the Kalaru industrial area only one of these actually commenced.

The characteristics of industrial development in the regional centre of Bega is worthy of special discussion. Industrial parcels are fragmented across the township which presents difficulties for new development, especially uses that require land areas to accommodate larger floorplate uses with adequate access for large freight vehicles. Bega has nine compartments of industrial zoned land with varying levels of occupation, exposure and amenity. There is a wide range of uses occurring at the various industrial areas across Bega from heavier uses such the agricultural food processing businesses, concrete batching plants, truck depots and machinery outlets to various light industrial uses such as automotive maintenance and repairs. The newer industrial estates are characterised by larger lots in highly visible locations along arterial roads. These newer estates are located at the northern and southern entrances to the township. Smaller historical parcels of industrial zoned land are scattered within the urban area, often in close proximity to community and residential land uses. Land at North Bega and along the Princes Highway south of Bega is highly visible to the arterial road whereas smaller historical parcels are located within the built-up urban area and lack exposure to travelling motorists and therefore easy access for freight.

7.3 Opportunities and constraints analysis

Tables indicating opportunities and constraints for each industrial area in Bega Valley are provided below. These tables contain summaries of the information provided in the attached inventory sheets. Opportunities and constraints are identified alongside a range of factors that affect the suitability of land for industrial use. Aggregated data is presented for Bega and Eden as demand and supply data for these towns is combined and not split by individual industrial areas.

Land north of Wolumla has also been assessed. This land is currently rural land occupied by a single dwelling. It is in close proximity to the central waste facility and the NBN earth satellite station. This land is a 'candidate' area for potential future industrial zoning.

An explanation of each of the factors considered in the analysis is given below. It is noted that there is no minimum lot size that applies to industrial zoned land under *Bega Valley LEP 2013*.

Table 7.5 Explanation of factors considered in analysis

Location – i.e. proximity to an urban centre, the zoning of adjoining land and/or intervening land between the area and an urban centre
Zoning – whether IN1 General Industrial and/or IN2 Light Industrial under *Bega Valley LEP 2013*
Take-up - consents and construction certificates issued over the period 2010-2015 as a measure of demand
Supply – details of occupation of the land and the number of existing vacant lots
Lot sizes – the range of existing lot sizes
Capacity – the number of additional lots able to be created at a minimum lot size of 2,000m^2
Services – whether serviced with reticulated water and sewer
Access – proximity and access to transport modes and any planned improvements
Sensitivity – e.g. the presence of significant native vegetation or biodiversity as shown on maps accompanying *Bega Valley LEP 2013*, slope, bushfire or flood hazard
Amenity – a description of the landscape, its orientation, and any visual or scenic qualities
Exposure – visibility to an arterial or major road

Two estimates are given of the vacant capacity of industrial land for each area. The first is based on the assumption that all available land (vacant and under-utilised as identified on aerial imagery provided on the NSW Government's SIX Maps) is able to be developed and allowing for 20% of total land area to be set aside for services and easements. The second is having deducted an estimate of land area that is constrained or potentially constrained by significant vegetation or other environmental attributes.

The vacant rural land at Wolumla that has been considered for potential future industrial zoning is a single allotment covering an area of 147.5 hectares. That part of the site that is mapped as being environmentally sensitive has been deducted as well as 20% of the total land area for the provision of services, such as roads and easements for water, sewer and drainage.

Table 7.2: Bega opportunities and constraints analysis

Bega	**Opportunities**	**Constraints**
Location	Centrally located to the north, south and in the central parts of the regional centre	Some small parcels are spread across several areas and located in close proximity to residential and community uses. Industrial land in Bega is highly fragmented and constrains future development
Zoning	IN1 General Industrial & IN2 Light Industrial	
Take-up	23 consents, 18 CCs	
Supply	107 lots existing – 91 occupied by industrial uses, 14 vacant lots	2 lots occupied by dwellings
Lot sizes	9 lots between than 5,000m^2 and 10,000m^2 10 lots greater than 10,000m^2	Half of lots less than 1,000m^2 16 lots between 1,000m2 and 2,000m^2
Capacity – all vacant land	14 vacant lots capable of subdivision to create 225 additional lots, plus 10.7ha of land subject to a draft planning proposal that is capable of generating 54 lots	
Capacity – deducting constrained land	195 lots having deducted 6 hectares at South Bega	An endangered ecological community and records of Aboriginal heritage exist at South Bega
Services	Reticulated water and sewer	Sewer funding secured but yet to be provided to North Bega
Access	Located on or near Princes Highway and Snowy Mountains Highway, reasonable proximity to air services (to be upgraded)	Distance from Port of Eden
Sensitivity	Minor remnant terrestrial vegetation	Watercourses that drain to Bega River scattered across township Areas of constrained land due to flood potential, e.g. North Bega adjacent Bega River Steep slopes of vacant land at North Bega which would necessitate earthworks An endangered ecological community and records of Aboriginal heritage exist at South Bega
Amenity	North Bega provides developed entrance to town dominated by Bega Cheese	Small historic areas scattered amongst township adjoining and adjacent residential areas

Bega	Opportunities	Constraints
Exposure	North Bega and vacant land to south of Bega visible to Princes Highway	Small parcels located away from arterial or major roads

Table 7.3: Bermagui opportunities and constraints analysis

Bermagui	Opportunities	Constraints
Location	Approximately 2km south of township	Adjoins land zoned E4 Environmental Living used for rural living – potential land use conflict
Zoning	IN1 General Industrial	
Take-up	3 consents, 2 CCs	Average of only 0.5 consents per annum
Supply	Total of 25 lots, 19 occupied by industrial uses	5 lots occupied by dwellings and only 1 vacant lot
Lot sizes	Majority (18) in the 1,000m^2 to 5,000m^2 range. Of these 14 greater than 2,000m^2	
Capacity – all vacant land	Additional 46 lots	Many lots under-utilised large lots occupied by dwellings
Capacity – deducting constrained land	Additional 31 lots	Approximately 3 hectares potentially EEC
Services		Not serviced. Rely upon rainwater collection and on-site wastewater disposal
Access		Distance to arterial road network, air and sea freight services
Sensitivity		Areas of terrestrial biodiversity over lots occupied by dwellings particularly in the south-western corner. This is potentially Bangalay Sand Forest EEC
Amenity	Landform generally flat, vegetation provides attractive setting	
Exposure		Nil, setback 180m from road and screened by vegetation

Table 7.4: Eden (Princes Highway, Imlay Street and Snug Cove) opportunities and constraints analysis

Eden	Opportunities	Constraints
Location	Princes Highway located north of town with little potential for land use conflict	Imlay Street adjoins residential land and high conservation value land
Zoning	IN1 General Industrial	
Take-up	10 consents, 6 CCs	

Eden	Opportunities	Constraints
Supply	97 lots, 70 occupied by industry uses 24 vacant lots	3 lots occupied by dwellings
Lot sizes	6 lots between5,000m^2 and 10,000m^2 5 lots greater than 10,000m^2	Half of lots between 1,000m^2 and 5,000m^2 One-quarter of all lots less than 2,000m^2
Capacity – all vacant land	Additional 93 lots	Nil - at Snug Cove
Capacity – deducting constrained land	Additional 79 lots	Nil - at Snug Cove 2.8ha of mapped biodiversity at Imlay Street
Services	Reticulated water and sewer	
Access	Located on and close to the Princes Highway and Port of Eden (to be upgraded)	Distance from air services
Sensitivity		Areas of the Princes Highway area covered with terrestrial biodiversity although this area is mostly cleared Lowland Dry Shrub Forest. Partially constrained due to steep slopes. Watercourses traverse draining to Curalo Lagoon and the area is potentially flood-prone. There may be wetlands to consider in this eastern area Western half of Imlay Street constrained by terrestrial biodiversity
Amenity	Attractive bushland setting	
Exposure	Northern area visible to Princes Highway	Imlay Street within township and nil visibility

Table 7.5: Edrom opportunities and constraints analysis

Edrom	Opportunities	Constraints
Location		Remote – southern headland of Twofold Bay
Zoning	IN1 General Industrial	
Take-up		1 CC in 2011
Supply	Occupied by single industrial use	Nil. Single allotment
Lot sizes	Single lot greater than 10,000m^2	
Capacity – all vacant land		Nil - operating at capacity. Future development limited to expansion or intensification of existing timber industry use
Capacity – deducting constrained		Nil - operating at capacity

Edrom	Opportunities	Constraints
land		
Services		Nil
Access	Located close to the Princes Highway and Port of Eden (to be upgraded), multi-purpose wharf	Distance from air services
Sensitivity		Partially covered by terrestrial biodiversity, watercourses, adjoins heritage item I037 (Edrom Lodge) and I033 (Boyd's Tower)
Amenity	High due to views, presence of vegetation and proximity to ocean	
Exposure		Nil. Visible from town of Eden but remote and difficult access

Table 7.6: Kalaru opportunities and constraints analysis

Kalaru	Opportunities	Constraints
Location	Within village Consolidates village boundaries	Close proximity to residential land – potential for land use conflict
Zoning	IN1 Light Industrial	
Take-up	6 consents, 1 CC	Average only 1 consent per annum Only 1 consent has been enacted
Supply	occupied by industrial uses	
Lot sizes	Single lot more than 10,000m^2	
Capacity – all vacant land	Additional 39 lots	
Capacity – deducting constrained land		Unknown – subject to site survey to determine whether vegetation is of high conservation value
Services	Reticulated water and sewer	
Access		Distance to arterial road network, air and sea freight services
Sensitivity	Watercourse crosses south-east corner of site but adequate stormwater management measures in place	Northern half of lot covered with vegetation and mapped as terrestrial biodiversity. The vegetation is not a predicted EEC but there may be remnant grassy woodland on the lower part of the site Local heritage item I746 (old brickworks) on the site
Amenity	Adjoins rural farmland and bushland	
Exposure	Frontage to Bega-Tathra Road	

Table 7.7: Pambula opportunities and constraints analysis

Pambula	Opportunities	Constraints
Location	Central area adjoins infrastructure uses and separated from residential area Arthur Kaine Drive at outskirts of settlement Low potential for land use conflict	
Zoning	IN2 Light Industrial (central area) IN1 General Industrial (Arthur Kaine Drive)	
Take-up	3 CCs issued	1 consent issued in 2011
Supply	31 industrial lots, 29 occupied by industry	only 2 vacant lots (Arthur Kaine Drive) central area at capacity
Lot sizes	Most lots in the 1,000m^2 to 5,000m^2 range, 10 of which are sized between 2,000m^2 to 3,000m^2	Only one lot greater than 10,000m^2
Capacity – all vacant land	57 additional lots, 53 of which utilise vacant land	
Capacity – deducting constrained land		Unknown – subject to site survey of McKell Street industrial area to determine whether vegetation is of high conservation value
Services	Reticulated water and sewer	
Access	Close to Princes Highway and air services which are planned to be upgraded	Distance from port services
Sensitivity	Central area unconstrained	Arthur Kaine Drive constrained by terrestrial vegetation and watercourses traverse vacant land. There are no predicted EECs but there could be a high occurrence of hollow-bearing trees. Threatened species records on adjoining land
Amenity	Central area well-located in urban area Arthur Kaine Drive in undulating bushland setting	
Exposure		Central area not visible to arterial road Entrance to Arthur Kaine Drive off major road but not visible

Table 7.8: South Pambula opportunities and constraints analysis

South Pambula	Opportunities	Constraints
Location	Adjoins residential village of South Pambula and south of Pambula	

South Pambula	Opportunities	Constraints
Zoning	IN1 General Industrial	
Take-up	n/a	
Supply	35 lots in total 24 lots occupied by industry uses 5 lots are vacant	6 lots occupied by dwellings and used for agriculture
Lot sizes	One-third of lots in the 1,000m^2 to 5,000m^2 range mostly occupied Significantly large lots used for agriculture ranging from 1.2ha to 24ha in area	
Capacity – all vacant land	Total land area of industrial area is 1.641sqkm. potential for over 600 additional lots	
Capacity – deducting constrained land	Potential for 454 additional lots	Wetlands on northern side of Mount Darragh Road and vegetated areas south of the road comprise 45 hectares
Services		Nil
Access	Close to Princes Highway and air services which are planned to be upgraded	Distance from port services
Sensitivity		Highly constrained by terrestrial biodiversity south of Mount Darragh Road and flooding north of Mount Darragh Road Scattered wetlands containing endangered ecological community on both sides of Mount Darragh Road Local heritage item 243 (former Pambula Co-op Creamery Dairy Co) within industrial zoned land
Amenity	Vegetated setting with rural backdrop towards Pambula	
Exposure	Visible to Mount Darragh Road	No visibility to Princes Highway

Table 7.9: Wallagoot opportunities and constraints analysis

Wallagoot	Opportunities	Constraints
Location		Remote – located south of village of Kalaru
Zoning	IN1 General Industrial	
Take-up		1 CC issued in 2013
Supply	Single lot includes racecourse. Split into two sections of industrial land	
Lot sizes	Single lot greater than 10,000m2	

Wallagoot	Opportunities	Constraints
	northern industrial section fully occupied by landscaping business, southern section 8ha and vacant	
Capacity – all vacant land	Additional 32 lots (allowing for 20% constrained land and services) 22 lot subdivision approved in 2011	
Capacity – deducting constrained land		Unknown – subject to site survey to determine whether vegetation is of high conservation value
Services		Nil
Access		Distance to arterial road network, air and sea freight services
Sensitivity	Remnant vegetation confined to perimeter of site and appears to be re-growth with low species diversity	All sites mapped as terrestrial biodiversity. No predicted EECs exist but there is the potential for a high occurrence of hollow-bearing trees. Some threatened species records nearby including of yellow-bellied glider
Amenity	Bushland setting	Remote from centre
Exposure		Not visible from Sapphire Coast Drive due to screening by vegetation

Table 7.10: Wolumla opportunities and constraints analysis

Wolumla	Opportunities	Constraints
Location	Central LGA location 11km south of Bega In close proximity to central waste facility, satellite earth station facility for NBN and regional hospital	Adjoins rural living land to the south
Zoning		Deferred matter, remains 1(a) Rural General Zone under Bega Valley LEP 2002 Planning proposal required to rezone
Take-up	n/a	n/a
Supply	n/a	n/a
Lot sizes	Single lot of 147.5ha Occupied by single dwelling	
Capacity – deducting constrained land	Additional 590 lots (allowing for constrained land and services)	
Services		Nil
Access	Located on Princes Highway, reasonable proximity to air services (to be upgraded)	Distance from port services

Wolumla	Opportunities	Constraints
Sensitivity		Watercourses that drain to the east Patches of terrestrial biodiversity in vicinity of existing dwelling Local heritage item 187 (Ayrdale Dairy Village) adjoins to north
Amenity	Undulating landscape and remnant vegetation provides attractive setting	
Exposure	Visible to Princes Highway with four access roads	

Below is a summary table of lot yield estimates for each industrial area based on minimum lot size of 2,000m². The exception is in Bega where there is a preference for smaller lots. In this case the estimated lot yield for Central Bega is based on a lot size of 650m². In total there is the potential to generate a further 221 lots at a lot size of 2,000m² in Bega. This includes 6 lots at 650m² in central Bega and the potential 43 lots on land that is subject to a draft planning proposal to rezone as industrial land. 181 lots may be created having taken environmentally constrained land into account.

Table 7.11 Summary of lot yield estimates at a minimum lot size of 2,000m²

Industrial area	Vacant land estimate	Land area less 20% for services	Lot yield @ 2,000m²	Land area less constraints	Revised lot yield @ 2,000m²
Bega	54.31ha	43.45ha	221	35.67ha	181
Bermagui	9.10ha	7.28ha	36	4.28ha	21
Eden (North Eden & Imlay Street)	8.08ha	6.46ha	32	3.82ha	19
Kalaru	4.70ha	3.76ha	19	3.75ha	1
Pambula (McKell Street)	14.38ha	11.50ha	57	0	0
South Pambula	102.28ha	81.82ha	409	36.82ha	184
Wallagoot	7.60ha	6.08ha	30	0	0
Sub-total	**200.45**	**160.35**	**804**	**84.34**	**406**
Wolumla	147.5ha	127.5ha	637	118.00ha	590
Total	**347.95**	**287.85**	**1,441**	**202.34**	**996**

The application of a larger minimum lot size, of say 4,000m², to ensure that industrial land is not fragmented in small lots would reduce supply to half of that shown in the table above. The revised lot yield taking into account environmental constraints would be 200 lots.

Data for Snug Cove and Edrom industrial areas are not given as these two areas are used for specific purposes and there is currently no spare capacity.

Reference should be made to the industrial area inventory sheets provided as Attachment 1 to this report for further details about these industrial areas including the split of potential lot yields where there is more than one industrial area in a settlement. Separate inventory sheets are provided for north, central and south Bega industrial areas with an estimate of potential lot yields noting that take-up and capacity data is for all industrial land in Bega.

8. Conclusion and recommendations

8.1 Findings

There is a large supply of land zoned for industrial use and vacant land with the capacity to yield over 800 additional lots at a minimum lot size of 2,000m². This estimate caters for the provision of services such as roads, drainage easements and the like and is an absolute best case scenario. There were a total of 78 issued across the whole LGA during the period 2010 to 2015 including for industrial development in rural and business zones, noting that this includes alterations and additions and preparatory earthworks. At a continuing average of 13 consents issued per year by Council for industrial development this supply of 800 lots could last just over 60 years. It is noteworthy that planned improvements to infrastructure, in particular upgrades and expansion of the Port of Eden wharf facilities and to Merimbula Airport, may stimulate the local economy thereby increasing demand for industrial land and diminishing supply.

Taking into account potential environmental constraints there is a potential to yield 400 lots reducing supply to 30 years at an annual average of 13 consents for industrial development. If a minimum lot size of 4,000m² is used the potential yield is halved to 200 lots that can only supply 15 years at current take up rates.

Examples of areas of land that may be constrained due to environmental factors are McKell Street at Pambula, parts of South Pambula, the eastern side of North Eden, parts of Imlay Street at Eden and areas at South Bega. This demonstrates a need to further investigate the degree to which industrial land is constrained - to validate the presence of EECs and wetlands, and the extent of flooding.

The vacant rural land at Wolumla has the potential to provide unconstrained land in a central location which high visibility to the Princes Highway by doubling the potential lot yield having at a worst case scenario where all constrained land is removed. Again, to justify the creation of a new industrial estate it is necessary to carry out a full investigation to determine the suitability of existing zoned land.

Research carried out for this report indicates that there are several opportunities for industrial development in Bega Valley that concentrate on and build upon existing strengths and drivers. These are:

- support industries linked to the medical industry and health services such as catering, cleaning, manufacturing
- support industries linked to the ageing population and their accommodation needs such as catering, cleaning, laundry and packaged food products
- industries that require good access to technology such as the fast broadband speeds provided by the NBN network and that support that technology, including education
- agribusiness, value-added food processing and packaging businesses to support the growing local, national and international demand for high quality organic food products such as dairy, seafood (oysters and mussels) and organic vegetables

The spatial requirements of local industries would vary but it would be prudent to ensure that a range of lot sizes are maintained. The prevalence of smaller lots in places such as Bega reflects past market preferences, however, feedback received during consultation indicates that large lots are sought after and in short supply. Larger lots are required to cater for large floorplate developments and in locations that are visible to passing traffic. The fact that approvals have been granted to light industry and bulky goods premises in commercial centres demonstrates that visibility to passing traffic which is almost always available in commercial centres, is of paramount importance to business. Consultations carried out for this project confirmed that this is the case.

