

ORDINARY MEETING 28 JULY 2010	22
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BABINDA LOCAL AREA PLAN AND POTENTIAL DEVELOPMENT

Kristy Gilvear : 8/27/3 : #2621985

RECOMMENDATION:

That Council resolve to:

- A. Prepare a Local Area Plan for the Babinda Locality in conjunction with the preparation of the new Cairns Area Plan; and**
- B. Commence engagement with representatives of the Babinda Community in regard to the strategic objectives for the area, which may include amongst other things the possible release of Council owned land for development opportunities.**

INTRODUCTION:

In April 2010, representatives from the Babinda Chamber of Commerce and Industry met with Councillors to discuss opportunities for the further development of residential allotments on Council owned property located at Pollard Road and Cattalano Access, more particularly described as Lot 19 on RP887338 and Lot 2 on SP120074.

Council Officers have since reviewed the request, and provide the following information for Council's consideration.

BACKGROUND:

Relevant Statistics

Babinda is located approximately 50km south of the Cairns CBD, with a resident population of approximately 1,170 people (2006 census statistics). 47% of the population is aged 45 years and over.

Bisected by the Bruce Highway and Queensland Rail line, the township has a main street (Munro Street) in which a range of businesses and services are available, including:

- SPAR Supermarket;
- Bakery;
- Butcher;
- Doctors Surgery;
- Chemist;
- Newsagent;
- Post Office;
- Florist;
- Three restaurants/cafes;
- Police Station;
- Library;
- Mamu Medical Centre (being developed, likely opening date imminent);
- Real Estate agents;
- Retravision electrical and whitegoods supplier;
- Training provider; and
- Beauticians;
- Scrapbooking Shop;
- Visited veterinarian facility;
- Two hotels; and
- Government agencies (through Police Station)
- Movie Theatre;
- Community Drop-in Centre.

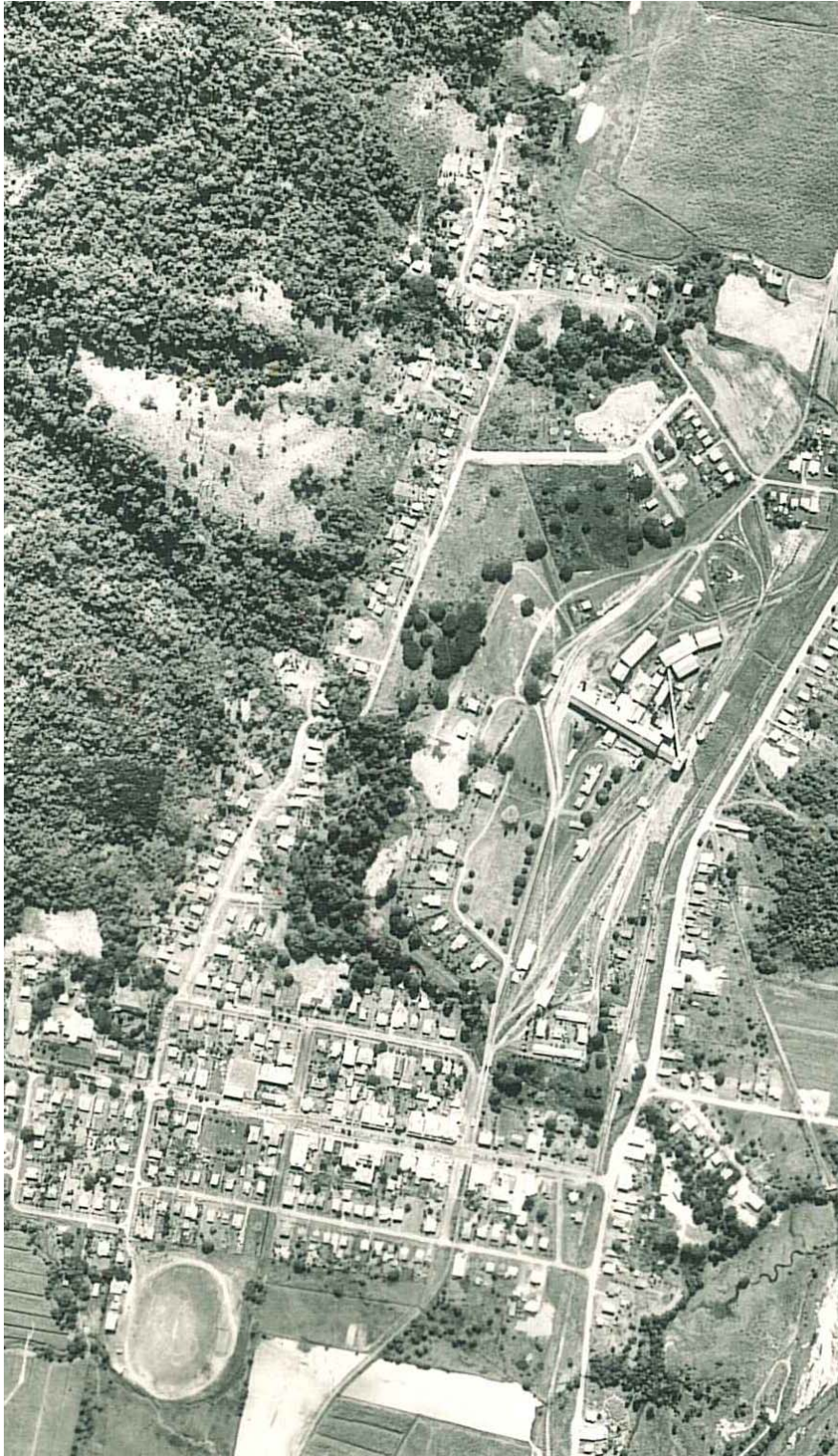
The town also has access to formal sporting facilities, aged care facilities, a hospital, ambulance station, pool and primary and high school.

