

BELLINGHEN SHIRE EMPLOYMENT LANDS STRATEGY 2013

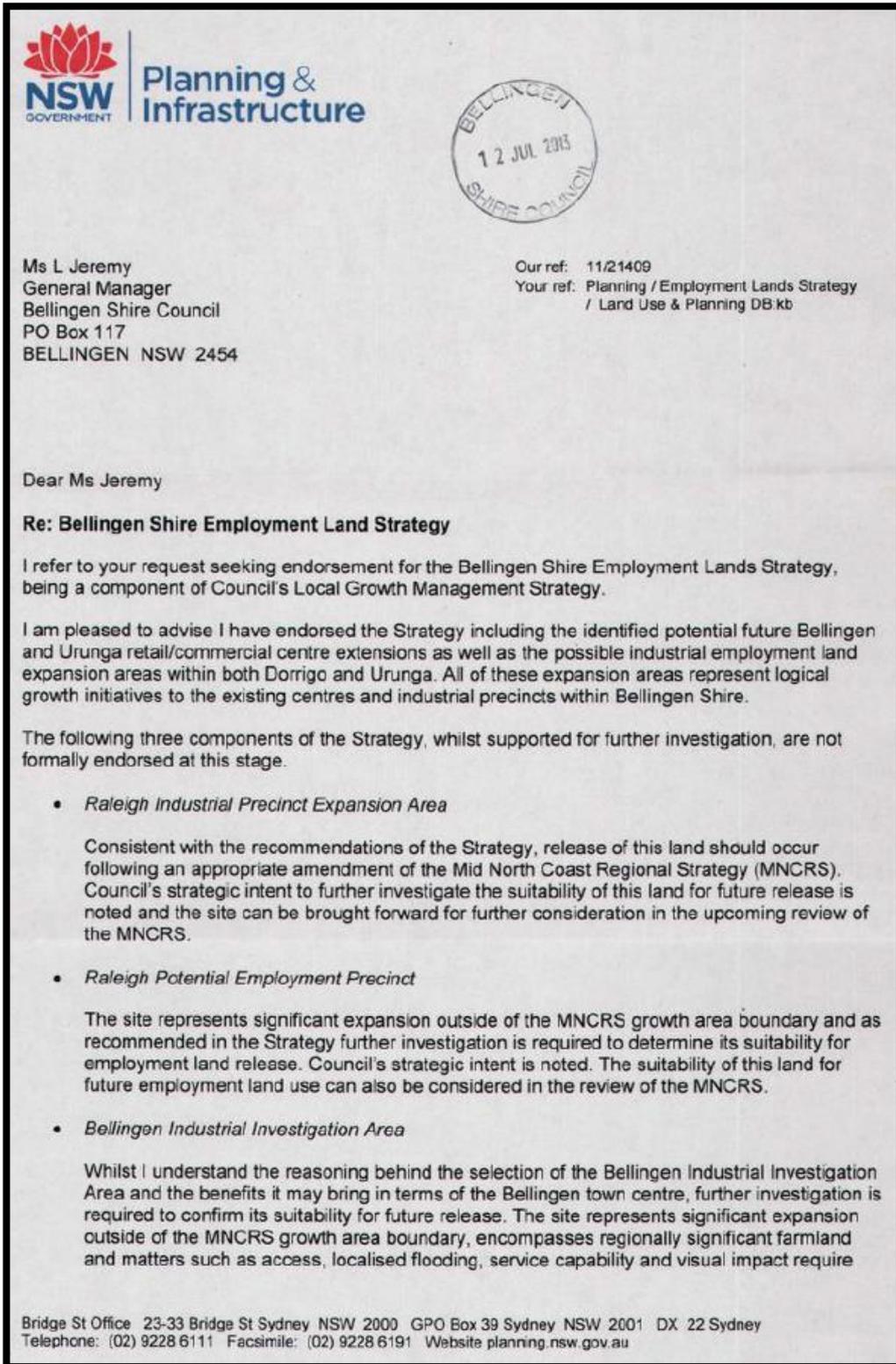
Addendum to the Bellinghen Shire
Growth Management Strategy
2007

Adopted by Council
27 February 2013

Endorsed (partially) by NSW Government
Department of Planning & Infrastructure
10 July 2013

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Notification of partial endorsement from NSW Government – Department of Planning & Infrastructure



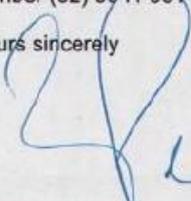
further investigation. This is consistent with the recommendations of the Strategy. Accordingly, further consideration of this site for future release can be undertaken as part of the review of the MNCRS.

The Regional Office will work with Council to ensure any future investigations of these potential expansion areas are consistent with the State/Regional planning framework.

I note Council's proposal to investigate infill development opportunities for aged care/housing sites and the feasibility of a new caravan park within the Shire. These components of the Strategy do not require the Director General's endorsement.

Should you have any further enquiries about my response to your Strategy, I have arranged for Luke Blandford of the Department's Northern Region to assist you. Luke may be contacted on telephone number (02) 6641 6614.

Yours sincerely



10/7/13

Richard Pearson
Deputy Director General
Planning Operations and Regional Delivery

Bellingen Shire Employment Lands Strategy

PREPARED FOR

Bellingen Shire Council

Endorsed (partially) July 2013



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This document is for discussion purposes only unless signed and dated by a Principal of Hill PDA.

REVIEWED BY



April 2013

.....

Dated

Sarah Hill
Director and Principal Planner

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LIST OF ABBREVIATIONS

Australian Bureau of Statistics	ABS
Annual Exceedance Probability	AEP
Australian and New Zealand Standard Industrial Classification	ANZSIC
Census Collection District	CCD
Development Control Plan	DCP
Economic Impact Assessment	EclA
Floor space Ratio	FSR
Greater Metropolitan Area	GMA
Gross Domestic Product	GDP
Gross Floor Area	GFA
Gross Lettable Area	GLA
Local Environmental Plan	LEP
Local Government Area	LGA
Land Quotient	LQ
Moving Area Turnover	MAT
NSW Department of Planning and Infrastructure	DoPI
Statistical Local Area	SLA
Transport Data Centre	TDC

DEFINITION OF TERMS

Annual Exceedance Probability - the likelihood of occurrence of a flood of given size or larger occurring in any one year. AEP is expressed as a percentage (%) and may be expressed as the reciprocal of ARI (Average Recurrence Interval). For example, if a peak flood discharge of 500 m³/s has an AEP of 5%, it means that there is a 5% risk (ie, a risk of one-in-20) of a peak flood discharge of 500 m³/s or larger occurring in any one year (see also Average Recurrence Interval).

Census Collection District (CCD) – the smallest geographic area defined in the Australian Standard Geographical Classification (ASGC). It can be defined as an area which one census collector can cover delivering and collecting census forms in a specified period. On average there are about 150 - 250 dwellings per CCD.

Employment Lands – Land that is predominantly used for commercial or industrial activities resulting in employment

The Mid North Coast Region - Comprises the Local Government Areas (LGAs) of the Clarence Valley, Coffs Harbour, Bellingen, Nambucca, Kempsey, Hastings and Greater Taree.

Travel Zone – a small geographic area used as the basis for Transport Data Centre (TDC) modelling and data analysis. Travel Zones provide a level of analysis between Census Collection District (CD) and Statistical Local Areas (SLA) as defined by the Australian Bureau of Statistics.

Zone IN1 General Industrial - Objectives of zone:

- 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 minimise any adverse effect of industry on the surrounding environment, with particular regard to the on site disposal of effluent and the generation of stormwater.
- To ensure that industrial development is adequately screened from the view of classified roads.

Permitted with consent: Building identification signs; Business identification signs; Depots; Freight transport facilities; General industries; Hardware and building supplies; Industrial training facilities; Landscaping material supplies; Light industries; Liquid fuel depots; Neighbourhood shops; Plant nurseries; Roads; Timber yards; Warehouse or distribution centres; Any other development not specified above.

Zone B2 Local Centre - Objectives of zone:

- To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.
- To encourage employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To preserve the dominance of Hyde Street as the retail centre of Bellingen.

Permitted without consent: Home-based child care; Home occupations

Permitted with consent: Boarding houses; Building identification signs; Business identification signs; Child care centres; Commercial premises; Community facilities; Dwelling houses; Educational establishments; Entertainment facilities; Function centres; Home industries; Hostels; Information and education facilities; Light industries; Medical centres; Passenger transport facilities; Recreation facilities (indoor); Registered clubs; Respite day care centres; Restricted premises; Roads; Self-storage units; Service stations; Sewage reticulation systems; Shop top housing; Tourist and visitor accommodation; Water recycling facilities; Any other development not specified above.

Zone B6 Enterprise Corridor¹- Objectives of zone:

- To promote businesses along main roads and to encourage a mix of compatible uses.
- To provide a range of employment uses (including business, office, retail and light industrial uses).
- To maintain the economic strength of centres by limiting retailing activity.

Permitted with consent: Business premises; Community facilities; Garden centres; Hardware and building supplies; Hotel or motel accommodation; Landscaping material supplies; Light industries; Passenger transport facilities; Plant nurseries; Warehouse or distribution centres.

Zone B7 Business Park²- Objectives of zone:

- To provide a range of office and light industrial uses.
- To encourage employment opportunities.
- To enable other land uses that provide facilities or services to meet the day to day needs of workers in the area.

Permitted with consent: Child care centres; Light industries; Neighbourhood shops; Office premises; Passenger transport facilities; Respite day care centres; Warehouse or distribution centres.

¹ Sourced from the DoP&I Standard Instrument—Principal Local Environmental Plan

² Sourced from the DoP&I Standard Instrument—Principal Local Environmental Plan

1. EXECUTIVE SUMMARY

The Bellingen Employment Lands Strategy (the Strategy) draws together research, survey data, population growth scenarios, trend and site analysis to better understand the demand for a range of employment generating uses (and thereby land) in Bellingen Shire (the Shire) over a 25 year period. The Strategy also investigates the need for aged care housing as well as the suitable location for, and economic viability of, a new caravan park in the Shire.

The Strategy was commissioned by Bellingen Shire Council (Council). To assist with planning over a variety of time periods the Strategy's modelling and recommendations have been broken down into short term (2011 – 2015), medium term (2016 – 2025) and long term (2026 – 2036) phases.

1.1 Contextual Analysis

In order to better understand the dynamics of Bellingen Shire's local economy as well as broader economic and lifestyle influences to employment generation (and in turn demand for land) the Strategy commenced with a demographic and industry analysis. The analysis found that the Shire had experienced modest population (+500 people or +0.39%) and employment growth over the past 10 years.

Based on 2008 trend modelling, the NSW Department of Planning and Infrastructure (DoPI) forecast that population growth will continue over the Strategy period (net increase of 1,200 people). Accordingly by 2036 the Shire's population is forecast to reach 14,200 people. It is also anticipated over this period that the proportion of Bellingen's residents under the age of 14 years will decrease from 20% to 18% whilst the proportion of residents aged 65 years and over will concurrently increase from 18% to 30%. These trends will lead to a greater demand for local and accessible services as well as a range of housing types in the Shire (i.e. smaller and more affordable dwellings).

Whilst the Shire has a median weekly household income that is notably below the NSW average, alternative socio-economic indexes identify that it has a relatively advantaged community when compared to the Mid North Coast Region. The lower income profile of the Shire is likely to be more of a reflection of the age and lifestyle choices of local residents (i.e. to retire from the formal workforce) rather than their disadvantaged socioeconomic circumstances.

As of 2006, in accordance with the Bureau of Transport Statistics (BTS) statistics, the Shire generated a sufficient number of jobs to employ 62% of Bellingen's resident workforce.

When compared to NSW as a whole, the Shire had a very low representation of jobs in Manufacturing; Wholesale Trade; Transport Postal and Warehousing; Rental, Hiring and Real Estate Services; Financial Services; Professional and Technical Services. This is reflective of the smaller scale / prominence of the Shire's industrial areas when compared to many other locations in NSW as well as the higher order business and service role played by larger centres located in surrounding LGAs such as Coffs Harbour.

As of 2006 Bellingen Shire had a significantly greater proportion of jobs in Agriculture, Forestry and Fishing (3x) as well as Arts and Recreation Services (2x). This indicates the strength of these industries in the Shire compared to NSW and the importance of supporting them. Also of note is the strength of the Education and Training and Health Care as well as Social Assistance Industries which represent important employment generating industries in their own right.

1.2 Forecasting Demand for Floorspace and Land

In response to the contextual and trends analysis summarised above, the Strategy applied two methods to forecast demand for employment generating floorspace and land within Bellinghen Shire. The first relates to retail demand using Hill PDA's retail expenditure model, the second relates to the modelling of demand for all other employment generating uses categorised in accordance with the ANZIC industry categories. The latter approach was based on two potential scenarios for employment change in the Shire over the Strategy period as follows.

Scenario 1 Extrapolation of Trends: this scenario represents a continuation of past population and employment related trends and the likely influence to demand.

Scenario 2 Population and Aspirational Employment Growth: this scenario used population growth as a basis and assumes the successful implementation of Bellinghen Shire's Economic and Tourism Development Plan to encourage a range of industries including creative industries, accommodation and the continued growth of professional, scientific and technical services as well as transport, postal and storage warehousing.

The Second Scenario – the *Population and Aspirational Employment Growth Scenario* was identified as the most appropriate option to model in order to take a precautionary approach to employment lands planning. In accordance with this scenario it was found that Bellinghen Shire would experience positive population growth and generate an additional 536 jobs by 2036. This represents a 17% increase or 0.64% per annum growth in jobs over the Strategy period. Whilst this is lower than the 1% overall job growth achieved across the Shire between 2001 and 2006, it is considered conservative and more precautionary over a longer period of time on an industry by industry basis.

Table 1 - Scenario 2 – Population and Aspirational Job Growth 2011 - 2036

Industry	2011	2016	2021	2036	Net Change 2011-2036	Assumption
Agriculture, Forestry and Fishing	397	401	409	415	18	Industry Review
Mining	-	-	-	-	-	Industry Review
Manufacturing	317	323	335	345	27	Population growth rate
Electricity, Gas, Water and Waste Services	19	20	22	24	5	Industry Review
Construction	164	169	179	188	25	Industry Review
Wholesale Trade	122	124	129	133	10	Population growth rate
Retail Trade	409	430	475	524	115	Direct User
Accommodation and Food Services	344	355	376	400	56	Industry Review
Transport, Postal and Warehousing	117	121	128	136	19	Industry Review
Information Media and Telecommunications	27	28	29	30	2	Population growth rate
Financial and Insurance Services	50	51	53	54	4	Population growth rate
Rental, Hiring and Real Estate Services	42	42	44	45	4	Population growth rate
Professional, Scientific and Technical Services	154	162	179	198	44	Population growth rate
Administrative and Support Services	76	80	88	97	21	Population growth rate
Public Administration and Safety	152	154	160	165	13	Population growth rate
Education and Training	335	345	366	389	54	Industry Review
Health Care and Social Assistance	406	426	471	520	115	Industry Review
Arts and Recreation Services	74	77	85	94	21	Industry Review - Aspirational
Other Services	129	133	141	150	21	Population growth rate
Inadequately described	23	24	25	25	2	Population growth rate
Not Stated	3	3	3	3	0	Population growth rate
Total	3,360	3,468	3,697	3,936	576	

Source: Hill PDA, ABS 2006, TDC 2006

1.3 Supply versus Demand

In order to translate job growth into demand for floorspace, the forecasts were cross tabulated with employment yields that were based on industry benchmarks and then refined to suit Bellingen's land and development characteristics. The forecasts were then grouped into industry categories that were suited to locate either within centres or industrial areas. This analysis found that based on Scenario 2 over the Strategy period there would be:

- Demand for over 14,900sqm of additional floorspace within town centres representing a 34% increase on existing floorspace supply and a net increase in demand for 2.99ha of land (+21% increase); and
- Demand for an additional 10,250sqm of industrial floorspace translating into demand for an additional 3.2ha of land or a 5.5% increase on existing supply.

A summary of these key findings are shown in the table below.

Table 2 - Existing Supply 2011 vs. Demand 2036 in Bellingen's Centres and Employment Lands (ha)

	Existing Floorspace	Existing Land	Additional Floorspace Required	Additional Land Required
Existing Centres	4.43	14.40	1.49	2.99
Existing Industrial Lands	N/A	58.56	1.03	3.20
Total	4.43	72.96	2.52	6.19

Source: Hill PDA Survey, Nearmap and Mapinfo 10.5

Please Note: in order to cross compare demand with existing developable land we have amended the estimates for existing land area by factoring in existing access ways and roads

1.4 Housing for the Aged

As discussed in Section 1.1, the proportion of Bellingen's population aged 65 years and over will increase substantially over the Strategy period, largely on account of declining levels of fertility and increasing life expectancies. This trend is not at odds with the broader Mid North Coast Region that is forecast to experience an increase in its median age from 44 to 51 years by 2031. It is recognised that this demographic change will have a notable influence to the demand for housing, services and the economy.

The Strategy has subsequently addressed the existing provision of housing for older residents as well as likely future need, finding that there is an existing and forecast undersupply of independent and supported living accommodation in the Shire. Stakeholder consultation confirmed that the majority of unmet demand related to independent living accommodation or housing that was smaller in scale, in town centres that was better suited to the needs of older people whilst allowing residents to remain in their community. The availability of this form of accommodation was particularly important for existing Shire residents seeking to downsize from larger dwellings or rural properties whilst retaining their independence.

To address this need, the Strategy identified 12 sites to review for their prospective suitability for development as housing for older persons. The review was informed by 8 key criteria based on the geographic and service based needs of older persons which influenced site selection. As an outcome the sites were scored and ranked. Two sites in Dorrigo and two more in Urunga were identified as having excellent potential to be developed for housing for older residents. Five additional locations were identified as secondary options worthy of continued analysis whilst the remaining sites either represented longer term options, or options that should be dismissed entirely.

1.5 A New Caravan Park for Bellingen Shire

Bellingen Shire presently has six operational caravan parks located throughout the Shire. These facilities are an important foundation to the Shire's tourist industry accommodating over 16% of all overnight visitors compared to 15% within hotels, resorts or motels.

Despite the important role played by commercial camping grounds to the Bellingen tourist industry, the proportion of visitors staying in this form of accommodation in Bellingen is lower than other LGAs in the Coffs Coast Region. It is anticipated this is more a matter of supply rather than demand as recent tourist surveys found that many visitors are attracted to Bellingen Shire for day trips yet stay overnight in caravan parks in surrounding LGAs. To help address this loss of tourist trade and expenditure, the need for a new caravan park in, or around Bellingen Centre was identified. Bellingen Centre presently lacks this form of accommodation yet hosts a number of important local events and festivals annually that attract a significant number of visitors. Additional accommodation within, or in close proximity to the centre, would help support this industry and local employment and economic spin offs.

A 150 unit Caravan Park in Bellingen could attract 97,000 visitor nights per annum (assuming 3 persons per unit per night and an occupancy rate of 59%). The value added (or contribution to local domestic product) would be around \$29 per visitor per night stay. Based on these assumptions, total tourism spend could be \$9.5m per annum. The subsequent total value added to the Bellingen economy would be in the order of \$2.8m per annum.

In order to assess the hypothetical feasibility of establishing and operating a caravan park in the Shire, Hill PDA prepared a discounted cash flow model. The model forecasts all costs and revenues over the life of the project and then discounts them back to a present value at an appropriate discount rate (or required rate of return) having regard to the fundamental risks of the investment.

The results suggest that the establishment and operation of a new caravan park in the Shire today would have a 12% return on investment. In development terms this return is marginal. When the opportunity cost of the land is included (at say half a million dollars) then the Internal Rate of Return (IRR) is reduced to 10% (6.9% real) which is a little too low to be considered feasible. Importantly however the model considers only powered sites and does not include any margins that could be made from other products such as the hiring of on-site vans and cabins as well as the sale of food, groceries and souvenirs. In order to widen the offer and ensure a reasonable level of occupancy any new caravan park in Bellingen would need to have some component of alternative products.

