

STRATEGIC JUSTIFICATION FIREBRACE ROAD HEYFIELD

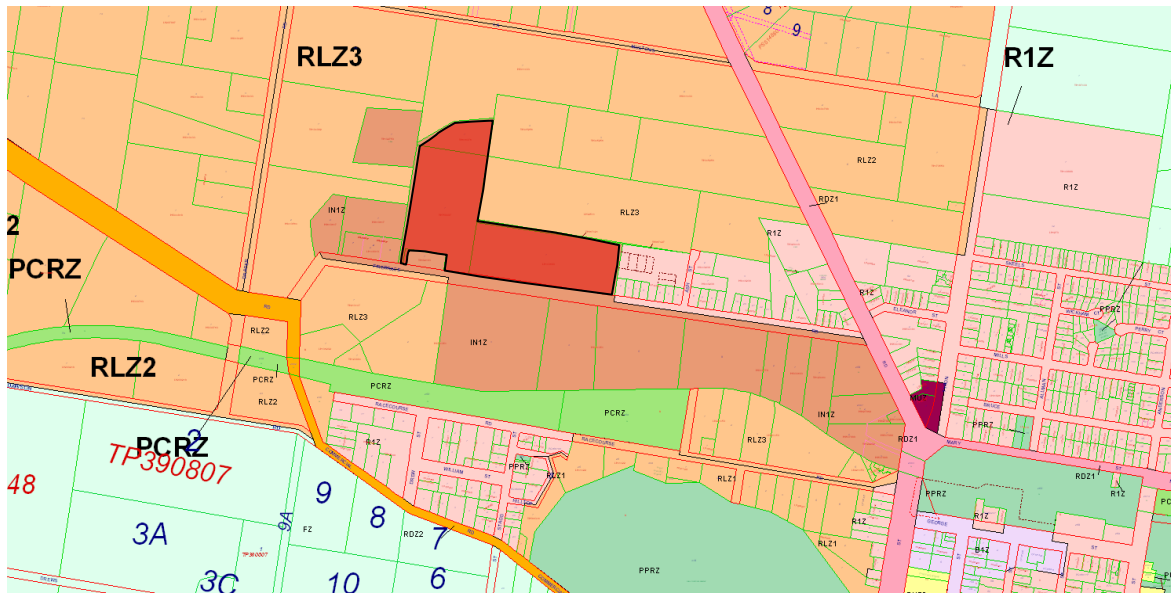


Strategic Planning

July 2013

Introduction

The Heyfield Structure Plan was adopted by Council on 6 December 2011. As part of its implementation the Wellington Planning Scheme has to be amended. Having started the preparation of the amendment documents, Council received an application from the owner of Canningvale Timber for a planning permit (7 January 2013) to subdivide land at 102 Firebrace Road into 24 lots (see red area on map below). Due to the impact this potentially has on the implementation of the Structure Plan, Council Officers liaised with the two main stakeholders in this area to gauge the extent to which their future aspirations have (or have not) changed since the adoption of the Heyfield Structure Plan.



Map 1: area planning permit Canningvale Mill

Canningvale Timber

The owner of Canningvale Timber has indicated that he wants to significantly reduce his landholdings. Although the plans are not finalised it is clear that only a small part of the land will remain in the hands of Canningvale Timber with the rest of the land subdivided and becoming available for development. The landowner has indicated that he is willing to work with Council to make sure that the land can be appropriately developed and does not jeopardise the long-term vision for Heyfield.

Australian Sustainable Hardwood

ASH (Australian Sustainable Hardwood) has two mill sites in Heyfield, one in the east of the town on Weir Road and the Greenmill on Firebrace Road. ASH has recently acquired a 90ha site to the east of the mill on Weir Road (early 2013) and will be expanding into this site over the next 10 years. This will also include the potential relocation of the Greenmill on Firebrace Road to the Weir Road site.

ASH is aware of the plans of the owner of Canningvale Mill and has raised no concerns. They have, however, indicated that they do not want to be limited in their current Greenmill operations on Firebrace Road. ASH has shown their support for the direction proposed.