As with other outlying areas / townships within the Region, a high proportion of residents in the labour force travel to work by motor vehicle; indeed, for Babinda, over half the labour force travels in this manner (either as passenger or sole driver).

Employment within the Babinda locality is primarily related to agricultural industries, particularly sugar cane production and processing.

Broader Planning Background - Babinda Township

Babinda township was established in the early 20th century, initially linked to its location approximately 30miles south of Cairns on the main rail line, and later growing to a larger population linked to the construction and operation of the Babinda Central Sugar Mill. Additional private investment in the township was encouraged by the survey of sites for further development, commencing in 1915.



Aerial Photo: Babinda 1964

Land use planning, including planning for growth in the township, has historically been driven by development opportunities. Council has previously been involved in development of land for residential purposes within the township, whilst some low density residential, and employment development has also occurred.

Importantly, however, it is noted that very little Industrial land is available within the township; indeed, the vast majority of land included within the Industrial Planning Area designation is utilised for Mill purposes, with a small water bottling plant being located on the only other Industrial zoned site to the north of the Babinda Central Business District. Other employment opportunities are primarily provided in the CBD through retail and support services; via government or private sector services including schools, hospital and ambulance, or within smaller commercial operations (mechanic and / or service station).

Opportunities for further growth in both employment and residential sectors are limited.

Former Council Residential Development in Babinda



Babinda locality; Council developed lots along Pollard Road

In the late 1980's and early 1990's, the then-Mulgrave Shire Council developed 34 allotments on Harwood Drive and Tom Carr Close in Babinda. Anecdotal evidence from local residents indicates these blocks all sold fairly quickly, at a low price. 33 of the 34 allotments are now built upon.

In 1995, Council developed a further 17 residential allotments on Pollard Road, with areas of at least 1000sq m. It is understood that sales prices on these further allotments were higher than the Harwood / Tom Carr allotments, and ultimately took longer to sell. 16 of these allotments are improved by residential dwellings; one of the lots is utilised for a child care facility.

In 2004, Council commenced investigating opportunities to undertake further development on the site. Although financially the development was not likely to be profitable, requests for Expressions of Interest for the development were released to the market, on the proposition that Council would provide the land. Very few responses were received for the EOI, and ultimately the development did not proceed.