There are about to be major improvements to transport connections with the proposal to upgrade east-west road freight corridor proposed by the South East Transport Forum and the forthcoming direct flights linking Canberra and Singapore and Canberra and Wellington, New Zealand. The opportunities to focus outwards to export knowledge, goods and services are likely to be plentiful. It is important that Council ensures that adequate unconstrained and well-positioned land with a range of lot sizes is available to cater for the needs of potential industries.

8.2 Recommendations

Recommendation 1 – further investigate existing vacant zoned land

It is recommended that Council address the perceived shortage of industrial land by carrying out further investigations of vacant zoned industrial land to determine its suitability for development. This would involve investigations into topographical limitations, ecological factors to confirm the presence of endangered ecological communities or land that is of high conservation value, and in some cases the impacts of natural hazards such as flooding. The ability to service industrial zones that are remote from settlements should also be explored.

A Ministerial Direction under section 117 of the Environmental Planning and Assessment Act 1979 aims to retain industrial zoned land unless it can be demonstrated by a land use strategy that back-zoning is warranted. It is preferable to rezone those absolutely constrained areas that are unlikely to be able to be feasibly developed to an environmental zone.

Recommendation 2 – consider minimum lot sizes for industrial subdivision

To ensure that a range of lot sizes are provided for future industrial development, it is recommended that Council consider applying minimum lot sizes to industrial areas based on market preferences as demonstrated by existing arrangements. Council could determine areas suited to large floorplate development, i.e. flat land with adequate access and highway exposure, that should be allocated a large lot size to protect them from small lot subdivision and for uses that require large land areas. Industrial areas that have been utilised predominantly for light industrial uses such as storage, vehicle repairs and the like would be better suited to a smaller lot size, say 1,000m^2, that reflects existing development. The important thing for Council to consider is whether applying minimum lot sizes will prevent the loss of industrial land and avoid limiting future uses of land for future uses through the fragmentation of industrial land.

Recommendation 3 – discount headworks charges

Incentives to subdivide existing zoned land that is under-utilised where it is unconstrained may encourage subdivision and supply of industrial land. Shoalhaven City Council resolved to discount water and sewer headworks charges that are levied under section 64 of the *Local Government Act 1993* by 75%, i.e. charges are only 25% of the full amount. This has served to encourage development across serviced areas. It is recommended that Bega Valley Shire Council explore options to discount headworks charges for industrial development in areas that are serviced with reticulated water and sewer as an incentive to development.

Recommendation 4 – investigate the development of a new centrally-located industrial estate

If the findings of investigations into the suitability of existing zoned land are that significant areas are unsuitable for industrial development and/or Council makes a decision to back-zone existing constrained industrial land, then it is recommended that Council further investigate the potential to rezone all or part of the land at Wolumla for industrial use. The land at Wolumla land is centrally located alongside infrastructure uses (the central waste facility and NBN broadband satellite dishes), would have excellent broadband access, is in relatively close proximity to the labour sources of the settlements of Bega, Merimbula-Pambula and Wolumla, and has good visibility along the frontage to the Princes Highway. Council could commence negotations with the land owner and consider entering into a public-private partnership to construct roads and essential infrastructure to facilitate development of a new industrial estate. It is understood that several industrial developments have commenced in the vicinity of the village of Wolumla in recent times which indicates that the location is desirable. The servicing of the land with reticulated water and sewer is considered essential and the potential to extend services to the site should be investigated.

Council may consider developing an industrial estate based on the principles of sustainability. Given the level of support for and attitudes towards nature conservation in Bega Valley, environmental protection could be linked to economic development through the development of an eco-friendly industrial park. Such a park would be designed to reduce water and resource use while enabling new businesses to take advantage of amenity and setting. Examples of such industrial developments exist in Western Australia – Meridian Park in the City of Wanneroo and the East Rockingham Industrial Park, both developed by Landcorp the WA Government's land development agency. Development and design guidelines have been prepared for these two estates that contain a vision for the style of industrial development and sustainability initiatives relating to energy efficiency, water and waste management, amenity and land use, architecture and built form, and environmental quality. These documents, which are similar to development control plans, contain guiding principles and acceptable solutions.

Recommendation 5 – prepare a prospectus to promote the development of industrial land

Following completion of the investigations recommended above that identify land that is suited to industrial development, Council could prepare a prospectus with the aim of attracting targeted industry types, as outlined in this paper and the economic development strategy, to Bega Valley Shire. The findings of investigations could be used as a tool in the prospectus to position the LGA as a location of preference. Council may wish to go so far as to match specific industries to particular locations based on competitive advantages, such as lifestyle, infrastructure capacities, access to markets, the benefits of clustering of businesses and the available labour force.

References

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Attachment 1 – Industrial land inventory sheets

Inventory Sheet 1a – North Bega industrial areas

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial IN2 Light Industrial
	Heritage	No
	Terrestrial biodiversity	Yes
	Natural resources	Yes
	Riparian lands and watercourses	Yes
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

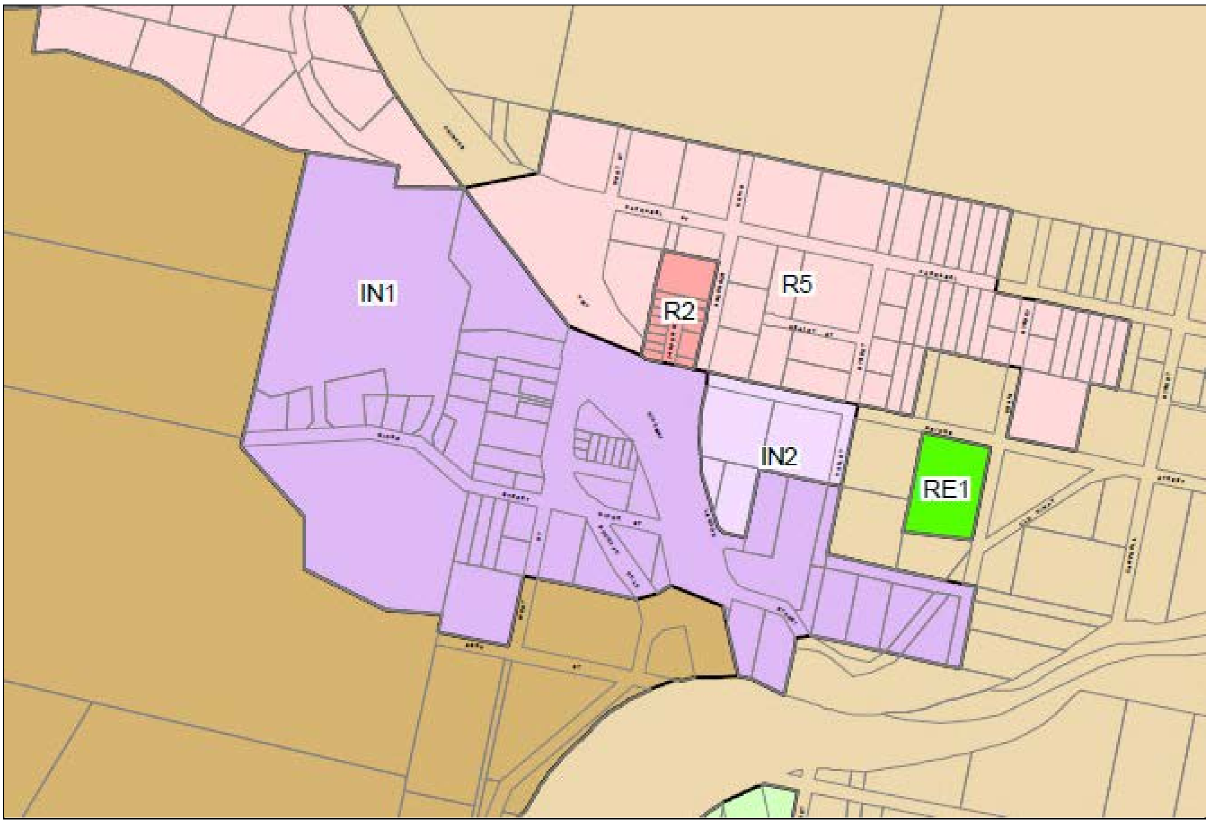

Figure 1: Bega North industrial area - extract from Bega Valley LEP 2013 land zoning map Sheet LZN_011B

Context and uses

There is a wide range of uses occurring at North Bega from heavier uses such the agricultural food processing businesses, concrete batching plants, truck depots and machinery outlets to various light industrial uses such as automotive maintenance and repairs. The industrial land is characterised by larger lots in highly visible locations along an arterial road at the northern entrance to the township.

Services

Reticulated water services are available and the provision of reticulated sewerage is currently underway to North Bega.

Take-up (all Bega industrial land)

Year	Development consents	Construction certificates
2010	9	4
2011	1	2
2012	5	3
2013	4	5
2014	3	3
2015	1	1
Total	23	18
Ave annual	3.8	3

The take-up of industrial land can be measured by the volume of development consents issued over a time period. There were 23 consents issued over the 6 years between 2010 and 2015 giving an average annual of nearly 4 consents per annum. Consents were issued for uses such as vehicle washing, vehicle repairs, storage premises, a metal recycling facility and additions to an agricultural produce industry.

Construction certificates are a more accurate measure of demand as these indicate consents that have been enacted. There were 3 CCs issued in the same time period. These figures indicate that demand for land in the industrial areas of Bega is stronger than in other industrial areas in Bega Valley.

Capacity (all Bega industrial land)

Current use	No. of lots
Occupied lots - industry	**91**
Occupied lots - dwellings	2
Vacant lots	14
Total lots	107

There are currently 107 lots in the industrial area, ranging in size from 256m^2 up to 84,701m^2 of vacant land in the ownership of an agricultural produce industry. The breakdown of lot sizes is given below.

Size of parcels	Number of lots
0 - 1,000sqm	52
1,000 - 5,000sqm	36
5,000 - 10,000sqm	9
10,000sqm +	10

Size of parcels	Number of lots
1,000 - 2,000sqm	16
2,000 - 3,000sqm	9
3,000 - 4,000sqm	3
4,000 - 5,000sqm	8

Potential lot yield at North Bega

There is the potential to subdivide vacant land at North Bega to yield 54 lots allowing for 20% of land to be used for services and easements. Deducting constrained land at the eastern side of this compartment that is a wetland leaves a yield of 44 lots at a lot size of 2,000m^2.

Sensitivity

Environmental

A watercourse traverses vacant land west of the Princes Highway and north of Ridge Street. This then runs east of the highway across land to the north of Bega Cheese. Any development on the vacant land would need to have regard to impacts on water quality and provide a suitable buffer to the watercourse. Land at the edge of the Bega River is also noted as terrestrial biodiversity due to riparian vegetation remaining on the banks. This land is fully developed for Bega Cheese and other light industrial uses.

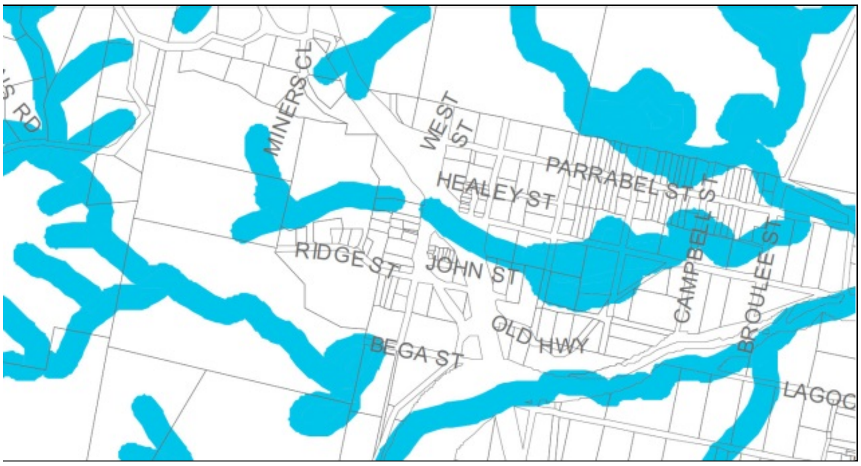

Figure 2: Extract from the Riparian Lands and Watercourses Map Sheet WCL_011

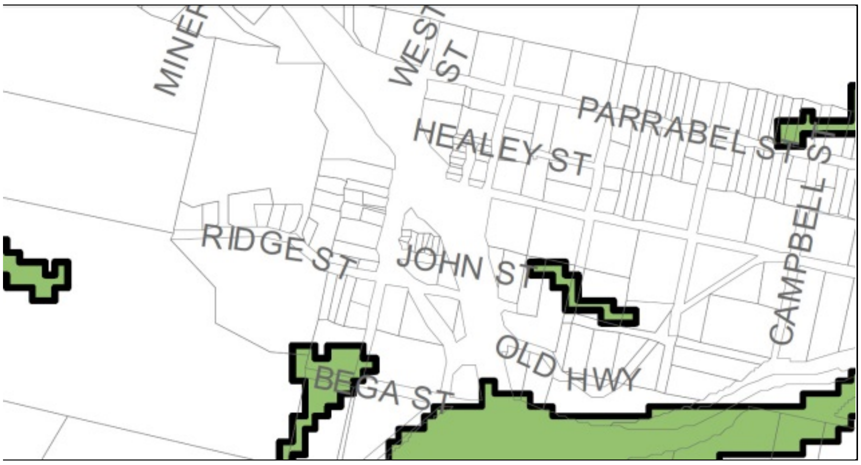

Figure 3: Extract from the Terrestrial Biodiversity Map Sheet BIO_011

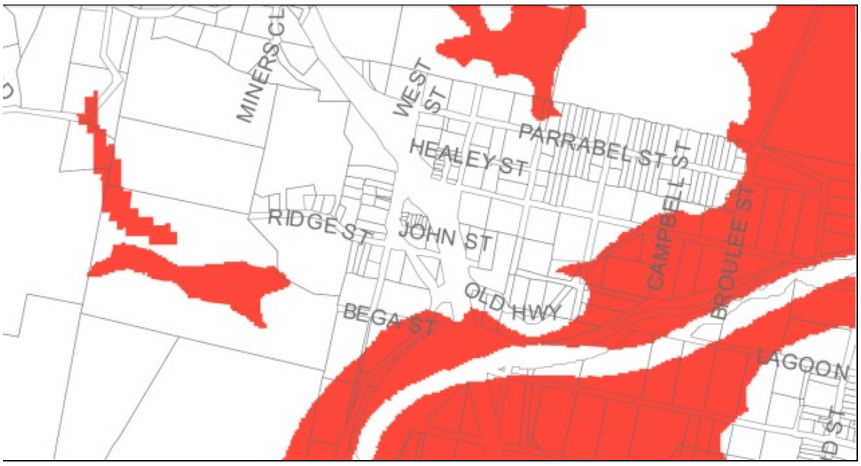

Figure 4: Extract from the Natural Resources Land Map Sheet NRL_011

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for all industrial areas plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

There are no items of cultural heritage listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* within the boundaries of the industrial area or in the vicinity of the area.

Amenity

North Bega industrial land has high amenity through neighbouring rural landscapes and an open character.

Exposure

Land at North Bega is highly visible to the arterial road with exposure to travelling motorists and easy access for freight.

Conclusion and recommendations

Some constraints exist at North Bega though development of any vacant or underutilised land can be carried out in a manner that would not cause adverse impacts. The north eastern corner of the North Bega industrial area is constrained by the presence of a wetland.

Inventory Sheet 1b – Central Bega industrial areas

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial IN2 Light Industrial
	Heritage	Yes
	Terrestrial biodiversity	No
	Natural resources	Yes
	Riparian lands and watercourses	Yes
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

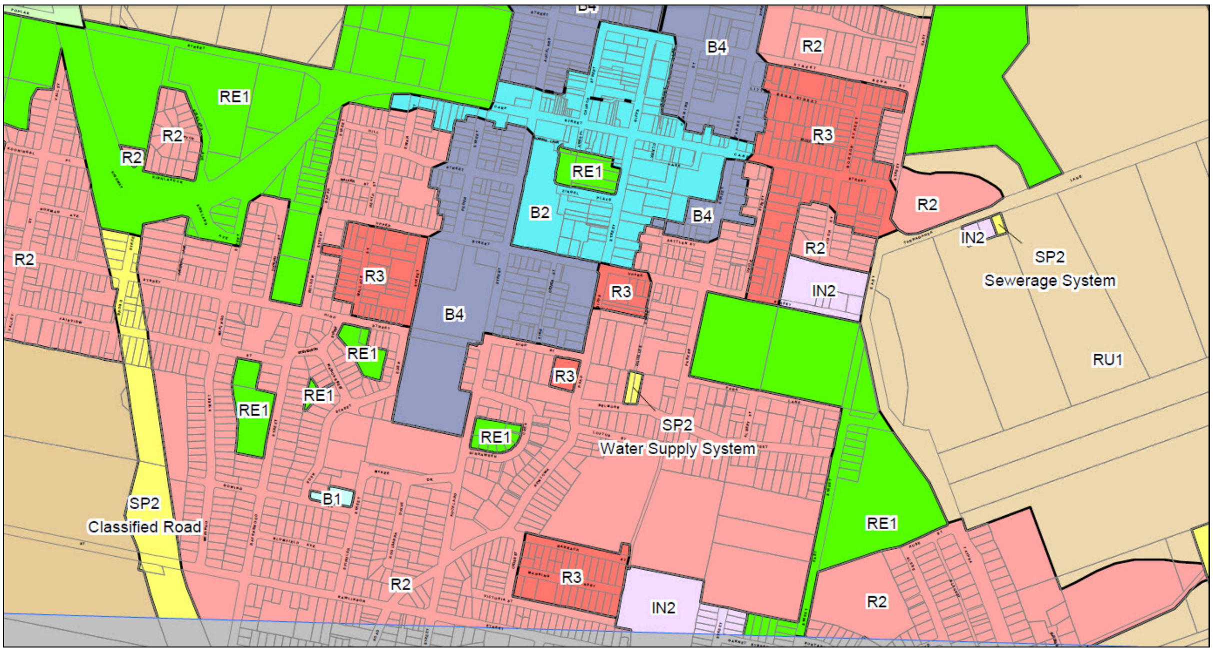

Figure 1: Bega Central industrial areas - extract from Bega Valley LEP 2013 land zoning map Sheet LZN_011B

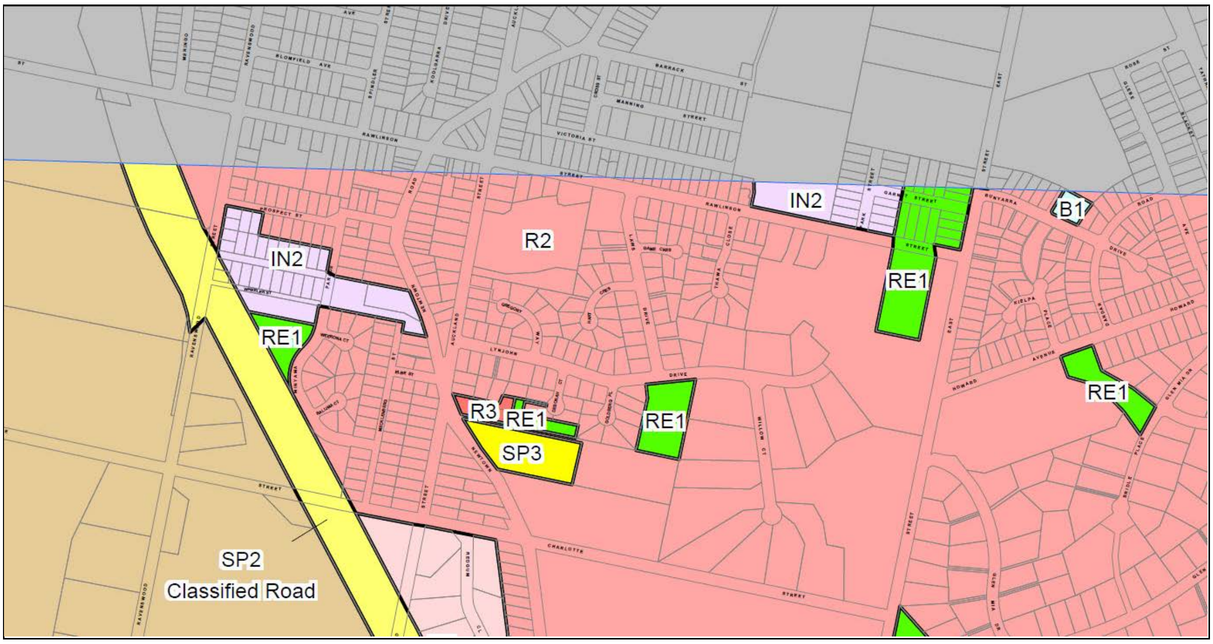

Figure 2: Bega Central industrial areas - extract from Bega Valley LEP 2013 land zoning map Sheet LZN_011C

Context and uses

There are mainly light industrial uses occurring in the Central Bega industrial areas such as automotive maintenance and repairs. Smaller historical parcels of industrial zoned land are scattered within the urban area, often in close proximity to community and residential land uses.

