

Background report

West Byron urban land release area

potential State Significant Site

proponent:

Byron Bay West Landowners Association

6 July 2010



Executive Summary

This document provides a background to the planning processes involved in State Significant Site study for West Byron urban land release area.

The proponent of the development is the Byron Bay West Landowners Association (BBWLA), a group of landowners who own the majority of the land in the release area.

The Minister for Planning has nominated the land release area as a potential State Significant Site.

The proponent is required to undertake a State Significant Site (SSS) study. The Department of Planning has issued requirements for the study. It will include a range of environmental studies as well as research on a range of social, economic and infrastructure servicing issues. It will also require consultation with a range of community stakeholders including community groups, State government departments and Council.

If the completed SSS study is accepted by the Department of Planning, the process will culminate in the listing of the land in Schedule 3 of State Environmental Planning Policy (Major Projects) 2005. That listing will establish the zones and other main planning controls for the land.

After the land is rezoned, other planning processes will be required before the land can be developed. These include:

- Master planning
- Development contributions plans
- Applications for subdivision

Some of the main points about this land release area are:

1. The land has been identified in State Government and Council strategies and plans as a land release area for about 25 years. The land is identified as a future urban land release area in the Far North Coast Regional Strategy. No land release areas have been rezoned for residential purposes in Byron Shire since gazettal of the Byron Local Environmental Plan 1988.
2. Housing demand analysis by the NSW Department of Planning has illustrated demand for additional housing and diversification of the types

of housing on the market. There is currently negligible land supply in Byron Bay. The extent of the housing affordability crisis is well documented.

3. The study area occupies approximately 94% of the urban release area identified in the Far North Coast Regional Strategy. The BBWLA represents approximately 97% of the land area in the study area.
4. There are many planning and development guidelines for development of the West Byron urban land release area, including the Far North Coast Regional Strategy and the Coastal Design Guidelines. The “region of villages” concept is a recurring theme in recent strategic planning.
5. The land can be easily and economically serviced. Adjacent developed areas contain reticulation networks for water and sewerage, and service mains are located within or in close proximity to the study area.
6. Traffic management is an important and increasingly problematic issue in the locality. West Byron has extensive frontage to Ewingsdale Road. With or without development at West Byron, Ewingsdale Road will require improvements.
7. Development of the land will generate significant employment in the construction phase, and will provide opportunities for long term employment in home-based businesses and other activities.

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1 Introduction

The proponents have engaged a range of suitably qualified consultants and the SSS study has commenced. The study will integrate considerations of environmental attributes, infrastructure, urban design and housing needs, and issues raised in consultations.

Integration of different considerations is fundamental to the effective and efficient planning and the future development of West Byron as a neighbourhood.

The studies and proposed planning controls will be submitted to the Department of Planning for assessment and further consultation. This will culminate in the zones and other planning controls for the land release area being listed in Schedule 3 of SEPP (Major Projects).

2 Background and Strategic Context

The West Byron urban land release area has been zoned 1(d) Investigation Zone since 1988, when the Byron Local Environmental Plan was first gazetted. No significant land release areas have been rezoned in Byron Shire since 1988.

Over the last 20 or so years a number of significant events have occurred, and a number of key documents have been developed or adopted, that are relevant to the development of West Byron.

Council: The “sewerage moratorium” and the supply of housing:

In response to capacity limitations in the sewerage treatment plants servicing Byron Bay and Suffolk Park, Byron Shire Council resolved in August 1997 to impose a moratorium on issuing development consents for development that would add to sewerage loads.

As a consequence of this resolution, Council was not able to:

- a) issue development consents for subdivision of land, other than strata subdivision of existing development;
- b) rezone additional land for purposes that could reasonably be expected to generate additional demands on sewerage infrastructure, including residential or industrial; or
- c) issue development consents for medium density development or any other form of development that would exceed the existing sewerage load factor

ascribed to each allotment (nominally one equivalent tenement per vacant allotment).

This constraint was strictly imposed in calculations of floor area or other criteria relevant to calculating the generation of sewerage, and lead to the refusal of several development applications. Council's position was upheld by the Land and Environment Court on several occasions.

These circumstances prevailed from August 1997 to mid-2007. No new residential subdivisions were approved in the intervening 10 years.