Private Residential Development

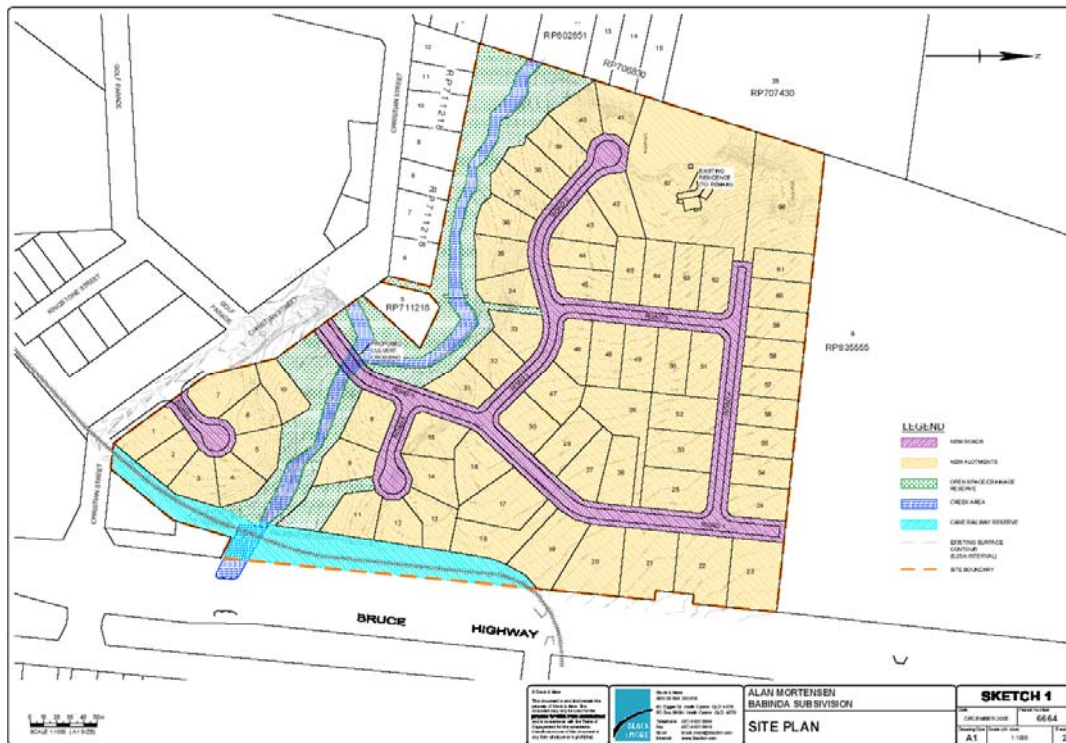
Residential development historically undertaken by the private sector in Babinda has traditionally been smaller, independent development projects. A range of low density residential allotments have also been developed around the township.

Approved or Areas Suitable for Residential Development

There are three relatively major sites that are approved for, or may be suitable for residential development. These are discussed below.

8/30/70 Christiansen Street, Babinda - 67 Allotments

Approvals were granted in December 2006 to facilitate the creation of 67 residential allotments and open space off Christensen Street, Babinda. To date, Stage 1 of the development site has been created, and it is understood that over 50% of the lots created have yet to be sold.



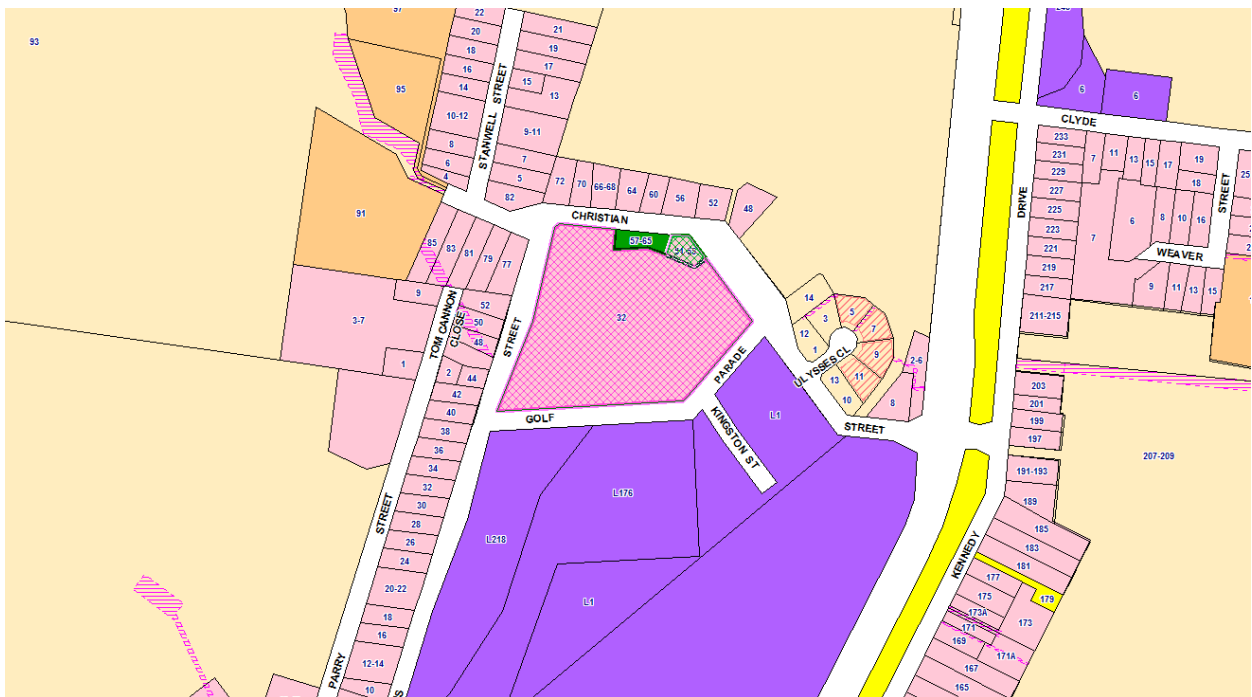
Approved layout - Christensen Street, Babinda