Both landowners have indicated that changes in operations may occur in the short to medium term on Firebrace Road, which have the potential to see all heavy industrial uses removed from the area. These changes were mentioned in the Heyfield Structure Plan - but on the basis that they were a longer-term possibility.



Potential changes in industrial operations on land at Firebrace Road

Regional Development Victoria, in partnership with Department of Transport, Planning and Local Infrastructure (DTPLI) has indicated that they are supportive of a stepped, transitional approach to the long-term concept of residential development in this area as it is consistent with the aspirations of the adopted Structure Plan. It does, however, require a strategic rationale to underpin the proposed development options.

Due to the potential implications of these changes on the future land use of this particular area, this strategic justification has been prepared to assess the impacts on Firebrace Road and its direct surroundings. It provides further detail to supplement the directions that are already suggested in the Heyfield Structure Plan.

The research and background studies undertaken as part of the Structure Plan have been used in the preparation of this document. The relevant documents include:

- Heyfield Structure Plan (November 2011)
- Heyfield Structure Plan Background and Emerging Directions Report, (May 2011)
- Heyfield Structure Plan Economic Analysis, (June 2011).

Several conversations with the relevant landowners and authorities (including the DTPLI and Environment Protection Authority (EPA)) have also taken place during the development of this document.

Long term vision

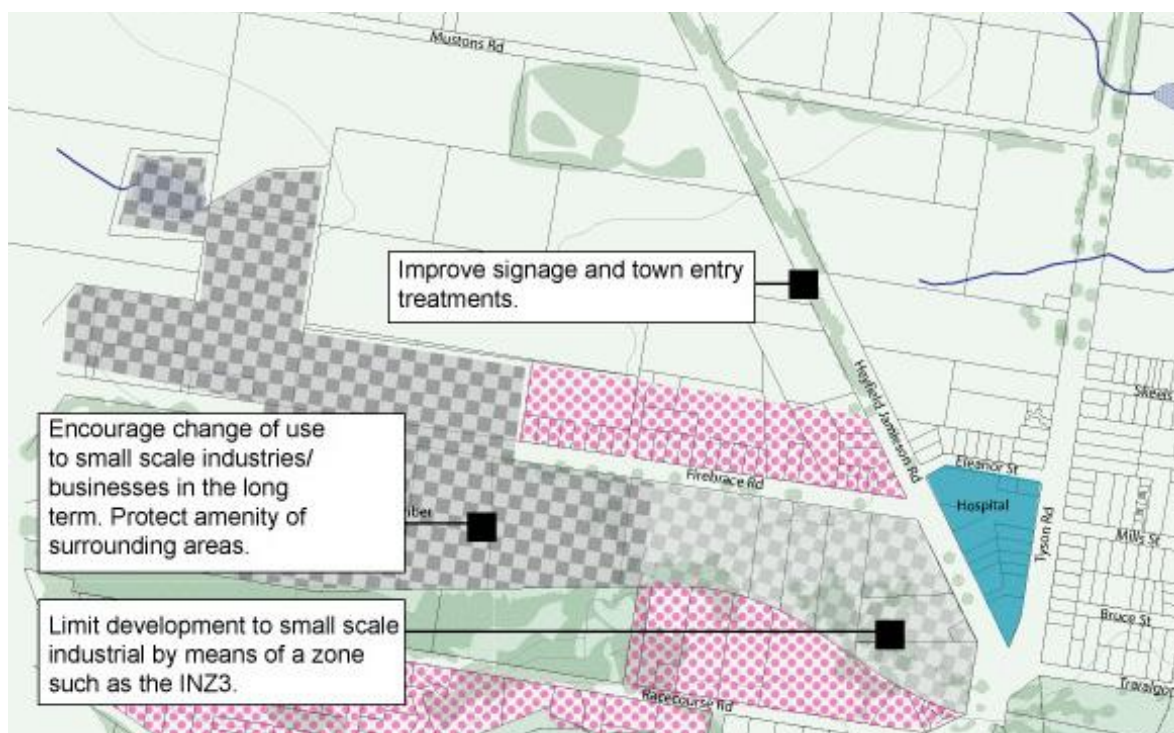
Heyfield Structure Plan, November 2011

Heyfield Structure Plan's Newsletter 4, which summarises the adopted Structure Plan, refers to the area around Firebrace Road as follows:

"In addition to the submissions, consultation with Canningvale Timber indicated that the company is considering downscaling and may progressively sell part of its land holdings. Should this occur in the future, this would present an opportunity for the land to be re-used for other purposes, which may not have as significant an impact on surrounding rural residential land."

Taking these matters into account, the project team's response has been to:

- *Encourage all new large scale industry to locate to the east of town;*
- *Facilitate the relocation of industry from west to east, should the opportunity arise to do so;*
- *Identify land adjacent to Canningvale Timber for long term low density residential development (approximately acre blocks); and*
- *Ensure long term low density residential development can occur, without compromising the immediate needs of existing industry."*



Extract from Heyfield Structure Plan, Newsletter 4

Site Analysis

Industrial changes

The significant downscaling of Canningvale Timber and intended relocation of the ASH Greenmill to the Weir Road site means that heavy industry in west Heyfield has the potential to be gone in a timeframe of approximately 10 years.

The map below shows the current industrial situation. The pink areas are existing industrial zoned land. The Wellington Planning Scheme has in its local policy (Clause 21.04) land reserved for long-term industrial growth. This is all located to the east of Heyfield (arrows and potential expansion area).



Status current industrial land

In the years 2006-2011 several businesses and industries have expanded. These are highlighted on the map above as black dots. Most changes related to businesses in the CBD. The Heyfield hospital was upgraded and Country Fire Authority and the then Department of Sustainability and Environment built new offices. During the same period a limited amount of new (light) industries were built. Two of those are located in the east Heyfield industrial estate.

The east Heyfield industrial estate still has 19 lots (purple dots above) available to develop. The majority of these lots are relatively small. There is however potential to further subdivide the bigger lot in the middle of the estate. The vacant land adjacent to the existing mill will be used for its future expansion.

The map below gives an overview of the proposed future industrial areas in Heyfield in the longer term. The small industrial estate located on Licola Road and at the entrance to Firebrace Road will be rezoned from Industrial 1 Zone to Industrial 3 Zone as proposed in the Heyfield Structure Plan to reflect the current light industrial use. A small pocket of industrial land will remain to the south of the town on Commercial Road. The main industrial area of the town is projected to be consolidated to the east of Heyfield, with ASH as the biggest landowner. Any future industrial growth is also proposed to occur in this area.