On this basis, and applying the key criteria identified through the Strategy's research, an appropriate site to investigate further for a new Caravan Park was identified within close proximity of Bellingen Centre. The site was identified on account of its availability, proximity to the centre and potential to leverage off existing infrastructure and tourist facilities.

1.6 Recommendations for Expansion and Rezoning

The Strategy identified nine key criteria to guide the assessment of suitable sites / locations for employment generating development in the Shire as summarised below.

1. Proximity and relationship with an urban area;
2. Relationship to the centre hierarchy;
3. Accessibility to existing and proposed transport networks;
4. The availability and sustainable use of existing infrastructure;
5. Opportunity to cluster with other businesses and magnet infrastructure;
6. Land – availability, lot characteristics and ownership;
7. Job and expenditure containment;
8. Environmental suitability and impact; and
9. Demand for competing uses.

The nine criteria recognises that a wide range of environmental, social and economic matters must be considered when identifying suitable sites for employment generating uses.

Of particular note, there should be a recognised need for the land and demonstration that it makes efficient use of existing infrastructure in the Shire without compromising the potential use or amenity of surrounding uses. Prospective sites should complement and / or cluster with existing employment generating uses to provide a greater array of services in the Shire and diversity of job types whilst minimising the need for residents and workers to travel. The ownership, scale and environmental characteristics of a potential employment site or locality should be considered along with its potential impact to the environment, with a presumption in favour of improving, rather than detracting from the quality and visual appeal of a locality.

In light of the criteria listed above, a summary of the key recommendations for the expansion and zoning of Bellingen's centres is provided in the table below. The table compares existing supply, forecast demand and recommended areas for expansion within each centre. In essence close to 50% of the forecast demand for new floorspace / land could be accommodated by the proposed expansions to Urunga and Bellingen Centres whilst capacity for the remaining 50% of demand could be made through the intensification and redevelopment of existing sites within each of the centres.

Table 3 - Summary of Expansion Opportunities for Bellingen, Urunga and Dorrigo Centres

Centre	Existing Zoned Land (Ha) / Floorspace (Sqm)	Net 2036 Demand	Recommended Expansion Areas Short to Medium Term
Bellingen	8.8ha / 21,841sqm	1.64 Ha / 3,588sqm	0.7ha
Dorrigo	5.0ha / 14,305sqm	0.98 Ha / 2,059sqm	0ha
Urunga	3.9ha / 8,200sqm	0.38 Ha / 779sqm	0.6ha
	14.4ha / 44,300sqm	2.99 / 5,351sqm	1.3ha

Source: Hill PDA

With respect to employment lands, it is recommended that the forecast demand for 3.2ha of land is accommodated across the three centres. Based on the scale of the centres, it is recommended that +1.4ha of the forecast demand is distributed to Bellingen, +1.2ha to Dorrigo and 0.6ha to Urunga. In addition to this distribution are opportunities for highway related industrial zones and logistics hubs discussed further below.

A notable amount of land (+30.4ha) has been identified with the potential to accommodate the forecast demand of +3.2ha developable land by 2036. The justification for this recommended oversupply is threefold. Firstly it is important to note that the proposed expansion areas require significant further investigation to assess their suitability (i.e. more detailed environmental analysis and infrastructure assessment) further to which some identified locations may need to be eliminated either partially or entirely. In any case, not all of the land identified will be found to be developable.

Secondly an oversupply and range of industrial locations is an important price moderator, helping to provide a choice of sites with varying owners, physical characteristics for different business requirements. Finally a range of opportunities is important as the development or availability of these sites is dependent on the willingness of the landowner(s). In light of these considerations, Table 4 compares existing, potential and recommended locations (in the short to medium term) for employment lands in the Shire subject to more detailed and site specific analysis.

Table 4 - Summary of Expansion Opportunities for Employment Lands

Existing / Potential Industrial Lands	Existing Zoned Land	Potential Expansion Area	Initial Recommended Investigation Areas
Raleigh Industrial Precinct	58.4ha		
<i>Raleigh Extension Zone</i>	0ha	4.8ha	4.8ha
<i>Raleigh New Employment Area</i>		4.1ha	4.1ha
North Urunga Industrial Precinct	2.3ha		
<i>North Urunga Extension Zone</i>	0ha	13.4ha	13.4ha
Bellingen - Tamarind Drive Precinct	1.4ha	0ha	
<i>Bellingen Investigation Area</i>	0ha	5.7ha	5.7ha
Dorrigo Industrial Area	11.1ha (7.2ha + 3.9ha)		
<i>Dorrigo Expansion Area 1</i>	0ha	1.0ha	
<i>Dorrigo Expansion Area 2</i>	0ha	1.4ha	
	73.2	30.4	28

Source: Hill PDA

1.7 Summary of Findings

A summary of the key recommendations and their phasing is provided in Table 5 below.

Short Term 1-5 Years
Medium Term 5 - 10 years
Long Term 10 years +

2011 – 2015
2016 – 2025
2026 – 2036

Table 5 - Summary of Recommendations and Phasing

Location	Timing	Potential Zone	Recommendation
CENTRES			
Bellinghen		B2 Local Centre	Extend existing centre to include land identified on the northern side of William Street
		B2 Local Centre	Investigate potential for innovation centre on shortlisted sites in Bellinghen with a particular focus on 2- 4a William Street
Dorrigo		B2 Local Centre	Focus redevelopment within the existing centre zone
		B2 Local Centre	Undertake preliminary investigations to potentially develop a resource innovation centre in Dorrigo
Urunga		B2 Local Centre	Encourage the intensification of existing land within the Centre in the short term and rezone additional land along Morgo Street to accommodate the growth of the centre in the medium term
EMPLOYMENT LANDS			
Raleigh Industrial Precinct		IN1 General Industrial	Retain as employment lands.
<i>Raleigh Extension Zone</i>		IN1 General Industrial	Undertake further investigations as to suitability as employment lands in the short term and for its development as a logistics hub in the medium term
<i>Raleigh New Employment Area</i>		B6 Enterprise Corridor B7 Business Park	Undertake further investigations as to suitability as employment lands in the short term.
North Urunga Industrial Precinct		IN1 General Industrial	Retain as employment lands.
<i>North Urunga Extension Zone</i>		IN1 General Industrial	Undertake further investigations as to suitability as employment lands over the medium term.
Bellinghen - Tamarind Drive Precinct		IN1 General Industrial	Retain as employment lands.
<i>Bellinghen Investigation Area</i>		IN1 General Industrial	Investigate as potential alternative location for existing urban support services in Bellinghen Centre.
Dorrigo Industrial Area		IN1 General Industrial	Retain as employment lands.
<i>Dorrigo Expansion Area 1</i>		IN1 General Industrial	Potential longer term opportunity as employment lands.
<i>Dorrigo Expansion Area 2</i>		IN1 General Industrial	Potential longer term opportunity as employment lands.
SITES FOR AGED HOUSING		B2 Local Centre / Residential	Discuss potential for development of top 4 sites as aged housing with landowners in Dorrigo and Urunga along with more detailed site and development feasibility analysis. Continue to investigate and prioritise the 5 secondary sites as those with merit and potential for development subject to overcoming any potential constraints.
CARAVAN PARK		LEP Schedule	Undertake more detailed investigation of land owner interest and environmental considerations for the preferred caravan park location in Bellinghen
INFRASTRUCTURE		N / A	Prioritise developments in locations already served by key infrastructure such as reticulated water, electricity and sewerage to make efficient use of existing services, minimise the cost of development and maximise opportunities for outcomes. Consider alternative outcomes for infrastructure provision (in particular reticulated sewerage) where land constraints prevent desirable employment generating development form being located within close proximity to existing infrastructure.

PART A – BELLINGEN TODAY



Bellingen Today: this part reviews and explores the characteristics of Bellingen Shire’s existing resident population, labour force, industries of employment, business and employment lands. It also investigates background research that has been conducted for the Shire in addition to the relevant planning context for the Shire and Mid North Coast Region. Part A therefore provides an important foundation to the Strategy.



2. INTRODUCTION

The following document provides a comprehensive Employment Lands Strategy for Bellingen Shire (hereafter referred to as the Strategy). The Strategy draws together existing research and data with trend analysis, site analysis and population growth scenarios to better understand the demand for a range of employment generating uses (and thereby land) in Bellingen Shire (the Shire).

The Strategy also investigates the need for aged care housing across the Shire as well as the suitable location for, and economic viability of, a new caravan park in Bellingen.

The Strategy creates an evidence based assessment of the demand and supply of employment land to inform prospective amendments to the Bellingen Local Environmental Plan (LEP).

2.1 Strategy Brief and Scope

The Strategy focuses on employment lands in Bellingen Shire which may be defined as *land that is predominantly used for retail, commercial or industrial activities resulting in employment*. Accordingly the Strategy focuses on land zoned for industrial uses, retail and commercial office uses. It also provides forecasts however for employment generated through special uses such as health, aged care, tourism and education.

The Strategy has been broken down into the following timescales:

- Short Term (2011 – 2015);
- Medium Term (2016 – 2025); and
- Long Term (2026 - 2036)

1.1. Strategy Structure

For clarity and ease of reading, the Strategy has been broken into four parts, as follows.

Part A – Bellingen Today: this part reviews and explores the characteristics of Bellingen Shire’s existing resident population, labour force, industries of employment, business and employment lands. It also investigates background research that has been conducted for the Shire in addition to the relevant planning context for the Shire and the Mid North Coast Region. Part A therefore provides an important foundation to the Strategy.

Part B – Bellingen Looking Forward: this part builds on the information provided in Part A to forecast growth and change in Bellingen Shire to 2036. Part B seeks to better understand the trends and factors that will influence demand for employment related floorspace / land as well as key criteria against which potential employment lands should be assessed for their suitability. Part B forecasts future demand for employment lands and compares demand to existing supply to identify the need for land, appropriate zones and development controls.

Part C – Feasibility and Investment: this part provides a particular focus on demand for aged care living and criteria by which suitable locations for aged care dwellings should be assessed. It also investigates appropriate locations for a caravan park in Bellingen and the likely feasibility of such a development.

Part D – Recommendations: this part translates the key findings of Part A, B and C into recommendations for Bellingen Shire’s centres and employment lands. The recommendations are communicated as planning principles and strategies for employment lands by precinct and for each centre. Part D provides a review of the likely infrastructure requirements / costs associated with the recommendations of the Strategy. To conclude a comprehensive summary is provided of recommendations and an appropriate plan for implementation.

2.2 Methodology

During the preparation of the Strategy, due consideration has been given to the findings of prior studies undertaken for Council. Rather than replicating the research undertaken by these studies, this Strategy has sought to integrate and to update them with more recent data, testing and building on their recommendations. The Strategy has also sought to incorporate the provisions of the Bellingen LEP (2010). Additional methods that have been used to inform this Strategy include:

1. A review of local and regional planning policies;
2. Consultation with Council officers and key stakeholders;
3. Analysis of ABS Census and Department of Planning and Infrastructure statistics and forecasts;
4. The preparation of a retail expenditure model;
5. The preparation of an employment lands demand and assessment model; and
6. Feasibility studies of development.

2.3 Study Area Context

The Strategy focuses on the 1,600km² Shire of Bellingen, located on the Mid North Coast of NSW. The Shire is surrounded by the local government areas of Coffs Harbour City Council (to the north east), Clarence Valley Council (to the northwest), Armidale-Dumaresq Council (to the west) and Nambucca Shire Council (to the south).

The Shire is located 4.5 hours’ drive south of the Queensland border and 6.5 hours from Sydney via the Pacific Highway. The Shire is also easily accessible by air via Coffs Harbour Airport.

The Shire has a range of environmental features and characteristics including:

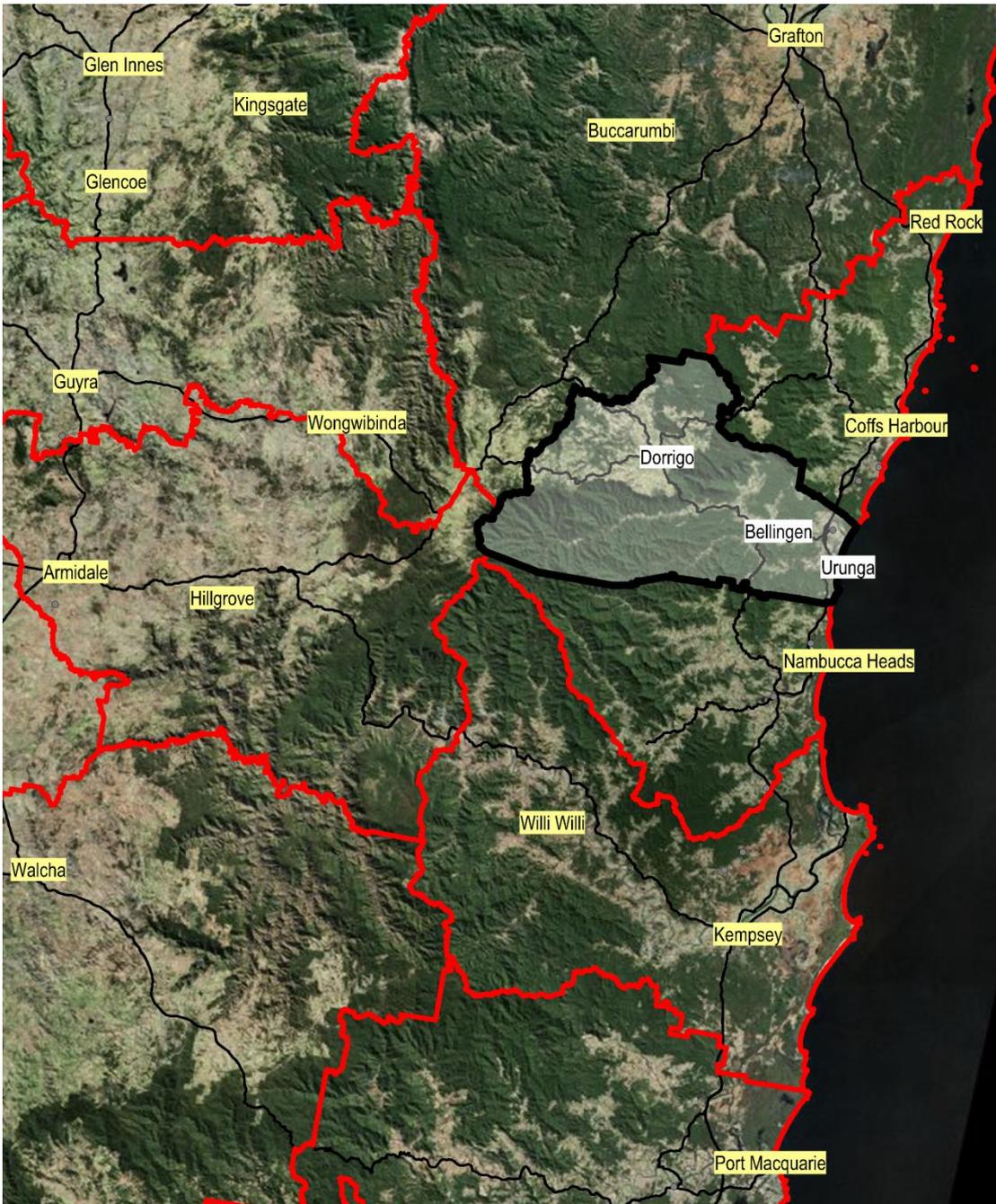
- the Seaboard around Urunga, Mylestom and Repton,
- the Valley of the Bellinger and Kalang Rivers; and
- The Plateau west of Dorrigo.

The largest town within the Shire is Bellingen, which provides a range of retail, business and community uses to serve the local population. Other sizeable centres include Dorrigo and Urunga. Smaller centres include Repton, Mylestom and Fernmount / Raleigh.

The LGA is currently serviced by the Bellinger River District Hospital and Community Health Service and the Dorrigo Multi-Purpose and Community Health Service.

Figure 1 below shows the Shire of Bellingen within the broader context of the NSW Mid North Coast.

Figure 1 - Bellingen Shire in Context



Source: MapInfo 11.5, Hill PDA 2011

3. WHO LIVES & WORKS IN BELLINGEN SHIRE?

The following Chapter provides a profile of the Shire's resident population and labour force. It compares this profile with the Mid North Coast Region and the State of NSW to identify Bellingen's key socio-economic factors that may influence demand for jobs and in turn employment lands within the Shire. The Mid North Coast Region comprises the Local Government Areas (LGAs) of the Clarence Valley, Coffs Harbour, Bellingen, Nambucca, Kempsey, Hastings and Greater Taree.

Various data sources have been used to inform this Chapter. To estimate the scale of the existing population and to forecast population growth, we have used the NSW Department of Planning and Infrastructure's (DoPI) population figures (released 2010). These figures differ from the ABS Census Data estimates of population that are also used to inform relevant sections of this Chapter. The difference between these figures generally relates to census undercount. The DoPI figures factor in this undercount (which may be in the order of 10% - 20%).

In light of these data differences, we have used the DoPI figures as estimates of the actual resident population and workforce numbers whilst we have used the ABS figures as indicative data showing the proportional break down of other relevant characteristics. Please note that at the time of undertaking this analysis the 2011 ABS Census results had not yet been made available.

To assist with the interpretation of this Chapter we have also defined the following key terms:

- **Resident workforce:** the number of people living in an area (defined as their usual place of residence) that work in or outside of that area. This is the origin of their journey to work. Jobs or employment by area on the other hand refers to the number of people stating they work in that given area. They may live in, or outside of that area. This is the destination of their journey to work; and
- **Job Containment:** the matching of 'place of work' by residents who live and work in Bellingen with work generated in that area defines job containment.

3.1 Bellingen Shire's Existing Population & Forecast Growth

In 2006 Bellingen LGA had a resident population of approximately 13,000 people representing 3.9% of the Mid North Coast Region's population (330,700 people).

With respect to population change, as shown in Tables 1 and 2 below, over the 10 year period between 1996 and 2006, the Shire's resident population grew by 500 people. This reflects a growth rate of 0.39% which was significantly lower than the strong growth recorded over the same period for the Mid North Coast Region (1.30%).

Table 6 - Predicted Population Change in Bellingen LGA (1996 – 2036)

	1996	2006	2011	2016	2021	2026	2031	2036	Per Annum Compound Growth 96-06	Per Annum Compound Growth 06-36
Bellingen LGA	12,500	13,000	13,100	13,400	13,600	13,800	14,000	14,200	0.39%	0.29%
Mid North Coast Region	290,600	330,700	350,400	370,200	389,000	407,000	423,000	437,200	1.30%	0.93%

Source: NSW Department of Planning and Infrastructure, 2010

Looking forward, over the 10 year period between 2006 and 2016, net actual growth for the Shire is forecast to be slightly lower than the past 10 years at 400 people. By 2036 net actual growth is forecast to be 1,200 people to achieve a resident population of 14,200 and an average annual growth rate of 0.29%. Should the levels of growth forecast for the Mid North Coast and Bellingen Shire to 2036 be realised, the Shire's share of the Mid North Coast's resident population (anticipated to reach 437,200 by 2036) would decline to 3.2%.