The site is included within the Rural 1 Planning Area in CairnsPlan, and is affected by a number of overlays.

Approvals relating to the site are not expected to lapse until at least 2012, and if development continues to be undertaken in a staged manner, approvals may not lapse for a much longer period.

Christiansen Street and Golf Parade, Babinda

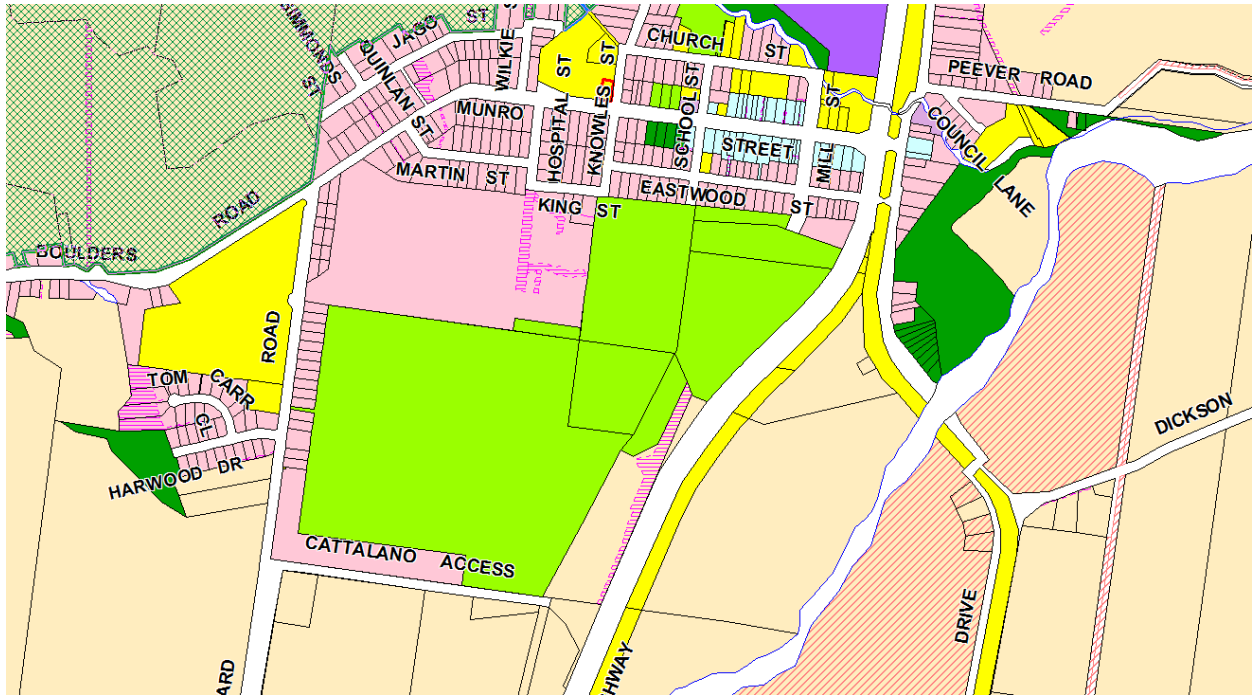
Located between Christian Street, Golf Parade and Angus Street, a site with an area of approximately 3.369ha is included within the Residential 1 Planning Area. The site is currently vacant, and is used intermittently for storage of equipment and items related to adjacent mill activities.