During that time real estate prices and rents in Byron Bay significantly increased, at rates equal to or higher than metropolitan areas. The constraint imposed by limited sewerage infrastructure on rezoning, subdivision release and housing development is likely to have contributed somewhat to this increase, although other financial and market factors would also have had an impact.

In terms of residential land supply, the greenfield subdivisions of Sunrise Beach, Baywood Chase and Byron Hills are fully developed. Small areas of zoned land at Suffolk Park were approved for subdivision more than 10 years ago but have been slow to arrive on the market.

The study area is the only land release area for Byron Bay.

Due to the distorted land supply market, a conventional supply/demand analysis based on subdivision approval and uptake trends is not achievable. The 2008 Macroplan study for the Department of Planning (see later) provides an analysis of current and forecast housing needs.

Council & State: Byron Residential Settlement Strategy 1993:

This Council strategy identified several potential urban land development areas near Byron Bay, and was endorsed by the NSW Department of Planning. The subject land was identified as "Area 2" in this strategy.

The land release area identified in the Far North Coast Regional Strategy is basically the same as "Area 2".

State/region: 1995 North Coast Urban Planning Strategy:

This Department of Planning strategy identified the land as an urban land release area. It has been superseded by the Far North Coast Regional Strategy.

Council: Local Environmental Study in the late 1990's:

Council commenced a LES for several potential land release areas in 1997. Council collected funding from the main landowners in West Byron and engaged consultants to undertake studies on flora and fauna, traffic generation and management, on-site sewage management and flooding.

In 1998 (before the LES was completed) Council commenced a settlement strategy for Byron Bay, Suffolk Park and Ewingsdale. The goal of this strategy was to identify future residential development areas and to propose development densities within the existing urban footprint and other areas in the locality. This strategy assumed a higher strategic planning significance than the LES, and the LES was abandoned in 2000/01.

Council: 2002 Byron Bay and Suffolk Park Settlement Strategy:

This Council strategy identified land in West Byron as having potential for future urban development. Council did not adopt this strategy, but nor was it abandoned. It was not referred to the Department of Planning for endorsement.

This Strategy is now more than 8 years old. It can be regarded as an informative but historical body of work, with limited statutory or strategic authority.

Since 2002 a number of significant matters have progressed or stalled to varying degrees:

- a) The North Coast railway line has ceased operating.
- b) The NSW Coastal Design Guidelines have been released.
- c) The Far North Coast Regional Strategy has been adopted.
- d) The Settlement Planning Guidelines for the Mid and Far North Coast Regional Strategies have been released.
- e) The North Coast Urban Design Guidelines have been released.
- f) There have been some improvements to traffic management and parking in Byron Bay, but progress on a second railway crossing in the town centre has been slow (see later references to the Main Road 545 traffic study).
- g) Professional, public and government knowledge and perceptions about affordable housing, housing supply and sustainable urban development have evolved.
- h) Council has adopted an Affordable Housing Options Paper.
- i) The Department of Planning has published a housing sub-markets analysis for the region.
- j) The BBWLA has emerged as a cohesive and co-operative landowner group representing the majority of the land area in West Byron.

Council: Byron Affordable Housing Options Paper 2009:

This document identifies significant and increasing levels of housing stress in Byron Shire, and identifies a need for diverse housing choice and smaller dwellings (this is consistent with Department of Planning's regional sub-markets study).

It proposes a floor space ratio bonus which developers may voluntarily exploit, with a share of profits from the additional "bonus" development to be paid into an affordable housing fund managed by Council.

Council proposes to implement this policy in its current shirewide LEP, with specific provisions for floor space ratios.

Council's Planning Agreements Policy contains provisions to facilitate affordable housing in accordance with the proposed LEP provisions.

Council: Byron Biodiversity Conservation Strategy 2004:

Byron Shire Council possesses extensive ecological documentation. The Biodiversity Conservation Strategy builds on data collected in the Byron Flora and Fauna Study of 1999, and is a key policy document for Council.

Site-specific assessments will yield accurate information about the West Byron area and opportunities for implementing the Biodiversity Conservation Strategy.

State: NSW Coastal Design Guidelines:

The CDG apply to the NSW Coastal Zone. The majority of the proposed study area is in the NSW Coastal Zone.