Table 7 - Net Population Change in Bellingen LGA (2006 – 2036)

	Past Growth	Short Term	Medium Term	Long Term	Proportional Change
	1996-2006	2006-2016	2006-2026	2006-2036	2006-2036
Bellingen LGA	500	400	800	1,200	9%
Mid North Coast Region	40,100	39,500	76,300	106,500	32%

Source: NSW Department of Planning and Infrastructure, 2010

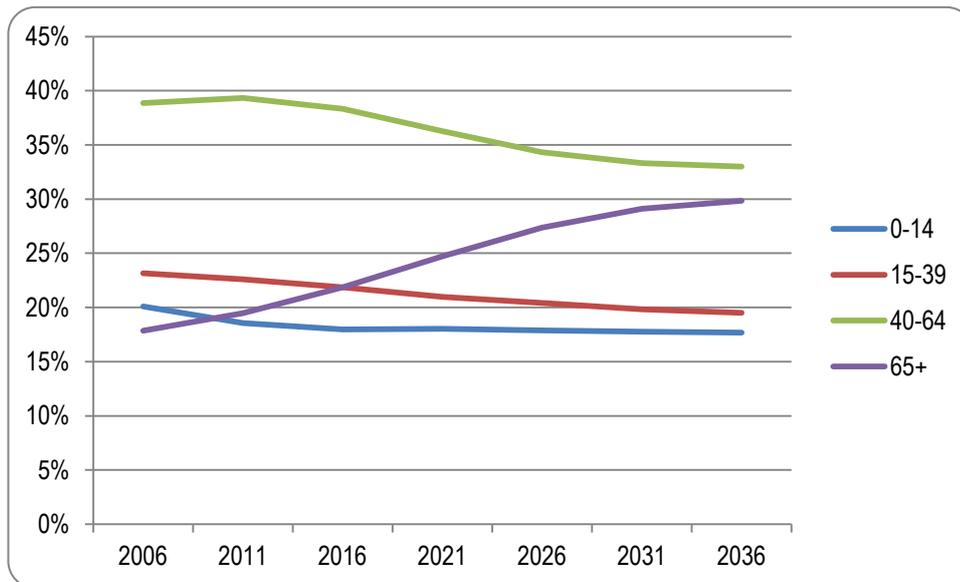
It is important to note that caution should be applied when discussing population and other forecasts of change. As with any forecast of future trends, there is a likelihood of error. This likelihood increases for projections over longer periods of time and for forecasts that are reliant on a number of variables. Moreover, caution should be applied when using the DoPI forecasts as they are based on assumptions regarding the economy (that are likely to change) as well as the ability for an area to accommodate forecast growth.

3.2 Existing and Forecast Age Distribution

The populations of Bellingen and the Mid North Coast are characterised as being significantly older than the population of NSW, whilst also ageing at a faster rate. Over the period 2001 to 2006 the median age in the Shire rose from 41 to 45 years whilst the median age in NSW increased to a lesser extent from 36 to 37 years.

In forecasting likely age distribution to 2036, the DoPI population forecasts anticipate a significant decline in the number of the Shire's residents under the age of 14 years and a growing share of persons aged over 65 years. As shown in Figure 2 below, over the period 2006 to 2036 the proportion of Bellingen's residents under the age of 14 years is likely to decrease from 20% to 18% whilst the proportion of residents over 65 years will concurrently increase from 18% to 30%. This trend is even more pronounced across the Mid North Coast Region whereby the proportion of residents aged over 65 years is anticipated to increase from 20% in 2006 to 35% in 2036.

Figure 2 - Bellingen LGA Forecast Age Distribution 2006 - 2036



Source: NSW Department of Planning and Infrastructure, 2010 (graph Hill PDA)

3.3 Household Formation Rates

Trend analysis shows that the household formation or household occupancy rates for Bellingen LGA have been steadily declining since 1996 from an average of 2.6 persons per dwelling to 2.4 persons in 2006. Whilst declining occupancy rates have been a longer term trend across Australia (on account of changing lifestyle preferences, declining fertility rates and an ageing population) it is worth noting that both Bellingen LGA and the Mid North Coast Statistical Division (SD) have noticeably smaller average household sizes than NSW.

Table 8 - Household Sizes by LGA, SD and NSW 1996 to 2006

Occupancy Rates	1996	2001	2006
Bellingen LGA	2.6	2.5	2.4
Mid North Coast SD	2.6	2.5	2.4
NSW	2.7	2.6	2.6

Source: ABS Census Data 2006

Looking forward, with the continued ageing of the population and declining share of households with children, it is anticipated that the occupancy rate of households will continue to decline. Accordingly, overall demand for additional and for smaller dwellings will continue to increase across the Shire.

3.4 Income Profile

According to ABS 2006 Census Data, the median weekly household income for the Shire was \$621 which was notably lower than that of NSW (\$1,036). As shown in Table 9 below, a significantly higher proportion of households in both the Shire and the Mid North Coast SD were earning in the lowest income brackets whilst a correspondingly lower proportion were earning within the highest income bracket when compared to NSW.

This lower household income profile could in part be indicative of the type of industries generating employment in the study area (i.e. service jobs, smaller creative firms, agriculture and manufacturing). The lower median

household income may also be reflective of some of the demographic characteristics of the resident population such as its older median age and therefore higher proportion of residents who are retired and receiving a pension as an income or do not have an active form of income.

Table 9 - Weekly Household Income (2006)

	Bellingen LGA	Mid North Coast	NSW
Weekly Household Income			
\$0-\$349	22%	21%	14.9%
\$400-\$799	32%	32%	21.2%
\$800-\$1,399	22%	22%	21.5%
\$1,400-\$2,499	11%	11%	19.1%
\$2,500+	2%	3%	12.0%
Partial income stated	9%	7%	8.3%
All incomes not stated	3%	3%	2.9%
Total	100%	100%	100.0%
<i>Median Weekly Household Income</i>	<i>\$621</i>	<i>\$642</i>	<i>\$1,036</i>

Source: ABS Census 2006

3.5 Index of Advantage and Disadvantage

Notwithstanding the analysis provided above, it is important to note that a review of weekly household incomes alone may not accurately shed light on the affluence of a resident population. By way of example, a review of weekly incomes alone fails to consider an area with an ageing population and thereby an area with a high level of retirees who have left the workforce yet still have a substantial asset base. Accordingly we have applied an alternative means of assessing the socio economic character of the Shire, in the context of the Mid North Coast being the Socio-Economic Index for Areas (SEIFA).

The SEIFA is produced by the Australian Bureau of Statistics (ABS) and compares geographic areas (LGAs and derived suburbs) with respect to advantage and disadvantage. The SEIFA, Index of Socioeconomic Disadvantage and Advantage (the 'Index') is derived from the attributes of an area's residents such as income, educational attainment, rate of unemployment and labour force skill. Accordingly, the SEIFA shows where the affluent (as opposed to just high income earning) live; where disadvantaged (as opposed to the unemployed) live; and where the highly skilled and educated (as opposed to the tertiary educated people) live.

The findings can be used to facilitate research into the relationship between socio-economic status and various health and educational outcomes, to determine areas that require funding and services and to identify new business opportunities.

The Index refers to the area in which a person lives, not to the socioeconomic situation of the particular individual. For the Index, every geographic area in Australia is given an SEIFA score which shows how disadvantaged that area is compared with other areas in Australia. Higher scores on the Index occur when the particular geographic area has higher family incomes and a more skilled labour force. A higher score means that an area is more advantaged and accordingly a lower score indicates that an area is more disadvantaged.

On this basis Table 10 below shows that as of 2006, Hastings LGA had the highest comparable level of advantage (959) within the Mid North Coast Region. Bellingen Shire had a score of 946 which was ranked 3rd in the Region and 68th out of the 153 LGAs across NSW. The score for each of the locations in the table below

increased notably over the census period indicating the rising level of advantage over time as a result of the Region’s growing attraction to more advantaged residents.

Table 10 - SEIFA Index of Advantage / Disadvantage – Sample of LGAs

LGA	Score 2001	Score 2006	Rank in State 2006
Kempsey	886.9	890	6
Nambucca	888.9	893	7
Clarence Valley	n.a.	913	23
Greater Taree	912.7	924	41
Bellingen	928.5	946	68
Coffs Harbour	941.6	957	84
Hastings	944.9	959	86

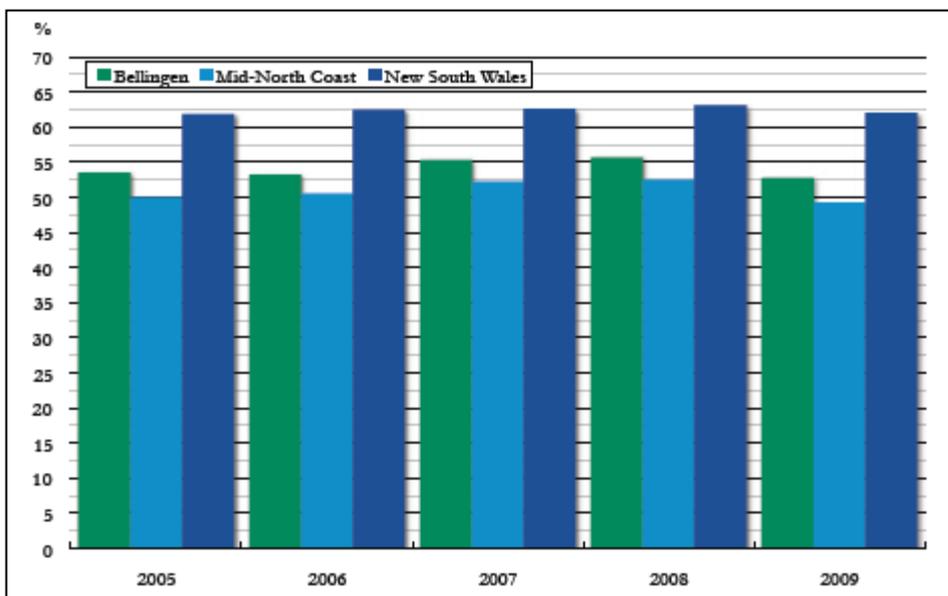
Source: ABS SEIFA 2006

3.6 Labour Force Characteristics

According to the Bellingen Shire Economic Profile, as at 2010 Bellingen Shire had a labour force (comprising both employed and unemployed residents) of 5,513 persons.

Labour force participation measures the proportion of the resident population aged 15 years and older participating in the labour force. In 2009 the Shire had a labour force participation rate of 52.7%, representing a decrease of 2.9% since 2008. As shown Figure 3 below, Bellingen’s workforce participation rate was higher than the Mid North Coast (49.2%) but lower than the NSW average (62%).

Figure 3 - Bellingen Workforce Participation Rate 2005 to 2009



Source: Bellingen Shire Council Economic Profile (ABS 3235.0, DEEWR and Lawrence Consulting)

Of those in the labour force 5,143 were employed representing a decrease of 2.3% since 2009. By implication, Bellingen experienced a 4.2% decline in the size of the labour force. This may be a likely result of the Shire’s ageing population and thus an increasing number of workers choosing to permanently retire from the labour force.

Bellingen had a higher rate of unemployment compared to NSW. In the March Quarter 2010 both Bellingen Shire and the Mid North Coast experienced an unemployment rate of 6.7% compared to the NSW unemployment average of 5.9%. However unemployment in Bellingen improved 1.9% since 2009.

3.7 What Industries do Bellingen Residents Work In?

Based on ABS Census Data, as of 2006, 4,430 Bellingen residents were employed either within Bellingen LGA or in alternative areas. This figure only accounts for employed residents and differs from Bellingen's workforce (i.e. excludes those residents that were unemployed).

The breakdown of industries of employment in order of size is shown in Table 11 below.

Table 11 - Employment by Industry for Bellingen LGA's Residents (2006)

Industry	Persons	% of Total
Health care & social assistance	597	13.5%
Retail trade	499	11.3%
Education & training	450	10.2%
Agriculture, forestry & fishing	402	9.1%
Accommodation & food services	377	8.5%
Construction	342	7.7%
Manufacturing	311	7.0%
Public administration & safety	239	5.4%
Professional, scientific & technical services	203	4.6%
Transport, postal & warehousing	169	3.8%
Other services	164	3.7%
Wholesale trade	137	3.1%
Administrative & support services	136	3.1%
Inadequately described/Not stated	97	2.2%
Arts & recreation services	79	1.8%
Financial & insurance services	72	1.6%
Information media & telecommunications	56	1.3%
Rental, hiring & real estate services	52	1.2%
Electricity, gas, water & waste services	36	0.8%
Mining	12	0.3%
Total	4,430	100.0%

Source: ABS 2006 Census (Time Series Profile)

Yellow highlight indicates top six industries of employment

The top six industries of employment for Bellingen's residents (shown in yellow above) highlight a varied range of skill sets and education. Amongst these industries there is a notable prevalence of service oriented industries such as Health Care and Social Assistance, Education and Training, Retail Trade, Accommodation and Food Services.

The dominance of these industries may be attributed to the skill base of the resident workforce and the need to provide vital services to cater to the local and regional population. It is also reflective of the nature of jobs provided in the Shire and the limited number of industrial or commercial office locations compared to the more major centres of Coffs Harbour or cities such as Sydney.

3.8 Jobs Generated within Bellingen Shire

As of 2006, in accordance with Bureau of Transport Statistics (BTS) statistics, the Shire generated over 4,400 jobs. This figure represents the number of jobs created in the Shire, irrespective of where the workers come from i.e. live. The top five employment generating industries were:

- Retail Trade with 512 jobs or 12% of all jobs;
- Arts and Recreation Services with 468 or 11% of all jobs;
- Agriculture, Forestry and Fishing with 413 jobs or 9% of all jobs;
- Accommodation and Food Services with 384 or 9% of all jobs; and
- Construction with 348 or 8% of all jobs.

The largest single employment generating industry in the Shire (retail) highlights the important role played by Bellingen's centres to local employment opportunities. The second largest industry with respect to employment (the arts and recreation) shows the importance of lifestyle and tourism. Agriculture remains as a key employer along with construction followed closely by manufacturing. These industries represent the Shire's traditional employment generating industries and the continuing importance of primary and secondary industries to the Shire's economy.

Combined, other industries generate 13% of all employment indicating the diversity of other jobs generated in the Shire. The proportion of jobs falling within this 'catch all' category is significantly greater for Bellingen than most other LGAs in NSW indicating the importance of smaller and more niche businesses to the local economy.

Table 12 - Jobs Generated within Bellingen Shire as of 2006

Industry	No. of Jobs	Proportion of Total
Agriculture, Forestry and Fishing	413	9%
Mining	6	0%
Manufacturing	310	7%
Electricity, Gas, Water and Waste Services	38	1%
Construction	348	8%
Wholesale Trade	139	3%
Retail Trade	512	12%
Accommodation and Food Services	384	9%
Transport, Postal and Warehousing	165	4%
Information Media and Telecommunication	47	1%
Professional, Scientific and Technical Services	70	2%
Administrative and Support Services	53	1%
Public Administration and Safety	194	4%
Education and Training	132	3%
Healthcare and Social Assistance	225	5%
Arts and Recreation Services	468	11%
Other Services	595	13%
Inadequately described	35	2%
Not Stated	61	4%
Total	4,441	100.00%

Source: BTS 2006

Note: Yellow highlight represents the top 6 employment generating industries

3.9 Where do Bellingen Shire's Residents Work?

Using the Bureau of Transport Statistics (BTS) Journey to Work Data it is possible to estimate the proportion of Bellingen's residents who work within the Shire and the proportion that must travel outside of the Shire for employment. This information is based on the Census question that asks respondents their place of residence and work one week before census night.

The BTS estimates that 4,441 residents of Bellingen LGA were travelling for work as of 2006. Analysis of Table 13 below shows that the largest single destination of Bellingen's resident labour force was the Shire itself (62%). This means that of the 4,441 residents who work (i.e. who are in the labour force) 2,762 were employed in jobs in Bellingen LGA as of 2006.

The remaining 38% of Bellingen's working residents (around 1,680 people) travel outside of the LGA to workplace destinations or do not have a fixed location for work. This latter category relates to people in trades, sales and service industries that travel to various locations to conduct paid employment i.e. plumbers, builders or electricians. Of the 425 (9%) residents of Bellingen Shire having no fixed place of work (or who had not stated their place of work as shown in rows three and four of the table below) 38% Worked in Construction, 13% did not state their employment industry, 8% Agriculture, Forestry and Fishing and 7% in Health Care and Social Assistance.

Travel outside the Shire for work is relatively contained to the surrounding LGAs. Accordingly, the single largest portion of this remaining category (22% or 967 people) travelled to Coffs Harbour LGA. The top ten destinations for employment for Bellingen's residents are shown in the table below.

Table 13 - Where Bellingen Shire's Workforce is Employed (2006)

Rank	LGA	No. of Workers	Proportion of Total
1	Bellingen	2,762	62.19%
2	Coffs Harbour	981	22.09%
3	No fixed address	226	5.09%
4	Not Stated	199	4.48%
5	Nambucca	106	2.39%
6	New South Wales Undefined	42	0.95%
7	Armidale Dumaresq	18	0.41%
8	Hastings	15	0.34%
9	Sydney	12	0.27%
10	Other*	80	1.80%
Total		4,441	100.00%

Source: BTS Journey to Work Data 2006, Hill PDA Other category includes remanding LGAs including LGA from Parramatta to Newcastle

3.10 Who Works in Bellingen Shire?

Table 14 below shows that 85% of all people employed in Bellingen LGA (2,762) as of 2006 also resided within the Shire. This figure is also referred to as job containment. A high job containment rate can be expected for Bellingen LGA given its regional location and the travel distance from alternative employment generating centres. As a result of these characteristics, Bellingen's economy plays a critical role in keeping its local residents in paid work.

The second and third most popular origins for Bellingen LGA's workers were Coffs Harbour and Nambucca owing once again to the proximity of these LGA's to Bellingen and their good transport and road links. Table 14 below shows the remaining top LGA's of origin for people employed in Bellingen LGA.

Table 14 - Where do Bellingen's Workers Come From? (2006)

Rank	LGA	No. of Workers	Proportion of Total
1	Bellingen	2,762	84.83%
2	Coffs Harbour	301	9.25%
3	Nambucca	107	3.29%
4	Clarence Valley	32	0.98%
5	Newcastle	4	0.12%
6	Parramatta	4	0.12%
7	Wollongong	4	0.12%
8	Armidale Dumaresq	3	0.09%
9	Bathurst Regional	3	0.09%
10	Other*	36	1.11%
Total		3,256	100.00%

Source: BTS TDC Journey to Work Data 2006, Hill PDA

Other category includes remanding LGAs including LGA from Blue Mountains to Byron, 3 people from Queensland are also included

3.11 Location Quotients

In order to better understand the characteristics of employment in the Shire as of 2006 and the strengths and weaknesses of its industries relative to other LGAs or Regions, a method of assessment called 'Location Quotients' has been utilised. This method compares the proportional size of an industry within Bellingen Shire LGA to other areas. This comparative analysis allows for an understanding of industry under representation or need. It also shows industries that are excelling within the LGA or that the LGA specialises in.

For the purposes of this assessment, we have compared Bellingen Shire to the State of NSW.

In further detail, a location quotient shows the relative proportion of jobs in one defined area in comparison to another. Where a location quotient is lower than one, the area being examined has a lower proportional split of jobs in the applicable industry than the comparison area.

Using Table 15 below to explain this further, as of 2006 Bellingen Shire had a very low representation of jobs (below a ratio of 1) when compared to NSW in a wide range of industries including Manufacturing; Wholesale Trade; Transport Postal and Warehousing; Rental, Hiring and Real Estate Services; Financial Services; Professional and Technical Services. This is reflective of the smaller scale / prominence of the Shire's industrial areas when compared to many other locations in NSW as well as the higher order business and service role played by larger centres in LGAs such as Coffs Harbour.

Where the location quotient (LQ) ratio equals to 1 there is an equal distribution of jobs between both areas however where the number exceeds 1, this represents a greater proportional share of jobs within the applicable industry for Bellingen LGA than NSW.

As shown in Table 15 below, as of 2006 Bellingen Shire had a significantly greater proportion of jobs in Agriculture, Forestry and Fishing (3x) as well as Arts and Recreation Services (2x). This indicates the strength of these industries in the Shire compared to NSW and the importance of supporting these industries. Also of note is

the strength of the Education and Training and Health Care and Social Assistance Industries which not only represent the largest employers in the Shire by industry, but industries with a greater proportional share of jobs in the Shire when compared to other locations.