Services

Reticulated water and sewer services are available to all industrial parcels in Central Bega.

Take-up (all Bega industrial land)

Year	Development consents	Construction certificates
2010	9	4
2011	1	2
2012	5	3
2013	4	5
2014	3	3
2015	1	1
Total	23	18
Ave annual	3.8	3

The take-up of industrial land can be measured by the volume of development consents issued over a time period. There were 23 consents issued over the 6 years between 2010 and 2015 giving an average annual of nearly 4 consents per annum. Consents were issued for uses such as vehicle washing, vehicle repairs, storage premises, a metal recycling facility and additions to an agricultural produce industry.

Construction certificates are a more accurate measure of demand as these indicate consents that have been enacted. There were 3 CCs issued in the same time period. These figures indicate that demand for land in the industrial areas of Bega is stronger than in other industrial areas in Bega Valley.

Capacity (all Bega industrial land)

Current use	**No. of lots**
Occupied lots - industry	**91**
Occupied lots - dwellings	2
Vacant lots	14
Total lots	107

There are currently 107 lots in the industrial area, ranging in size from 256m^2 up to 84,701m^2 of vacant land in the ownership of an agricultural produce industry. The breakdown of lot sizes is given below.

Size of parcels	Number of lots
0 - 1,000sqm	52
1,000 - 5,000sqm	36
5,000 - 10,000sqm	9
10,000sqm +	10

Size of parcels	Number of lots
1,000 - 2,000sqm	16
2,000 - 3,000sqm	9
3,000 - 4,000sqm	3
4,000 - 5,000sqm	8

Potential lot yield at Central Bega

Vacant industrial land located at the intersection of Rawlinson and Park Streets, in central Bega has been subdivided into 8 lots of 650m^2 and is available to develop. Two lots of the same size are also available at Maher Street. There is 5,218m^2 of vacant land available to be subdivided further in central Bega to a lot size of 650m^2. This could yield a further 6 lots allowing for 20% of land to be used for services and easements.

Sensitivity

Environmental

Each small industrial area in Bega Central is constrained to some extent by watercourses and subsequently flooding. These areas are within the build-up urban area of Bega and some affected lots are already developed. These pose minor constraints that can be addressed through engineering and building design to mitigate environmental and hazard impacts.

Figure 3: Extract from the Natural Resources Land Map Sheet NRL_011

Figure 4: Extract from the Natural Resources Land Map Sheet NRL_011

Figure 5: Extract from the Natural Resources Land Map Sheet NRL_011

Figure 6: Extract from the Riparian Lands and Watercourses Map WCL_011

Figure 7: Extract from the Riparian Lands and Watercourses Map WCL_011

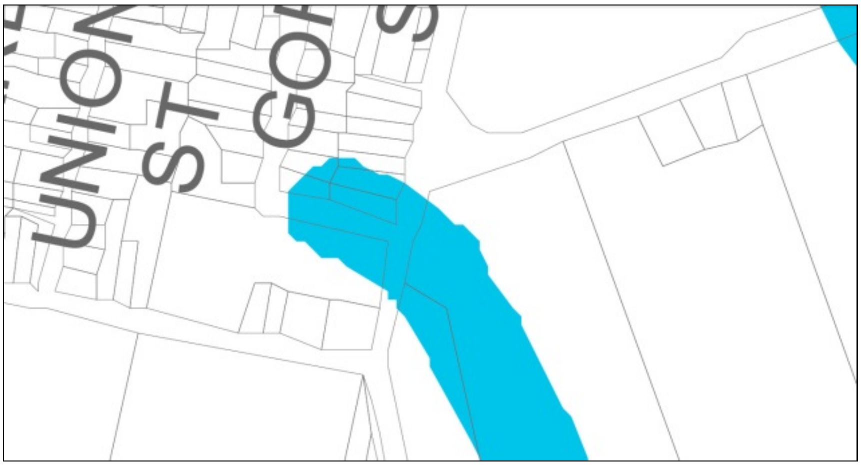

Figure 8: Extract from the Riparian Lands and Watercourses Map WCL_011

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for the all industrial areas plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

The land contains heritage Item 610 listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* which are the gates and pillars for gasworks in Upper Street. This item is of local heritage significance.

Figure 9: Extract from the Heritage Map HER_011BA

Amenity

Smaller historical areas adjoin other urban development with the potential for land use conflict.

Exposure

Small historical parcels are located within the built-up urban area and lack exposure to travelling motorists and therefore easy access for freight.

Conclusion and recommendations

Some constraints exist in the smaller historical areas within the urban area though development of any vacant or underutilised land in these areas can be carried out in a manner that would not cause adverse impacts.

Inventory Sheet 1c – South Bega industrial areas

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial IN2 Light Industrial
	Heritage	Yes
	Terrestrial biodiversity	Yes
	Natural resources	No
	Riparian lands and watercourses	Yes
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

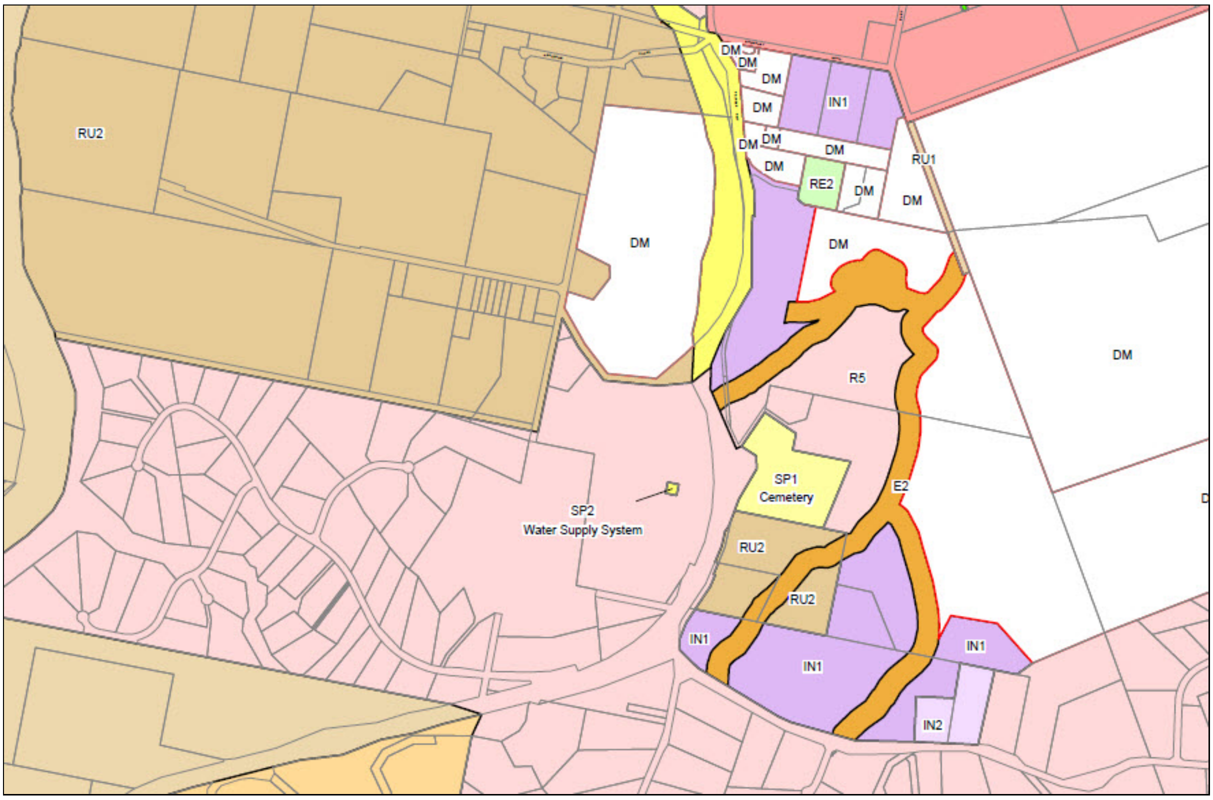

Figure 1: Bega South industrial areas - extract from Bega Valley LEP 2013 land zoning map Sheet LZN_011C

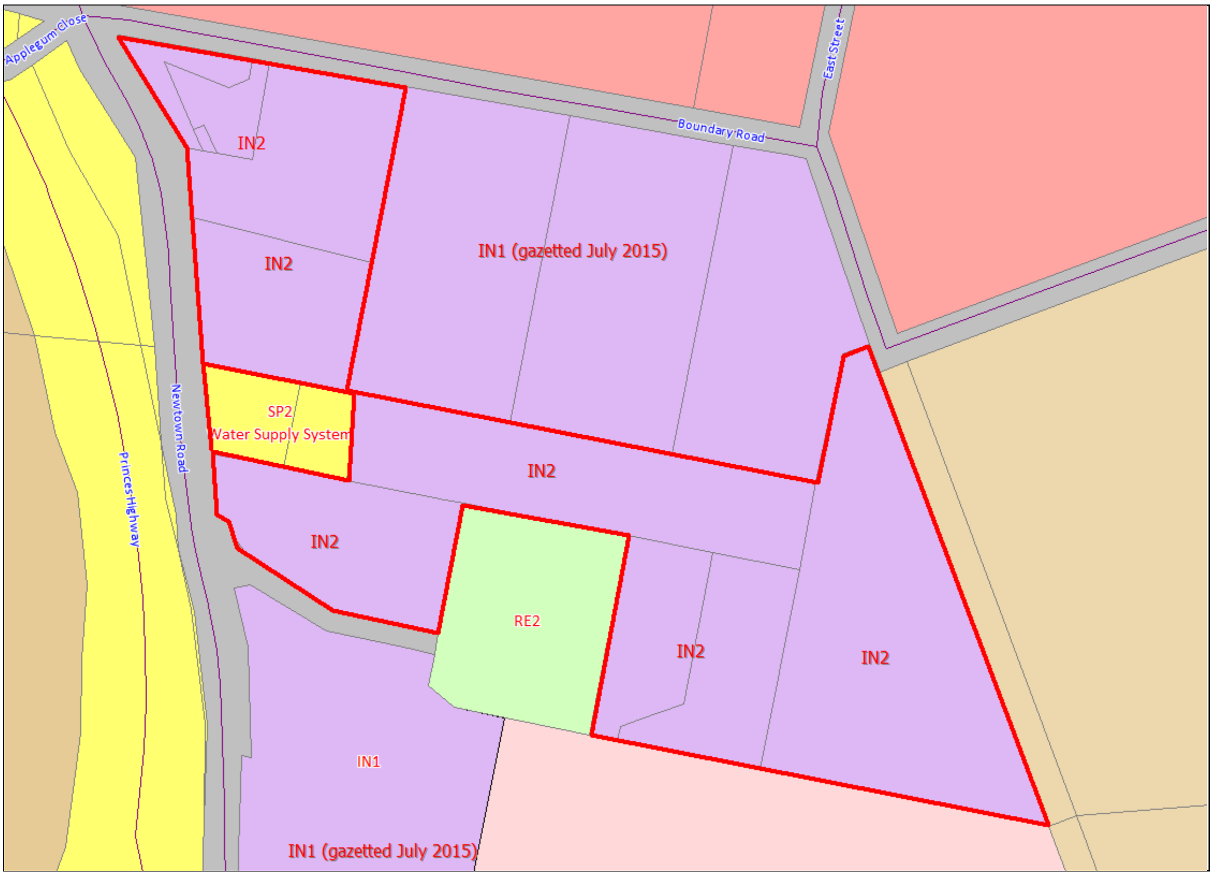

Figure 2: proposed additional industrial zoned land at South Bega - extract from draft planning proposal May 2016

Context and uses

The newer industrial estates of South Bega are characterised by larger lots in highly visible locations along arterial roads at the southern entrance to the township. Uses are mixed from light industry to businesses servicing the agricultural industry.

Services

Reticulated water services are available to industrial parcels in South Bega other than at the intersection of the Princes Highway and Kerrisons Lane. Provision of reticulated sewerage is also available except to land at the intersection of the Princes Highway and Kerrisons Lane.

Take-up (all Bega industrial land)

Year	Development consents	Construction certificates
2010	9	4
2011	1	2
2012	5	3
2013	4	5
2014	3	3
2015	1	1
Total	23	18
Ave annual	3.8	3

The take-up of industrial land can be measured by the volume of development consents issued over a time period. There were 23 consents issued over the 6 years between 2010 and 2015 giving an average annual of nearly 4 consents per annum. Consents were issued for uses such as vehicle washing, vehicle repairs, storage premises, a metal recycling facility and additions to an agricultural produce industry.

Construction certificates are a more accurate measure of demand as these indicate consents that have been enacted. There were 3 CCs issued in the same time period. These figures indicate that demand for land in the industrial areas of Bega is stronger than in other industrial areas in Bega Valley.

Capacity (all Bega industrial land)

Current use	**No. of lots**
Occupied lots - industry	**91**
Occupied lots - dwellings	2
Vacant lots	14
Total lots	107

There are currently 107 lots in the industrial area, ranging in size from 256m² up to 84,701m² of vacant land in the ownership of an agricultural produce industry. The breakdown of lot sizes is given below.

Size of parcels	Number of lots
0 - 1,000sqm	52
1,000 - 5,000sqm	36
5,000 - 10,000sqm	9
10,000sqm +	10

Size of parcels	Number of lots
1,000 - 2,000sqm	16
2,000 - 3,000sqm	9
3,000 - 4,000sqm	3
4,000 - 5,000sqm	8

Potential lot yield at South Bega

At a minimum lot size of 2,000m², there is the potential for an additional 118 additional lots at South Bega allowing for 20% of land to be set aside for services and easements. Deducting 6 hectares of land that is an endangered vegetation community at South Bega at the corner of the Princes Highway and Kerrisons lane reduces the yield by 30 lots giving a total potential yield of 88 additional lots for South Bega.

The land at South Bega that is subject to a draft planning proposal which aims to rezone that land to IN2 Light Industrial is 10.7 hectares in area. This has the potential to yield up to 43 additional lots at a minimum lot size of $2,000m^2$ deducting 20% for services.

Sensitivity

Environmental

The industrial zoned land at the intersection of the Princes Highway and Kerrisons Lane is constrained by terrestrial biodiversity and watercourses. Far South Coast Grassy Woodland is present in this area which is listed as endangered at a national and state level.

Figure 3: Extract from the Terrestrial Biodiversity Map BIO_011

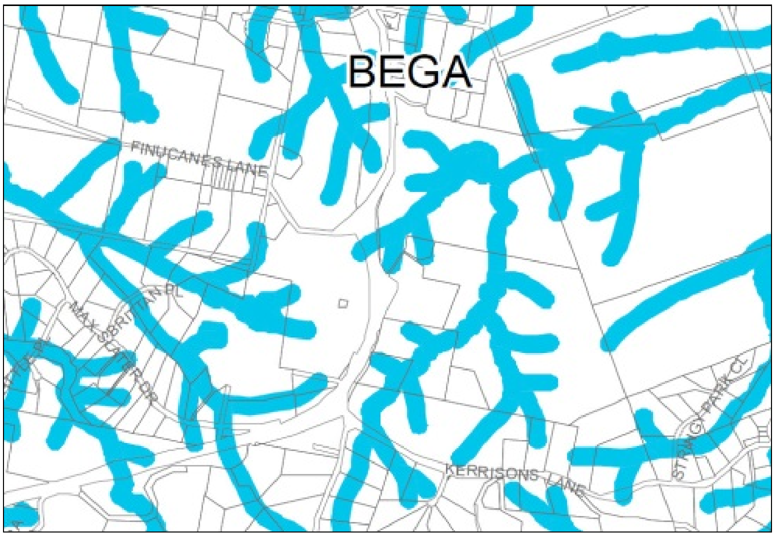

Figure 4: Extract from the Riparian Lands and Watercourses Map WCL_011

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for the two industrial areas, found that:

- There are 6 Aboriginal sites recorded in or near Lot 4 DP 1077434, and
- There are 12 Aboriginal sites recorded in or near Lot 2432 DP 793758.

These allotments are shown shaded yellow in the figures below. Note that only parts of these lots are zoned for industrial use as indicated within the dotted blue line.

Figure 5: IN1 zoned land at Lot 4 DP 1077434

Figure 6: IN1 zoned land at Lot 2432 DP 793758

The land adjoins two heritage items that are of local heritage significance listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013*. These are Item 657 which Bega Cemetery and Item 009 the old Bega Hospital both located on the Princes Highway.

Figure 7: Extract from the Heritage Map HER_011C

Amenity

Industrial land at South Bega has high amenity through neighbouring rural landscapes and an open character.

Exposure

Land along the Princes Highway south of Bega is highly visible to the arterial road with exposure to travelling motorists and easy access for freight.

Conclusion and recommendations

Land at South Bega at the corner of the Princes Highway and Kerrisons Lane is constrained by the presence of a listed vegetation community and indigenous heritage. Further investigation of this area is recommended to determine limits to development. Another allotment at South Bega which adjoins the land subject to the planning proposal is also constrained by indigenous heritage which requires careful management to further develop. It would be prudent to carry out detailed Aboriginal heritage studies of each of these allotments prior to further subdivision or development.

An industrial parcel at South Bega is likely to be expanded by 10.7 hectares following the gazettal of amendments to *Bega Valley LEP 2013* to rezone land to IN2 Light Industrial.