The CDG provide comprehensive guidelines for the design of coastal settlements and are a compulsory advisory tool for the master planning of West Byron. Key principles include:

- Diverse housing type
- Perimeter roads and grid street pattern
- Legible centres for neighbourhoods
- Respond to topography and environmental context

The State Significant Site study will take urban design principles into account so as to ensure a viable and effective urban settlement.

State/region: North Coast Urban Design Guidelines:

These guidelines were introduced in early 2009 and are generally consistent with the Coastal Design Guidelines. They provide a review of the urban design attributes of existing towns and villages in the region, and suggest urban design guidelines for future development in different scenarios.

State/region: Far North Coast Regional Strategy 2007:

This Department of Planning strategy identifies all of the 1(d) zoned land at West Byron Bay as a future urban land release area. West Byron occupies approximately 94% of the FNCRS land release area. The remainder of the FNCRS land release area is north of Ewingsdale Road, in the Cape Byron Van Village (caravan park).

The FNCRS has legal effect through Ministerial Direction 5.1 under the Environmental Planning and Assessment Act.

Implementation of the Far North Coast Regional Strategy is supported by Settlement Planning Guidelines. These Guidelines advocate efficient and sustainable development of land, and an “avoid – mitigate – compensate” hierarchy of response to environmental impacts.

Council: Local Environmental Study and Proposed Draft Shirewide LEP 2008:

The LES and proposed draft shirewide LEP (based on the Standard Instrument) were reported to Council on 14 August 2008 and again on 31 October 2008. At that time Council resolved to seek a Section 65 certificate to exhibit the draft plan. Since that time Council has made a number of decisions about the draft LEP in response to advice from the Department of Planning and internal policy considerations.

The zoning maps for the draft LEP indicate that only the ecological attributes of the West Byron area were considered.

Compared to the 1988 LEP, the draft shirewide LEP may reduce residential development opportunities and densities in Byron Shire. This may impact on long term housing supply and affordability, and thus increase the demand for additional housing supply.

State/region: Far North Coast Region – Residential Submarket Analysis, 2008:

This study reviews and anticipates housing demand in different market sectors on the Far North Coast. It includes the following comments for Byron Shire:

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- The *Far North Coast Regional Strategy* (DoP, 2006) allocates the Byron LGA a residential dwelling target of 2,600 new dwellings by 2031 however with continued migration it is likely to result that the demand will be higher than the housing target.

- Historical trends and market forces suggest that the population may experience growth from 31,692 persons in 2006 to 42,493 in 2031 at a growth rate of approximately 34%.
- The Byron (A) submarket is significantly more expensive than other submarkets in the study area (refer to Table 10 and 11).
- Indicators, such as high median house prices, high median rents and high number of house sales, points towards high levels of housing stress amongst the population. This is supported by trends showing net in-migration from more affluent areas such as Sydney and net out-migration from the area to other areas both within the study area and interstate. This is despite evenly disbursed income through the range of age brackets and relatively decent SEIFA indicator levels.
- The migration trend may exacerbate the problems of affordability due to increasing scarcity of housing/land and higher than average demand coupled with a potential for an undersupply of housing over the period to 2031
- The need for housing is underpinned by the trend in dwelling approvals remaining strong where other LGAs have been more subdued in the current housing market slow down.

Recommendation:-

- There will need to be further consideration of the likely housing requirements of the aging population as needs of this more affluent demographic may mean traditional seniors living accommodation may not meet submarket demand.
- Byron (A) is experiencing an aging population, similar with national trends and the broader study area. However, this is not coupled with a decline in the 0-19, 20-34 and 35-54 age groups as it is in other parts submarkets. This indicates that while providing seniors living accommodation is going to require planning, there will more than likely also be the need to provide affordable housing choices for young families.