Table 15 - Location Quotients – Bellingen Shire to NSW (2006)

Industry	LQ	Number of Jobs
Agriculture, Forestry and Fishing	3.0	413
Mining	0.1	6
Manufacturing	0.7	310
Electricity, Gas, Water and Waste Services	1.0	38
Construction	1.1	348
Wholesale Trade	0.6	139
Retail Trade	1.1	512
Accommodation and Food Services	1.3	384
Transport, Postal and Warehousing	0.8	165
Information Media and Telecommunications	0.5	47
Financial and Insurance Services	0.4	70
Rental, Hiring and Real Estate Services	0.5	53
Professional, Scientific and Technical Services	0.6	194
Administrative and Support Services	1.0	132
Public Administration and Safety	0.8	225
Education and Training	1.4	468
Health Care and Social Assistance	1.3	595
Arts and Recreation Services	2.0	83
Other Services	1.0	163
Inadequately described / not stated	0.7	96
Total	0.0	413

Source: BTS 2006, Hill PDA

3.12 Summary of Findings

In summary this Chapter has found that:

- Bellingen’s resident population is forecast to grow modestly over the Strategy period. In keeping with past trends its population will remain significantly older than the population of NSW, whilst also ageing at a faster rate. Conversely the proportion of families with children, as well as the proportion of the population in younger age brackets will continue to decline. These trends will lead to a greater demand for local and accessible services as well as a range of housing types in the Shire (i.e. smaller and more affordable dwellings);
- Whilst the Shire has a median weekly household income that is significantly below the NSW average, alternative indexes identify that it has a relatively advantaged community when compared to the Mid North Coast Region. The lower income profile of the Shire is a likely reflection of the age and lifestyle choices of local residents (i.e. to retire from the formal workforces) rather than their disadvantaged socioeconomic circumstances;
- Bellingen Shire has a reasonable workforce participation rate for a regional location and a declining unemployment rate which are positive indicators for the local economy. Key industries of employment for residents were population related services (i.e. health, education and retail) indicating the importance of

the service economy to the Shire. These industries were also the main industries generating employment within the Shire as of 2006 and in turn represented a higher proportional share of jobs in the Shire's economy when compared to the state of NSW;

- Agriculture, Forestry and Fishing and Manufacturing industries continue to be important generators of employment in the Shire representing 16% of all jobs. Compared to NSW, the former is a highly representative industry in the locality, whilst manufacturing is underrepresented being a likely reflection of the prominence of the Shire's employment lands; and
- Bellingen Shire has an employment containment rate of 85%. This means that 85% of jobs generated within the Shire are taken by Bellingen residents. Notwithstanding this high rate, 38% of Bellingen's working residents (around 1,680 people) are still required to travel outside of the LGA to workplace destinations or do not have a fixed location for work. The single largest portion of residents travelling outside of the LGA to work are travelling to the larger centre of Coffs Harbour (22% or 967 people).

4. HOUSING TRENDS IN BELLINGEN

The following Chapter provides a review of the housing related trends experienced by the Shire in comparison to the Mid North Coast Statistical Division (SD) and NSW. It provides an overview of housing characteristics and the affordability and appropriateness of housing to meet the needs of the current and future resident population.

This Chapter draws on data from the ABS and Centrelink in addition to housing affordability information sourced from the Centre for Affordable Housing, Housing NSW.

4.1 Household Characteristics

In 2006 the Shire had 5,100 occupied dwellings representing an increase of 5.6% since 2001. Over the same period (as discussed in Chapter 3) the Shire experienced a decline in household occupancy from 2.5 persons in 2001 to 2.4 persons in 2006.

The Table below reinforces the trend relating to household occupancy rates showing the declining proportion of family sized households across the Shire from 2001 to 2006 and its consistency with trends across NSW. The Table also shows the modest increase in the number of lone person households in Bellingen Shire over the period.

Over the period 2001 to 2006 Bellingen and the Mid North Coast experienced a significant shift in the nature of families residing in the area. This is a likely implication of the ageing population, changing family structures and the Region’s increasing attractiveness to empty nesters and retirees.

The extent of the shift is shown by the fact that over the five year period both Bellingen LGA and the Mid North Coast SD experienced an increase of 15% in the proportion of couples without children and a correlating decrease of 17% in the proportion of couples with children. In comparison, the proportion of couples without children in NSW only increased by 1% over the same period and the proportion of couples with children decreased by 1.8%.

Table 16 - Household Characteristics 2001 and 2006

	Bellingen LGA	2006 Mid North Coast SD	NSW	Bellingen LGA	2001 Mid North Coast SD	NSW
Household Structure						
Family Households	71%	71%	72.1%	72%	72%	73%
Lone Person Households	26%	27%	24.2%	25%	25%	23%
Group Households	3%	3%	3.7%	3%	3%	4%
Total	100%	100%	100.0%	100%	100%	100%
Family Type						
Couple family w. children	37%	36%	46.2%	54%	53%	48%
Couple family w/o children	43%	45%	36.0%	28%	30%	35%
One parent family	19%	18%	16.1%	18%	16%	15%
Other family	1%	1%	1.7%	1%	1%	2%
Total	100%	100%	100.0%	100%	100%	100%

Source: ABS 2001 and 2006 Census Data

4.2 Household Type and Ownership

As of 2006, both Bellingen LGA and the Mid North Coast SD had higher rates of home ownership when compared to NSW. The average proportion of homes in both the Shire and the Mid North Coast that were owned or being purchased was 5.3% higher than that of NSW. Accordingly, the proportion of households stated as rented within the Shire and the Mid North Coast (25%) was also 4.5% lower than the average stated for NSW. The high proportion of ownership within the area may be a reflection of the relatively established nature of the resident population and the intention for residents to permanently reside or retire in the area.

Complementing the statistics provided above, the proportion of dwellings described as separate houses within the Shire (90%) was considerably greater when compared to the Mid North Coast (81%) and the average for NSW (71.4%). Balanced against this was the lower proportion of dwellings within the LGA nominated as Flat-Unit-Apartments (4%). Housing diversity is a challenge experienced across NSW and in particular in rural and coastal locations where unit developments are less attractive from an economic viability / market point of view.

Notwithstanding, given the trend towards declining household sizes and the increasing proportion of lone person households and couples without children experienced in the Shire, a failure to provide suitable housing that meets the needs and income levels of the Shire's residents is a factor which is likely to fuel housing affordability and suitability pressures.

Caravan Parks

Housing NSW notes that Caravan Park accommodation provides an alternative form of accommodation for residents faced with limited housing options. Caravan parks provide housing to people who don't have access to housing in the private rental market, are on very low incomes or who need flexibility. According to the ABS Census Data as at 2006 there were 225 people living in Caravan Parks in Bellingen Shire.

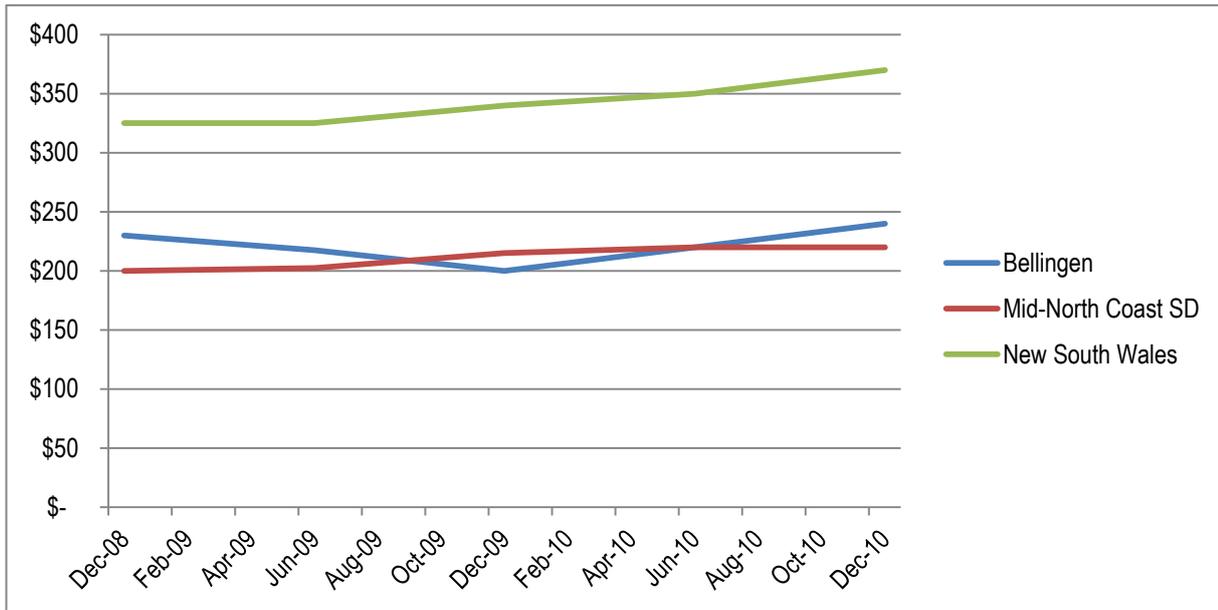
Centrelink data from the same period identifies that 124 of these people received a pension or a benefit. An issue facing the Mid and Far North Coast is the closure of a number of caravan parks and in turn the increasing risk of homelessness for those living in this form of accommodation. By way of example, it is estimated that a total of 40 permanent sites along the north coast were closed between November 2001 and January 2004 further limiting permanent affordable housing and tourist accommodation options in the Region³.

4.3 The Cost of Housing

Figure 4 below shows that median weekly rents have increased across NSW since 2008 and that both Bellingen Shire and the Mid North Coast Region have historically provided less expensive rental units when compared to the NSW average. Although the Shire has had lower rents when compared to NSW, Figure 4 shows that since December 2009 median market rents for Bellingen Shire have been rising at a faster rate than that of the Mid North Coast which has remained relatively stable.

³ 'Planning for Affordable Housing in Coastal Sea Change Communities' by Nicole Gurrán and Caroline Squires

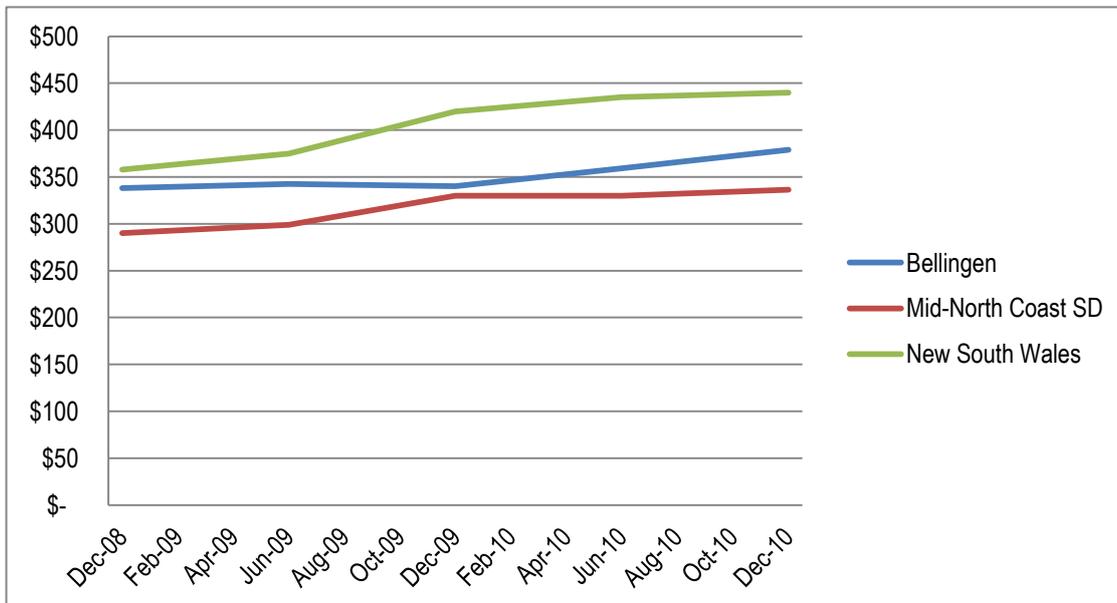
Figure 4 - Median Market Rent - December 2008 to December 2010



Source: NSW Centre for Affordable Housing, Housing NSW

Consistent with rental data, the cost of purchasing a dwelling in both the Shire and the Mid North Coast has been lower than the average for NSW. Notwithstanding this, the proportion of dwellings affordable for purchase to low income households (earning 50-80% of census median household income in Bellingen Shire) at December 2009 was just 3%. This is compared to 17% in the Mid North Coast and 11% in NSW. Moreover the proportion of affordable stock for purchase declined from 9% in June 2009 indicating the rapidly declining ability for low income households to purchase housing in Bellingen.

Figure 5 - Median House Price (Sales \$'000) December 2008 to December 2010



Source: NSW Centre for Affordable Housing, Housing NSW

4.4 Housing Stress

Housing NSW broadly defines affordable housing as “housing that is appropriate to the needs of a household and within their means to pay for it”. A common measure of housing affordability therefore relates to the cost of purchasing or renting housing compared to the capacity of households to pay for it. This measure is used to assess the availability of affordable housing within a given area.

Table 17 - Proportion of Households in Bellingen, Mid North Coast and NSW in Housing Stress 2006

Area	Very Low			Low			Moderate		
	Bellingen	Mid North Coast	NSW	Bellingen	Mid North Coast	NSW	Bellingen	Mid North Coast	NSW
% in Housing Stress	76%	69%	77%	46%	43%	52%	27%	30%	36%
% in Rental Stress	84%	88%	90%	54%	60%	57%	14%	19%	26%

Source: Census 2006 and NSW Centre for Affordable Housing

From the 2006 Census, 84% of all very low income households and 54% of very low income households renting in the Shire’s private rental market were in housing stress. This is a considerable issue given the high proportion of Bellingen Shire’s residents earning within lower income brackets. Consistent with the trend nationally, Table 17 above indicates that the Shire has considerably more very low and low income renters in housing stress than purchasers.

An analysis of the Shire’s residents in receipt of Commonwealth Rent Assistance (CRA) that are also in housing stress indicates that smaller households participating in the private rental market are significantly affected by housing affordability pressures in Bellingen Shire. Of the 28% of Bellingen Shire’s residents receiving CRA that are in housing stress, single person households form the majority (65%) with single parents representing a further 25%. In addition a further 16% of those in housing stress are in receipt of the aged pension.

4.5 Summary of Findings

In summary this Chapter has found that Bellingen Shire:

- Has experienced a healthy (5.6%) growth in the number of dwellings over the past census period, with most of this growth in demand likely to relate to the declining size of households in the Shire which means that even if the population did not grow over the census period, there would still be demand for more housing;
- Owing to the significant decrease in the proportion of households with children over the past census period, the ageing of the population and the corresponding decline in household size, there has been a shift in demand for housing types and thereby an increasing need for housing choice (i.e. a greater range of dwellings including townhouses, units and apartments);
- The number of caravan parks have declined across NSW in the past decade thereby increasing pressures on lower income households and reducing accommodation options for tourists;
- The cost of housing – both for rent and purchase is greater in the Shire than for the Mid North Coast on average and has been increasing at a greater rate. Notwithstanding, average housing costs remain below those of NSW. The growth in costs in the Shire are a likely reflection of its attraction as a place to live, limited stock of smaller dwellings as well as the growing demand for separate dwellings as a result of the trends discussed above. These factors are exacerbating ‘housing stress’, particularly for single parents and older residents.

5. EXISTING EMPLOYMENT LANDS AND CENTRES

The following Chapter provides a profile of Bellinghen Shire's key existing industrial, commercial and retail centres as designated by the Bellinghen Local Environmental Plan (LEP) 2010. The locations reviewed include:

1. Bellinghen Major Town Centre;
2. Dorrigo Town Centre;
3. Urunga Coastal Village;
4. The Raleigh Industrial Precinct;
5. The Dorrigo Industrial Precinct;
6. The North Urunga Industrial Precinct; and
7. The Bellinghen – Tamarind Drive Industrial Precinct.

The analysis has been informed by site visits and physical surveys of the existing centres, as well as desktop measurements of the industrial areas. The analysis has helped to inform a review of the strengths and weaknesses of these centres and precincts in addition to their potential threats and opportunities. The implications of these factors and recommendations for the expansion or rezoning of these areas is subsequently discussed further in Part D of this Strategy.

5.1 Summary of Floorspace within Centres

In order to inform the Strategy, Hill PDA undertook detailed floorspace surveys of the Bellinghen, Dorrigo and Urunga centres. The surveys were conducted by Hill PDA staff who paced out the width and length of each non-residential unit (including shopfront and first floor businesses). These figures were then translated into distance and each business categorised into an ANZIC Industry Code.

Hill PDA's floorspace surveys found that Bellinghen Major Town Centre, Dorrigo Town Centre and Urunga Coastal Village together provided in the order of 44,350sqm of employment generating floorspace as of July 2011. The largest single share of floorspace (16,267sqm or 38%) related to retail floorspace. Close to 10,420sqm (24%) related to commercial uses, whilst approximately 2.3% (1,036sqm) of floorspace was recorded as vacant at the time of survey. The share of vacant floorspace varied notably however by centre.

Bellinghen Town Centre represented the largest of the three centres providing approximately 49% of all floorspace in the three centres and 50% of all retail floorspace. Dorrigo Town Centre was the second largest of the three centres providing 32% of floorspace and 35% of retail floorspace. Urunga Village provided the least amount of floorspace (18%) of floorspace and 16% of all retail floorspace.

Bellinghen Town Centre contained the largest proportion of commercial floorspace of the centres contributing approximately 65% of commercial floorspace across the centres combined. This large proportion of commercial and retail floorspace shows the important role that the Bellinghen Major Town Centre plays in the Shire as its commercial and retail hub.

The combined results of the floorspace survey, by land use category are provided in Table 18 below.

Table 18 - Existing Retail and Commercial Floorspace – Bellinghen, Dorrigo and Urunga Centres

Category	Floorspace (sqm)	Proportion of Total
Cafes & Restaurants	3,346	7.5%
Convenience Store	270	0.6%
Personal Services	2056	4.6%
Specialty Food	2025	4.6%
Specialty Non Food	6425	14.5%
Supermarket	1,980	4.5%
Take Away Food	165	0.4%
Total Retail Floorspace	16,267	36.7%
Commercial - Finance	801	1.8%
Commercial - General	6,277	14.2%
Commercial - Legal	767	1.7%
Commercial - Medical	1,725	3.9%
Commercial - Real Estate	852	1.9%
Total Commercial Floorspace	10,422	23.5%
Automotive	1,513	3.4%
Community	6,291	14.2%
Hotel	5,759	13.0%
Industrial	1,601	3.6%
Recreation/Fitness	959	2.2%
Vacant	1,036	2.3%
Wholesale/Homemaker	501	1.1%
Total Floorspace	44,349	100.0%

Source: Hill PDA 2011

5.2 Summary of Industrial Land Area

A desktop review of the existing industrial land designated by the Bellinghen LEP 2010 and identified by the Strategy Brief found that approximately 73.2ha of land is presently available for / in use. It is important to note that this figure includes access and circulation areas and therefore is a higher estimate of actual land available for development. A more detailed analysis of each location is provided in the following sections of this Chapter.

Table 19 - Existing Land within Industrial Zones (ha)

Industrial Zones	Land Area (ha)
Raleigh Industrial Precinct	58.4
Dorrigo Industrial Precinct	11.1
North Urunga Industrial Precinct	2.3
The Bellinghen - Tamarind Drive Industrial Precinct	1.4
Total*	73.2

Source: Hill PDA desktop analysis

Please note this figure relates to the existing zoned industrial areas nominated by the project brief.

5.3 Bellingen Major Town Centre

Figure 6 - Plan of Land Zoned within the Bellingen Town Centre



Source: Map produced by Hill PDA using MapInfo 10.5 software and Microsoft Bing © 2010 Microsoft Corporation

Location and Description

Bellingen Major Town Centre extends along Hyde Street from Short Street Lane in the north to Creek Lane in the south. It is bound by Oak Street to the west and Prince Street to the east. The Centre is presently zoned B2 Local Centre and facilitates a wide range of uses including a 540sqm IGA supermarket, restaurants, cafes, bakeries, butchers, hot food takeaway's, hairdressers, employment agencies, commercial offices and clothing stores. The Centre also incorporates a number of hotels including the Diggers Tavern and Federal Hotel.

Located on the periphery of the Centre are a range of leisure and cultural uses including the Bellingen Golf Course, the Showground and the Old Butter Factory. A range of civic uses are focused within the centre's core including Council's Chambers, the Police Station, Bellingen Museum, the historic Court House and Bellingen Library. Some retail and commercial uses have extended out from the existing zoned area as general business uses including the No. 2 Oak St Restaurant, Carty and Cox Solicitors and Clayton and Foster Accountants.

Existing and Proposed Zone

Bellingen Town Centre is presently zoned B2 Local Centre by the Bellingen LEP 2010.