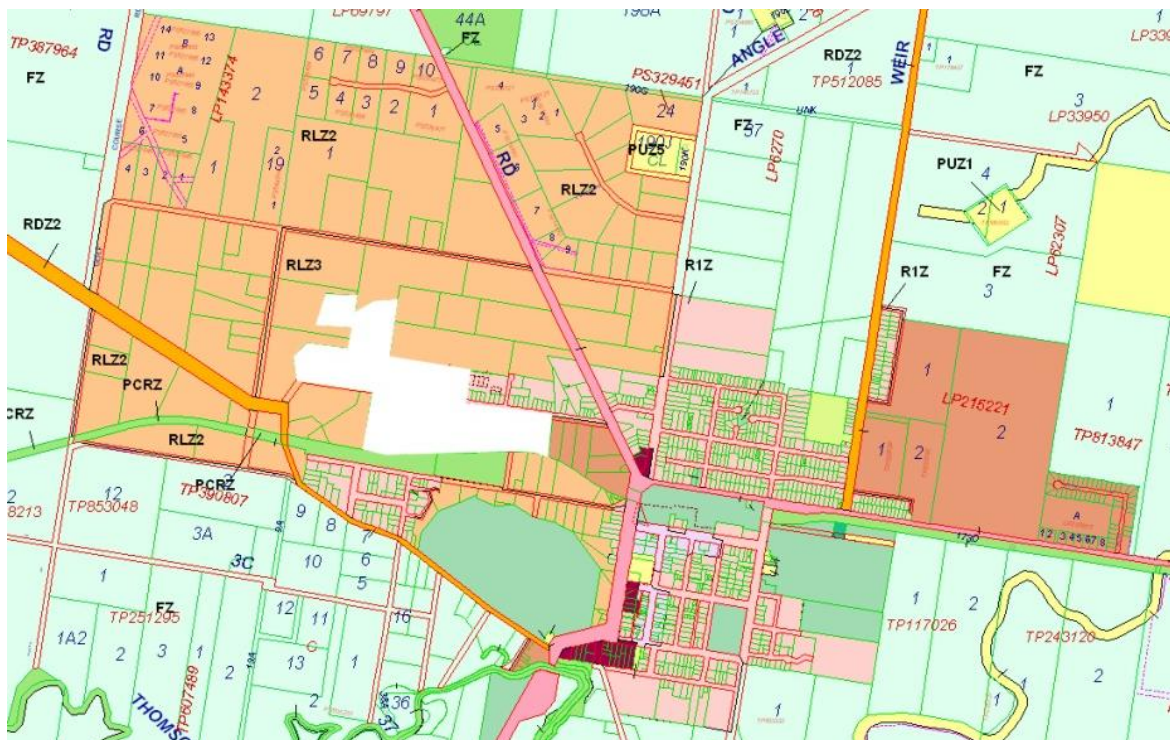
Future industrial land

Conclusion:

Based on the growth of industry between 2006 and 2011, east Heyfield is considered to have enough available land to accommodate future industrial growth in the short term.

The areas proposed for long term industrial growth, as indicated in the current Planning Scheme, are also considered to be sufficient and will remain.

With the proposed downsizing and relocation of existing industrial operations on Firebrace Road this area will potentially become available for alternative land uses in the future. However, it is understood that the land owned by ASH will not be available for a period of at least 10 years and this has been taken into account when considering the type of land uses that could be facilitated in the interim for the adjacent Canningvale Mill land.



Land available for another use

Current constraints

This area has constraints which have to be taken into account when considering and proposing new uses or development for the land.

Potential for contamination

The sites have been used as a mill and other industries since the 1950's and possibly prior to this. It is therefore considered important to do an environmental assessment to confirm there is no contamination on site prior to any residential or other sensitive land use being established.

Greenmill on Firebrace Road stays for at least 10 years

ASH has indicated that it may take around ten years before the Greenmill can be relocated to the site on Weir Road. In high season (November-April) the Greenmill has up to 90 trucks a day delivering wood to the site in addition to wood from this site being delivered to the millsite on Weir Road at least 30 times a day. The mill operates from 5am to midnight. Without taking appropriate measures to mitigate against potential amenity issues, houses cannot be built in the direct vicinity of the mill. ASH has indicated they don't object to residential development as long as it does not interfere with the current operation of the mill.