Descriptors / Submarkets	Emerging Issues	Product Requirements
The total population within the Byron LGA is expected to growth by 60 per cent over the period from 2006 to 2031 by approximately 10,800 people	The dwelling target designated for the Byron LGA is 2,600 new dwellings by 2031. At the anticipated rate of growth, it would appear that there might be a housing shortfall.	There may be need to revised the dwelling target for the Byron LGA upwards as anticipated population growth looks likely to outpace dwelling provision. The aging population issue has the effect of lowering occupancy rates further
House prices within this LGA area is higher than most other LGAs within the study area	Lack of housing affordability	Housing diversity for people across a range of age and income brackets is needed to meet future needs
Median rents are significantly higher than other LGAs within the study area	Market is most heated in Byron LGA.	Release more housing stock within close proximity to the coast to reduce upward pressure on house prices
More houses were sold in the	Increasing demand for seniors	Housing options for young

Byron LGA than in any other LGA in the study area	housing Steady demand for housing for young families	families is also required
There was an annual net out-migration from Byron (A) to elsewhere within the study area of approximately 1000 people while 450 people left Byron (A) for interstate (2001-2006)	An affordability indicator whereby people are moving to similar lifestyle areas either within the study area or interstate for more affordable housing choices.	Need to provide more housing stock and housing choices to make housing more affordable for people across a range of age brackets and income levels
There was a net immigration to Byron (A) from Sydney of approximately 950 people (2001-2006)	Higher purchasing power of people from Sydney buying for recreational purposes or lifestyle living putting upward pressure on house prices	Need for high quality and premium seniors living accommodation with good amenity
Consistent with National trends and the broader study area, Byron LGA is experiencing an aging population however, whilst the population is aging age groups below 54 years of age are not declining but remaining steady.	There is likely to be a growing need for accommodation for seniors living. Trends indicate that there will be a considerable need to quality options.	Increase need for affordable rental accommodation and consider infill develop as means to meet these needs

The Residential Submarket Analysis identifies a range of issues that will be taken into account in the State Significant Site study.

3 Study area

The study area for the State Significant Site study is synonymous with the future urban land release area identified in the Far North Coast Regional Strategy, except for a small area north of Ewingsdale Road.

The FNCRS area and the SSS study area are derived from the existing 1(d) Investigation Zone that has been in place since 1988.

Context:

From east to west, the study area contains all of the land between Belongil Creek and the Sunnybrand Chickens site. Its northern boundary is Ewingsdale Road, and it extends south to the Cumbebin wetlands.

The study area is:

- Approximately 2.5 km west of Byron Bay town centre;

- Immediately south of an existing residential area (“Sunrise Beach”);
- Immediately south of the Byron Arts and Industry Estate, a locally significant generator of employment, business and cultural activity;
- Immediately south of the School of Audio Engineering, a tertiary institution with international operations and attended by international students;
- Predominantly subject to the NSW Coastal Policy and SEPP 71 Coastal Protection;
- Between 300 and 2,000 metres east of the new sportsfields complex currently under construction;
- Easily connected to public transport and an off-street pedestrian and bicycle path;
- Easily serviced for urban infrastructure including sewer, water, telecommunications and electricity.

The caravan park at the north east of the FNCRS future urban land release area (“Cape Byron Van Village”) has not been included in this study. The caravan park operates under existing use rights and has a long history of providing tourism accommodation. It is reasonably certain that the caravan park will continue for the foreseeable future as a viable tourism operation, rather than as an urban land release area.

Rectification of a zoning anomaly:

This SSS study may rectify an anomaly in the boundary between the 7(a) Environmental Protection (Wetlands) zone and the 1(d) Investigation zone at the southeast of the study area. This anomaly has existed since the 1988 LEP was made. The existing zone boundaries are roughly the right shape but have “slipped”, with the result that some wetlands are not protected by the 7(a) zone, whereas some cleared and potentially developable pasture grass is inappropriately zoned 7(a). The area involved is a few thousand square metres.

4 Servicing

Water:

A major water supply pipeline for the Byron Bay township passes through the study area. The pipe crosses Belongil Creek at the southeast of the study area, then goes north through a road reserve east of Belongil Fields, up to Ewingsdale Road.

Adjoining industrial and residential areas are serviced with reticulated water.

Reticulated water supply is readily available to West Byron, and can be easily extended throughout any future development.

Sewer:

Reticulated sewer is readily available to the study area. As with water supply, adjoining developed areas are serviced with a sewerage reticulation network.

The study area is between 1km and 2.5km of the recently upgraded Byron sewerage treatment plant. The terrain between the study area and the STP is relatively flat sandy coastal plains.