Commercial and Retail Mix

Based on Hill PDA's floorspace survey, the Bellingen Major Town Centre presently accommodates over 108 businesses and provides in the order of 21,841sqm of retail, commercial and vacant floorspace. Of this floorspace 8,330sqm (38%) was retail floorspace; 6,737sqm (31%) was commercial floorspace and 6,774sqm (31%) relates to other types of floorspace such as automotive, community, hotel, industrial, recreation / fitness and vacant floorspace. A full breakdown of existing floorspace within the Centre by land use type is provided in Table 20 below.

Table 20 - Breakdown of Floorspace within Bellingen Major Town Centre 2011

Category	Floorspace (sqm)	Proportion of Total
Cafes & Restaurants	1,879	8.6%
Convenience Store	270	1.2%
Personal Services	1155	5.3%
Specialty Food	739	3.4%
Specialty Non Food	3673	16.3%
Supermarket	537	2.5%
Take Away Food	77	0.4%
Total Retail Floorspace	8,330	37.6%
Commercial - Finance	361	1.7%
Commercial - General	4,553	20.9%
Commercial - Legal	486	2.2%
Commercial - Medical	1,015	4.7%
Commercial - Real Estate	322	1.5%
Total Commercial Floorspace	6,737	30.9%
Automotive	1,067	4.9%
Community	1,465	6.7%
Hotel	2,575	11.8%
Industrial	123	0.6%
Recreation/Fitness	959	4.4%
Vacant	585	2.7%
Total Floorspace	21,841	100.0%

Source: Hill PDA 2011

Performance

At the time of survey, the Centre had a vacancy rate (on a floorspace basis) of 2.7%. A vacancy rate of 3 to 5% is usually seen as a very healthy rate for a well performing centre. A 3-5% rate encourages investment and provides opportunities for businesses to move into the centre or to upgrade their locations as businesses expand.

Furthermore it was noted during the course of the survey work that many of the vacancies related to older, smaller or poorer quality units that were not located in prime locations. This indicates that a number of vacancies related to the poor quality of the building and its location as opposed to the poor performance of the centre. Bearing each of the above referenced matters in mind, the vacancy rate for the centre is considered to be a sign of a centre that is trading very strongly.



Strengths and Weaknesses

Some of the key strengths of Bellingen Major Town Centre include:

- Its central location within the Shire, presenting Bellingen as an attractive and accessible amenity to residents living across the Shire as well as visitors travelling through the Shire;

- The character of its heritage buildings and features which add to its visual appeal and ambience;
- Its strong performance as indicated by its low vacancy rate and vibrancy of street activity;
- Its strong sense of community, activity and social cohesion;
- The Centre has an active Chamber of Commerce that works with Council to develop tourist and economic strategies to enhance the vitality and viability of the Centre;
- The compact nature of the Centre and its attractive 'green' approach and exit along Waterfall Way on account of the golf course and surrounding agricultural land;
- The environmental amenity of the Centre including street trees and landscaping, supported by its close location to the Bellingen River, Piggott Park, Bellingen Park, Jarrett Park, George Edmunds Reserve etc.
- The Centre's accessible location to surrounding farm land and ability to support the requirements of agricultural businesses;
- Its close proximity to Bellingen Showground and therefore opportunities to support / benefit from local events and festivals which attract people in from neighbouring centres, LGAs and Regions;
- The quantity and quality of specialty stores and cafes with a unique character that attract shoppers to stay longer as well as visitors to travel to the Centre from outside of its traditional trade area;
- The location of leisure facilities on the periphery of the Centre such as Bellingen Golf Club and the Old Butter Factory which reinforce the centres role and provide spin off visits from tourists and visitors; and
- Its close proximity to Coffs Harbour Airport.

Some of the existing weaknesses of Bellingen Major Centre include:

- The lack of a main line supermarket or discount department store resulting in the need for residents to travel greater distances by car for weekly grocery items, discretionary and bulky goods items. This results in a loss of expenditure from the Shire as well as additional burden on the local infrastructure (roads) and environment;
- The lack of larger retailers can also lead to reduced local competition and thereby higher grocery prices which has a social and economic impact to local households;
- The Centre's designation as a conservation area which can limit some opportunities / perceived opportunities for development and change;
- The centre is slightly affected by the 1% AEP flood level, the area affected is predominately located in the eastern section of the town comprising around eight properties;
- There is a lack of large, vacant sites or sites readily available for redevelopment by a large tenant; and
- The Centre is bounded by lower density residential dwellings in multiple ownership. This can frustrate the expansion of the Centre on account of the cost and time associated with acquiring multiple sites.

Opportunities and Threats

Some of the key opportunities for Bellingen Major Town Centre relate to:

- Economic growth across the Shire which could increase demand for retail and business services in the Centre as it is the Shire's main business area;

- The marketing of Bellingen as a centre with unique retail offer, high environmental amenity, an array of cultural and recreational opportunities and heritage features to attract tourists and visitors from within its traditional trade area; and
- The enhancement of its environmental amenity and lifestyle appeal through improved visual links between Waterfall Way and the Bellinger River.

Some of the key threats for the Bellingen Major Town Centre relate to:

- A reduction in population and employment growth resulting in a reduced demand for investment, improvements and development;
- The attraction of business and investment to competing centres that are less restricted with respect to site availability, heritage constraints or flood liability; and
- The limited number of large sites within the existing centre, reducing opportunities for growth and expansion by larger stores (such as supermarkets) and therefore the ongoing need for local residents and visitors to travel outside of the Shire for their higher order retail and broader business needs.

5.4 Dorrigo Town Centre

Figure 7 - Plan of Dorrigo Town Centre



Source: Map produced by Hill PDA using MapInfo 10.5 software and Microsoft Bing © 2010 Microsoft Corporation

Location and Description

Dorrigo Town Centre is located within the north western portion of the Shire, approximately 29km (22 minutes) by road north west of Bellingen Major Town Centre. The Town Centre serves the immediate population as well as surrounding agricultural properties and businesses. The area presently designated as the core business area extends along Cudgery Street from Pine to Cedar Streets (north to south) and Myrtle to Tyringham Streets (east to west) as shown highlighted in blue in the figure above.

A natural barrier known as the Dorrigo escarpment physically separates Dorrigo Town Centre from the eastern portion of the Shire. As a result of the escarpment, travellers along Waterfall Way are required to travel through Dorrigo Town Centre providing opportunities for passing trade and supporting its economic viability.

The Centre incorporates a range of uses including the 1,200sqm Dorrigo Hotel, the 1,130sqm Plateau Motel, a 400sqm IGA supermarket, a 495sqm SPAR supermarket, a 680sqm antiques store, cafes and commercial offices. The Town Centre also incorporates some urban and agricultural support facilities such as NRMA Repairs, Stan Cork Machinery and New Holland Agriculture.

Existing Zone and Proposed Zones

Dorrigo Town Centre is presently zoned B2 Local Centre by the Bellingen LEP 2010.



Commercial and Retail Mix

At the time of survey Dorrigo Town Centre had in the order of 73 shop front businesses providing approximately 14,305sqm of retail, commercial and vacant floorspace. Of this floorspace 5,805sqm (41%) was retail floorspace, 2,541sqm (18%) was commercial floorspace and 5,960sqm (42%) related to other types of floorspace such as a hotel, storage, automotive repair yards and vacant floorspace. At the time of survey, 4 non-residential properties along Hickory Street in the Centre were vacant.

A full breakdown of existing floorspace within the Centre, by land use type is provided in Table 21 below.

Table 21 - Breakdown of Floorspace in Dorrigo Town Centre 2011

Category	Floorspace (sqm)	Proportion of Total
Cafes & Restaurants	1,141	8.0%
Personal Services	373	2.6%
Specialty Food	682	4.8%
Specialty Non Food	2,314	16.2%
Supermarket	794	5.6%
Wholesale/Homemaker	501	3.5%
Total Retail Floorspace	5,805	40.6%
Commercial - Finance	232	1.6%
Commercial - General	1,476	10.3%
Commercial - Legal	69	0.5%
Commercial - Medical	468	3.3%
Commercial - Real Estate	296	2.1%
Total Commercial Floorspace	2,541	17.8%
Automotive	446	3.1%
Community	624	4.4%
Hotel	3,184	22.3%
Industrial	1,478	10.3%
Vacant	227	1.6%
Total Floorspace	14,305	100.0%

Source: Hill PDA 2011

Performance

At the time of survey, approximately 1.6% of the centre’s built floorspace was vacant. This vacancy rate is lower than the recommended rate of 3% to 5%. The low rate of vacancy may limit opportunities for new businesses in the Centre as well as opportunities for existing businesses to expand or negotiate more affordable accommodation options.

Strengths and Weaknesses

Some of the key strengths of Dorrigo Town Centre include:

- Its location on the western side of the Dorrigo escarpment providing retail and services to the local trade area as well as trade passing to Armidale;
- The attractive nature of the Centre with a number of heritage features, cafes and wide streets creating a pleasant ambience for visitors;
- The Centre has an active Chamber of Commerce that works with Council to develop tourist and economic strategies to enhance the vitality and viability of the Centre;
- Its range of unique destination stores such as the antique store, gourmet food and sweet shop;
- The Centre's close proximity to National Parks, forests, waterfalls and other tourists attractions which enhance opportunities for tourist expenditure;
- The Centre is not flood prone;
- The Centre is well served by public car parking;
- The Centre is compact in character and easily accessible by walking or car from surrounding dwellings;
- The Centre has two supermarkets including an IGA and a SPAR supermarket creating greater variety of choice and competition; and
- The Centre has a mix of retail and leisure uses as well as services to create an attractive destination for local residents.



Some of the existing weaknesses of Dorrigo Town Centre include:

- The Centre's limited trade area with respect to resident population size;
- The absence of a main line supermarket, discount department or bulky goods store requires residents to travel from the Centre for greater choice in grocery items and to shop for higher order / discretionary goods i.e. clothing, household furniture etc. As a result residents are required to travel further and spend their dollars outside of the Shire;
- The length of Cudgery Street and gradient of Hickory Street may prohibit some shoppers from walking around the Centre, increasing reliance on private vehicles;
- Access into Dorrigo from the eastern seaboard is achieved by one main road (Waterfall Way) reducing opportunities for passing trade;
- The potential separation of Dorrigo as a result of the temporary closure of Waterfall Way following poor weather conditions i.e. high rainfall causing flash flooding; and
- The centre's distance away from a larger resident base thereby restricting demand for services and growth.

Opportunities and Threats

Some of the key opportunities for Dorrigo Town Centre relate to:

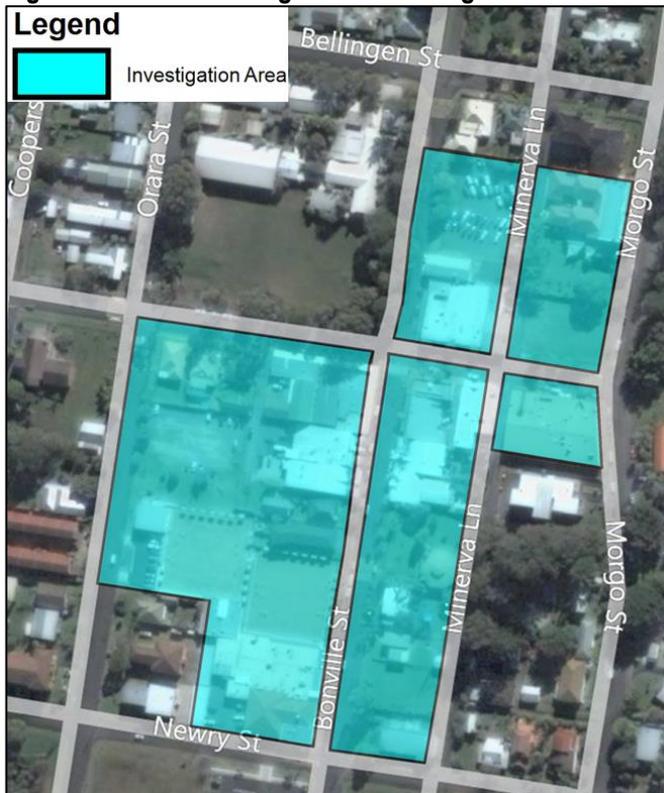
- Its growing attraction as a destination on scenic tours;
- The relocation of the existing markets to the main street to enhance opportunities for existing retailers to benefit from the activity; and
- The refurbishment of the Dorrigo Railway Line and the creation of a Railway Museum.

Some of the key threats for Dorrigo Town Centre relate to:

- The growth and expansion of other towns both within and outside of the Shire which may draw expenditure away; and
- The bypassing of Dorrigo by future road works.

5.5 Urunga Coastal Village

Figure 8 - Plan of Urunga Coastal Village



Source: Produced by Hill PDA using MapInfo 10.5 software, Microsoft Bing

Location and Description

Urunga Village focuses around Bonville Street from Newry Street in the south to Bellinghen Street in the north and from Morigo Street to Orara Street (east to west). The Village is located on the easternmost point of the Shire approximately 16.7km (17 minutes) by road from Bellingen Major Town Centre. The Village serves the immediate resident population, seasonal tourist population as well as surrounding rural properties.

Urunga Village provides a range of retail and commercial businesses including a 3,222sqm Bowling Club, a 380sqm SPAR supermarket and a 270sqm Foodworks Supermarket. The Village Centre is located two blocks back from the banks of the Bellinger / Kalang Rivers in close proximity to the Urunga Heads Holiday Park, Ocean View Hotel and the Urunga Golf and Sports Club.

Existing and Proposed Zone

Urunga Village is presently zoned B2 Local Centre in accordance with the Bellingen LEP 2010.

Commercial and Retail Mix

At the time of survey, Urunga Village provided just over 8,200sqm of retail, commercial and vacant floorspace. Of this floorspace 2,633sqm (32%) was retail floorspace, 1,144sqm (14%) was commercial floorspace and 4,202sqm (54%) related to other types of floorspace such as the Bowling Club which includes a lawn bowling yard and vacant floorspace.

Table 22 - Breakdown of Floorspace in Urunga Village 2011

Category	Floorspace (sqm)	Proportion of Total
Cafes & Restaurants	326	4.0%
Personal Services	528	6.4%
Specialty Food	604	7.4%
Specialty Non Food	438	5.3%
Supermarket	649	7.9%
Take Away Food	88	1.1%
Total Retail Floorspace	2,633	32.1%
Commercial - Finance	208	2.5%
Commercial - General	248	3.0%
Commercial - Legal	212	2.6%
Commercial - Medical	242	3.0%
Commercial - Real Estate	234	2.9%
Total Commercial Floorspace	1,144	13.9%
Community	4,202	51.2%
Vacant	224	2.7%
Total Floorspace	8,203	100.0%

Hill PDA 2011

Performance

At the time of survey, only 2.7% of the centre's floorspace was vacant. This figure is considered low and indicative of a Centre that is performing soundly. At the time of survey, there was a lot of activity in the Centre and it was clearly a focal point of the community for meeting, socialising and convenience shopping.

The low vacancy rate may also be reflective of the local Chamber of Commerce's concerns that additional land needs to be identified for the expansion of the Village to facilitate additional, and a greater mix of retail opportunities⁴.

Strengths and Weaknesses

Some of the key strengths of Urunga Village include:

- The Centre's accessibility to / from the Pacific Highway and thereby passing trade;
- The centre's streetscape is currently undergoing improvement along Orara Street;
- The Centre has two anchor stores (the SPAR and Foodworks supermarkets) which attract shoppers who in turn purchase items and services from surrounding speciality stores. The two supermarkets also facilitate competition thereby helping to moderate grocery prices;
- The Centre has a mix of retail and leisure uses and services to attract tourists and to improve the lifestyle amenity of the Village for local residents;
- The Centre has an active Chamber of Commerce that works with Council to develop tourist and economic strategies to enhance the vitality and viability of the Centre;

⁴ Economic and Tourism Development Plan, Bellinghen Council 2010

- The Village is 'bookended' by a bowling club and public school which both generate spin off trade for the Centre and surrounded by civic uses such as the Police Station which enhance the sense of safety; and
- The close proximity of the Village to the river, beach and Urunga Recreational Reserve all enhance its visual and lifestyle appeal.

Some of the existing weaknesses of Urunga Village include:

- The centre's limited trade area with respect to population size and density;
- The seasonal fluctuation of the tourism industry and therefore challenges associated with maintaining the necessary level of retail and service offer across the year;
- The expansion of the Centre is constrained by surrounding community and residential uses in fragmented ownership;
- Concerns by the Chamber of Commerce regarding a lack of new retail spaces, refurbished stores, limited trading hours and retail mix⁵; and
- The centre is flood prone.



Opportunities and Threats

Some of the key opportunities for Urunga Village relate to:

- Business growth through tourism and the Centre's marketing using the beach lifestyle as a selling point;
- The opportunity for the expansion of the Village Centre as there are empty lots within the B2 zoning; and
- Additional leisure and recreational facilities and services in the Centre thereby enhancing its lifestyle appeal and role as a community meeting point.

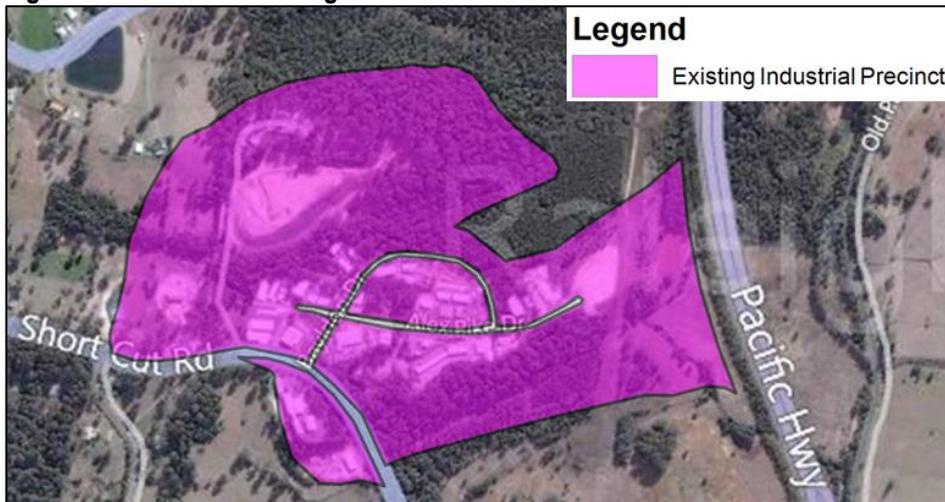
Some of the key threats for Urunga Village relate to:

- The reliance of the Centre on seasonal trade; and
- The growth and expansion of other towns or out of centre retailers both within and outside of the Shire, taking much of the growth in demand generated by the Shire's potential economic growth.

⁵ Economic and Tourism Development Plan, Bellingen Council 2010

5.6 The Raleigh Industrial Precinct

Figure 9 - Plan of the Raleigh Industrial Precinct



Source: Map produced by Hill PDA using MapInfo 10.5 software and Microsoft Bing © 2010 Microsoft Corporation

Location and Description

The Precinct referred to as the Raleigh Industrial Estate is located approximately 11.1km (12 minutes) by road east of Bellinghen Town Centre and approximately 4km (8 minutes) by road from Urunga Village. The 58.4ha Precinct forms an irregular shape around the central roads of Bayldon Drive and Alex Pike Drive within the suburb of Raleigh.

The Precinct is accessed by the Pacific Highway and alternatively Short Cut Road which, as its name implies, is an alternative route to Bellinghen Major Town Centre. Although the route is 1km shorter than the Pacific Highway route, the slower speed limit renders Short Cut Road a two minute longer travel time. Of note however, the proposed deviation to the Pacific Highway investigation area / corridor is located within and to the immediate east of the Precinct. Accordingly subject to the refinement of the proposed highway location, there could be important implications to the continuity and visibility of the precinct.

The Estate consists of 29 lots of which 3 are vacant. The remaining lots comprise a mixture of businesses including light industrial, urban support and Bellinghen Council businesses such as Dart Metal Works, Fred Keizer Constructions, Kango Concrete, Buff N Shine Auto, Urunga Canvas and Sails and Bellinghen Shire Council, Raleigh Works Depot.

Existing Zone and Proposed Zone

The area highlighted in purple above is presently zoned IN1 General Industrial by the Bellinghen LEP 2010.