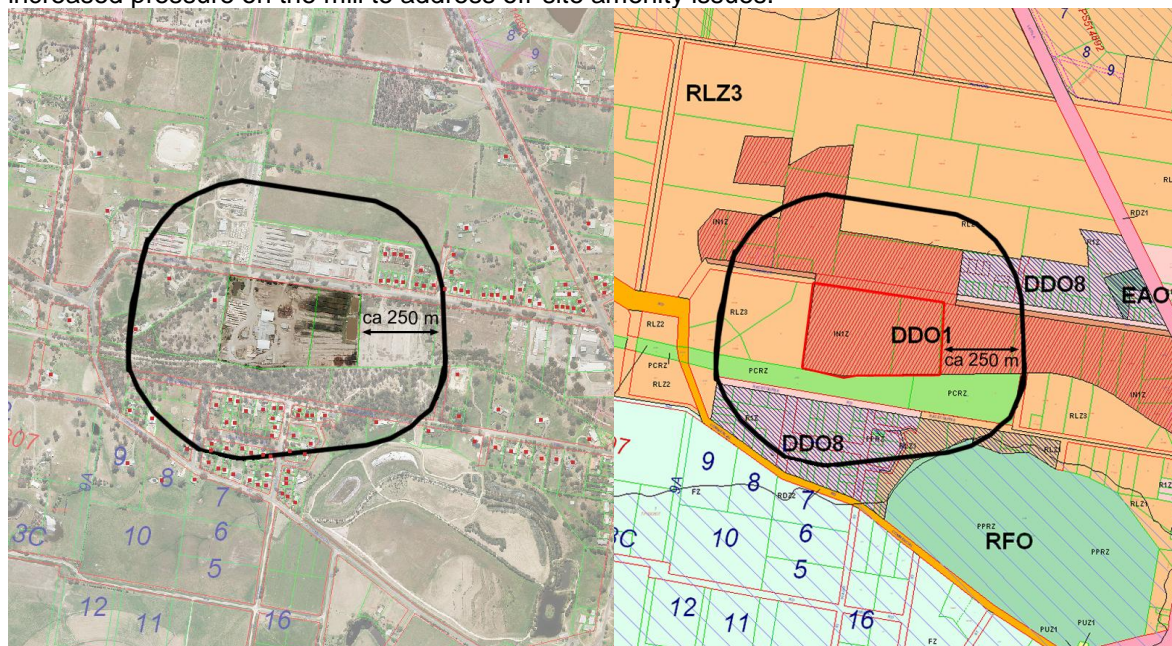
Separation distances

EPA Publication 1518, *"Recommended separation distances for industrial residual air emissions"*, recommends a separation distance of 250 metres for a sawmill and Council are required to give consideration to this publication. The guideline also states the following:

"When strategic land use plans are being developed for a precinct that has been identified for transition from an industrial land use to sensitive land uses, the planning authority should consult with potentially affected industries in order to develop a staged implementation plan that allows for the smooth transition of land uses over a period of time."

Where a variation from the recommended separation distance is sought, approval should not be given by the planning authority or other responsible authority until the relevant land use separation issues have been resolved to the satisfaction of EPA."

The guidelines are a land use planning control by mitigating impacts through separation and physical materials e.g. double glazing, but it cannot control future residents complaining. And any further residential encroachment or intensification of residents within the buffer area can potentially result in increased pressure on the mill to address off-site amenity issues.



250 metre threshold distance

Future opportunities

Fulfill a long-term vision

Since the approval of Planning Scheme Amendment C7 (approved 3 April 2003), which also focused on rezoning in Heyfield, Council has taken steps to slowly move the heavy industry away from the west of Heyfield towards the east of the town. The goal is to establish one industrial precinct (for heavy industry) instead of several estates around Heyfield, which will minimise amenity issues to the Heyfield residents.

Residential use in the long-term

The subject land is surrounded with residential land (Residential 1 Zone and Rural Living Zone 3). The area has a good outlook over the mountains, is reasonably close to the CBD and within the urban growth boundary. The land would therefore be suitable for residential use. This is in line with the long-term vision in the Structure Plan. Residential growth is proposed to the North/ North-West and there is a potential for intensification in this location.

Intensification surrounding residential land

The existing mills are surrounded by rural living areas. The areas are zoned Rural Living Zone 3 which has a minimum subdivision lot size of 8 hectares. The area was zoned as such to protect the close-by mills from any increase in residential development and the potential for an increase in complaints. In the event that the mills stop their operations the area has the potential to be further intensified with residential development.

Widen the scope for employment and development

Although the mill is still the biggest employer in town it is important to create additional new business potential and opportunities within Heyfield to diversify the economic base and create a more sustainable town. On this basis Heyfield has a number of potential options:

- **Small industrial business**

There are a number (~30) of small businesses in and around Heyfield with some kind of industrial use¹. These mostly 'one-person' businesses would be able to work from home (big maintenance/ work shed needed) but the type of business can potentially generate amenity impacts and are therefore considered to be light industrial. These include businesses like tradesmen; mechanics; plumbers; builders etc. As small business owners, it would be beneficial to be able to run such light industrial uses entirely from home to save having to pay for land on dedicated industrial estates. DTPLI recognises this as a niche market that could have potential in this area.