There are no topographical or environmental impediments to extending sewerage services to the study area.

Telecommunications:

There are no topographic or other constraints to the provision of telecommunications services. An optic fibre cable is located along Ewingsdale Road at the frontage of the site.

Provision of high capacity telecommunications will assist in the economic and social sustainability of the new development. Arrangements for improving broadband communications continue to evolve at the Federal government level and will be taken into consideration at subdivision stage.

Electricity:

There are no topographic or other constraints to the provision of mains electricity. Energy sources are most likely to be determined at the level of the individual household.

Energy efficient subdivision design will be considered in the next stage of the planning process, i.e. master planning. Contemporaneous energy efficiency requirements such as BASIX will apply at the time of development.

Transport:

Ewingsdale Road is the northern access road from the Pacific Highway to Byron Bay, and forms the northern boundary of the proposed study area.

A cycleway and pedestrian path extends from the Byron Bay town centre along Ewingsdale Road to the study area, and can be easily extended into West Byron. The site is located on a flat coastal plain, highly suited to the development of a walkable community.

Depending on the population catchment, a small neighbourhood shop may be viable to provide for day to day needs and contributing to the sense of place. For

retail needs outside the development, there is the nearby Sunrise Beach shopping centre (approximately 1km) and the Byron Bay town centre (approximately 2.5km).

The study area is literally across the road from the retail and employment opportunities of the arts and industry estate, and the School of Audio Engineering, an accredited tertiary institution.

Ewingsdale Road provides convenient access to the Pacific highway, which connects to other regional centres.

Public transport could be extended into the study area with appropriate road geometry. School buses and other buses serve the Sunrise Beach area and the industrial estate, and taxi services are readily available (Byron Bay's main taxi depot is located in the industrial estate).

5 Opportunity to resolve some issues

The fate of the land release area:

The study area has been identified in the existing LEP, and in several Council and state government strategies, and in an abandoned Local Environmental Study, for about 25 years.

The SSS study will be informed by contemporary urban design and master planning. This approach has the potential to yield superior social, environmental and economic outcomes.

The SSS process will conclusively resolve the future of the West Byron land release area.

Traffic management:

Approximately 16 studies or reports on traffic management in Byron Bay have been prepared by or for Council since the early 1990's. Some recommended improvements have been implemented.

Byron Shire Council has recently undertaken strategic traffic study of Main Road 545, which includes Ewingsdale Road. The study makes some assumptions about the needs and impacts of development, including West Byron, and it estimates likely increases in traffic from different sources including the Pacific Highway. It also proposes a raft of traffic management solutions to accommodate anticipated traffic growth, including roundabouts to provide access to West Byron.

The MR545 Strategic Study acknowledges that it would be undesirable to provide separate access intersections to each individual property in the study area. An

internal connector road between two main roundabouts is one possible solution. Planning and urban design outcomes would also benefit from rationalisation of access to Ewingsdale Road.

A key issue for traffic management in Byron Bay is the warrant for, and timing of, a second railway crossing. Council is currently considering a “mini-bypass” of the town centre, which would require a second crossing over the railway line. It is understood that Council is in discussions with the relevant authorities regarding the necessary steps to develop the mini-bypass.

Environmental values:

The study area contains native vegetation of varying ecological significance, and may contain habitat for threatened species.

The majority of the study area is underlain by Class 3 potential acid sulphate soils. This does not preclude development, but it does indicate a requirement for mitigating measures in the event of disturbance. Management plans are likely to be required prior to development occurring.

There is an area of potential Class 2 soils associated with the existing alignment of Belongil Creek, although built development is unlikely in that area due to flooding.

The presence of peat soils will be assessed as part of a geotechnical survey.

Parts of the site are floodprone. The extent of flooding, and responses to that issue, will be assessed as part of the study.

6 Consultations

Between 2007 and 2009 the proponents met with several stakeholders:

Council: The current landowner group met with the Councillors and Council staff on several occasions. It would be fair to say that Councillors and staff are concerned about a range of issues including traffic generation and the possibility of other off-site impacts on the amenity of Byron Bay, and the implications of sea level rise when factored into flood modelling. It is important to Council that development of the study area is compatible with local perceptions of the natural, built, social and cultural environment of Byron Bay.