Strengths and Weaknesses

Some of the strengths of the Precinct include:

- The dual access to the estate via the Pacific Highway and Short Cut Road;
- The established nature of the Precinct, relative size and mixture of businesses;
- Of the 29 lots within the Precinct, three are vacant, providing some opportunity for new investment;
- The Precinct is in a visually attractive location;

- There are no residential uses immediately within or surrounding the Precinct that could create conflicts; and
- There is an established cluster of urban support services in this location that provide employment opportunities and services for local residents.

Some of the weaknesses of the Precinct include:

- It has a limited number of lots that are undeveloped or occupied;
- The Precinct is bordered by E3 Environmental Management and R5 Large Lot Residential zoning restricting options for growth and expansion;
- The Precinct varies in topography thereby affecting the ease and cost of construction as well as the ease of accessing / servicing the sites by larger vehicles;
- The Precinct is not serviced by a reticulated sewer;
- The Precinct is not visible from the Pacific Highway and therefore may not be an apparent location for new businesses seeking to locate in the Region; and
- The location is partly susceptible to being flood prone thereby restricting the density of development that can be achieved.

Opportunities and Threats

- Opportunities for the Precinct relate to its unique positioning between Bellinghen and Urunga coupled with the Precincts separation from more sensitive uses such as residential. These key points make the Precinct attractive to investment by businesses and development.
- The dual accessible location between two of the Shire’s largest population concentrations place the Precinct in a position that would benefit from any economic growth in the Shire and the spin off demand generated for urban support services.



- A clear threat to the growth of the industrial area relates to the surrounding E3 Environmental Management and R5 Large Lot Residential zoning. This constrains any future expansion of the industrial area.
- A potential threat to the Precinct also relates to the Pacific Highway deviation. This deviation could adversely affect the desirability of the location from a business access point of view.

5.7 The Dorrigo Industrial Precincts

Figure 10 - Dorrigo Industrial Precinct



Source: Produced by Hill PDA using MapInfo 10.5 software, Microsoft Bing

Location and Description

The area referred to as the Dorrigo Industrial Precinct is located 900 metres (2 minutes) by road to the north of Dorrigo Town Centre and 29km (23 minutes) by road from Bellingen Major Town Centre. The 11.1ha Precinct is divided into two rectangular shaped parcels of land.

The southern portion encompasses 7.2ha and is bounded by Railway Street on its western border, Ash Street on its northern border and the Bielsdown River on its eastern border. Businesses within the southern Precinct include Stan Cork Machinery, Readymix and State Emergency Services.

The northern portion of the Precinct encompasses 3.9ha of land and is bounded by Bielsdown River on its western and northern border and Vine Street on its eastern border. The northern Precinct consists largely of vacant land with no development and a large derelict building (the old abattoir) fronting Vine Street. Surrounding this Precinct is a range of employment generating uses including the Country Energy Field Service Centre and the Beaumont's Produce store for agricultural goods, nursery and pet goods.



Existing Zone and Proposed Zone

The area highlighted in purple above is presently zoned IN1 General Industrial by the Bellinghen LEP 2010.

Strengths and Weaknesses

Some of the strengths of the Precinct include:

- Both sections of the Precinct have good road access from Waterfall Way;
- Both sections have good access to Dorrigo Town Centre, its associated services and labour force;
- There is undeveloped / vacant land within the Precinct implying there is scope for development and investment within both proportions;
- The Precinct is in a visually attractive location;
- The land is in large lots; and
- The majority of the Precinct is not flood prone.

Some of the weaknesses of the Precinct include:

- The Precinct's location away from the main business and resident areas of the Shire (i.e. Bellinghen Major Centre and the Raleigh Industrial Estate) which minimises opportunities to service / cluster with these uses;
- The access challenges for vehicles travelling between the Precinct and the Pacific Highway along Waterfall Way on account of its gradient and other environmental factors;
- A key site within the northern Precinct – the abattoir site has a poor quality disused building that would require demolition or significant refurbishment by any prospective tenant; and
- The Precinct is surrounded by R1 General Residential zoning increasing opportunities for conflict.

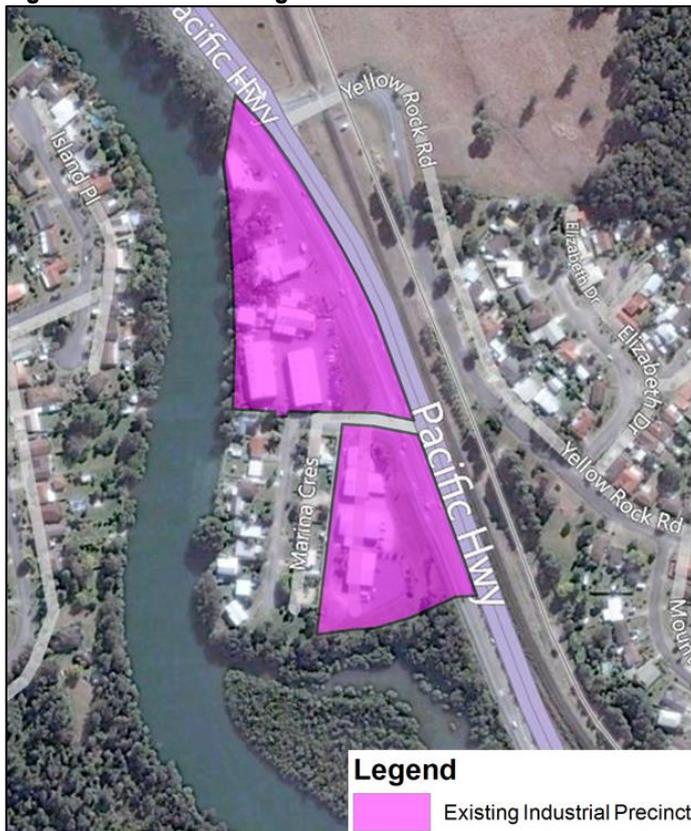


Opportunities and Threats

The Precinct has existing land available for further investment and development opportunities. Key threats for the Precinct relates to the encroachment of residential uses that may adversely affect opportunities for development and the operation of businesses within the Precinct.

5.8 North Urunga Industrial Precinct

Figure 11 - North Urunga Industrial Precinct



Source: Map produced by Hill PDA using MapInfo 10.5 software and Microsoft Bing

Location and Description

The area referred to as the North Urunga Industrial Precinct is located approximately 14.4km (13 minutes) by road east of Bellingin Major Town Centre and 1.7km (5minutes) by road north of Urunga Village. The Pacific Highway runs along the eastern border of the 2.3ha parcel of land and is the main access road to the Precinct.

The Precinct is separated by Marina Crescent into two key components. The northern portion of the Precinct (i.e. north of the Marina Crescent) consists of 1 small and 4 large lots. The northern portion contains light industrial uses such as Urunga Auto Electrical, Windows, Glass and Screens and Mid Coast Tiles. The northern portion also contains a BP service station. This component of the Precinct is triangular in shape bounded by the Pacific Highway to the east and the Kalang River to the west.

To the south of Marina Crescent the lot sizes are smaller, with the occupiers offering more urban support services such as Urunga Mowers, Bellingin Carpets, Navin Auto Repairs and North Coast Boating Centre. This component of the Precinct is bordered to the west by land zoned Zone R1 - General Residential and to the east by the Pacific Highway.



Existing and Proposed Zone

The area highlighted in purple above is presently zoned as IN1 General Industrial by the Bellingen LEP 2010.

Strengths and Weaknesses

Some of the strengths of the Precinct include:

- Its location at the gateway to Urunga Village with excellent access via the Pacific Highway for large vehicles as well as local residents;
- The Precinct's location on the Pacific Highway gives it a high level of visibility from passing trade; and
- The Precinct has a number of established businesses in a clearly defined precinct.

Some of the weaknesses of the Precinct include:

- It is bordered by R1 General Residential and RE1 Public Recreation zoning thereby restricting opportunities for expansion and creating opportunities for conflict between industry and more sensitive uses; and
- The Precinct is highly flood prone thereby significantly restricting the density / extent of development that can be achieved.

Opportunities and Threats

Some opportunities for the Precinct include:

- Its location at the gateway to the Shire and is therefore its ability to benefit from the spin off opportunities created by economic growth in both Urunga and the broader Shire; and
- The Precinct is well positioned to provide Urunga's urban support services.

Potential threats to the Precinct relates to:

- The Precinct's limited opportunity to accommodate additional businesses;

- Its environmental constraints (i.e. the entire Precinct is flood prone). This factor could deter additional businesses from investing;
- The adjacent residential housing, a public recreation area and the Pacific Highway which makes future expansion of the Precinct difficult and may affect future investment opportunities; and
- Prospective changes to the Pacific Highway which may influence the visibility or accessibility of the Precinct from the road or opportunities for growth.

5.9 The Bellinghen – Tamarind Drive Industrial Precinct

Figure 12 - The Bellinghen – Tamarind Drive Industrial Precinct



Source: Map produced by Hill PDA using MapInfo 10.5 software and Microsoft Bing © 2010 Microsoft Corporation

Location and Description

The area referred to as the Bellinghen – Tamarind Drive Industrial Precinct is located within Bellinghen approximately 1.3km (3 minutes) by road north of Bellinghen Major Town Centre. The Precinct encompasses 1.4ha of land and is accessed via Tamarind Drive.

The Precinct is triangular in shape with development confined to the southern proportion of the Precinct. The western border of the Precinct is bounded by existing residential lots. The eastern border principally adjoins park land and the southern border adjoins vacant residential land. The Precinct contains two light industrial businesses being Planet Lighting and Lucinda Glass.

Existing and Proposed Zone

The area highlighted in purple above is presently zoned as IN1 General Industrial by the Bellinghen LEP 2010.

Strengths and Weaknesses

Some of the strengths of the Precinct include:



- The Precinct's close proximity to Bellingen Major Town Centre and the local workforce; and
- The Precinct has an established business(es) that have developed the location to meet their specific requirements.

Some of the weaknesses of the Precinct include:

- The Precinct is bordered by R1 General Residential and RE1 Public Recreation zoning creating potential for amenity conflicts with these more sensitive uses;
- The Precinct is accessed via residential streets which can create conflicts with delivery or service related vehicles;
- The irregular shape of the Precinct limits the extent to which development can be achieved; and
- The Precinct is highly flood prone significantly restricting the density of development that can be achieved.

Opportunities and Threats

Some opportunities for the Precinct include:

- The Precinct is an established Precinct that provides a local business and employment opportunities; and
- The Precinct is well located to benefit from the spin off opportunities created by economic growth in Bellingen.

Some threats for the Precinct include:

- The surrounding residential uses and public recreation areas limit opportunities for expansion and enhance opportunities for conflict. Potential conflict with surrounding uses would be likely to restrict the effective operation of the businesses on the site; and
- The Precinct is tailored to the existing businesses / tenants. Should these businesses relocate, it is not likely that the Precinct would appeal to other light industrial business owing to its size, environmental and access constraints.

6. POLICY & BACKGROUND DOCUMENTS

The following Chapter provides a brief summary of the key strategies, plans and policies that may influence the growth and operation of Bellingen's employment lands in the future. This Chapter also profiles the key findings of relevance to this Strategy as identified by a number of background documents prepared by / on behalf of Council.

6.1 Mid North Coast Regional Strategy

The Mid North Coast Regional Strategy is the primary regional planning document for the Mid North Coast Region of NSW. The Strategy establishes the guiding principles for how the future growth of the Mid North Coast will be planned and managed. It states that its primary purpose as a Strategy is to ensure adequate land is available and appropriately located to meet the Region's projected housing and employment needs.

The Region incorporates eight local government areas including Bellingen Shire. It has four major regional centres (Grafton, Coffs Harbour, Port Macquarie and Taree) as well as six major towns – one of which is Bellingen. The Strategy identifies Dorrigo as a Town in the Region and Urunga as a Coastal Village.

The Mid North Coast Strategy bases its assumptions on a 27% population growth rate (+90,000 people or >1% growth per annum) over its 25 year period (to 2031). It also forecasts demand for an additional 47,000 jobs across the Region with the majority of this growth to be focused in major centres. Accordingly the Strategy seeks to protect the Region's existing commercial and employment lands whilst encouraging the growth of its major centres and towns. The Strategy does not support out-of-centre retailing.

The Coffs Coast Subregion (incorporating Coffs Harbour, Bellingen and Nambucca LGAs') is targeted to accommodate +18,600 dwellings and +83ha of additional industrial land over the life of the Regional Strategy. In this regard the Strategy identifies Bellingen and Dorrigo as having "*ample land supplies to cater to their expected growth during the next 25 years*" yet cautions that water capacity issues will need to be considered. The Strategy identifies that the planned growth of inland areas will be prioritised over coastal areas.

Of relevance to this Strategy, the Mid North Coast Strategy identifies tourism as a major driver of the regional economy and recommends that strategies build on the success of this sector by maintaining the qualities that make the Region attractive to tourists. It also anticipates significant growth in health and aged care jobs. The latter being reflective of the ageing of the community, which together with tourism, will increase demand for a greater diversity and density of housing stock in towns such as Bellingen.

As an outcome of the Strategy, councils are required to plan for a range of housing types and localities to meet the needs of these groups. The Strategy also identifies that new caravan parks should be located in urban areas.

6.2 Mid North Coast Regional and Settlement Guidelines

The Mid North Coast Regional Settlement Guidelines were prepared to assist council's in preparing growth management strategies that implemented the objectives and actions of the draft Mid North Coast Region Strategy. The Guidelines require councils to maintain and monitor the extent of industrial lands zoned for development in

addition to the total number of lots, vacant lots and the total potential additional lots under existing zoning and approved strategies.

Of particular relevance to this Strategy, the guidelines provide a range of criteria (to be discussed further in Part D) by which to assess the suitability of land for employment purposes.

6.3 Bellingen Shire Growth Management Strategy 2006 – 2026

The Growth Management Strategy for Bellingen was adopted by Council in August 2007. Of relevance to this Strategy the Growth Management Strategy identified planning actions and mechanisms to achieve *“A prosperous and cohesive community enjoying a variety of satisfying lifestyles, a wide range of employment opportunities, and high quality infrastructure, services and facilities.”*

In achieving this vision the Growth Management Strategy has regard to the wider strategic context of the Coffs Coast Subregion and surrounding LGAs. It also seeks to reinforce Council’s commitment to working with stakeholders to achieve:

- *“quality residential development – in safe neighbourhoods with well-planned access to nearby workplaces, services, recreation opportunities, and natural areas;*
- *a strong and sustainable economy based on our resource assets, our natural appeal to tourists, and the footloose industries and activities of the information age;*
- *contained urban development, surrounded by contiguous corridors of open space, protecting the integrity of rural land;*
- *reduced dependency on the car as mobility options expand;*
- *high standards of environmental protection – that preserve habitat, enhance ecological diversity, and maintains air and water quality;*
- *protection of Aboriginal cultural heritage and history; and*
- *efficient servicing, infrastructure and resource utilisation.”*

Building on the work of the 2003 Industrial Lands Strategy and of relevance to the employment lands discussed in this Strategy, the Growth Management Strategy identified the following objectives and recommendations.

Bellingen

- The forecast growth within Bellingen Central Business Area (CBA) may be accommodated within the existing business zone however the current configuration of land uses within this zone may warrant its extension or the relocation of existing uses outside of the CBA. It is recommended that consideration be given to the preparation of a retail / commercial strategy for Bellingen to determine the extent to which the existing CBA can accommodate this future growth. Any strategy may consider the extension of the CBA into William Street and Mary Street given current land uses, the configuration of lots and the surrounding road network;
- Notwithstanding this, key constraints to the expansion of settlement within Bellingen relates to: flooding, native vegetation, extensive and intensive agricultural uses, topography, landscape quality and the location of the STW;

- Consideration should be given to the development of a formal commercial precinct in North Bellingen to service existing and future development. Any rezoning should ensure that the role and function of the Bellingen CBA is not adversely affected; and
- An additional 3ha of industrial land will be required within Bellingen to accommodate future industry. Whilst four sites were assessed by the 2003 Employment Lands Strategy, no sites were identified as being suitable for industrial development.

Dorrigo

- No additional land is considered necessary for commercial purposes in Dorrigo before 2026;
- An additional 1 ha of land is required in Dorrigo for future industrial uses. Land at the former Abattoir site was identified as suitable for redevelopment. This land has since been rezoned; and
- Key challenges to the expansion of the Dorrigo settlement relate to prime agricultural land, land use conflicts, topography and landscape quality.

Urunga

- No additional land is considered necessary for commercial purposes in Urunga before 2026;
- An additional 6ha of land is required for Urunga with land identified to service this growth at North Urunga (Lot 20, DP 848489) adjacent to the Pacific Highway and existing industrial area. This land is currently in the process of being rezoned; and
- Key challenges to the expansion of the Urunga settlement relate to native vegetation, flooding, SEPP 14 wetlands, proximity to the Bellinger / Kalang Rivers.

6.4 Bellingen LEP 2010 and DCP 2010

The Bellingen Local Environmental Plan (LEP) 2010 has been prepared by Council to regulate land use and development within the Shire. The relevant development controls established by the LEP 2010 and their implications to the Shire's centres and employment lands are discussed at length in this Strategy.

The Bellingen Development Control Plan (DCP) 2010 is a comprehensive document that establishes development controls for different types of development and locations within the Shire. The DCP supports the Bellingen LEP 2010.

6.5 Bellingen Shire 5 Year Economic and Tourism Development Plan

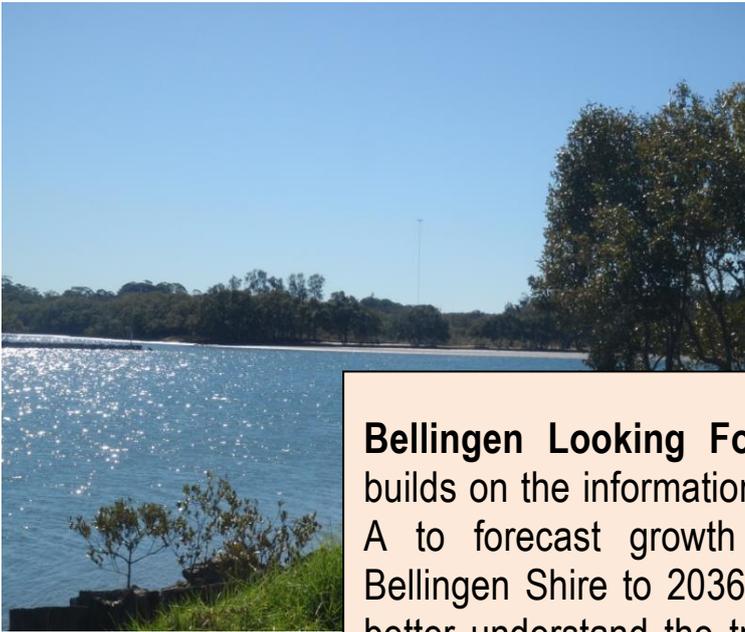
The Economic and Tourism Development Plan identifies initiatives to develop the Shire's economic and tourist base over a 5 year period. The initiatives were identified for implementation by Council in cooperation with the Bellingen, Urunga and Dorrigo Chambers of Commerce.

The Plan identifies some of the defining features of the Shire to include: community diversity and support; festivals end events; its relaxed beach culture; pristine, clean rivers and rainforest; lack of overdevelopment; desire to avoid becoming another Byron Bay and the boutique main street shopping.