- **Rail trail and tourism**

The Gippsland Rail trail (green line on map) between Traralgon and Stratford is almost constructed. Funding has been secured to construct the Rail trail from Heyfield CBD to the west before 1 July 2013. The available land to the south of Firebrace Road is directly located on the Rail trail and from the ridgeline location provides good views over the wetlands and Heyfield itself. With the available land directly on the Rail trail and access roads on the other side of the lots there is tourism and recreational potential. There is enough opportunity to create land uses which benefit from the proximity of the Rail trail, for example bed and breakfast, caravan park, museum, bike renting shop or other tourism/ recreational uses.



Proposed rail trail

¹ Council Officers completed a desktop count in March 2013 of light industries which could be included in this type of use. The count included Heyfield, Cowwarr, Glenmaggie and Coongulla. Business included in the count are fencing contractors, plumbers, electricians, mechanics, earth moving businesses, welders, builders, metal fabrication, trucking, pest control, treescaping, solar panels and painters.

Consideration and direction for future development

The land currently owned by Canningvale Mill is likely to be available in the short term. The preference is to keep the potential for residential use in the long-term open, without preventing development in the short and medium term (and while the Greenmill is still operating).

The following matters should be taken into account when the options for rezoning are being considered:

Don't inhibit Greenmill operations

It is important that the operations of the Greenmill are not unduly compromised for the time that they continue to operate in this area.

Don't introduce new heavy industry into this area

Any new heavy or big box industry in this area has the potential to create new amenity issues and therefore inhibit its use for future residential development.

Find balance between current uses and the longer-term vision

The long-term concept of accommodating residential uses in this area can't happen overnight. Step-by-step, the uses have to be achieved transitionally.

Don't prevent development whilst heavy industrial uses still operate in this area

The land that becomes available for development shouldn't be stifled because potential amenity issues create a significant risk.

Create a transition zone

Consider a zone which works as a 'transition' towards establishing the long-term vision. The preferred zone should 'open the door' for long term uses when they are also appropriate in the current situation. It is important for Council to be in control of the development in the area.

Solve the contamination issue

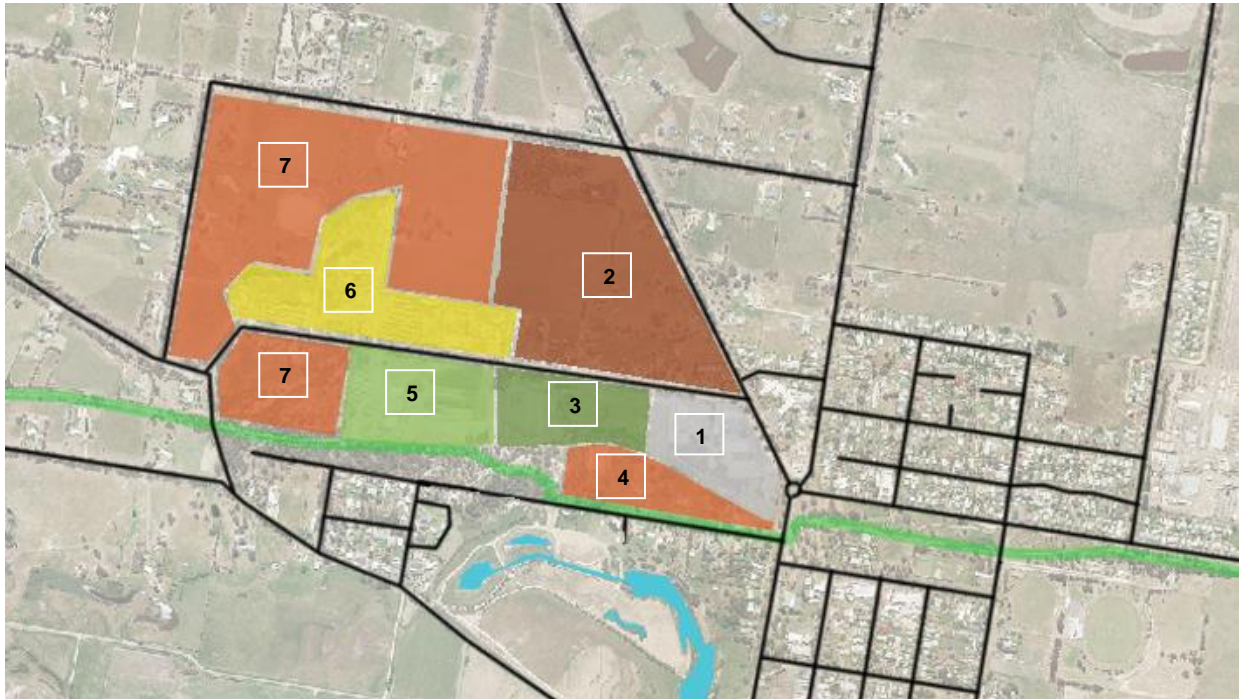
Because of the long industrial history of the sites, the contamination potential in this area is likely to be high. It is therefore critical to be aware of and assess the issue of contamination prior to any new sensitive use establishing.