Inventory Sheet 2 - Bermagui industrial area

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial
	Heritage	Nil
	Terrestrial biodiversity	Yes
	Natural resources	Nil
	Riparian lands and watercourses	Yes, watercourses
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

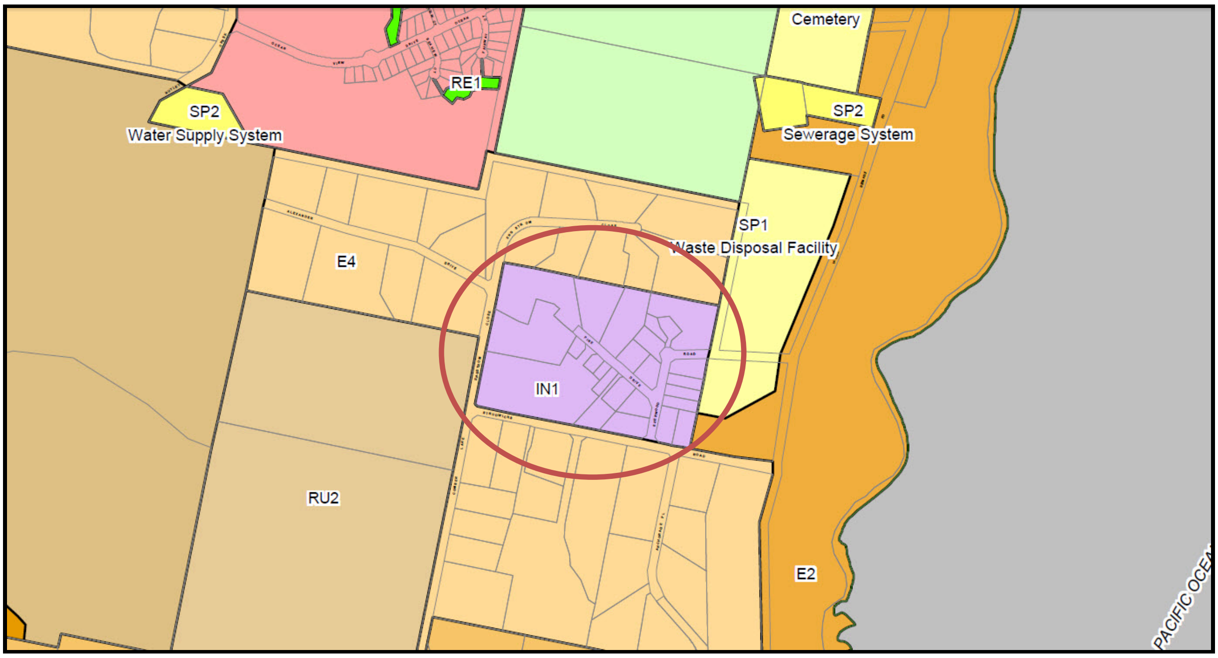

Figure 1: Extract from Bega Valley LEP 2013 land zoning map Sheet LZN_017C

Context and uses

The industrial area and is located approximately 2.2 kilometres south-west of Bermagui post office. The area is mapped as being bushfire prone. Industrial activities comprise storage, welding and fabrication, kitchen assembly and similar light industrial uses. A waste management facility is located to the north-east of the industrial area.

Dwellings occupy five allotments in this industrial area. These lots used for residential purposes are heavily vegetated. Land surrounding the industrial area is variously zoned for rural residential use, environmental protection and rural uses.

Figure 2: Aerial view of Bermagui industrial area. Source: SIX Maps

Services

Bermagui industrial estate is not serviced with reticulated water or sewerage services. Water is supplied by way of collection of rainwater and on-site septic systems are used to treat and dispose of wastewater.

Take-up

Year	Development consents	Construction certificates
2010	0	0
2011	1	0
2012	0	0
2013	0	1
2014	1	1
2015	1	0
Total	3	2
Ave annual	0.5	0.3

The take-up of industrial land can be measured by the volume of development consents issued over a time period. There were only 3 consents issued over the 6 years between 2010 and 2015 giving an average annual of 0.5 consents per annum.

Construction certificates are a more accurate measure of demand as these indicate consents that have been enacted. There were only 2 CCs issued in the same time period. These figures indicate that demand for land in the Bermagui industrial estate is very low.

Capacity

Current use	No. of lots
Occupied lots - industry	19
Occupied lots - dwellings	5
Vacant lots	1
Total lots	25

There are currently 25 lots in the industrial estate, ranging in size from 1,185m² up to 33,502m². The larger lots are occupied by dwellings, retail premises or landscape supplies. The breakdown of lot sizes is given below.

Size of parcels	Number of lots
0 - 1,000sqm	1
1,000 - 5,000sqm	18
5,000 - 10,000sqm	2
10,000sqm +	4

Size of parcels	Number of lots
1,000 - 2,000sqm	4
2,000 - 3,000sqm	7
3,000 - 4,000sqm	5
4,000 - 5,000sqm	2

There is significant potential for the subdivision of lots that are occupied by dwellings and of lots that are under-utilised, i.e. large land areas used for an industrial activity that occupies a small proportion of the site. At a minimum lot size of 2,000m², there is the potential for an additional 36 lots allowing for 20% of land area to be used for services and easements. This does not take into account land that is environmentally sensitive and may not be suitable for industrial development.

Land that is considered potentially sensitive as described below covers about 3 hectares of the Bermagui industrial area. Deducting this land, there is the potential for an additional 21 lots.

Sensitivity

Environmental

The heads of two watercourses are located within the industrial area at the north-western and north-eastern corners as shown on the *Bega Valley LEP 2013* Riparian Lands and Watercourses Map.

Areas of biodiversity are also mapped on the *Bega Valley LEP 2013* Terrestrial Biodiversity Map. These areas coincide with the lots occupied for residential use. Bangalay eucalypts and other species are present in the south-west corner of this industrial area which are indicative of Bangalay Sand Forest EEC although further assessment is required to confirm this. This vegetation in the south-west corner is in generally good condition whereas patches of vegetation elsewhere in the area are generally disturbed or regenerating.

The industrial area is not affected by potential acid sulfate soils.

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for the whole industrial area plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

There are no items of cultural heritage listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* within the boundaries of the industrial area or in the vicinity of the area.

Figure 3: Extract from the Riparian Lands and Watercourses Map Sheet WCL_017

Figure 4: Extract from the Terrestrial Biodiversity Map Sheet BIO_017

Amenity

The Bermagui industrial area is of high amenity. Landform is generally flat and remaining native vegetation within the estate provides an attractive setting for industrial activities. Roads to lots occupied by industrial activities are sealed with kerb and guttering. Buildings are generally single storey metal and masonry sheds with site coverage of less than 50%.

Exposure

This estate lacks exposure and there are no industrial properties visible to an arterial or major road. It is setback approximately 180 metres from Tathra-Bermagui Road and is separated by heavy native vegetation.

Conclusion and recommendations

The Bermagui industrial estate is characterised by low density development and under-utilisation of sites. Should demand increase in the future then land owners may be incentivised to subdivide large lots.

Further subdivision may be slow due to the existence of residences set within bushland that offers high amenity. Subdivision of the land would necessitate removal of some native vegetation which would require justification and minimal impacts on ecological values.

As this area is the only industrial land available in the northern part of the LGA, it is recommended that Council retain the zoning of this area and facilitate industrial use of sites now occupied by dwellings to prevent land use conflict as the area develops for industrial activities.

Inventory Sheet 3 - Eden industrial areas

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial
	Heritage	Nil
	Terrestrial biodiversity	Yes
	Natural resources	Yes, constrained land
	Riparian lands and watercourses	Yes, watercourse
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

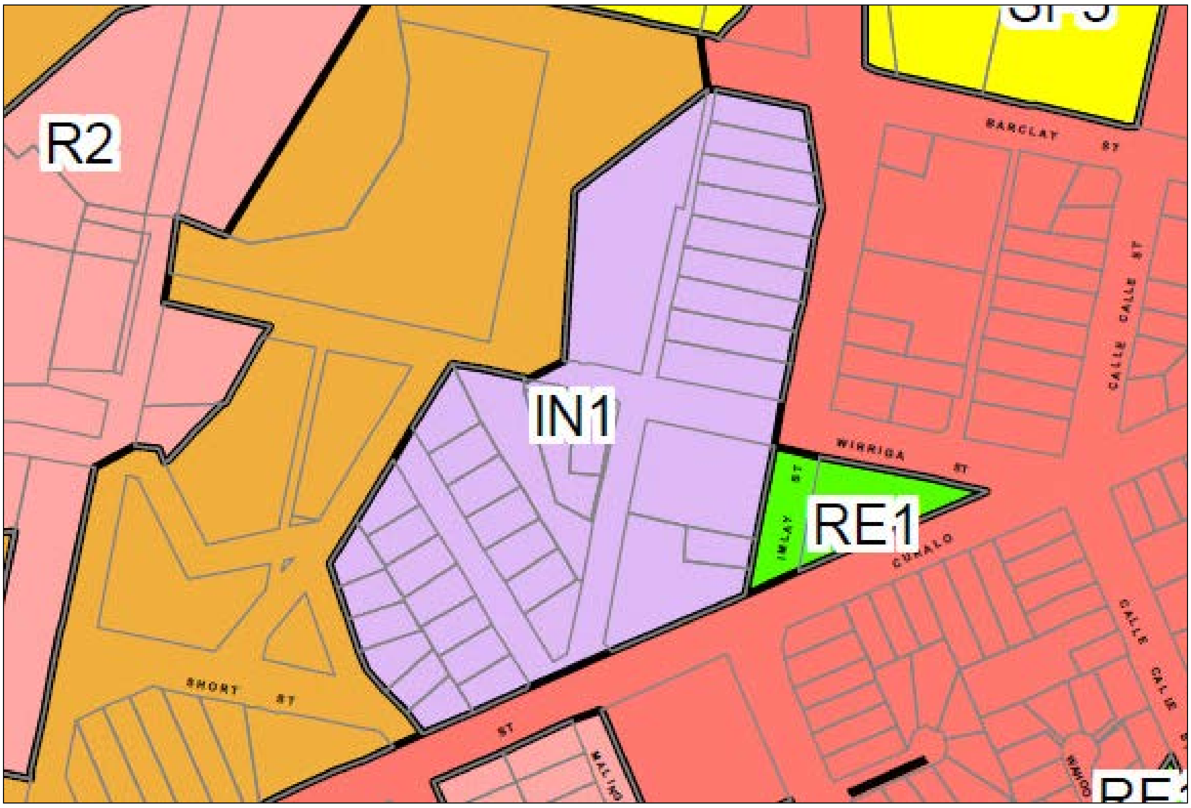

Figure 1: Imlay Street - extract from Land Zoning Map - Sheet LZN_021A

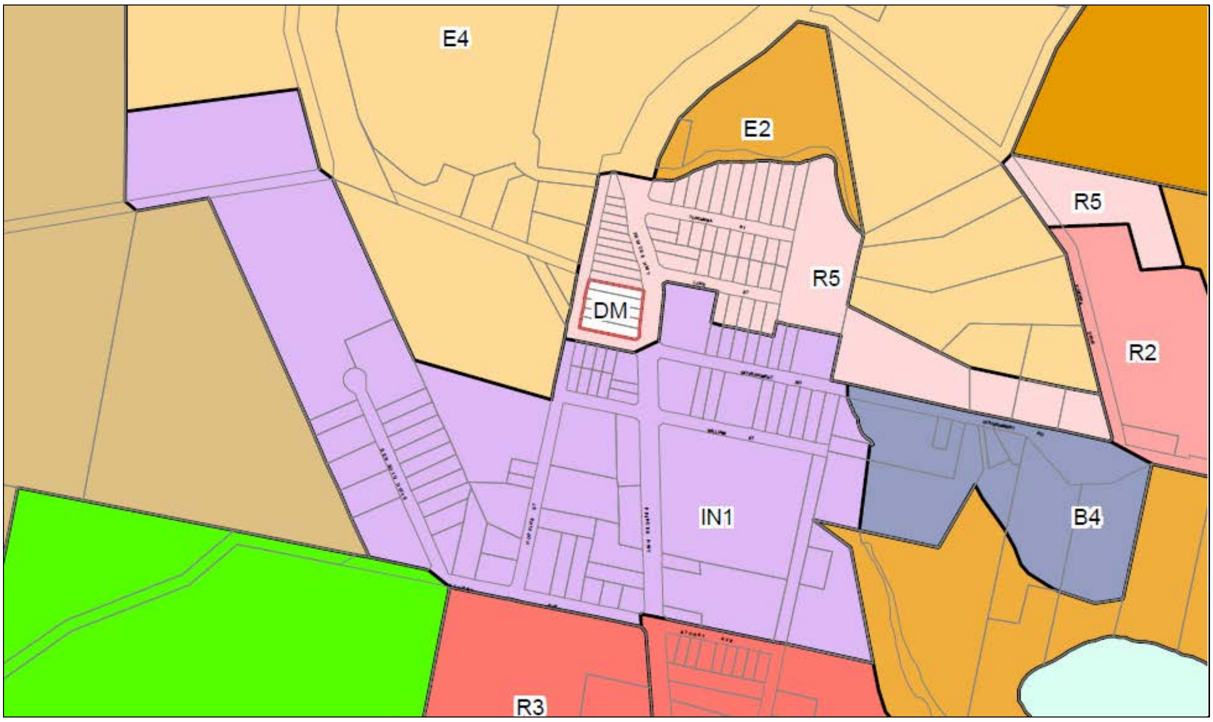

Figure 2: North Eden - extract from Land Zoning Map - Sheet LZN_021A

Context and uses

Imlay Street is only partially developed and is occupied by light industrial uses such as storage facilities and vehicle repairs. Adjoining land comprises residential development and open space to the east and large tracts of bushland to the south and west over steep slopes.

Figure 3: Aerial image of Imlay Street. Source: SIX Maps

North Eden is the newer industrial area of the two and is occupied by a mix of light industry on small lots and heavier industrial uses that occupy larger lots. It is located on the arterial road entry into Eden and surrounded by dense native bushland and semi-cleared farmland. Bushland also separates industrial development on the western side of the highway.

Figure 4: Aerial image of Eden North. Source: SIX Maps

Services

Both North Eden and the Imlay Street industrial areas are serviced with reticulated water and sewer.

Take-up

There has been relatively consistent demand for industrial lots in Eden over the period 2010-2015 with 9 consents being issued. Four of these were for new buildings and uses (bulky goods, an industrial shed, a wood pellet manufacturing plant, and use of a workshop for panel beating) with the remainder being for earthworks, alterations and additions, and a memorial.

Year	Development consents	Construction certificates
2010	3	0
2011	3	2
2012	1	2
2013	1	1
2014	1	1
2015	0	0
Total	9	6
Ave annual	1.5	1

A total of six construction certificates were issued over the same period, five of which were for new development activities.

Capacity

A total of 97 lots exist over the two industrial areas, a quarter of which are vacant. Dwellings occupy three industrial lots.

22 lots are vacant at Imlay Street. These lots are subdivided and covered with native vegetation. The remainder of vacant lots are small subdivided lots on the eastern side of the Princes Highway at North Eden although significant areas of zoned industrial land appear under-utilised, i.e. there are vacant tracts of land on lots occupied by industry.

Current use	No. of lots
Occupied lots - industry	70
Occupied lots - dwellings	3
Vacant lots	24
Total lots	97

Demand is strong for smaller lots with one-third of all lots being less than 1,000m^2 in area. Over half of all lots are in the range of 1,000m^2 to 5,000m^2 with the majority of these being less than 3,000m^2.

Size of parcels	Number of lots
0 - 1,000sqm	32
1,000 - 5,000sqm	54
5,000 - 10,000sqm	6
10,000sqm +	5

Size of parcels	Number of lots
1,000 - 2,000sqm	23
2,000 - 3,000sqm	18
3,000 - 4,000sqm	2
4,000 - 5,000sqm	11

There is potential for the subdivision of lots that are under-utilised, i.e. vacant land and large land areas used for an industrial activity that occupies a small proportion of the site. There is an estimated 56,000m^2 able to be subdivided. At a minimum lot size of 2,000m^2, there is the potential for an additional 22 additional lots at North Eden allowing for 20% of land area to be used for services and easements. This does not take into account land that is environmentally sensitive and may not be suitable for industrial development. Deducting 8,900m^2 that is constrained by flooding leaves 18 lots.

There is an estimated 24,785m^2 of available land at Imlay Street. This may yield 10 lots allowing for services and easements. Having deducted 1.75 hectares that is mapped as terrestrial biodiversity at Imlay Street (see below) there is the potential for only 1 lot at a lot size of 2,000m^2.

In summary, there is potentially 32 lots in Eden or 19 lots taking into account environmentally constrained land.

Sensitivity

Environmental

The vacant lots at Imlay Street are constrained by vegetation as mapped on the terrestrial biodiversity map of *Bega Valley LEP 2013*. This covers about 2.8 hectares of the industrial area.

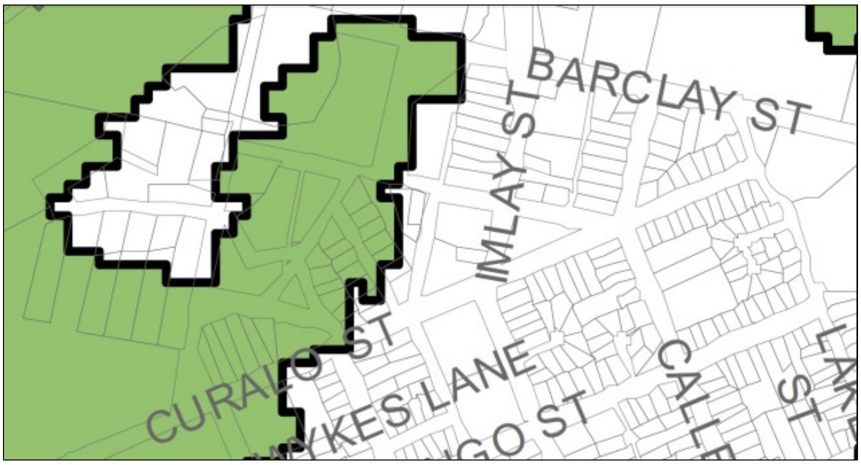

Figure 5: Imlay Street - extract from Terrestrial Biodiversity Map - Sheet BIO_021

Land at the north-western corner of the North Eden industrial area is also constrained by terrestrial biodiversity which also cuts through the centre of industrial zoned land.. This vegetation is Lowland Dry Shrub Forest. There is no vegetation remaining in the eastern portion of the industrial zone. The presence of heavily vegetation land to the west would make it difficult for expansion of this industrial zone.

A watercourse cuts across the industrial area running in an east-west direction that drains from the western extremity of zoned industrial land to the eastern edge and on into Curalo Lagoon. This area is potentially flood-prone. This is mapped as a constraint on the Riparian Lands and Watercourses Map and on the Natural Resources Land Map of *Bega Valley LEP 2013*. A small area of land near the eastern centre is mapped as being potentially class 3 acid sulfate soils.

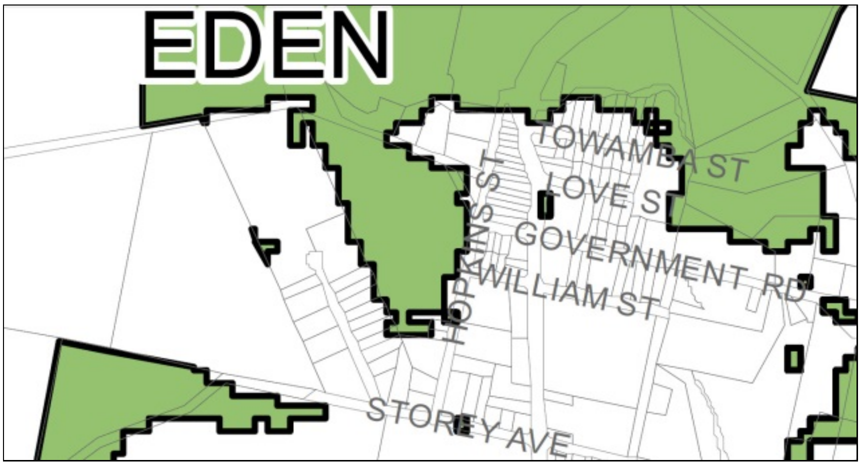

Figure 6: Eden North - extract from Terrestrial Biodiversity Map - Sheet BIO_021

Figure 7: Eden North - extract from Natural Resources Land Map - Sheet NRL_021

Figure 8: Eden North - extract from Riparian Lands and Watercourses Map - Sheet WCL_021

Figure 9: Eden North - extract from Acid Sulfate Soils Map - Sheet ASS_021A

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for the whole industrial area plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

There are no items of cultural heritage listed in Schedule 5 Environmental Heritage of Bega Valley LEP 2013 within the boundaries of the industrial area or in the vicinity of the area.

Amenity

Imlay Street has high amenity due to the presence of open space and bushland within the industrial area and in close proximity. Neighbouring dwellings may thwart further industrial development through the potential for land use conflict.