Residential 1 Site: Christiansen Street, Golf Parade, Angus Street, Babinda

Land located at Pollard Road, Boulders Road and Cattalano Access

This site, the subject of the Chamber's request, is owned by Council and located within the Babinda District in accordance with CairnsPlan. Lot 2 on SP120074, with an area of 15.32ha, is almost entirely included within Residential 1 Planning Area designation. Part of Lot 19 on RP887338 is also included within the Residential 1 Planning Area, namely that part of the site fronting Pollard Road and Cattalano Access. The site is affected by a number of overlays within CairnsPlan.



Babinda District: Extract of Planning Area Mapping

Industrial / Commercial Opportunities in Babinda

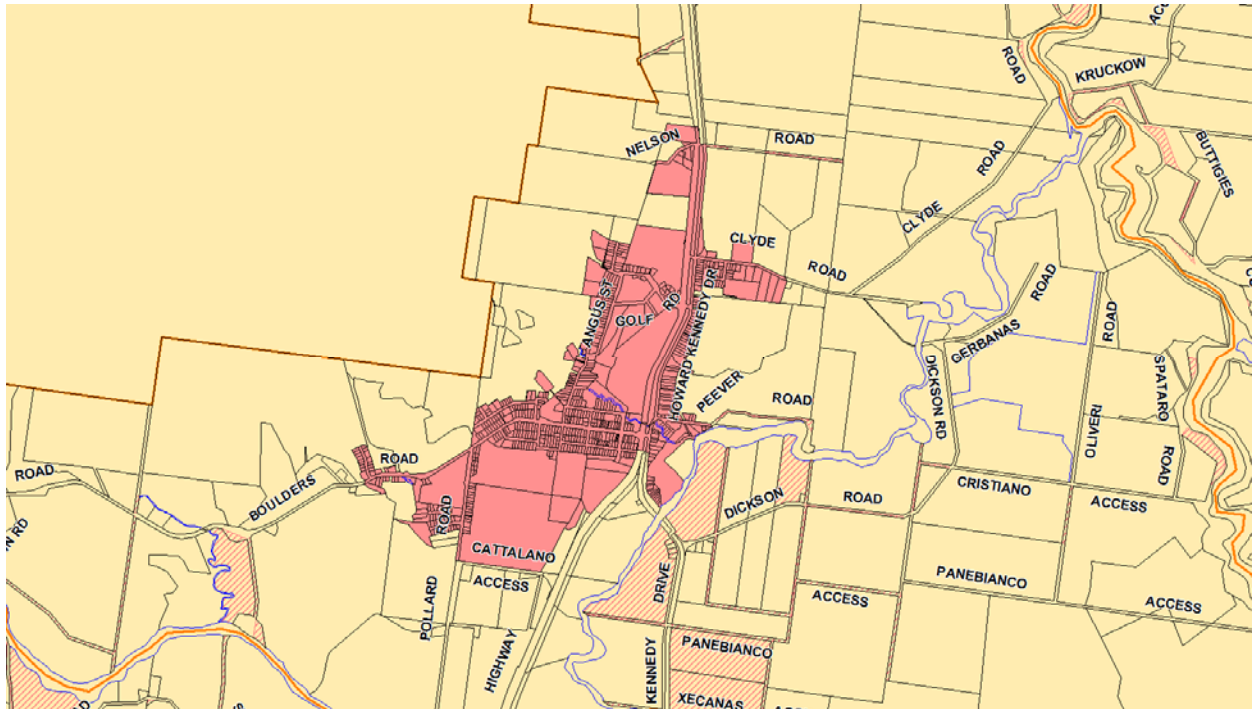
There is very little land included within the Industry Planning Area, or even the Commercial Planning Area, within the Babinda Township. Sites currently included within these Planning Area designations are almost fully developed. Specifically:

- All sites included within the Industrial Planning Area are developed for Sugar Mill (along the Bruce Highway), Water Bottling or other industrial purposes, bar one single allotment along Clyde Road, which is an odd shape and is currently improved by a house;
- Sites included within appropriate retail / centres planning areas are all fully developed, and are not of a size that is conducive to re-development, expansion or alternative uses.