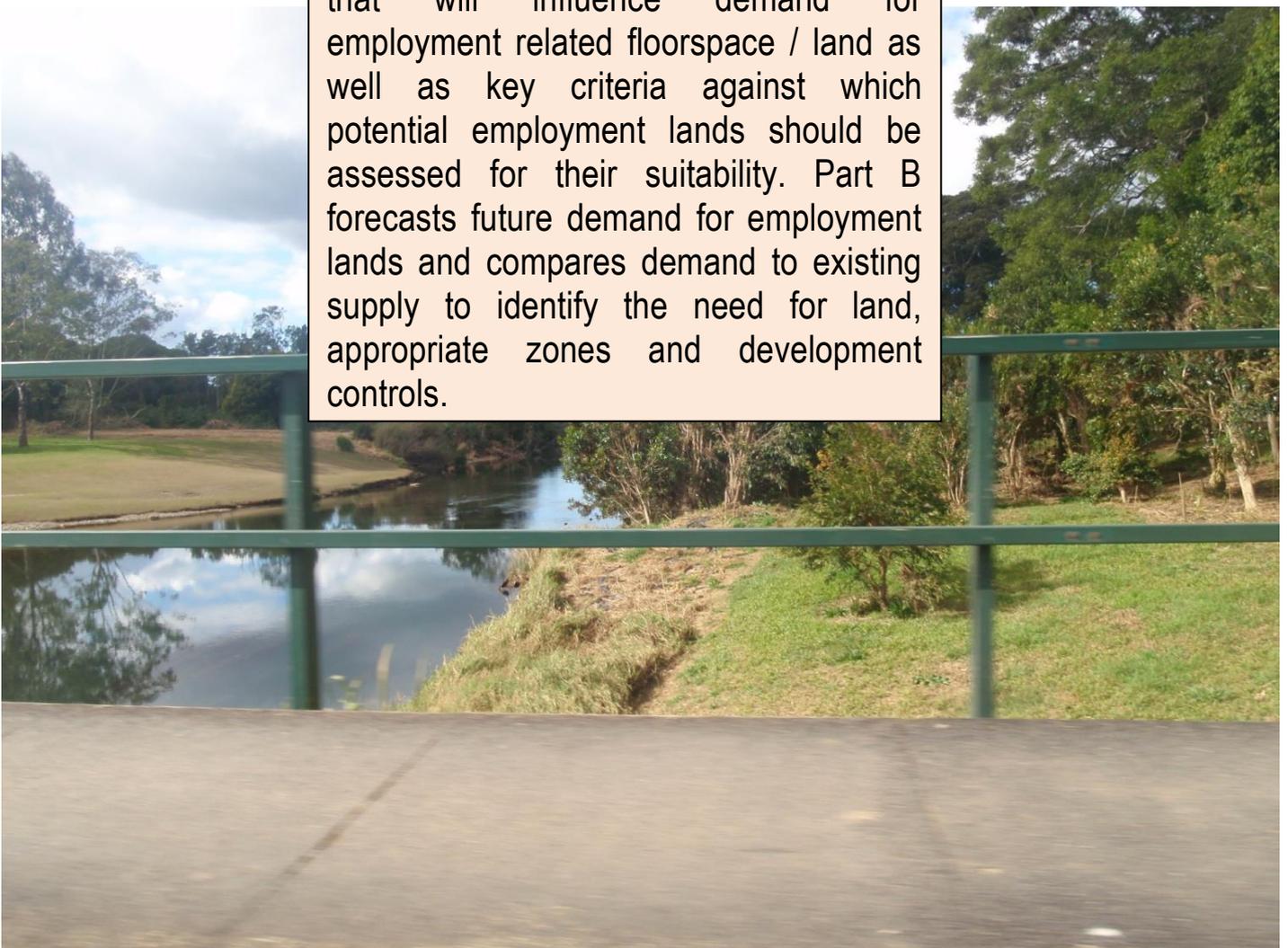
Of particular relevance to this Strategy, the Development Plan identifies the need to:

- Rezone additional land in the Shire for employment purposes to specifically accommodate a business innovation centre in Bellinghen, a potential special purpose logistics and central distribution hub in Urunga and a potential performing arts / art gallery centre in Bellinghen;
- Focus on creative industries, tourism and hospitality and the natural attributes of the Shire;
- Pursue the concept and a potential location for an “Enterprise Park” which would act as an enterprise hub for creative industries including: multimedia operators and companies; digital and film based enterprises; web based designers and app creators; designers (of all sorts); and some existing manufacturers;
- Identify land for more caravan parks and commercial accommodation and acknowledge the lack of sufficient accommodation for peak holiday periods and during events and festivals which is limiting event growth (in all three chamber areas); and
- Identify appropriate land and stimulate investor interest for quality aged care facilities throughout the Shire (noting that this could occur in any of the chamber areas).

PART B – BELLINGEN LOOKING FORWARD



Bellingen Looking Forward: this part builds on the information provided in Part A to forecast growth and change in Bellingen Shire to 2036. Part B seeks to better understand the trends and factors that will influence demand for employment related floorspace / land as well as key criteria against which potential employment lands should be assessed for their suitability. Part B forecasts future demand for employment lands and compares demand to existing supply to identify the need for land, appropriate zones and development controls.



7. TRENDS INFLUENCING EMPLOYMENT LANDS

There are a number of local, regional and global trends that are, and likely to, influence the size, location and use of Bellingen Shire's employment lands. This Chapter analyses these trends at a macro and in some cases a micro level with the intention of better understanding the trends that may influence the growth and success of the Shire in order to inform the preparation of this Strategy.

7.1 Australian Economy

The global economy is in the midst of a major correction phase. Over the last 20 - 30 years the global economy has been buoyant and expansive, evidenced by low interest rates and resultant increases in the amount of corporate and private debt. The collapse of the US property bubble however led to in what is now widely referred to as the Global Financial Crisis (GFC). The GFC and its impact on consumption and world production, has dominated the economic climate in western economies in recent years. This has been a major factor influencing business decisions and it is therefore essential to consider the longer term economic cycles and trends when preparing strategies to support sustainable growth in the future.

Australia has been less affected by the GFC than many of its trading partners and this can in a large part be associated with:

- The minerals and energy boom;
- Australia's financial system being less heavily geared; and
- Australia's main trading partner, China, continuing to experience economic growth as a result of its political/economic system.

The Australian Government's intervention, including lowering interest rates, direct payments to households and individuals and significant infrastructure expenditure further helped to mitigate the impacts of the GFC. Indeed 2010 saw interest rate increases to 4.75%⁶ on the back of improvements in many economic indicators for 2009, including house prices, employment and business and consumer confidence. In light of mixed economic indicators (i.e. a strong outlook for mining investment compared to non-mining investments looking softer and households showing more signs of caution and business confidence declining⁷) 2011 has seen no further rises however the impact of the 2010 interest rate increases is affecting not only property markets but also retail spending and consumer confidence, with employment growth slowing.

Inherent in these trends is the concept of the two speed economy in Australia, which is largely attributed to the resource boom. Concerns generally relate to the economic gains being focussed in those States and areas where mining activities are concentrated whereas the impacts of higher interest rates and a strong Australian dollar are experienced across the country. Economists appear divided as to whether Australia is actually experiencing a two speed economy with one argument being that all States have enjoyed growth in employment and real household disposable incomes thus indicating that income gains from the boom have been widely distributed and that the boom has provided a stimulus to labour demand generally.

⁶ Reserve Bank of Australia, 19 May 2011

⁷ The RBA's Thinking on the Economy Over the Past Year, August 2011

Recent regional job figures published by the ABS in 2011 suggest a two speed economy has not evolved in Australia with around 70% of Australia enjoying an unemployment rate of less than 6%, thus indicating the benefits of the resource boom were being spread across Australia. Interestingly, the lowest unemployment rates were mainly outside of the mining areas. This is most likely in part be due to the Government's effective management of the resource boom including the redistribution of tax revenue.⁸

The performance of Australia's main trading partners will continue to present risks to the resource fuelled recovery and in turn to consumer and business confidence – both factors that will influence the success of Australia's economy and the subsequent level of demand for employment lands.

7.2 Bellingen's Local Economy

Turning to a more localised focus, Bellingen Shire had a Gross Regional Product (GRP) of \$346.8 million in 2009 / 2010. Whilst the Shire is recognised as having a strong creative, cultural and innovative sector, in raw dollar terms manufacturing was the largest single contributor to the local economy (\$142.2m or 12.2%). Bellingen's economy is also supported by population related industries including Education and Training (7.1%) and Health Care and Special Assistance (7.0%) as well as the more traditional local industry of Agriculture, Forestry and Fishing (6.6%).

The latter industry is recognised as having evolved into a mix of traditional and non-traditional farming (including permaculture) in response to the lifestyle attractions of the area as well as the broader shifts in *“consumer demand, changes in government policies, technological advances and innovation, emerging environmental concerns and an unrelenting decline in the sector's terms of trade.”*⁹

Of note is the growth of less traditional industries in Bellingen including Professional, Scientific and Technical Services which saw the greatest annual increase in productivity value between 2009 and 2010 (+12%). As well as Information, Media and Telecommunications – an industry in decline in many areas in NSW yet has experienced the greatest average annual growth in productivity of all industries in Bellingen over the past five years (+9.1%). These businesses are well suited to centre locations. The centres of Bellingen and to a lesser extent Dorrigo remain the main locations within the Shire for commercial and professional businesses.

Of relevance to the Tourism industry, the Accommodation and Food Service Industry (4.4%) as well as the Arts and Recreation Service industry (1.5%) contributed a greater proportion of value (or productivity) to Bellingen's GRP in 2009 / 2010 than the equivalent industries for NSW as a whole (3.9% and 0.8% respectively). The contribution made by Retail Trade (5.8%) was notably lower than the State average of 7.2% once again reflecting the high level of retail expenditure lost from the LGA (discussed further in Chapter 9).

As of June 2009 over 1,210 businesses operated within the Shire with Agriculture, Forestry and Fishing (320) being the industry with the greatest actual number of businesses followed by construction (195) and Retail Trade (117). Hill PDA has arranged the following table to highlight that around 600 of those businesses are likely to locate within the Shire's towns and villages and around 480 are likely to be located within the Shire's employment and agricultural lands highlighting the importance of both locations to an employment strategy. The remaining 195 businesses are construction related and may be located in either of these locations or operate in residential areas (i.e. residential constructions).

⁸ Rural job figures counter two-speed economy fears, David Uren, The Australian, March 07, 2011

⁹ Trends in Australian Agriculture, Commission research paper, Australian Government Productivity Commission, 2005

Table 23 - Number of Businesses by Industry, Bellingen LGA (2009)

Number of Businesses by Industry – at 30 June	2009
Agriculture, forestry and fishing	320
Mining	3
Manufacturing	63
Electricity, gas and water supply	3
Wholesale trade	36
Transport, Postal and Warehousing	58
Subtotal	483
Construction	195
Retail trade	117
Accommodation and Food Services	66
Information Media and Telecommunications	9
Finance and insurance	39
Rental, Hiring and Business Services	85
Professional, Scientific and Technical Services	110
Administration and Support Services	21
Public Administration and Safety	0
Education and Training	9
Health Care and Social Assistance	45
Arts and Recreation Services	36
Other Services	39
Non Classifiable Industry	22
Subtotal	598
Total	1276

Regrettably as the ABS categories for businesses have changed in recent years it is not possible to directly compare the number of businesses by industry type over an extended period. We have however provided data for the 2005 to 2007 period indicating that the number of businesses within the Shire has steadily increased from 2005, despite economic shocks in 2008 and 2009 as a result of the global economy.

Hill PDA has also arranged the following table to highlight that around 500 of those businesses are likely to locate within the Shire's towns and villages and around 500 are likely to locate within the Shire's employment and agricultural lands. A comparison to the 2009 data shows that despite the growth in the number of manufacturing relating businesses and transport, postal and warehousing businesses in the Shire since 2007, the split of businesses seeking to locate within centres compared to non-centre locations has grown substantially i.e. by 20%.

Table 24 - Number of Businesses by Industry, Bellingen LGA 2005 – 2007

Number of Businesses by Industry - at 30 June	2005	2006	2007
Agriculture, forestry and fishing	360	366	348
Mining	3	3	6
Manufacturing	66	57	57
Electricity, gas and water supply	3	3	3
Wholesale trade	24	36	36
Transport and storage	42	48	48
<i>Subtotal</i>	498	513	498
Construction	204	204	213
Retail trade	156	147	156
Accommodation, cafes and restaurants	57	63	60
Communication services	15	12	18
Finance and insurance	21	24	21
Property and business services	141	153	156

Education	3	3	3
Health and community services	36	30	30
Cultural and recreational services	21	12	18
Personal and other services	33	33	39
<i>Subtotal</i>	483	477	501
Total businesses	1,185	1,194	1,212

Source: ABS, 1379.0.55.001 National Regional Profile, Bellingen (A), 2005-2009

7.3 Research and Innovation - The New Economy

Building on the analysis provided in the preceding section regarding growth sectors in Bellingen Shire the following section discusses the economic concept known as the ‘New Economy’. This is a term used to describe a knowledge and idea-based economy. In the New Economy the key to higher standards of living and job creation is the incorporation of innovative ideas and technologies in services, products and manufacturing processes. It is characterised by technological innovation, e-commerce, digital transformation, higher education, skills and open trade. It differs from the previous economy where there was less of a reliance on skills and education and the key driver of economic growth was the mechanisation of the production process.

Some of the key characteristics of the ‘New Economy’ as it emerges include:

- Higher levels of entrepreneurial dynamism and technological innovation due to increased competition. Such innovation is characterised by research and development and is the key driver of productivity and ultimately wage growth, which benefits both consumers and the wider community;
- An increase in knowledge based employment that stems from technological innovation, highlighting the need for education and training;
- An improvement in the efficiency of the design and production process, resulting in faster times to the marketplace and to the end-user;
- An increase in diversity in the products and services provided to consumers;
- Increased reliance on the internet and other forms of information technology, especially in the service sector. ‘Digitisation’ (using digital information technologies to produce goods and services) is also a key driver;
- Globalisation of the marketplace;
- The restructuring of the hierarchical organisational structures with the emergence of the need for government to co-invest and collaborate with other organisations, so as to achieve a wide range of public policy goals; and
- An increase in the importance of understanding the changing economy.

The goal for growing regional areas, such as Bellingen Shire, will be to continue to foster innovation and adaptation, to secure a range of employment options and industry diversity. In many industries, education and training, creativity and adaptation have become the principle sources of competitive advantage. Efforts made by communities to foster the New Economy need to be proactive so as to ensure that the community has access to tertiary education and lifelong learning opportunities.

Bellingen Shire has already had considerable success attracting businesses and creative persons operating within the New Economy to the area. This is reflected in the Shire’s Economic and Tourism Development Plan which

identifies these businesses as a point of difference for the Shire and seeks to promote their presence as a core part of the Shire's economic base. Also of relevance will be the provision of the National Broadband Network and thereby opportunities to enhance access to, and the speed of, doing business across the internet. As outlined above, the internet and digital technologies are a pillar of the New Economy.

Education is another pillar of the New Economy. Bellingen does not have a TAFE or other tertiary education facility within the Shire, with the closest opportunity for such training being provided in Coffs Harbour. Whilst it is regrettable that the Shire does not have its own education campus, opportunities to partner with the Coffs Harbour Campus and to maximise opportunities for learning and training through the TAFE's 'Open Campus' (i.e. online campus) will be important to enabling existing and new residents to access the employment opportunities that a growing and new economy provides. The effectiveness of this option will also be enhanced through the provision of the National Broadband Network. Furthermore, the Shire also has a number of private operators such as Camp Creative that seek to enhance the education and innovation of local groups through courses and other training opportunities.

It is increasingly important in the New Economy that a Shire such as Bellingen continues to be attractive to 'knowledge workers', as they are the key driver in the success / failure of implementing the New Economy's principles. There are many factors that contribute to the attractiveness of an area, the most important of which is the quality of life / lifestyle on offer. This is affected by such things as crime, amenities and transportation as well as the availability of cafes, restaurants, leisure and recreational activities. Bellingen Town Centre has a well-established café and leisure economy creating an attractive environment for workers.

7.4 Urban and Business Support Services

In addition to promoting the growth of the core sectors, it is essential for Bellingen Shire to encourage and facilitate the growth of other sectors such as retail, office/commercial, healthcare, tourism, culture and childcare. As mentioned above, these sectors are critical, particularly in regional areas, to enhance the liveability of the area, helping to attract and retain workers.

Bellingen Shire has many lifestyle benefits that could attract knowledge workers including; beaches, rainforests, sustainable agriculture, a proactive Council, health care facilities, arts and culture and an abundance of recreation and leisure pursuits.

It will be imperative however that Bellingen Shire as a whole embraces the complementary lifestyle factors sought by today's knowledge workers, including good quality office space, a choice of restaurant and café destinations, a range of entertainment facilities and an attractive night time economy.

7.5 Retail

National Trends and Drivers

Over the past three decades significant changes have occurred in the retail industry such as the introduction of new technologies, the ageing of the population, increased female participation in the workplace and changing consumer preferences. These changes have placed increased pressure on many existing centres to either adapt or lose market share.

In response to these changes, the quantum of retail floorspace required on a per capita basis has also changed. In the 1980s, Australian retail floor space totalled approximately 1.8 square metres per person (excluding

commercial space and automotive retailing), which was roughly divided into equal components of regional, district and neighbourhood/local centres. Today we have around 2.1sqm to 2.3sqm per capita due to increasing affluence and consumerism.

Taking a broader perspective, retail is a key sector in the Australian economy. In 2009-10 retail contributed 4.3% to the GDP and in February 2010 11% of Australian employees worked in retail¹⁰. In 2008-09 retail sales and service income equated to \$329.7 billion (an increase of 6.8% on the previous year)¹¹ however with the onset of the GFC, the sector recorded negative growth in the September quarter 2009 and more recently in the September quarter 2010.

Prices provide a useful indication of the performance of the retail sector. We note that the broad consumer price index (CPI) rose by 2.7% over the year December 2009-2010 but certain categories of goods experienced a fall in prices, most notably clothing and footwear; audio, visual and computing; sports goods and equipment; and appliances, utensils and tools. Retailers in these categories are therefore experiencing challenging times, as consumer saving behaviour has changed. The Reserve Bank of Australia recorded the savings rate at 10% of disposable income at the start of 2011 which was the highest level in 20 years.

Another factor that is likely to influence retail is the strong Australian dollar encouraging consumers to make purchases from offshore online retailers.

The retail sector has evolved over the past few decades in a response to some key trends. These trends have been most pronounced in major urban areas yet remain relevant to regional areas that are planning how to accommodate growth.

High Street Retailing: Since the 1950's-60's (in parallel with increasing car ownership) there has been a move from high street retailing to suburban malls that provide convenient shopping and car parking. A major change in the suburban mall has been the change in ownership. Ownership of the suburban shopping centres is largely with the retail property groups (Westfield, GPT, Centro and the like) enabling retailers to focus on their core business without having large investments in the property itself.

Whilst most commonly experienced in major metropolitan centres and suburbs, regional areas can also be impacted. Regional areas generally have larger geographic catchment areas but much lower population densities, and therefore the development of such shopping centres can make it difficult for existing high street retailers to continue to compete for trade from shopping centres. In the case of Bellingen LGA, this trend has largely been avoided as retailing activities have focussed within established Centres, with many thriving as a result of their boutique and high street approach.

More recently, gentrification and large scale infill developments have triggered a recovery of high street retailing. Retail outlets such as cafes, restaurants, niche bookshops and household goods suppliers are now part of the attraction of urban living. This trend is clearly exemplified by the successful boutique and eclectic retail approach in Bellingen CBD.

Despite these trends, as will be discussed further in Chapter 9, traditional retail strips within the Shire still compete however with indoor shopping centres located out of the Shire, such as Toormina Centro.

¹⁰ IBID

¹¹ ABS (2010) Australian Industry, 2008-09, Cat. no. 8155.0.

Big Box Retailing: The Big box retail format has been growing in Australia since the 1980's with stores occupying large floor space requiring high turnover on low price/cost products. Typically the Big Box retailers have focussed on hardware, whitegoods, home wares, electrical goods and liquor. The recent arrival of Costco and Woolworth's expansion into hardware suggests the growth trend will remain. This trend appears less relevant in Bellingen Shire however with relatively small formats locating within or close to the town centres.

Internet Shopping: Internet shopping (also called e-tailing and electronic retailing) is a retail format in which the retailer and customer communicate with each other through an interactive electronic network. A growing proportion of Australians have access to the internet at home. The rate of access quadrupled in recent years, from 16% of households in 1998 to 64% in 2006-07.

In 2006-07, 61% of the 11.3 million people who used the internet at any site reported using it in the past 12 months to buy goods or services for private use. Among all age groups, people aged between 25-34 years were most likely to have used the internet for this purpose (71%)¹².