North Eden has the feel of a heavy industrial area although the dense native vegetation and farmland surrounding the estate provides a pleasant backdrop. There is no potential for land use conflict in this area.

Exposure

The Imlay Street industrial area is isolated and located adjoining dwellings and bushland. It does not have exposure to a major thoroughfare.

North Eden on the other hand is located on an arterial road with high visibility to passing traffic and easy accessibility to heavy vehicles used for delivery and servicing.

Conclusion and recommendations

Although there are substantial areas of vacant or under-utilised land in both industrial areas, the presence of mapped biodiversity poses a serious limitation of further subdivision for industrial lots in the small to medium sized range at Imlay Street and to a lesser extent at North Eden due to flooding. Further investigation of the extent and significance of native vegetation communities should be carried out to determine whether there are opportunities to further develop both of these estates.

Inventory Sheet 4 - Edrom industrial area

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial
	Heritage	Yes, I037 Edrom Lodge & associated buildings
	Terrestrial biodiversity	Yes
	Natural resources	Yes, constrained land
	Riparian lands and watercourses	Yes, watercourses
	Acid sulfate soils	Nil
	Maximum height of buildings	10m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	unknown	Requires investigation
SEPP 71 Coastal Protection	Yes	Sensitive Coastal Location

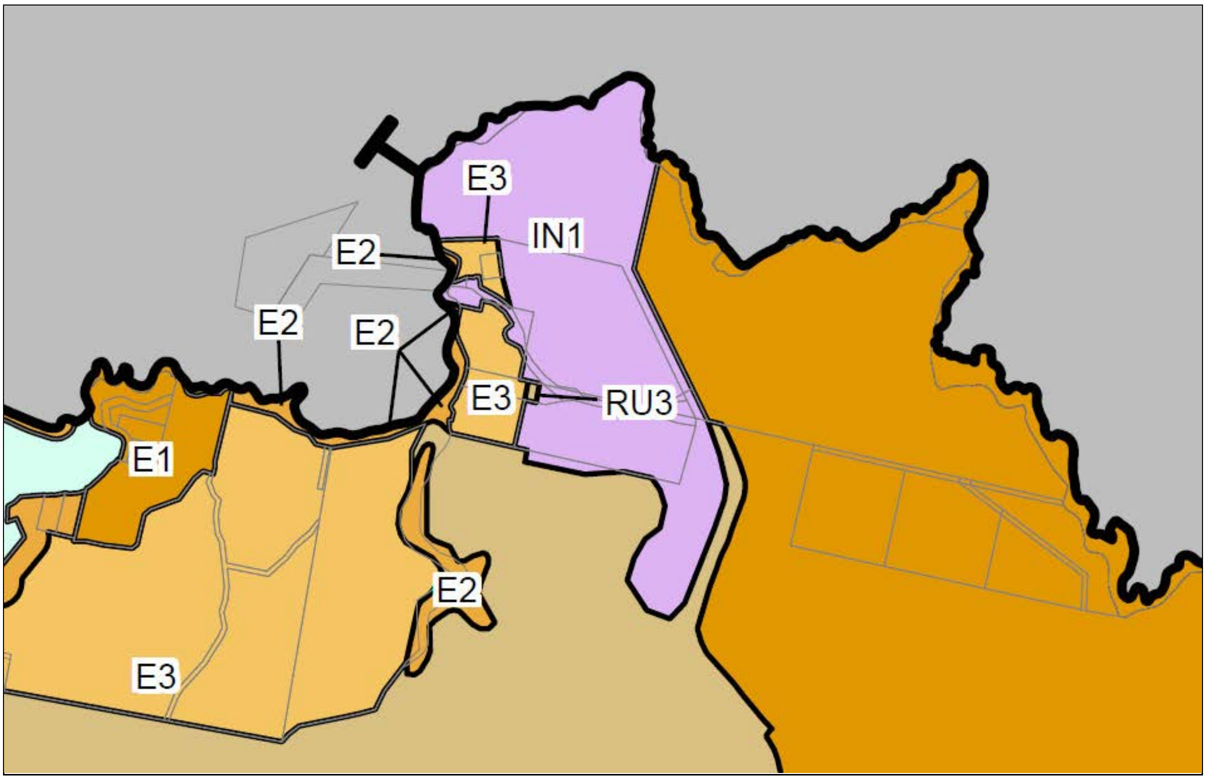

Figure 1: Extract from Land Zoning Map - Sheet LZN_019B

Context and uses

This site is occupied by the former South East Fibre Exports woodship mill that has recently been purchased by Allied Natural Wood Exports. This will ensure the continued use of the site for the storage and processing of timber products. The business occupied the majority of the site which is located on the southern headland of Twofold Bay, south east of the town of Eden. The site is surrounded by native vegetation and is separated from the Tasman Sea by steep cliffs.

Figure 2: Aerial image of Edrom. Source: SIX Maps

Services

The site is not serviced with reticulated water or sewer.

Demand

There have not been any development consents issued by Council on this site over the period 2010-2015. A single construction certificate was issued in 2011.

Supply

The site is operating at capacity and it is unlikely that any subdivision for unrelated industrial uses will occur in the near future. Future industrial development will be limited to expansion or intensification of the existing timber industry use.

Sensitivity

Environmental

There are substantial areas of terrestrial biodiversity in the vicinity of the woodchip mill, surrounding timber stockpiles. Minor drainage lines also exist on the property.

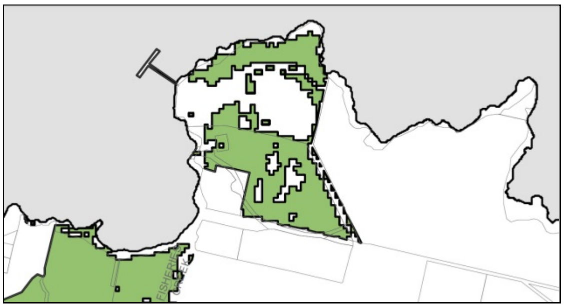

Figure 3: Extract from Terrestrial Biodiversity Map - Sheet BIO_021

Figure 4: Extract from Riparian Lands and Watercourses Map - Sheet WCL_021

Figure 5: Extract from Natural Resources Land Map - Sheet NRL_021

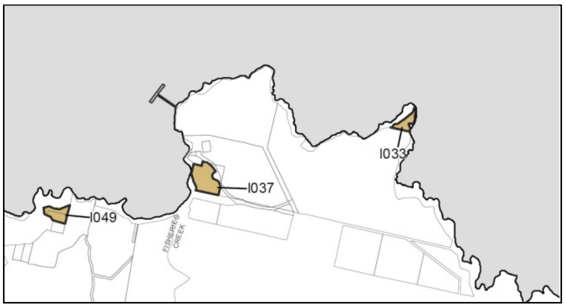

Figure 6: Extract from Heritage Map - Sheet HER_021

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for entire industrial zone and surrounding areas, found that:

- There are 13 Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

The land adjoins two heritage items that are of local heritage significance listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013*. These are Item 037 which is Edrom Lodge to the west which is now used as a conference and educational facility by government agencies, and Item 033 being Boyd's Tower to the east at the edge of the cliffs.

Amenity

This area has high amenity due to expansive views across Twofold Bay, the presence of remnant native vegetation and proximity to the ocean.

Exposure

The site has nil visibility to arterial roads, is difficult to access and is remote from services and employee domiciles. It can be seen from Eden across Twofold Bay which limits uses to impacts on scenic amenity.

Conclusion and recommendations

It is recommended that the current zoning of IN1 General Industrial be maintained despite constraints such as biodiversity and scenic impacts. Use of the site may continue under new ownership. It is important to retain existing large allotments in this industrial area to facilitate expansion or intensification of uses related to the timber industry.

Inventory Sheet 5 - Kalaru industrial area

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial
	Heritage	Yes, Item 746
	Terrestrial biodiversity	Yes
	Natural resources	Nil
	Riparian lands and watercourses	Yes, watercourses
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	unknown	unknown
SEPP 71 Coastal Protection	n/a	n/a

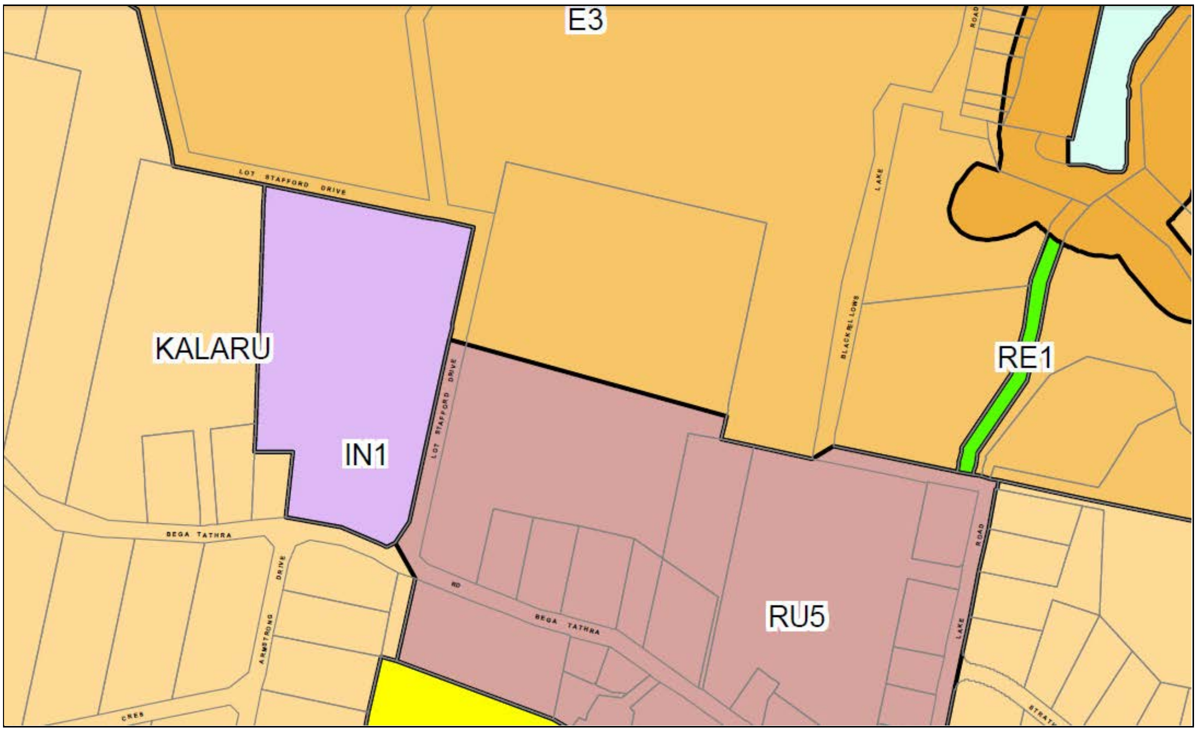

Figure 1: Extract from Land Zoning Map - Sheet LZN_019B

Context and uses

This industrial zone applies to a single lot described as Lot 3 DP 1174727 which is located on the corner of the Bega Tathra Road and Lot Stafford Drive within the village of Kalaru. The southern half of the lot is occupied by a landscaping materials supply business and a concrete batching plant. The remainder of the lot is vegetated. Surrounding land is used for residential development and rural purposes.

Figure 2: Aerial image of Kalaru industrial area. Source: SIX Maps

Services

The land is provided with reticulated water and sewer services.

Take-up

Only 6 development consents and a single construction certificate have been issued over the six pear period 2010-2015. Demand has been low demonstrated by the fact that only one consent has translated into actual development on the land.

Year	Development consents	Construction certificates
2010	1	0
2011	3	0
2012	0	0
2013	0	0
2014	2	1
2015	0	0
Total	6	1
Ave annual	1	0.2

Capacity

The single lot is more than 10,000m2 in area and is occupied by industrial uses. At a minimum lot size of 2,000m^2, there is the potential for an additional 39 additional lots.

Current use	No. of lots
Occupied lots - industry	1
Occupied lots - dwellings	0
Vacant lots	0
Total lots	1

There is potential for the subdivision of the remaining vacant land that is in a single allotment and zoned for industrial use. At a minimum lot size of 2,000m^2, there is the potential for an additional 19 lots allowing for 20% of land area to be used for services and easements. This does not take into account land that is environmentally sensitive and may not be suitable for industrial development.

Sensitivity

Environmental

The northern half of the lot is mapped as terrestrial biodiversity in Bega Valley LEP 2013 which may prove to be a constraint to further subdivision or industrial expansion, although Council staff advise that there would not be any predicted EECs on the northern slopes of this industrial area.

The watercourse that crosses the south-eastern corner of the lot as shown in the Riparian Lands and Watercourses Map can be addressed with adequate stormwater management measures. Existing industrial development abuts the watercourse.

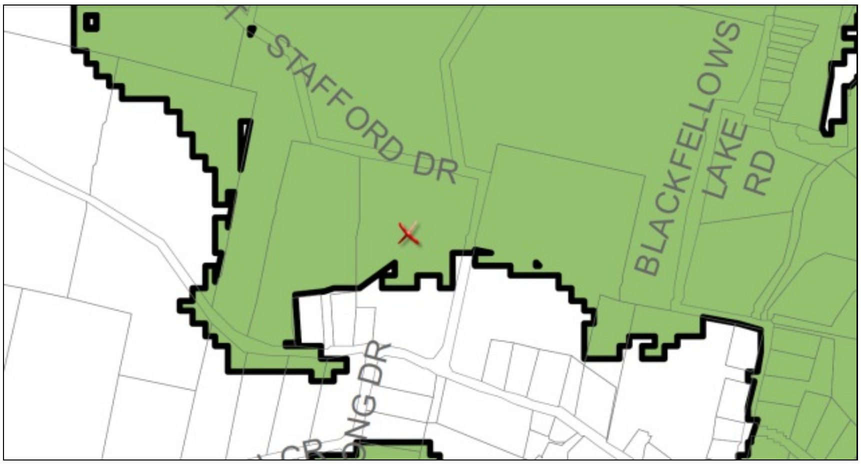

Figure 3: Extract from Terrestrial Biodiversity Map - Sheet BIO_019

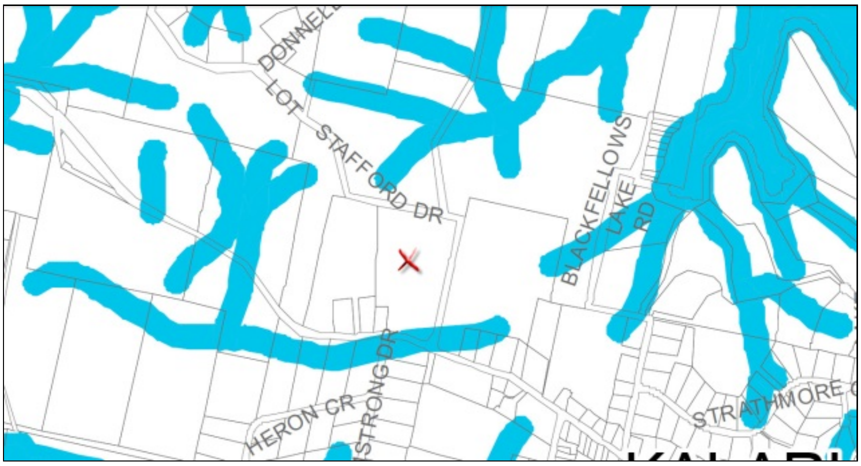

Figure 4: Extract from Riparian Lands and Watercourses Map - Sheet WCL_019

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for Lot 3 DP 1174727, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

The land contains heritage Item 746 listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* which is the old brickworks the remains of which are scattered amongst the existing industrial development. This item is of local heritage significance.

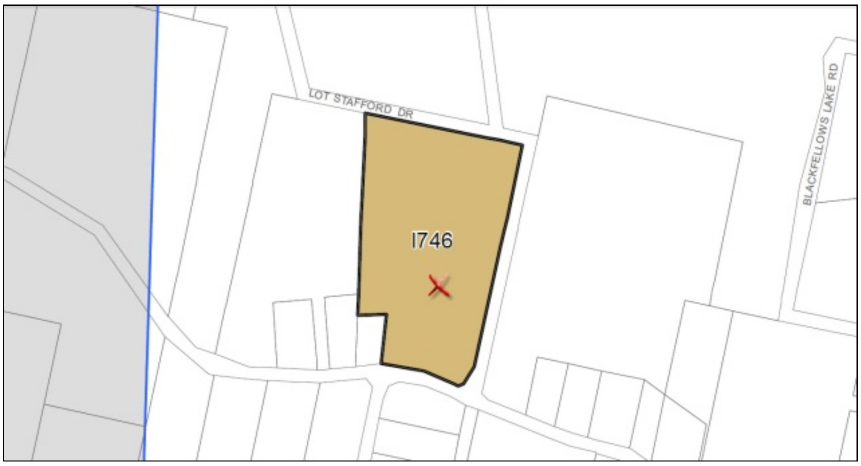

Figure 5: Extract from Heritage Map - Sheet HER_019B

Amenity

This industrial area has high amenity being located amongst rural farmland and vegetation on adjoining land. A 35 lot village subdivision has been approved on vacant land to the east further consolidating the village.

Exposure

The land has a frontage to the Bega-Tathra Road with high visibility to passing motorists.

Conclusion and recommendations

As the settlement of Kalaru grows demand should increase for industrial land over the longer term to provide light industrial services. However, ecological values (subject to validation) and slope may limit further development of this site. It is recommended that the current industrial zone be retained and that ecological values be addressed through offsetting when further subdivision is proposed.