Far North Queensland Regional Plan 2009 – 2031

Implemented in February 2009, the Regional Plan confirms that, for the southern areas of the Cairns Region:

“Growth will be constrained in the predominantly agricultural production areas south of Cairns. Minor areas of additional land have been included within the urban footprint at Babinda, and options for redevelopment of state land are also being investigated. It is not intended that Goldsborough Valley, Miriwinni, Bramston Beach and other smaller settlements will grow.”



Urban footprint: Babinda area

Far North Queensland and Cairns Region Industrial Land Demand Study

The State Government commissioned Far North Queensland and Cairns Region Industrial Land Demand Study (October 2008) makes a range of recommendations regarding the provision of Industrial land within the Cairns locality. Importantly, it is recommended that:

“the Cairns City Plan be reviewed in order to provide an additional 207.1 ha of industrial land and provide land for the key uses which have been identified as future growth industries. Table 6.10 outlines the land values and key industries within Cairns City.”

Table 6.1: Cairns City land distribution

Vacant Zoned Industrial Land	87.7 ha
Gross Incremental Land Demand by 2025	308.0 ha
Key Demand Industries	<p><i>Transport Uses (125 ha by 2025):</i></p> <ul style="list-style-type: none"> • Motor Vehicle Retailing & Services: 37 ha • Road Transport: 38 ha • Rail Transport: 21 ha • Services to Transport: 29 ha <p><i>Warehousing & Storage (64 ha by 2025)</i></p> <ul style="list-style-type: none"> • Basic Material W'saling: 16 ha • Machinery & Motor Vehicle W'saling: 20 ha • Personal & Household Good W'saling: 23 ha • Storage: 5 ha

The study also recommends that planning scheme requirements be reviewed to allow for a “more robust system for transport sector development.”

COMMENT:

Against the historic, legislative framework and broader land use planning background outlined above, Officers recommend that prior to further residential development progressing in Babinda, a Strategic Local Area Plan be prepared for the area, to provide an updated and appropriate plan for:

- Growth in industry and commercial opportunities for employment in the locality;
- Associated residential growth;
- Maximising use of available service and social infrastructure available to the township, including the abundant water available in the immediate area;
- Linking land use planning with population growth policies of both Council and the State; and
- Reducing the reliance of residents on the Bruce Highway that bisects the town, by reducing the need for travel to services, employment or facilities located in Innisfail or Cairns.

As discussed above, whilst Babinda has a fairly good supply of approved or 'available' land for residential development, opportunities for employment and / or business development are somewhat limited. There is a heavy reliance upon the Sugar Cane industry, and in particular, milling operations, in regard to employment options in the area. With uncertainties associated with the potential 'life' of the Mill in Babinda leading to a decrease in business confidence in regard to investment in the area, it is becoming apparent that strategic direction is required to ensure the future of the township, with appropriate growth and increased employment, is required.

Residents of the Babinda locality who do not work in the township or on the agricultural properties around the township often work in Innisfail or Cairns, travelling to and from workplaces along the Bruce Highway each day.

Whilst the initial request from residents related to development of an alternate residential land option to allow for growth in the area, subsequent meetings have revealed that a broader assessment, encompassing both employment and housing options, would be welcomed.

Residential Land Development

Given the amount of privately owned approved and / or zoned residential land available in Babinda for development purposes at this time, and provisions within the Local Government Act 2009 in regard to competitive Local Government activities, development of Council-owned residential zoned land at this point does not seem to be an option.

Anecdotal evidence indicates that there is a demand for vacant residential land in Babinda. In those circumstances, ensuring that residential development occurs in suitable and appropriate locations is vital, as is ensuring that development is coincident with infrastructure provision.