Vision – transition to residential

In the context of the long term vision of the Heyfield Structure Plan, this area has the potential to accommodate residential development after the removal/relocation of the existing heavy industrial operations. As indicated previously there are several constraints and opportunities in this area and this will have an impact on the transition of the land to another use. Land uses cannot change overnight – particularly changes between extremes uses such as industrial to residential.

This proposal will start the process of a (slow) transition of the land from industrial to residential. It is a step-by-step approach where land can still be developed, even when heavy industry is still operating, whilst leaving the door open to transition to residential uses.



1. Entrance Firebrace Road

The entrance area of Firebrace Road has several offices and some light industrial use. As intended in the Structure Plan this area will remain for industrial purposes.

2. Residential Development Licola Road

On Firebrace Road there are some houses and old mill workers cottages at the back are a few bigger rural lots. The rural lots are highlighted in the Structure Plan as future low density residential area. This could occur in the short term.

3. Firebrace Road South transition area



This is vacant land which is zoned Industrial. It is therefore a good area to start the transition towards the long term residential vision. In the long term this area can enhance the tourism opportunities from the close by Rail trail. Outside the 250 metre threshold distance from the mill, there is potential to establish workers accommodation which could be transferred to use as a caravan park at a later stage.

4. Residential development Racecourse Road

This area is currently zoned Rural Living Zone 3 which means the minimum subdivision lot size is 8 Hectares. Because Firebrace Road South is proposed to become a transition area, the minimum subdivision lot size of this land could be amended to complement the existing zoning of adjacent residential areas.

5. The Greenmill – 75-97 Firebrace Road

The Greenmill is expected to operate in this area for at least another 10 years. When the mill is relocated this area would be very suitable for residential and tourism uses which would complement the rail trail (i.e. bed and breakfast or other accommodation uses).

6. Firebrace Road North transition area

Given the close proximity of the Greenmill this area does not have the opportunity to facilitate residential uses for the time that it remains in operation. On this basis it is considered that an industrial use would be the most appropriate option. To be able to make the transition to residential in the future the focus should be on an industrial use which will not create any amenity issues. Light and small industrial uses would be highly recommended. When the mill is closed, the area should be made available for residential use as quickly as possible.

7. Residential intensification area

When the Greenmill has stopped its operations the surrounding areas could be further investigated as to how residential development could occur. This will be dependent on the growth rates for Heyfield and the need and demand for developable land.

It has to be noted that areas 3, 5 and 6 are considered very suitable for residential development. However these are industrial areas and there is a possibility for contamination which has to be solved prior to establishing any sensitive uses.