Inventory Sheet 6 - Pambula industrial areas

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial IN2 Light Industrial
	Heritage	Yes
	Terrestrial biodiversity	Yes
	Natural resources	Nil
	Riparian lands and watercourses	Yes
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

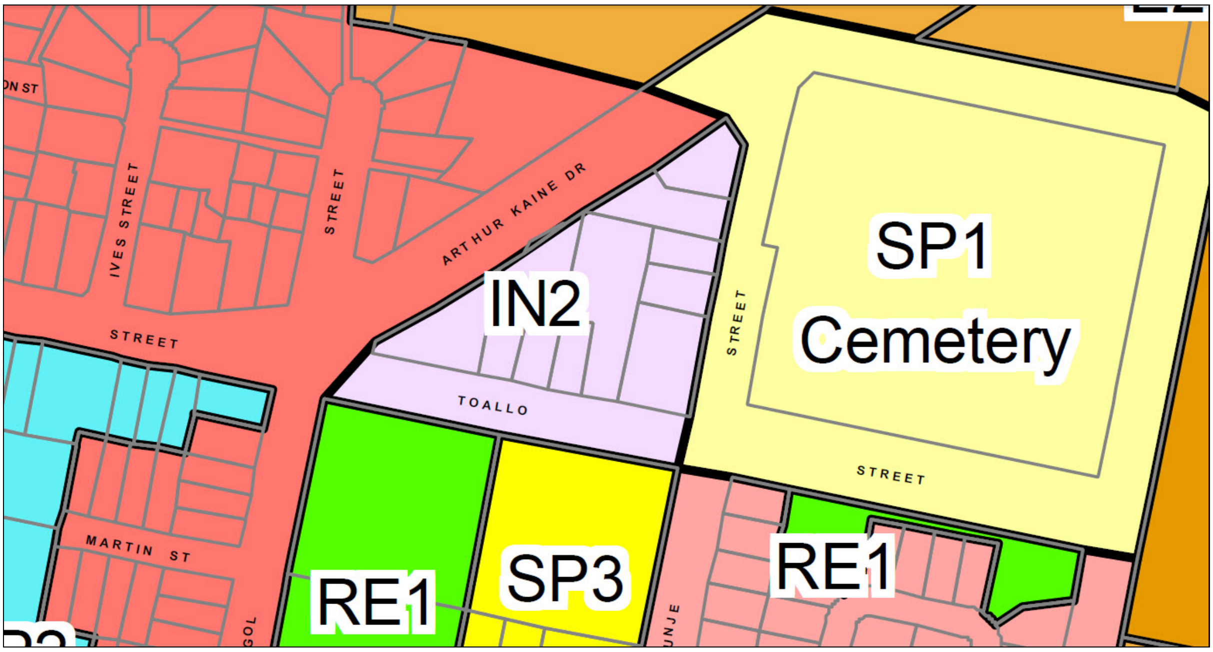

Figure 1: Arthur Kaine Drive industrial area - extract from Land Zoning Map - Sheet LZN_020A

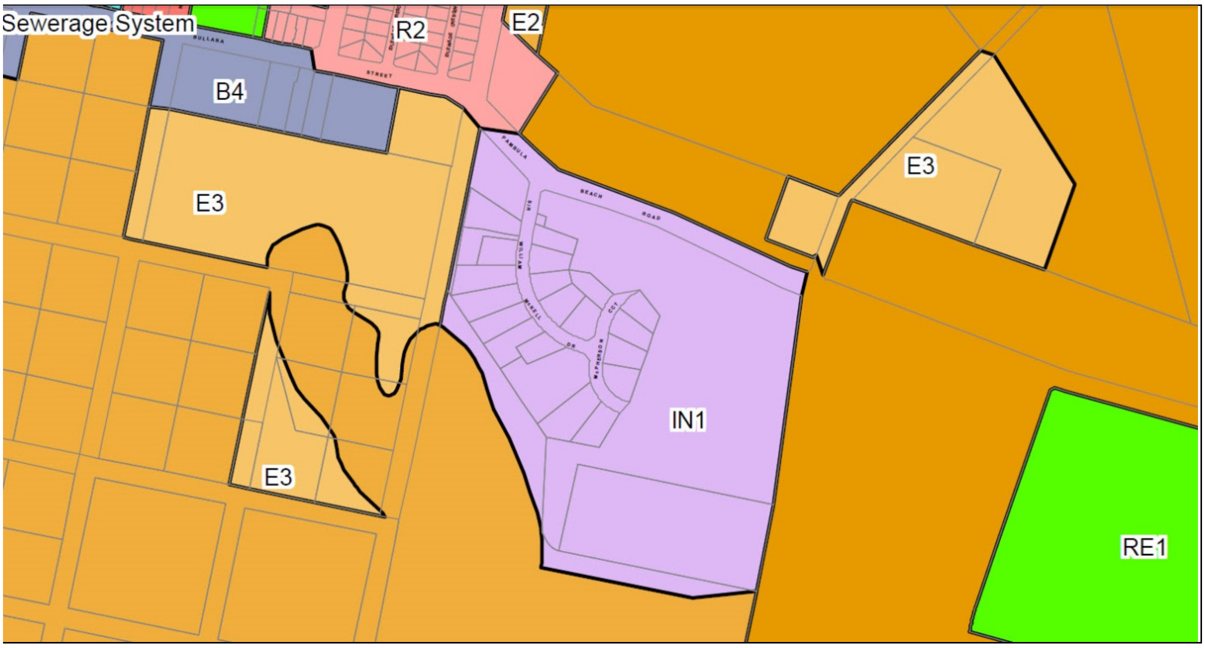

Figure 2: McKell Street industrial area - extract from Land Zoning Map - Sheet LZN_020A

Context and uses

Pambula has two industrial areas – an established area at Arthur Kaine Drive near the centre of town and a second newer estate at McKell Street at the eastern edge of the urban area.

Arthur Kaine Drive connects Pambula with Merimbula to the north. This industrial area is completely developed with warehousing and light industrial uses. It adjoins a cemetery, residential development and bushland to the north, and a recreational facility and dwellings to the south.

Figure 3: Aerial image of Arthur Kaine Drive industrial area. Source: SIX Maps

Figure 4: Aerial image of McKell Street industrial area. Source: SIX Maps

Services

Both the Arthur Kaine Drive and McKell Street industrial areas are fully serviced with reticulated water and sewer.

Take-up

Demand for industrial land is low in Pambula with only a single consent issued by Council during the period 2010-2015. This approval is to carry out earthworks on an industrial allotment.

Three construction certificates were issued over the same period indicating that consents issued before this period were enacted. One CC was issued for a self-storage facility, the other two being for alterations and additions to an existing building and the erection of a replacement building.

Year	Development consents	Construction certificates
2010	0	1
2011	1	0
2012	0	0
2013	0	0
2014	0	2
2015	0	0
Total	1	3
Ave annual	0.2	0.5

Capacity

The two industrial areas comprise 31 allotments, only two of which remain vacant. These are located in McKell Street and are large lots both of which are heavily vegetated. Land to the rear of lots along the south-western edge of McKell Street is zoned for industrial use but comprises a thin strip of land that slopes to wet terrain. This strip of land does not offer any potential for additional industrial lots.

There are no industrial lots occupied by dwellings.

Current use	**No. of lots**
Occupied lots - industry	**29**
Occupied lots - dwellings	0
Vacant lots	2
Total lots	31

The majority (three-quarters) of lots are in the 1,000m^2 to 5,000m^2 range, and most of these are less than 3,000m^2 but greater than 1,000m^2 indicating the lot size in demand in this locality.

Size of parcels	Number of lots
0 - 1,000sqm	5
1,000 - 5,000sqm	23
5,000 - 10,000sqm	2
10,000sqm +	1

Size of parcels	Number of lots
1,000 - 2,000sqm	8
2,000 - 3,000sqm	10
3,000 - 4,000sqm	4
4,000 - 5,000sqm	1

There is significant potential for the subdivision of presently vacant land. At a minimum lot size of 2,000m^2, there is the potential for an additional 57 additional lots allowing for 20% of land area to be set aside for services and easements. This does not take into account land that is environmentally sensitive and may not be suitable for industrial development. The entire vacant area is vegetated so potentially this may sterilise this remaining industrial land from development.

Sensitivity

Environmental

Arthur Kaine Drive is fully developed and not subject to any environmental constraints. The McKell Street industrial area is constrained by terrestrial biodiversity over most remaining vacant land as shown on the terrestrial biodiversity map of Bega Valley LEP 2013. A vacant area at the entry off Pambula Beach Drive is mapped as constrained on the Natural Resources Map and is bisected by a watercourse. A second watercourse cuts across the south-eastern corner of the large vegetated lot and passes through cleared industrial zoned land. These watercourses drain to the wet area to the south and south-west of the occupied industrial lots.

Inspection by Council staff reveals that there are no predicted EECs at McKell Street, however, there is likely to be a high occurrence of hollow bearing trees within stands of intact vegetation. The OEH Wildlife Atlas indicates that a high recordings of threatened species on adjacent land.

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for both industrial areas plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and

- There are no Aboriginal places that have been declared in or near the selected locations.

The Arthur Kaine Drive industrial area adjoins heritage Item 659 listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* which is Pambula Cemetery. This item is of local heritage significance. As this industrial area is fully developed the heritage item does not represent a constraint.

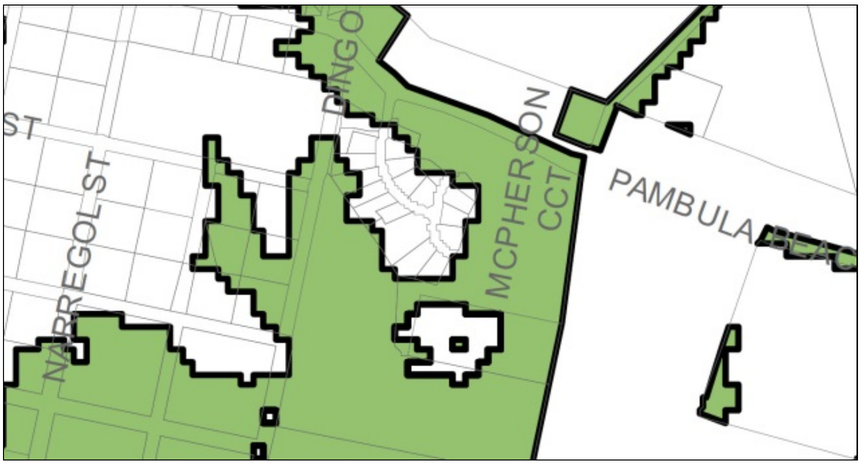

Figure 6: McKell Street industrial area - extract from Terrestrial Biodiversity Map - Sheet Bio_020

Figure 7: McKell Street industrial area - extract from Natural Resources Land Map - Sheet NRL_020

The McKell Street industrial area is unconstrained by heritage items.

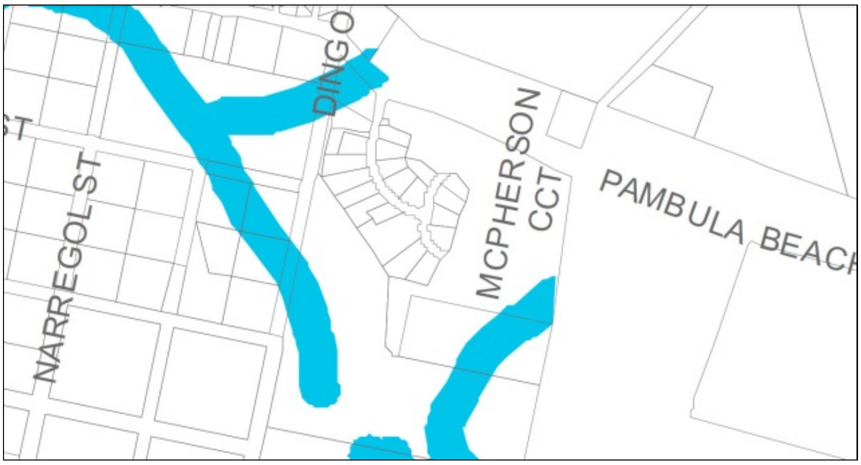

Figure 8: McKell Street industrial area - extract from Riparian Lands and Watercourses Map - Sheet WCL_020

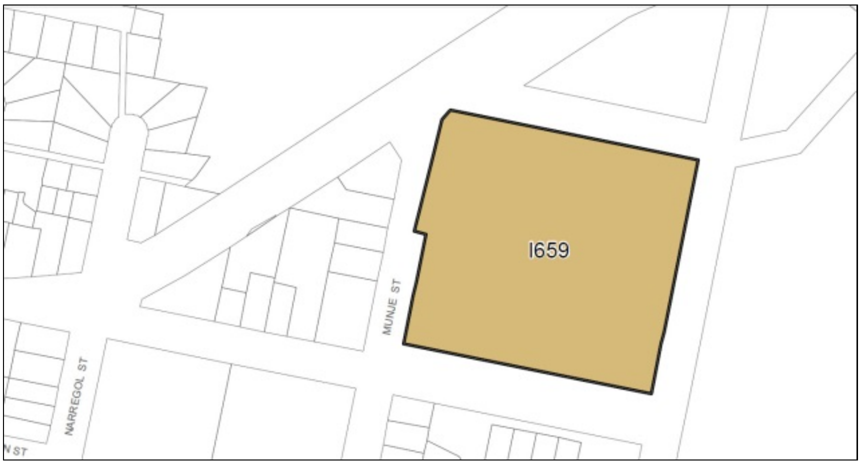

Figure 9: Arthur Kaine Drive industrial area - extract from Heritage Map - Sheet HER_020AA

Amenity

Arthur Kaine Drive has high amenity through being within the centre of an established historic urban settlement. McKell Street gains amenity by surrounding bushland but suffers from moderately steep slopes making earthworks expensive and vehicle maneouvring difficult.

Exposure

The Arthur Kaine Drive industrial area is well placed to service the settlement of Pambula with light industrial services. It has exposure to a major road and it's catchment would extend to South Pambula and Merimbula. Although also on a major road, McKell Street is less exposed as it is screened by dense native vegetation.

Conclusion and recommendations

No changes are recommended for the Arthur Kaine Drive industrial area as this estate is fully developed and at capacity. Further investigation is warranted at McKell Street. The presence of environmental constraints due to hollow bearing trees and the presence of threatened fauna species may mean that there is limited or no potential for further industrial subdivision and that this area is also at capacity.

Inventory Sheet 7 – South Pambula industrial area

Strategic considerations

Environmental planning instrument	**Provisions**	**Effect**
Bega Valley LEP 2013	Land zoning	IN1 General Industrial
	Heritage	Yes
	Terrestrial biodiversity	Yes
	Natural resources	Yes
	Riparian lands and watercourses	Yes
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

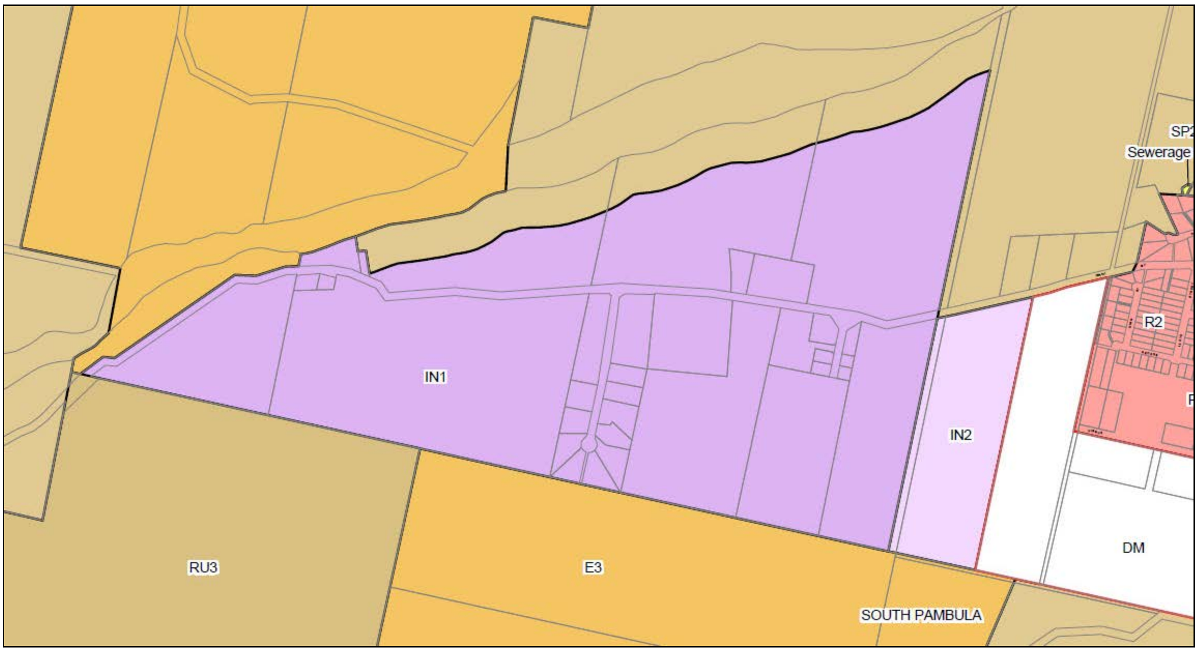

Figure 1: Extract from Land Zoning Map - Sheet LZN_012C

Context and uses

Industrial uses in South Pambula are concentrated in the centre of the industrial zone including two recent small lot subdivisions. Activities include storage, transport depots, landscaping supplies, a sawmill and log processing works, and a concrete batching plant. The Pambula River provides the northern boundary of this industrial area much of which is on the floodplain. Stands of vegetation remain on the southern side of Mount Darragh Road.

Figure 2: Aerial image of South Pambula industrial area. Source: SIX Maps

Services

The South Pambula industrial area is not currently serviced with reticulated water and sewer.

Take-up

There have been seven consents issued for industrial development over the period 2010 to 2015 with an annual average of 1.2 consents being issued. Consents were issued for log processing works, a plant depot and storage premises. A higher level of construction certificates have been issued over this period indicating that there is a delay between the issuing of consent and actual construction commencement.

Year	Development consents	Construction certificates
2010	1	0
2011	2	3
2012	2	1
2013	1	2
2014	1	1
2015	0	2
Total	7	9
Ave annual	1.2	1.5

Capacity

A total of 35 lots exist at South Pambula, five of which are vacant and six being occupied by dwellings.

Current use	No. of lots
Occupied lots - industry	24
Occupied lots - dwellings	6
Vacant lots	5
Total lots	35

Vacant lots, lots occupied by dwellings and under-utilised lots are large in area with one-third of all lots greater than 10,000m² in area.

Size of parcels	Number of lots
0 - 1,000sqm	2
1,000 - 5,000sqm	12
5,000 - 10,000sqm	8
10,000sqm +	13

Subdivisions to smaller lot sizes have been successfully taken up and are almost fully occupied.

Size of parcels	Number of lots
1,000 - 2,000sqm	4
2,000 - 3,000sqm	2
3,000 - 4,000sqm	0
4,000 - 5,000sqm	6

There is significant potential for the subdivision of lots that are under-utilised, i.e. vacant lots and large land areas used for industrial activities that occupy a small proportion of the site. At a minimum lot size of 2,000m², there is the potential for an additional 409 lots allowing for 20% of land area to be used for services and easements. This does not take into account land that is environmentally sensitive and may not be suitable for industrial development. Deducting 45 hectares of land that comprises vegetated land on the southern section and wet areas on the norther section reduces yield by 225 lots, giving a total of 184 potential additional lots.

Sensitivity

Environmental

Much of the industrial zoned land to the south of Mount Darragh Road is mapped as being sensitive due to terrestrial biodiversity in Bega Valley LEP 2013. The south-eastern corner if Yellow-bellied Glider habitat. Similarly, much of the land that is on the northern side of Mount Darragh Road is mapped as constrained on the natural resources land maps of Bega Valley LEP 2013 due to being flood-prone and the presence of Southeast Floodplain Wetland which is part of the River Flat EEC. Hollows are present on the fringes of the wetland. The Pambula River forms the northern boundary of the IN1 zone.