Department of Planning: The Department would prefer an integrated planning outcome over the whole of the West Byron study area, rather than a piecemeal approach, to implement the Far North Coast Regional Strategy.

Belongil Drainage Union: The Drainage Union's main interest is in maintaining the hydraulic capacity of the flood mitigation drain that runs through the land release area. The Drainage Union has no resistance to rezoning and development in the study area, on the condition that such development will not hinder future maintenance of the drain.

Sunnybrand Chickens: Odour from the Sunnybrand Chickens processing plant is not as bad as it used to be. The managers of the plant met with Council and the residents of Sunrise Beach, and some mitigation actions have been taken such as closing the chicken rearing sheds. Connection of the plant to the West Byron STP was once an option but that idea has been abandoned.

Since those consultations, the Department of Planning has issued requirements for the SSS study. These requirements include a consultation process which will include community groups, adjoining landowners, State government departments and Council.

A website will be set up to provide information and seek feedback, and a range of community information techniques will be employed.

7 State Significance

The process for proposals for State Significant Site listing is outlined in Clause 8 of SEPP Major Projects:

8 Proposals for State significant site listing

- (1A) The Minister may publish a notice in the Gazette advising of a proposal that Schedule 3 be amended to add a site that the Minister considers to be a State significant site.*
- (1) For the purposes of considering a proposed amendment to Schedule 3, the Minister may initiate an investigation into the proposal by requiring the Director-General to undertake a study or to make arrangements for a study to be undertaken for the purpose of determining:*
- (a) whether any development on the site should be declared to be a project to which Part 3A of the Act applies, and*
 - (b) the appropriate development controls for the site.*
- (2) Any such study is to assess:*
- (a) the State or regional planning significance of the site, and*

- (b) the suitability of the site for any proposed land use taking into consideration environmental, social and economic factors, the principles of ecologically sustainable development and any State or regional planning strategy, and*
 - (c) the implications of any proposed land use for local and regional land use, infrastructure, service delivery and natural resource planning, and*
 - (d) any other matters required by the Director-General.*
- (3) The Director-General is to make arrangements for any such study to be publicly exhibited with an invitation to the public to make written submissions.*
 - (4) The Minister may direct that an inquiry be held as part of the investigation into a potential State significant site.*
 - (5) The Director-General is to provide the Minister with a copy of any such study and any recommendations relating to it.*
 - (6) This clause does not preclude an amendment of Schedule 3 without compliance with this clause.*

To guide decision-making in this process, the Department of Planning has issued "Guidelines for State Significant Sites under the Major Project SEPP". The Guidelines provides that "when considering whether a site can be categorised as being of State significance, the Minister will consider whether the site meets one or more of the following criteria:

- (a) be of regional or state importance because it is in an identified strategic location (in a State or regional strategy), its importance to a particular industry sector, or its employment, infrastructure, service delivery or redevelopment significance in achieving government policy objectives; or*
- (b) be of regional or state environmental conservation or natural resource importance in achieving State or regional objectives. For example protecting sensitive wetlands or coastal areas; or*
- (c) be of regional or state importance in terms of amenity, cultural, heritage, or historical significance in achieving State or regional objectives. For example sensitive redevelopment of important heritage precincts; or*
- (d) need alternative planning or consent arrangements where:*
 - (i) added transparency is required because of potential conflicting interests*
 - (ii) more than one local council is likely to be affected.*

West Byron is identified in the Far North Coast Regional Strategy as a future urban land release area. It is important to the provision of housing in an area of extremely limited supply, and will stimulate the building sector and local employment. The SSS study will resolve ownership and management of land subject to SEPP 14 Coastal Wetlands and adjoining the Cape Byron Marine Park.

Several considerations elevate this land release area to state significance, many of which satisfy the Department of Planning's Guideline for State Significant Sites.

1 Some issues may be beyond Council's authority to resolve.

The SSS study will determine whether development of the land release area is contingent upon improvements to the traffic management infrastructure in and around Byron Bay.

One significant improvement to traffic management in the town centre would be the construction of what is generally known as a "town centre bypass" or a "mini-bypass". Both options require construction of a second level crossing over the railway line, and road construction on railway land.

The Department of Planning position (via the FNCRS) is that the railway corridor should be maintained.