Industrial and Commercial Opportunities

As outlined above, there are limited opportunities to secure appropriately zoned Industrial or Commercial sites in and around the Babinda locality currently. With the proximity of the township to both the Bruce Highway and the main Rail line, and existing infrastructure (water supply, road network, sewerage), it seems appropriate to consider opportunities for growth in industrial and commercial sectors in the area. Opportunities may exist in:

- Agricultural sectors, both in terms of scientific research and development, and also in terms of service and support (for example, machinery workshops, service and sales yards);
- Heavy or noxious industry (noting that future industrial growth in and around the Edmonton area may not be able to cater to those heavier industries given proximity of dense urban areas);
- Transport and associated industries; or
- Manufacturing and / or packaging.

Strategic Local Area Plan

Strategic planning for growth in the Babinda locality has primarily been linked to preparation of planning schemes affecting the area over the last 20 - 30 years, or responding to development and growth patterns over time. Given the designations affecting the locality within the FNQ Regional Plan, and the potential for growth in both employment and residential sectors, a Strategic Local Area Plan may assist in providing a 'strategic' rather than 'responsive' approach to land use planning in the area.

A Strategic Local Area Plan may be prepared for the Babinda Locality in conjunction with the preparation of a new Planning Scheme for the Cairns Region, and in a manner that takes account of community expectation and aspirations as enunciated within the Community Plan under development. The Strategic Local Area Plan should be prepared in consultation with the local community.

CONSIDERATIONS:

Corporate and Operational Plans:

The proposed Babinda Local Area Plan and potential residential development are consistent with the following objectives within the Corporate Plan:

Goal 3: Delivering Integrated Planning

Objectives: To take an integrated planning approach to development that creates a sustainable region reflective of our uniqueness and tropical lifestyle.

- 3.6 Prepare integrated local area plans across the region using a place based planning approach.

Goal 5: Creating a Prosperous Region

Objectives: To increase the region's capacity for long-term economic growth by supporting opportunities for local businesses and local employment.

- 5.1 Support more diverse urban and rural economies.
- 5.3 Plan and make financial capital decisions with the state of the local economy in mind.
- 5.4 Encourage self containment of communities through the integration and co-location of employment opportunities with residential development and public transport.

Statutory:

Any development of Council owned property must be undertaken with careful consideration of provisions within the Local Government Act 2009 and associated regulations. Importantly, competitive neutrality considerations may affect the manner in which Council considers operating as a 'developer' in addition to being 'landowner' and 'assessment manager'.

If the undertaking of development is considered to be a 'significant business' in accordance with the Local Government Act, Council may need to consider the creation of a separate business unit.

Preparation of a Strategic Local Area Plan for the Babinda locality as part of the preparation of the new Planning Scheme will be undertaken in accordance with the planning legislation ultimately applicable to that Scheme development (which at this stage is the *Integrated Planning Act 1997*).

Policy:

Council's Policies in regard to competitive business practices provide that the overriding principle to be applied is:

"removing from the conduct of the business activities any financial advantages and disadvantages attributable to that business activity being operated by local government".

In removing any competitive advantage to be gained by Council in undertaking development as suggested, it is anticipated that approval and development costs may far outweigh potential sales costs.

Financial and Risk:

On 12 May 2010, Council endorsed a Business Plan for the Cairns and Environs - Planning Scheme, subject to budget deliberations. On 29 June 2010, Council endorsed its budget, reaffirming allocations for the preparation of the Planning Scheme. It is anticipated that budgetary allocations within the Budget and Business Plan are sufficient to accommodate the preparation of a Strategic Local Area Plan for the Babinda locality.

Sustainability:

The preparation of a Strategic Local Area Plan for the Babinda locality will assist Council in encouraging and facilitating environmentally sustainable economic, social and cultural development and prosperity for Babinda.

CONSULTATION:

Officers have engaged with representatives from the Babinda Chamber of Commerce, Divisional Councillor Paul Gregory, and Planning Strategies.

OPTIONS:

Council may:

1. Resolve not to prepare a Strategic Local Area Plan for the Babinda Locality, nor develop any additional residential land in the area; or
2. Resolve to prepare a Strategic Local Area Plan for the Babinda Locality, and consider development of additional residential at a later stage, depending upon the findings of the Plan.

CONCLUSION:

Having regard to issues outlined above, it is recommended that Council resolve to:

- A. Prepare a Local Area Plan for the Babinda Locality in conjunction with the preparation of the new Cairns Area Plan; and
- B. Commence engagement with representatives of the Babinda Community in regard to the strategic objectives for the area, which may include amongst other things the possible release of Council owned land for development opportunities.

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