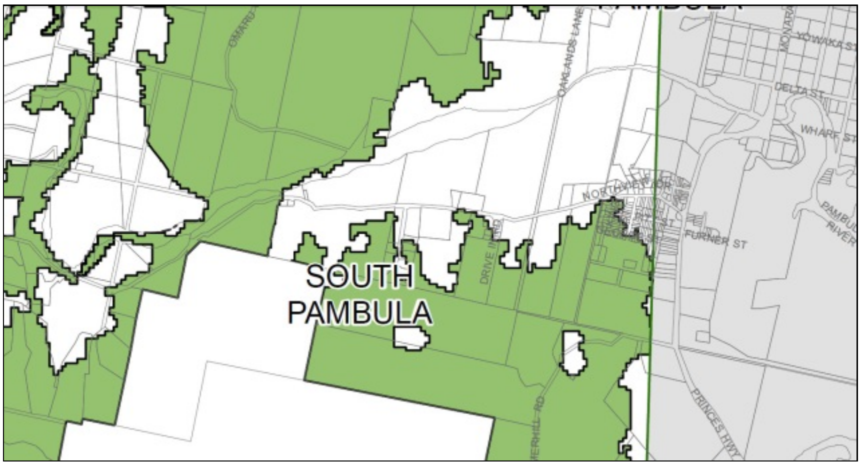

Figure 3: Extract from Terrestrial Biodiversity Map - Sheet BIO_012

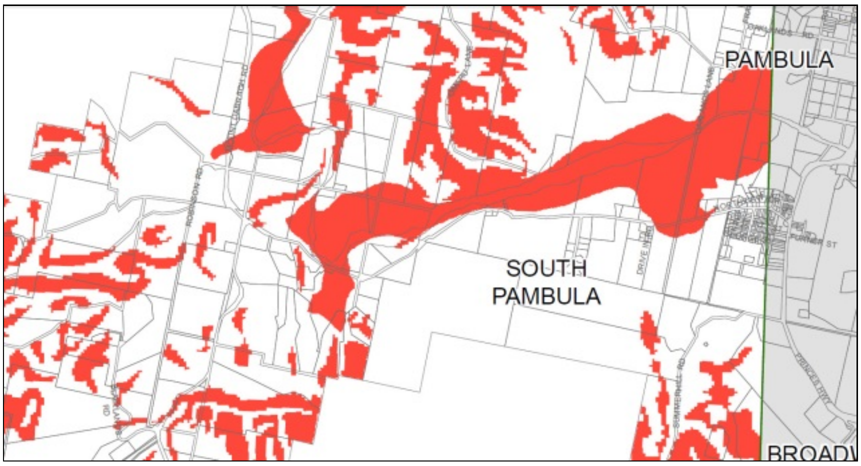

Figure 4: Extract from Natural Resources Land Zoning - Sheet NRL_012

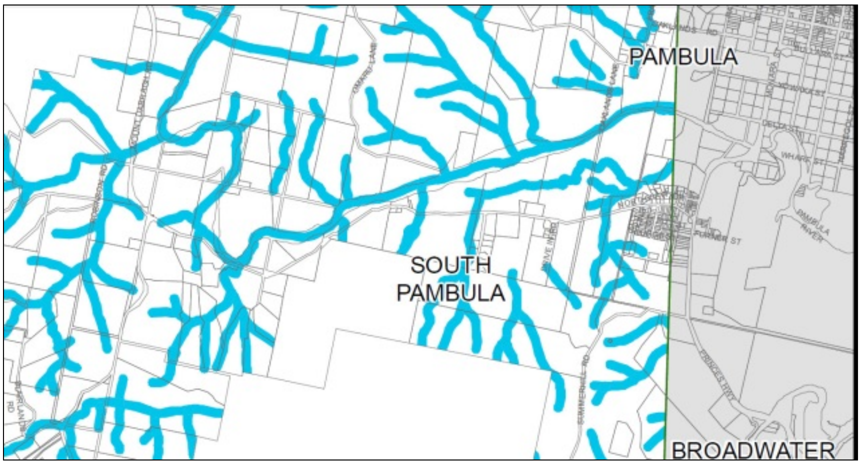

Figure 5: Extract from Riparian Lands and Watercourses Map - Sheet WCL_012

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for the whole industrial area plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

The land contains heritage Item 243 listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* which is Cottage and building (former Pambula Co-operative Creamery Dairy Co. Ltd). This item is of local heritage significance. It is located on a small parcel of land adjoining the Pambula River. The impacts on heritage values of any proposed development on adjoining industrial land would need to be considered.

Figure 6: Extract from Heritage Map - Sheet HER_012C

Amenity

South Pambula has high amenity due to the floodplain setting and the presence of heavily vegetated areas south of Mount Darragh Road.

Exposure

This area is not visible to the Princes Highway but is located on Mount Darragh Road which is a major road connection to Candelo and onwards to Bombala. This route is not suitable for large freight movements.

Conclusion and recommendations

The South Pambula industrial area is heavily constrained by biodiversity and flood potential. Although there are substantial areas of vacant or under-utilised land, the presence of mapped biodiversity poses a serious limitation of further subdivision for industrial lots in the small to medium sized range. Further investigation of the extent and significance of native vegetation communities and wetlands should be carried out to determine limitations to further development. The suitability of land for development on the floodplain of the Pambula River also requires further exploration.

Inventory Sheet 8 – Snug Cove

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN4 Working Waterfront
	Heritage	Nil
	Terrestrial biodiversity	Nil
	Natural resources	Nil
	Riparian lands and watercourses	Nil
	Acid sulfate soils	Nil
	Maximum height of buildings	10m
	Minimum lot size	Nil
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	n/a	n/a
SEPP 71 Coastal Protection	n/a	n/a

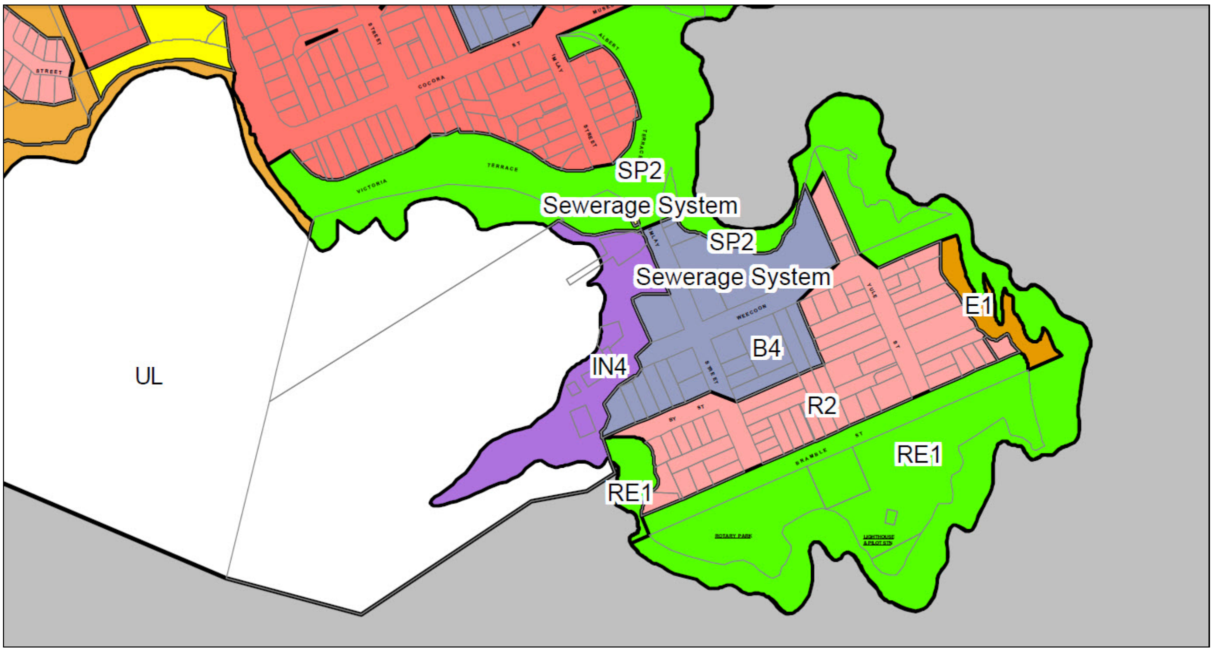

Figure 1: Extract from Land Zoning Map - Sheet LZN_021A

Context and uses

The industrial zoned land at Snug Cove Eden is occupied by uses associated with the Port of Eden, i.e. boat repairs and maintenance facilities, marine storage and car parking. Adjoining land is zoned for commercial purposes and cafes and restaurants occupy land in close proximity to the industrial land.

Figure 2: Aerial image of Snug Cove. Source: SIX Maps

Services

Snug Cove is fully serviced with reticulated water and sewer.

Take-up

No data is available on recent development consents or construction certificates issued by Council.

Capacity

The industrial land is fully occupied and is not able to accommodate any further development other than changes of use or intensification of existing uses.

Sensitivity

Environmental

Snug Cove is not constrained by the presence of listed heritage items, riparian land or watercourses, terrestrial biodiversity, natural resources land or acid sulfate soils.

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for the whole industrial area plus surrounding land, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

There are no items of cultural heritage listed in Schedule 5 Environmental Heritage of Bega Valley LEP 2013 within the boundaries of the industrial area or in the vicinity of the area.

Amenity

Snug Cove has reasonable amenity being located on the immediate waterfront.

Exposure

Snug Cove is prominent and visible from the waterway of Twofold Bay. It is not visible from any major or arterial roads.

Conclusion and recommendations

It is recommended that the extent of the current zoning of IN4 Working Waterfront at Snug Cove and maximum building height of 10 metres be maintained.

Inventory Sheet 9 – Wallagoot

Strategic considerations

Environmental planning instrument	Provisions	Effect
Bega Valley LEP 2013	Land zoning	IN1 General Industrial
	Heritage	Nil
	Terrestrial biodiversity	Yes
	Natural resources	Nil
	Riparian lands and watercourses	Nil
	Acid sulfate soils	Nil
	Maximum height of buildings	14m
	Minimum lot size	120ha
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection	Unknown	Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

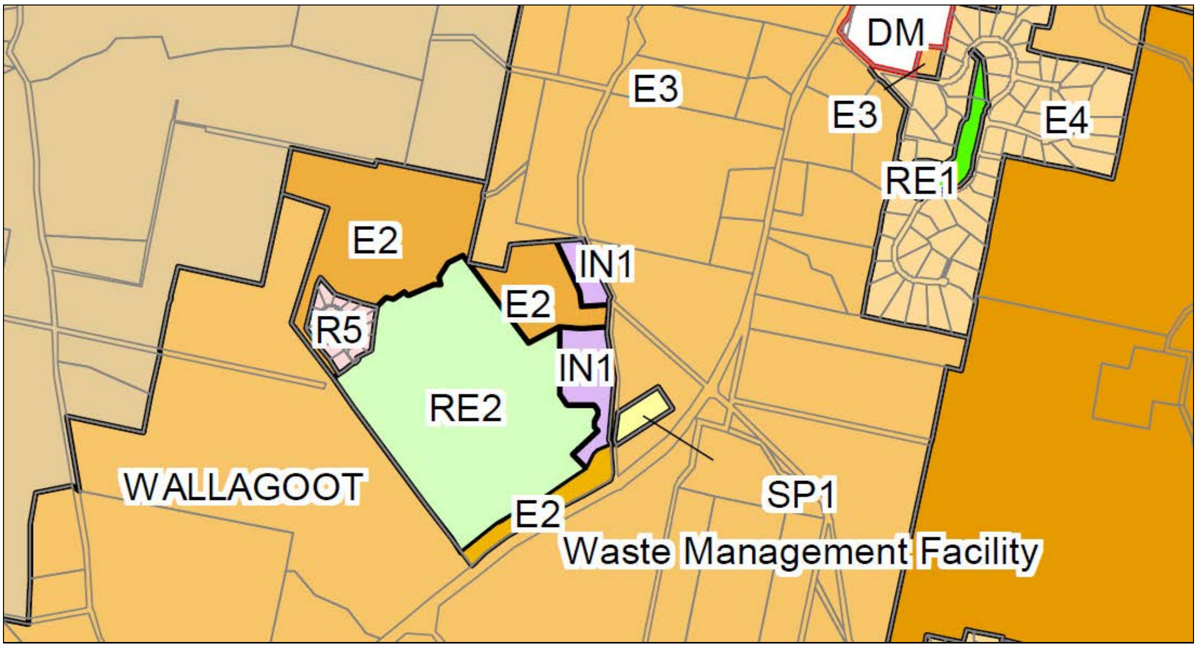

Figure 1: Extract from Land Zoning Map - Sheet LZN_019

Context and uses

This industrial area occupied part of Lot 2 DP 1082841. The lot has a split zoning of industrial, environmental conservation and private recreation. A small rural residential subdivision has developed adjacent the north western corner to provide dwellings with stables associated with of a private racecourse on the recreation zoned portion of the site. The industrial land covers two sections, one at the northern end of the lot that is approximately 2.8 hectares and occupied by landscaping materials and supplies. The other section of industrial land is located to the east of the racecourse, is vacant and is approximately 8 hectares in area.

Figure 2: Aerial image of Lot 2 DP 1082841. Source: SIX Maps

Services

The site is not serviced with reticulated water or sewer.

Take-up

There have not been any development consents issued by Council for the period 2010-2015. A single construction certificate was issued in 2013.

Capacity

The industrial land is a single lot that is shared with the private racecourse and protected land. The northern section of industrial land has been developed and is at capacity. The lower vacant section could potentially yield 30 lots at a minimum lot size of 2,000m^2 allowing for 20% of the land as constrained and used for services such as roads and easements.

Sensitivity

Environmental

The entire site is mapped as terrestrial biodiversity in Bega Valley LEP 2013. Inspection of the site revealed however that a large part of the site has been cleared for development of the landscaping supplies business and the racecourse. This is evident in the aerial image below (Figure 4). Remnant vegetation is confined to the perimeter of the site. This appears to be recent re-growth in the vicinity of the industrial zoned land and displays very low species diversity. The vegetation does not comprise a predicted EEC, however, there is the potential for a high occurrence of hollow bearing trees. The OEH Wildlife Atlas indicates records of threatened species including the yellow-bellied glider in the vicinity of this industrial area.

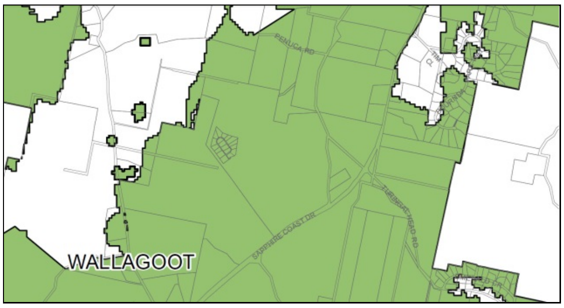

Figure 2: Extract from Terrestrial Biodiversity Map - Sheet BIO_019

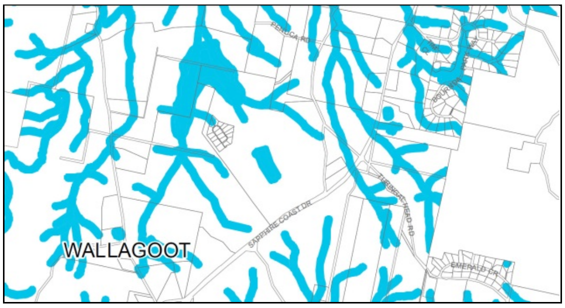

Figure 3: Extract from Riparian Lands and Watercourses Map - Sheet WCL_019

A watercourse also traverses the site in the vicinity of the landscape supplies business. This watercourse is likely to be located within that part of the site that is zoned environmental conservation.

The site is not affected by acid sulfate soils.

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for Lot 2 DP 1082841, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

There are no items of cultural heritage listed in Schedule 5 Environmental Heritage of Bega Valley LEP 2013 within the boundaries of the industrial area or in the vicinity of the area.

Amenity

The site has reasonable amenity due to the bushland setting however much of this would need to be removed for bushfire management. It is relatively remote but suitable for light industrial uses associated with the racecourse.

Exposure

The site is in close proximity to Sapphire Coast Drive, a major road connecting Tathra/Kalaru to Tura Beach and Merimbula but is not visible from the road due to screening by native vegetation.

Conclusion and recommendations

The constraint posed by biodiversity is likely to be minimal due to vegetation on the remaining vacant industrial zoned land being recent re-growth with limited species diversity. A flora and fauna study would be required with any subdivision proposal to demonstrate that ecological values are minimal and that development of the land would not impact adversely on a specific vegetation community of habitat.

It is recommended that the industrial zoning of this land be retained and that Council encourage small lot subdivision of the vacant industrial zoned land. The plan of proposed subdivision shown below was approved by Bega Valley Shire Council in 2011.

Figure 5: Approved development plan. Source: BVSC

Inventory Sheet 10 - Wolumla potential industrial area

Strategic considerations

Environmental planning instrument	**Provisions**	**Effect**
Bega Valley LEP 2013	Land zoning	Deferred matter (1(a) Rural General Zone (BVLEP 2002)
	Heritage	Yes, adjoins Item 187
	Terrestrial biodiversity	Yes
	Natural resources	Yes, constrained land
	Riparian lands and watercourses	Yes, watercourses
	Acid sulfate soils	Nil
	Maximum height of buildings	10m
	Minimum lot size	120ha
SEPP 14 Coastal Wetlands	n/a	n/a
SEPP 26 Littoral Rainforests	n/a	n/a
SEPP 44 Koala Habitat Protection		Requires investigation
SEPP 71 Coastal Protection	n/a	n/a

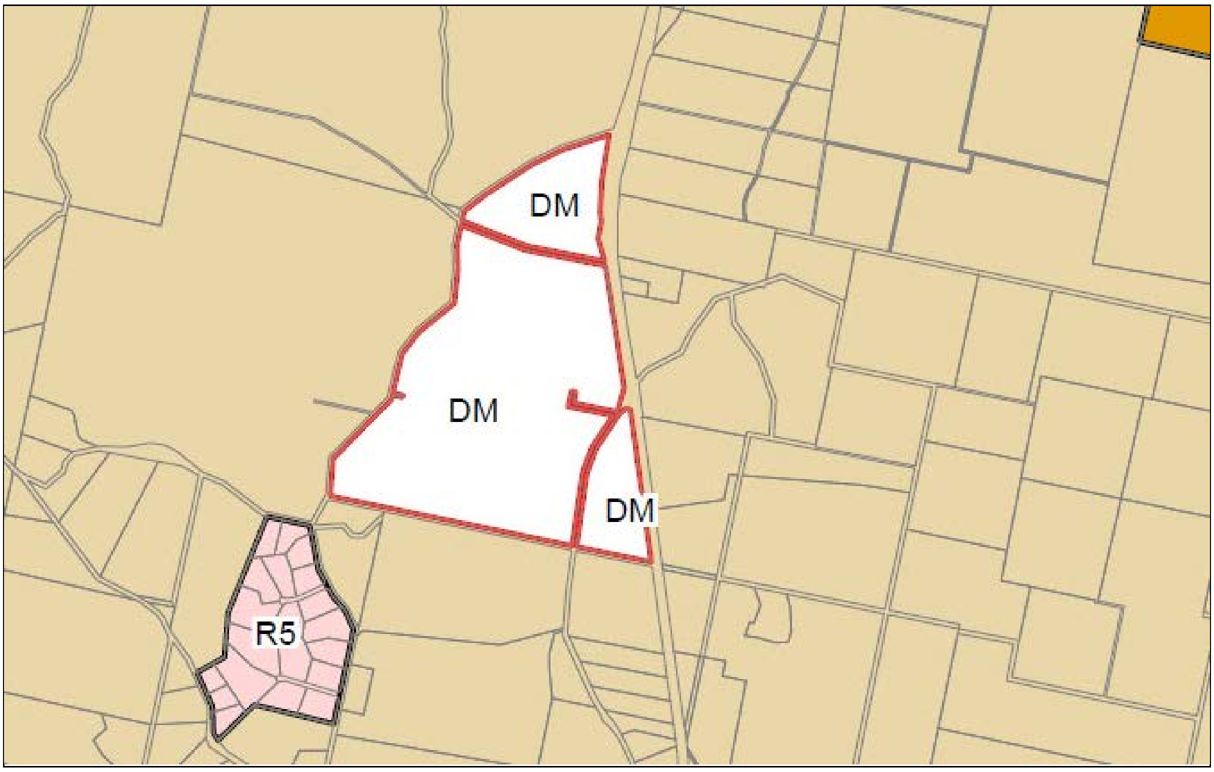

Figure 1: Extract from Bega Valley LEP 2013 land zoning map Sheet LZN_011

Context and uses

The land is described as Lot 5 DP 1021345 Frogs Hollow via Wolumla. It is located approximately 11 kilometres south-south-west of the centre of Bega and 3.4 kilometres north of the village of Wolumla. The property is 1.474 square kilometres (or 147.5 hectares or 1,475,000 square metres)

It is rural zoned land currently used for the grazing of livestock. There are four access roads to the property off the Princes Highway – Wanatta Lane at the northern end which forms the western boundary, Greendale Lane which forms the southern boundary, Cherry Lane which bisects the south-eastern corner of the property and an unformed Crown road which runs east to west across the norther end. A dwelling is located off Cherry Lane near the south-eastern corner.