The State government is thus a key stakeholder in the process of improving traffic infrastructure in Byron Bay town centre.

2 Housing supply and affordability.

Since the completion of the main residential areas around Byron Bay and Suffolk Park Apart, there has been virtually no vacant land on the market for some years.

Byron Shire, and Byron Bay in particular, is suffering extreme levels of housing stress. Additional land supply will ease some of the pressure on property values and rents.

The trend of decreasing average occupancy rates (persons per dwelling) over recent decades indicates that additional housing stock is necessary even to maintain a static population level.

The Department of Planning's 2008 Regional Submarkets Analysis outlines the current situation and the responses needed to alleviate housing affordability, including:

- Population growth looks likely to outpace dwelling provision. The aging population issue has the effect of lowering occupancy rates further.
- Housing diversity for people across a range of age and income brackets is needed to meet future needs.
- Release more housing stock within close proximity to the coast to reduce upward pressure on house prices.
- Housing options for young families is also required.
- Need to provide more housing stock and housing choices to make housing more affordable for people across a range of age brackets and income levels.
- Need for high quality and premium seniors living accommodation with good amenity.

3 Employment.

The employment generated by the West Byron land release area will be of local, regional and possibly state significance. The Northern Rivers region, and Byron Bay in particular, has high unemployment and an increasing reliance on tourism as an employment generator.

Development during subdivision and housing construction will significantly diversify local employment opportunities and reintroduce skills and trades that have left the area.

The development of a home-based business model has the potential to provide employment opportunities.

4 Capital investment value.

Capital investment value is a consideration for major project status under SEPP (Major Projects) Schedule 1:

13 Residential, commercial or retail projects

- (1) Development for the purpose of residential, commercial or retail projects with a capital investment value of more than \$50 million that the Minister determines are important in achieving State or regional planning objectives.

Preliminary indications are that subdivision construction costs could be in the order of \$50 to \$70 million, and development contributions will add to that. The construction cost of housing and other development will be in the order of \$200 million. The land release area has the potential to generate approximately \$300 million in economic turnover.

5 Far North Coast Regional Strategy.

The State Significant Site study will implement the FNCRS, a regional strategy adopted by the State government. The study will be guided by the sustainability principles referred to in the FNCRS and the ancillary Settlement Planning Guidelines.

6 Regional or state environmental conservation – wetlands or coastal areas.

The majority of the West Byron urban land release area is in the NSW Coastal Zone. Some existing land titles extend outside the study area into SEPP 14 wetlands. The development process will provide an opportunity to resolve the long term ownership and conservation of those wetlands.

7 Added transparency and clear direction in planning processes.

The proposed timeframe for the new shirewide LEP has blown out significantly for various reasons.

Deferral of consideration of West Byron until after the shirewide LEP is gazetted, will defer housing supply and sound environmental outcomes. The SSS process will determine appropriate zoning and development outcomes based on consideration of environmental and planning factors. Council will have a say through its adopted policies and strategic plans and through direct consultations.

8 Lack of resources in Council.

Byron Shire Council has deferred several planning matters, in some cases for several years, due to lack of staff resources and higher priorities. Further delays in delivering the shirewide LEP will flow on to further delays in other strategic plans and reviews.

Council has identified lack of resources as a reason for not progressing the rezoning of the West Byron area.

The State Significant Site study will alleviate some of the pressure on Council's staff resources. Council will still have input via its adopted policies and consultation processes.

8 The SSS Study

As required by the specifications issued by the Department of Planning, the State Significant Site study will include:

- Urban services including water, sewer, electricity and telecommunications
- Flooding
- Ground water and stormwater hydrology and management
- Traffic management
- Pedestrian and cycle movement
- Traffic noise
- Geotechnical capacity
- Acid sulfate soils
- Land contamination
- Flora and fauna (including potential impacts on the Cape Byron Marine Park)
- Bushfire hazard
- Visual impact
- Mosquito hazard
- Heritage (indigenous and non-indigenous)

- Land use conflict
- Social and economic impacts
- Urban design

A raft of statutory documents and guidelines are relevant:

1. Environmental Planning and Assessment Act and Regulation and related legislation
2. NSW State Plan
3. Far North Coast Regional Strategy
4. Settlement Planning Guidelines for the Mid and Far North Coast Regional Strategies
5. North Coast Regional Environmental Plan
6. Local Planning (Section 117) Directions
7. Byron Affordable Housing Options Paper
8. Byron Biodiversity Conservation Strategy
9. NSW Coastal Design Guidelines
10. NSW Coastal Policy 1997
11. State Environmental Planning Policies including:
 - SEPP No. 14 – Coastal Wetlands
 - SEPP No. 44 – Koala Habitat
 - SEPP No. 55 – Remediation of Land
 - SEPP No. 71 – Coastal Protection
12. NSW Government Planning Guidelines for Walking and Cycling 2004
13. Department of Planning Circulars
14. “Healthy By Design” guidelines
15. “Crime Prevention Through Environmental Design” guidelines
16. Belongil Estuary Management Plan
17. Byron Shire Council “Cities for Climate Protection” Program and Greenhouse Action Strategy
18. Northern Rivers Catchment Management Authority strategies
19. The requirements of statutory authorities such as the Department of Planning, Roads and Traffic Authority, Department of Environment and Climate Change, Department of Primary Industry (Fisheries and Agriculture) and the Rural Fire Service.

This list is not exhaustive. Its purpose is to show that the planning of the West Byron urban land release area has a strong planning and design context and does not start from a “clean slate”.

In addition to the pre-existing planning and design framework, stakeholder consultations may also raise issues to be addressed in the planning process.

9 Preliminary indications

Without prejudicing the outcomes of any studies, the current indications are that:

1. The main indicators of the developable land area are likely to be environmental constraints such as flooding, significant native vegetation, and threatened species habitat.
2. Diverse lot sizes and house types are desirable.
3. Sustainability and urban design principles indicate that a population catchment is necessary to support a neighbourhood focus with a shop or café and other community facilities, such as a childcare centre and community meeting areas.
4. There may be potential for the main drain to be reshaped and modified to become a feature of the development, while also improving its drainage functions and its ecological values.
5. Floodprone parts of the subject land may be able to be used for a range of open space facilities and activities, passive recreation or revegetation.
6. Wetlands at the south of the study area will probably be separated from residential development by a fringe of cleared land that is unsuitable for development due to flooding. This buffer distance could also mitigate bushfire hazard, ecological impacts, stormwater management and mosquitos.
7. Improvements to Ewingsdale Road will be required.
8. The new sports fields to the west will be easily accessible by cycling or walking from the new residential area.
9. The development will generate significant local employment in the construction and building phase, and long term economic activity in homes businesses and service industries.

These indications are preliminary and will be tested as the environmental studies, consultations and planning processes evolve.

10 Zones and other planning controls

The State Significant Site study will culminate in the land being rezoned, taking environmental, social and economic considerations into account.

The Standard Instrument provides several potentially suitable zones. The **R1 General Residential Zone** provides optimum flexibility in the types of development that will be required to ensure a viable village-style development.

The **E2 Environmental Conservation** zone is appropriate for wetlands and other substantial areas of high conservation value vegetation.

A more structured but less flexible approach might indicate the following zones in addition to R1:

- Zone B1 Neighbourhood Centre
- Zone B4 Mixed Use
- Zone SP3 Tourist
- Zone E3 Environmental Management
- Zone E4 Environmental Living
- Zone RE1 Public Recreation

The scale of the development will influence the zoning system.

The viability of different enterprises depends on market forces that should not be assumed by the zoning regime.

The abovementioned zones are only speculative at this stage.

In addition to zones, the SSS study will indicate appropriate planning controls in different parts of the site, including:

- Minimum lot size
- Building height
- Floor space ratio

11 Conclusion

No statutory matters, Directions or planning strategies prevent the rezoning process proceeding. In fact all such documents are supportive of planning processes proceeding and resolving the development potential of the site.

Environmental attributes, social needs and economic factors and stakeholder concerns will be assessed on merit.

It is expected that the State Significant Site study will identify:

- a) A mix of conservation and urban zones and planning controls;
- b) The need for site-specific exempt and complying development provisions;
- c) Issues to be resolved in future planning processes;
- d) The scope of developer contributions.

After the site is rezoned, detailed master planning will be required prior to development.