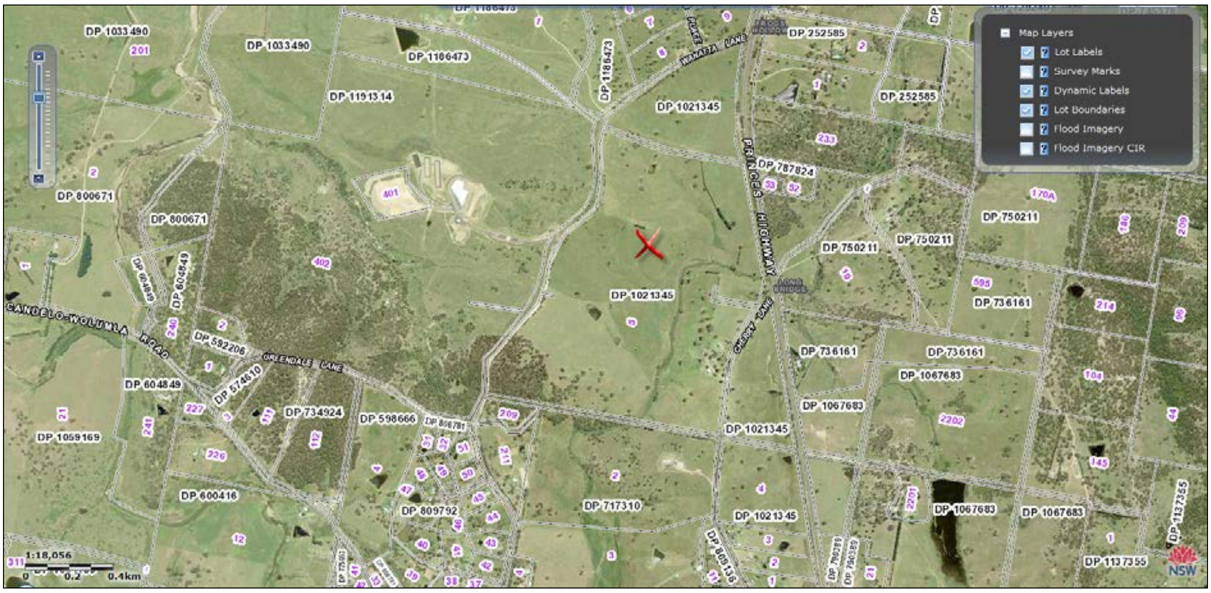

Figure 2: Aerial image of Lot 5 DP 1021345. Source: SIX Maps

Services

The land was deferred from being allocated a land zone under Bega Valley LEP 2013 and remains subject to Bega Valley LEP 2002. It is not serviced with reticulated water or sewerage services.

Take-up

Being rural land there are no statistics to gauge demand for industrial land in this area. However, a central waste facility for Bega Valley Shire has been approved and is in operation just north of the property off Wanatta Lane. A satellite earth station facility for the NBN network has also been erected on land off Wanatta Lane.

The site is also in close proximity to the regional centre of Bega and the new regional hospital that is under construction.

Capacity

Allowing for 20% of the land area of 147.5 hectares for services such as roads and easements and the protection of environmentally constrained areas leaves 118 hectares or 1,180,000m². Subdivision of the land to a minimum lot size of 2,000m² the land could potentially yield 590 industrial lots.

Sensitivity

Environmental

Several watercourses are located within the property that drain to the east as shown on the Bega Valley LEP 2013 Riparian Lands and Watercourses Map.

Small patches of biodiversity are also mapped on the Bega Valley LEP 2013 Terrestrial Biodiversity Map. These areas are located at the south-western corner at in the vicinity of the dwelling.

The Natural Resources Land Map indicates an area of constrained land located at the southern end of the property that runs to the north then east. This coincides with a watercourse.

The site adjoins heritage Item 187 to the north which is the Ayrdale Dairy Village located at 297 Wanatta Lane. This item is of local heritage significance. A search of AHIMS indicates that no Aboriginal sites or places have been recorded in the area.

The land is not affected by potential acid sulfate soils.

Figure 3: Extract from the Riparian Lands and Watercourses Map Sheet WCL_011

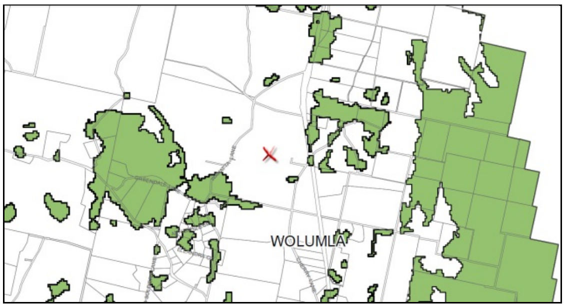

Figure 4: Extract from the Terrestrial Biodiversity Map Sheet BIO_011

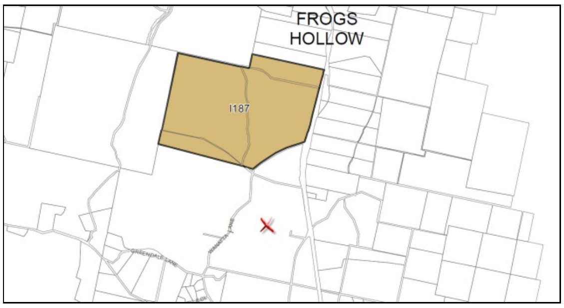

Figure 5: Extract from the Heritage Map Sheet HER_011

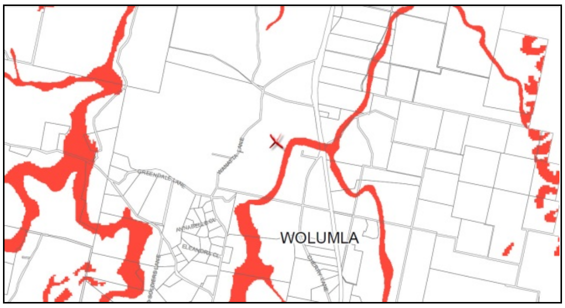

Figure 6: Extract from the Natural Resources Land Map Sheet NRL_011

Heritage

An on-line search was carried out of the *Aboriginal Heritage Information Management Service* (*AHIMS*) that is maintained by the Office of Environment and Heritage on 3 May 2016. The search, carried out for Lot 5 DP 1021345, found that:

- There are no Aboriginal sites recorded in or near the selected locations, and
- There are no Aboriginal places that have been declared in or near the selected locations.

The land is in the vicinity of heritage Item 187 listed in *Schedule 5 Environmental Heritage* of *Bega Valley LEP 2013* which is the Ayrdale Dairy Village. This item is of local heritage significance.

Amenity

The land is of reasonably high amenity. Landform is undulating flat and remaining native vegetation in the south-western corner would provide an attractive setting for industrial activities.

Exposure

The land has exposure to the Princes Highway but is screened from adjoining rural and rural residential land by remnant vegetation and landform.

Conclusion and recommendations

Further investigation of the suitability of Lot 5 DP 1021345 for industrial use is warranted on the basis of the central location of the land for Bega Valley Shire and proximity to the centralised waste management facility. It is relatively unconstrained and may stimulate industrial growth and related business enterprises.

It is recommended that further investigation be carried out to address:

- The business case for industrial subdivision, including the feasibility of development of an industrial estate and potential demand for industrial lots in this location, and

- An assessment of the extent and values of native flora, fauna and riparian systems.

A planning proposal would need to be prepared in accordance with *A guide to preparing planning proposals* issued by the Department of Planning and Infrastructure in October 2012 to rezone the land as IN1 General Industrial and/or IN2 Light Industrial (depending on the findings of investigations) and to apply appropriate development standards limiting height of buildings and minimum lot sizes.

Attachment 2 – Community engagement plan

Community engagement should be carried out in accordance with Council's *Communications Strategy 2013*, and the *Community engagement and communications toolkit*. Engagement needs to be effective and meaningful and tailored to the Bega Valley Shire community with a program that outlines specific activities to be carried out and provides a range of opportunities for input.

The engagement plan

The engagement plan below has been prepared using the Engagement Plan Template contained in Council's *Community engagement and communications toolkit*. The plan identifies stakeholders and the most appropriate means to distribute information and seek feedback.

1. Community engagement requirements

There is no legal requirement to engage stakeholders at this stage of the process. However, the input of industry participants as well as the wider community would assist Council to develop an acceptable policy approach to the management of industrial land and a degree of ownership by the community. For instance, the development of a new industrial estate would require substantial financial commitment by Council and may have significant social and economic impacts on the community of Bega Valley.

2. Objectives and scope of engagement

The strategy contains four recommendations which Council is to consider:

a) Investigate the development suitability of existing industrial zones in order to accurately ascertain the supply of vacant or under-utilised industrial land
b) Consider applying minimum lot sizes to industrial land to determine whether this is an appropriate means to protect industrial land from fragmentation
c) Consider discounting headworks charges for industrial development as a development incentive
d) Investigate the development of a new centrally-located industrial estate

The need to engage for each of these recommendations is explored below.

a) The investigation of the capability of existing industrial land is an internal staff exercise. If investigations conclude that certain areas of land should be rezoned for an alternative use or to protect conservation values then Council would need to resolve to prepare a planning proposal to amend *Bega Valley LEP 2013*. This process would include consultation procedures as specified in a Gateway Determination.

   However, land owners and industry participants are able to offer checks and balances regarding the suitability of land for industrial development and the aspirations/access to capital of owners of existing zoned industrial land to foreshadow the likelihood of development of that land sometime in the future. The involvement of relevant government agencies, such as the Department of Planning & Environment and the Office of Environment & Heritage, is also encouraged to ensure that their respective issues are taken into account.

b) Deciding on whether the application of lot sizes is appropriate rests with Councillors on receipt of advice from planning staff. Should the decision be to apply minimum lot sizes then a planning proposal would be required to amend *Bega Valley LEP 2013*. This would include consultation procedures as specified in a Gateway Determination.

c) Discounting head works charges is a decision for Council based on advice from planning and economic development staff. This would effectively be a subsidy for new industrial development and would need to be based on a financial assessment.

   Consultation with the community on this matter could take place through during exhibition of the Delivery and Operational Plans and associated fees and charges.

d) The consideration of building a new industrial estate has wider implications for the community. These include socio-economic impacts through job creation, visual impacts through changing landscape character, environmental impacts associated with development generally, and additional infrastructure provision.

   Community engagement with internal and external stakeholders is considered necessary due to the potential impacts and the complexity of issues.

3. Who to engage

The table below lists stakeholders within Council and the NSW Government (internal stakeholders) and stakeholders within the community (external stakeholders).

Internal stakeholders	External stakeholders
Councillors	General community
Council committees, e.g. Planning & Environment and Economic Development & Business Growth	Industry groups and chambers of commerce
General Manager and executive managers/directors	Owners of industrial zoned land
Planning and economic development staff	Industry participants, e.g. valuers and property agents, surveyors, engineers, planning consultants, building designers/arhcitects
NSW Department of Planning & Environment	
NSW Office of Regional Development	

4. The engagement tools

For the reasons stated above, the level of engagement required is deemed to be a combination of *Level 2 – Consulting* to ensure that the wider community of Bega Valley LGA comprising all ratepayers and residents are able to express opinions, and *Level 3 – Involving* to work directly with affected landowners and industry to determine the developability of existing industrial land and a future industrial estate. It is recommended that industry representatives be actively involved in any decision by Council to alter the boundaries of industrial land zones or to develop a new industrial estate. However and at the same time, it is essential to consult with the wider community at least by way of information sharing and invitations to comment.

Council may also choose to exhibit the draft Enterprise Land Review for public comment in the same way that a planning instrument or development control plan would be exhibited. If so, documentation should be displayed and exhibited on Council's website and in Council's administration centre for a minimum of 28 days and invite submissions. Details of points raised in submissions should be reported to Council and the report amended where necessary.

5. Carrying out engagement

Level 2 – Consult the wider community

The following actions are recommended to engage the wider community:

- Prepare fact sheets that give details about process, considerations and findings,
- Issue media releases to local print media, radio stations and through social media

- Display information on Council's website and at Council offices
- Establish means for the community to provide feedback on-line through social media or other on-line platforms
- Notification of neighbours where rezonings of land are proposed

Level 3 – Involve industry participants, state agencies and landowners

In addition to the actions recommended to inform the wider community, the following are recommended to engage the industrial community, state agencies and owners of industrial land:

- Prepare a contact list of external stakeholders
- Conduct workshops in major settlements after initial research is carried out regarding the suitability of existing industrial zones and a new industrial estate. These are to be by invitation to external stakeholders and should be chaired by an independent facilitator
- Conduct internal workshops for Councillors, staff and representatives of state agencies. These should also be chaired by an independent facilitator
- Make direct contact with owners of industrial land by either telephone or mail to gauge the intent of landowners to develop that land for industrial uses

6. Reporting to Council

The details of submissions and the findings of stakeholder workshops should be reported to Council to assist the decision-making process. The report should include an analysis of the validity of matters raised and discussed and recommend any adjustments to the findings of investigations.

7. Reporting to stakeholders and the community

The outcome of engagement and the decisions of Council should be communicated to external stakeholders. Council may issue media releases and display reports and Council resolutions on Council's website to inform the wider community. Details of Council resolutions should be provided by direct mail to those external stakeholders that participated in workshops and to representatives of state agencies.

Should Council proceed with changes to zones and/or to apply minimum lot sizes, then a planning proposal would need to be prepared and submitted to the Department of Planning & Environment. If supported by the department, a Gateway determination would be issued which would specify additional community engagement procedures associated with amending *Bega Valley LEP 2013*.

Attachment 3 – Councillor workshop 6 July 2016

bega valley shire council

Enterprise Land Review

Councillor workshop

Wednesday 6 July 2016

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Project aims

- *Review the current status and trends in industrial/employment land development in regional Australia, and*
- *Identify likely key drivers and opportunities for the expansion of the local economy (be they internal or external) which require industrial zoned land in the Bega Valley Shire.*

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Methodology

- *Policy framework – strategies and policies*
- *Description of local economy – workforce and industrial characteristics*
- *Industrial trends and drivers – national, regional, local*
- *Consultation with industry and agencies*
- *Local industrial development*
- *Policy recommendations*

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Policy framework

- *South Coast Regional Strategy*
- *Draft South East and Tablelands Regional Plan*
- *Bega Valley LEP 2013*
- *Bega Valley DCP 2013*
- *Business Growth Action Plan*
- *Land Investment Strategy*
- *Digital Economy Strategy*
- *Economic Development Strategy 2016-2021*

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Demographics

- *High proportion of residents aged 65 years +*
- *Typically well-educated, diverse and affluent*
- *Lifestyle decisions drive incoming residents – amenity, personal preferences, finances*
- *Opportunities for mentoring/advising*
- *Aged proportion predicted to grow by 83% over 2011-2031 period*

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The labour force

- *Grown by 11.5% over 2001-2011 period but decline in working age population by 7.3% predicted out to 2031*
- *Labour force participation rate grown from 51.6% to 52.1% (NSW 59.7%)*
- *Over 1/3 employed in services (retail trade, accommodation & food services, health care & social assistance)*

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National trends

- *Transition to knowledge-based economy reliant on health and professional services*
- *Investment in infrastructure & export activity needed to maintain living standards*
- *Fantastic five – gas, agribusiness, tourism, education, wealth management*
- *Opportunities in agribusiness, food processing & packaging, medical research, aquaculture*

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Regional trends

- *Higher rate of structural change and lower employment growth than major cities*
- *Structural change – decline in primary industry*
- *Agriculture to become less labour-intensive – greatest decline in employment*
- *Decline in manufacturing*
- *Small to medium sized businesses dominate*
- *Growth in services and knowledge industries*

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Local drivers

- *Investment in infrastructure (arterial roads, Port of Eden, Merimbula airport, Canberra airport)*
- *Tourism*
- *Demand for food*
- *Aging population & loss of labour force*
- *Lifestyle & environment*
- *ICT & knowledge clusters*

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Industry opportunities

- *Agribusiness*
- *Value adding through food processing & packaging*
- *Health services*
- *Education services – domestic & international*
- *Renewable energy*
- *Associated manufacturing*

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Industry & agency consultation

- *Local participants*
- *Canberra Airport*
- *Department of Planning & Environment*
- *Office of Regional Development*
  - *lack of large floorplate sites*
  - *need highway exposure*
  - *opportunities for export to Asia*
  - *niche food products*

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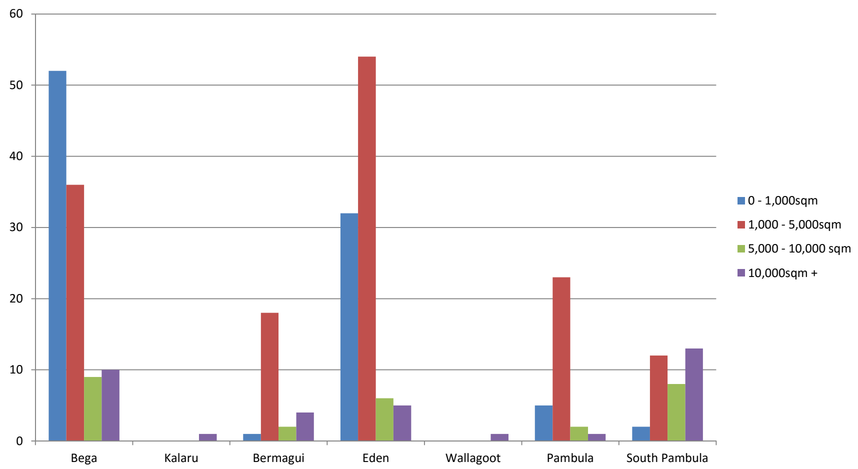
Industrial lot sizes



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Consents issued 2010-2015

	Development consents industrial zones	Construction certificates industrial zones	Development consents rural zones	Construction certificates rural zones	Development consents business zones	Construction certificates business zones
2010	14	5	0	3	8	0
2011	12	8	3	1	1	3
2012	8	6	2	2	0	0
2013	6	10	0	2	0	1
2014	8	9	6	2	4	1
2015	2	3	4	1	0	1
Total	50	41	15	11	13	6

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Potential lot yields

Industrial area	Vacant land estimate	Land area less 20% for services	Lot yield @ 2,000m^2	Land area less constraints	Revised lot yield @ 2,000m^2
Bega	54.31ha	43.45ha	221	35.67ha	181
Bermagui	9.10ha	7.28ha	36	4.28ha	21
Eden (North Eden & Imlay Street)	8.08ha	6.46ha	32	3.82ha	19
Kalaru	4.70ha	3.76ha	19	3.75ha	1
Pambula (McKell Street)	14.38ha	11.50ha	57	0	0
South Pambula	102.28ha	81.82ha	409	36.82ha	184
Wallagoot	7.60ha	6.08ha	30	0	0
Sub-total	200.45	160.35	804	84.34	406
Wolumla	147.5ha	127.5ha	637	118.00ha	590
Total	347.95	287.85	1,441	202.34	996

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Findings

- *Large supply of industrial land – capacity to yield 800 new lots at 2,000sqm*
- *Average of 13 consents p.a. for industrial development, therefore, over 60 years supply*
- *Removing constrained land – potential to yield 400 lots, therefore, 30 years supply*
- *Sector opportunities –support services to medical, aged housing & agribusiness, industries reliant on access to technology*

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Recommendations

- *Further investigate existing vacant zoned land – capacity & suitability*
- *Consider minimum lot sizes for industrial subdivision – to protect from fragmentation*
- *Discount headworks charges – to stimulate industrial development*
- *Investigate the development of a new centrally-located industrial estate - prepare business case if loss of industrial land*

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Community engagement plan

- *Aim to develop acceptable policy approach & ownership by business community*
- *Identify internal (Council, state agencies) & external (community & industry) stakeholders*
- *Engage wider community – Level 2 Consult*
- *Engage industry participants & land owners – Level 3 Involve*
- *Report to Council & back to stakeholders*

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Thank you

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