Despite increasing household access to the internet, the growth in internet shopping has not been as dramatic as predicted by some futurists in the early 1990s. Currently internet shopping accounts for approximately 5% of total retail sales. Most sales have been made by higher socio-economic households and only with commodities that are suited for that type of shopping including second hand items, music, computer hardware and software and office durables. In many cases internet shopping is used to acquire knowledge, rather than make purchases.

The rate of growth in electronic retailing will be dependent on whether or not it can, and is perceived to be able to, provide superior benefits over existing retail formats. The critical benefit that electronic retailers can offer is the opportunity for consumers to search across a broad range of alternatives, develop a smaller set of alternatives based on their needs, and get specific information about the alternatives they want.

This benefit will also become more apparent with the rollout of the National Broadband Network making internet access faster and more efficient. This will have an influence in regional locations such as Bellingen Shire where there is a greater travel time to major centres that provide a good selection of discretionary and higher order goods and where a lack of competition between retailers can lead to higher prices.

Notwithstanding the growing opportunity for internet shopping to capture an increasing proportion of total retail sales generated within Bellingen Shire, the impact may not be as dramatic as initially forecast with shoppers still preferring to shop physically to compare goods, brands, stores and prices and as a means of entertainment / leisure and socialising. Accordingly the impact to traditional bricks and mortar retailers is not likely to be as significant or detrimental as initially forecast.

Bellingen Shire Trends and Drivers

Demand for retail is closely linked to population growth and increasing wealth. Part A of this Strategy showed that Bellingen Shire has been experiencing population growth as part of a broader trend in the Mid North Coast Region. This trend is forecast to continue resulting in additional demand for retail floorspace. The actual quantum of forecast demand will be discussed further in Chapter 9.

¹² Australian Social Trends - ABS 2008

For indicative purposes, Table 25 below shows that Coffs Harbour and Grafton are the main centres within the Mid North Coast with respect to retail offer. Other centres such as Centro Toormina and Nambucca Plaza can attract retail expenditure from the Shire, particularly discretionary and higher order expenditure.

Table 25 - Major Retail Centre's Surrounding Bellingen, Shire

Location	Indicative Drive Time from Bellingen
Toormina	30km or 30 min
Coffs Harbour	35km or 32 min
Grafton	118km or 1hr 38 min
Port Macquarie	148km or 2hrs 10mins
Armidale	153km or 2hr
Tamworth	264km or 3.5hrs

Source: Shopping Centre News and Google Maps

The key point for this Strategy is that the centres surrounding Bellingen Shire are key competitors for expenditure generated in the Shire, particularly for supermarket related shopping, discretionary goods and larger bulky goods / electronics.

7.6 Commercial and Industrial Industries

National Trends and Drivers

Deindustrialisation is a trend that is continuing to result in the decline of traditional manufacturing and industrial jobs. This trend is a global trend owing to the greater efficiencies of technology and mechanisation. Conversely, the increasing affluence of NSW's population and growth of the New Economy is expected to strengthen demand for commercial floor space especially in key locations, close to tertiary education and transport links.

The key long term trend in office development has therefore been the growth in the service and knowledge sectors. These sectors relate to civil service and public sector administration; banking, insurance and finance; private sector administration (corporate headquarters etc.); business services (law, accountancy and consultancy) and consumer services (health, education, media etc.). As found by Barkham (2002) *“Service sector organisations, both public and private sector, are the main users of office space.”*

In the 1970's there were predictions that with technological advances, a much larger proportion of people within the service and knowledge sectors would work from home, reducing employers' overheads and demand for office floorspace. This phenomenon has not been fully realised, with technology increasing the amount of out of hours work taking place at home or on public transport. However more than 80%¹³ of people employed across Australia are still working in business premises. Rather than a move away from businesses premises, technological advances have contributed towards a greater choice of locations and higher densities of employment within offices with wireless networks and the like facilitating initiatives such as 'hot-desking'.

Emergence of Business Parks: With the decline of the office market in the 1970's in Australia and changes in business composition and technology, over the last decade and a half there has been a significant shift in the location of office-based activities. This shift has been towards business park developments and industrial zones.

Business parks are now recognised as highly successful. Consistent across these parks are the following key characteristics:

¹³ ABS Locations of Work Survey 2005

- They are predominantly office parks with a component of warehousing, and in some cases a component of research and development and high-technology users;
- Apart from providing A-grade commercial space, often with cheaper rent than CBD locations, business parks enable purpose designed buildings and plenty of on-site car parking;
- The provision of on-site amenities that attract large corporations, which follows in the footsteps of business park developments in Britain and the USA;
- They hold a sense of prestige, which is a further factor that attracts large corporations. Tenants sign up with a business park for its marketable image. There is a preference for a good clean suburb, which is away from polluting industries. Business parks enable large corporations to custom build their headquarters, providing them with their own standalone identity, which cannot be achieved in a City Centre building of mixed tenants;
- They have lower floorspace ratios, typically 1:1 or lower compared to 2:1 (or higher) in established commercial centres (such as Melbourne or Sydney). This allows for more cost-effective building construction;
- They have flexible floor plates and cheaper ground rent, which allows warehousing and office space to be integrated; and
- Closely linked to these characteristics many business parks develop/cluster adjacent to airports and as such are often referred to as ‘Air Parks’.

Sustainable Communities: With rising fuel prices and the introduction of mandatory energy efficiency disclosure for large commercial buildings (>2,000sqm) by the Federal Government in the second half of 2010 sustainability will become an increasingly important driver of price and demand¹⁴. Sustainability is already a key driver, with the Jones Lang LaSalle survey (2009) finding that whilst only 37% of corporate occupiers were willing to pay rental premiums of between 1-10% for sustainable floor space, almost 90% considered green building certification when selecting premises.

The Jones Lang LaSalle Survey confirms that energy efficient buildings are becoming the norm and moving forward sustainability will increasingly affect all aspects of construction and services. From a planning perspective a sustainable approach should result in the more efficient use of land in established centres to integrate employment opportunities and minimise the need to travel between home and places of work.

Work Life Balance / Lifestyle Choices: An increase in the number of working hours per household has resulted in time pressures for the workforce. Linked to this is the impact of a greater proportion of dual earning households that means less time for family responsibilities. The employment rate for women in Australia has steadily increased from 29% in 1954 to 47% in 1980 to 61% in 2000¹⁵ with almost half of these having dependent children. In addition a large number of workers are responsible for caring for an ageing population with Australia’s population aged 65 years and over projected to rise from 12.2% in 1999 to 22% in 2030 and 26% in 2050¹⁶.

¹⁴ The Jones Lang LaSalle 2009 global survey on Corporate Real Estate and sustainability indicates that an increasing number of corporate executives consider sustainability to be a critical business issue.

¹⁵ ABS 2004

¹⁶ ABS 2000

As a result work places that enable employees to conveniently combine paid work, leisure and family responsibilities are becoming increasingly attractive. Business parks and large scale town centre / edge of centre developments have generally endeavoured to emulate these features to some degree but often do not provide the diversity and mix of uses to compete with a vibrant town centre location.

It is considered that the need for offices to be conveniently located within a vibrant mix of uses will become increasingly important to office workers and their employers. As such, work places that enable workers to conveniently combine paid work, leisure and family responsibilities, are likely to be attractive to employers and workers alike. Town centre and village locations must offer improved access to high quality retail shops and services as an added benefit which is often limited in business park locations. These should include a wide range of health, legal, banking and government related outlets, as well as consumer outlets.

Child care is another critical factor which attracts a wider range of employees to consider a work location and business parks often provide higher quality provision to ensure competitiveness, a factor which town centre locations often lack.

7.7 Tourism

National Trends and Drivers

In recent years domestic tourism across Australia has experienced a decline as a result of factors such as the growing strength of the Australian dollar, the increasing offer from budget airlines providing cheap flights to foreign destinations and the GFC. As a result travel abroad has become more affordable and attractive for Australians compared to holidaying domestically. The strength of the Australian dollar, and the impact of the Global Financial Crisis, has also contributed to a decline in the number of international tourists holidaying in Australia. Notwithstanding the decline, in 2009 Tourism remained as a major industry across Australia with domestic tourism contributing a total economic value of \$63.3 billion as of that year alone¹⁷.

Tourism Research Australia (TRA) defines a tourist business as,

“an active business entity which relies significantly on visitors through both direct and indirect consumption of the tourism characteristic or tourism connected industry products or services the business produce.”

Tourism businesses are split into two groups – tourism characteristic and tourism connected businesses. The two groups are defined as follows¹⁸:

1. Tourism characteristic businesses: *“those [businesses] that would either cease to exist in their present form, or would be significantly affected if tourism were to cease. In the Australian Tourism Satellite Account, for an industry to be “characteristic”, at least 25% of its output must be consumed by visitors.”*
2. Tourism connected businesses: *“those [businesses], other than tourism characteristic [businesses], for which a tourism related product is directly identifiable (primary) to, and where the products are consumed by visitors in volumes which are significant for the visitor and/or the producer.”*

Bellingen Shire Trends and Drivers

¹⁷ Source: Tourism Research Australia.

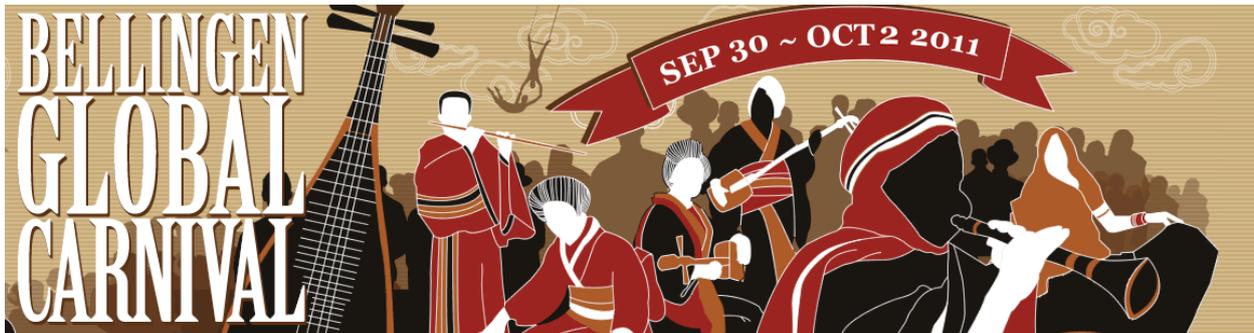
¹⁸ Source: Australian Bureau of Statistics 2007, Count of Australian Businesses, including Entries and Exits, Catalogue No. 8165.0, ABS, Canberra.

In keeping with the Australian economy, tourism makes a notable contribution to Bellingen's local economy. As of 2007 it is estimated that 348 tourism related businesses were operating in the Shire with 30% employing between 1 and 4 people; 17% employing between 5 and 19 and 5% employing over 20. The remaining 47% being sole traders.

Bellingen provides a variety of tourist destinations ranging from the coast to the Bellinger River to the rainforests and mountain plateaus. The Shire is readily accessible via the Pacific Highway and Coffs Harbour Airport (with direct flights from Sydney and Brisbane) making it an attractive destination for domestic and overseas visitors.

Tourist facilities and attractions include:

- World Heritage listed National Parks, rainforests and waterfalls such as Dangar Falls;
- Bellingen Town Centre with an array of heritage buildings, boutique shopping attractions and the community markets;
- Sporting attractions including golf, fishing, boating, walking, horse riding, mountain biking;
- Cultural attractions including the Old Butter Factory, art classes and galleries; and
- Festivals and events such as the Bellingen Global Carnival and Jazz and Blues Festival.



Visitors, their Motivation and Satisfaction

The most recent tourism profile¹⁹ for Bellingen Shire shows an average of 87,000 domestic overnight tourists annually staying an average of 3.5 nights each. These visitors spend on average \$192 per trip or \$52 per night which is lower than the comparative figures for NSW of \$429 and \$125 respectively.

The Shire also attracted some 139,000 domestic day tourists per annum indicating that it is an attractive day visit from larger surrounding tourist's centres such as Coffs. The significant number of domestic day trippers may also be indicative of constraints in the supply of overnight accommodation in the Shire. These visitors spent on average \$79 per trip compared to the State average of \$97.

The majority (45%) travel to Bellingen to visit friends or relatives, 35% visit for holiday purposes and 20% visited for other reasons. It is the "other reasons" category that would include those travelling for business, festivals or sporting events. Compared to the state average (34% and 12%), the proportion of visitors in the 45-64 years (46%) and 65 years+ (17%) categories was notably greater with 32% of visitors being older, non-working people

¹⁹ Tourism Research Australia, June 2007

(17% being the state average). 29% were parents with children and 25% were young adults (compared to 35% and 33% for the State).

The vast majority of visitors stayed with friends and family (55%) whilst 16% stayed in caravan parks and 15% at a hotel, resort or motel. This represents a notably greater share of people staying in the first two categories (+12 and +4 basis points) compared to the last category of motels and hotels which was 20 basis points lower than the state average.

A survey of Tourism Satisfaction in the Coffs Coast in January and February 2011 identified that *“a considerable proportion of Coffs Coast visitors stayed in a caravan park or commercial camping ground (31%). These visitors were more likely to be very satisfied with their overall visit to Coffs Coast (57% compared to 48% overall). Across all the VPS projects, the overall satisfaction benchmark for people staying in a caravan park or commercial camping ground is 50%, indicating that this is a very positive result for Coffs Coast caravan parks.”*²⁰

In comparison to Bellingen, it is evident that there are a higher proportion of tourists across the Coffs Coast staying in Caravan Parks indicating that it is a matter of supply rather than demand that results in the proportion shown above.

The same survey also indicated that Bellingen was a key visitor highlight on the Coffs Coast. Of relevance to this Strategy it stated:

“An interesting sub-group in terms of satisfaction were those visitors who had visited Bellingen and/or Dorrigo during their stay in Coffs Coast (the majority of whom had visited Bellingen as a day trip and were staying elsewhere in Coffs Coast).

This group recorded a higher overall satisfaction score (55% very satisfied) than those who had not visited Bellingen/Dorrigo (42%). Visitors who stayed in, or went to, Bellingen and/or Dorrigo during their stay, scored higher on food and beverage and the local atmosphere of the region than visitors to the region in general, including those who just visited Coffs Harbour.

It would seem that a significant strength of the tourism offering in the Coffs Coast is the variety afforded by the different centres such as Bellingen, Sawtell, Dorrigo, Urunga and Coffs Harbour. Each of these localities has particular strengths encompassing a variety of important experiences: atmosphere, natural beauty, food and wine, shopping, attractions and pristine beaches.

Geographically, they are also relatively close together, which is not always the case for hinterland areas of regional tourism destinations. Visitors who disperse to other places in the region had higher satisfaction levels, which indicate that the region is much stronger as a whole than as individual localities.”

As a result of these observations, the report concluded that to stimulate consumer demand, consideration should be given to the *“strength of offerings in Sawtell and Bellingen, particularly in terms of food and wine, shopping and local atmosphere”*. Furthermore it highlighted visitor’s willingness to discover or learn something new during their visit.

²⁰ Coffs Coast Visitor Profile and Satisfaction Report: Summary and Discussion of Results, Tourism Research Australia, 2011

8. EMPLOYMENT GROWTH SCENARIOS

The following Chapter discusses two approaches that may be applied to forecast the growth in demand for Bellingen's employment lands. Underpinning this analysis are assumptions relating to population and employment growth. Accordingly this Chapter discusses the likely effect of varying population forecasts and economic trends to employment growth and floorspace demand over the Strategy period.

It then identifies the preferred scenario to use as a foundation for the Strategy and models the change in demand for employment generating uses in Bellingen on this basis. The findings of this analysis and how they relate to land use planning are then discussed further in Part B, Chapter 10.

8.1 Potential Scenarios

Further to discussions with Council and a review of relevant industry research, two employment change scenarios were identified for consideration and are summarised below.

Scenario 1 Extrapolation of Trends: this scenario represents a continuation of trends i.e. a continuation of past population and employment related trends and the likely influence to demand. This scenario is referred to as the *Trend Continuation Scenario*.

Scenario 2 Population and Aspirational Employment Growth: this scenario uses population growth as a basis and assumes the successful implementation of Bellingen Shire's Economic and Tourism Development Plan to encourage a range of industries including creative industries, accommodation and the continued growth of professional, scientific and technical services as well as transport, postal and storage warehousing.

The reasons for choosing these scenarios and their outcomes are discussed further below.

8.2 Scenario 1: Trend Continuation

As outlined above, the first scenario tested for the Shire relates to an extrapolation of industry trends over the Strategy period. As discussed in Chapter 3, we have taken our trend analysis from the 2001 and 2006 journey to work data. Regrettably this is the most historic data available for analysis for Bellingen Shire as prior to 2001 the ABS did not gather this level of data for regional areas (i.e. where people work by industry).

Taking this approach, it can be found that between 2001 and 2006 job growth increased by 1% per annum across the Shire to achieve 160 additional jobs. Extrapolating this growth rate forward to 2036, the net increase in jobs would equate to 1,149 jobs. Extrapolating the trends on an industry by industry basis however results in an alternative outcome as the base figures vary by Industry (as shown in Table 26).

Whilst some economic models may apply this simplistic approach to forecasting, in the case of Bellingen Shire this approach is not considered appropriate at this point in time for a number of key reasons. These reasons are explained further below.

1. The first reason relates to the short period of time on which a trend analysis can be based (i.e. 2001 to 2006). It may be considered that the extrapolation of employment trends over a 30 year period based on 5 years of trend analysis is inappropriate and likely to lead to a higher degree of error.

2. Some of Bellingen’s key industries (i.e. agriculture and retail) experienced negative trends during the last census period on account of climate and broader economic influences. With recent improvements in water supply and ongoing population growth we believe a simple extrapolation of the 5 year period would not be a true reflection of possible trends over the Strategy period. By way of example, if this trend was taken to 2036 industries such as retail would only generate 142 jobs in the Shire which is contrary to the trend for a growing population.
3. Conversely over the 2001 – 2006 period, job generation in the electricity, gas, water and waste service industry grew substantially (i.e. 21% per annum) as well as administrative support services (+17%). These annual growth rates are very high and unlikely to be replicated over the Strategy period as they have come off a low base. By way of example, if the growth rates for these two industries were extrapolated for the Shire alone, they would amount to +13,503 jobs. This growth is not considered realistic.
4. For the above reasons we have not based on our analysis of demand for employment lands on Scenario 1. Notwithstanding, for the purposes of completeness and to exemplify the reasons discussed above, we have modelled this scenario by extrapolating the annual change of jobs by industry over the Strategy period as shown in the table below.

Table 26 - Scenario 1: Extrapolation of Trends 2006 to 2036

Industry	% Change		Continuation to 2016	Continuation to 2021	Continuation to 2036	Net Change 2006-2036
	2006	per Annum from 2001				
Agriculture, Forestry and Fishing	393	-0.89%	359	344	300	-93
Mining	0	-100.00%	0	0	0	0
Manufacturing	312	-0.81%	288	276	244	-68
Electricity, Gas, Water and Waste Services	18	20.79%	119	306	5204	5,186
Construction	159	1.17%	179	189	226	67
Wholesale Trade	120	-1.13%	107	101	85	-35
Retail Trade	389	-3.30%	278	235	142	-247
Accommodation and Food Services	334	4.74%	531	669	1339	1,005
Transport, Postal and Warehousing	114	7.34%	231	330	955	841
Information Media and Telecommunications	27	-10.11%	9	5	1	-26
Financial and Insurance Services	49	-6.62%	25	18	6	-43
Rental, Hiring and Real Estate Services	41	0.54%	43	44	48	7
Professional, Scientific and Technical Services	147					
Administrative and Support Services	72	17.19%	352	777	8389	8,317
Public Administration and Safety	149					
Education and Training	325	1.82%	389	426	558	233
Health Care and Social Assistance	386	3.12%	525	612	971	585
Arts and Recreation Services	70	-8.48%	29	19	5	-65
Other Services	125	4.36%	191	237	449	324
Inadequately described	23	0.50%	24	25	27	4
Not Stated	3	0.50%	3	3	3	0
Total	3256	1.01%	3,682	4,616	18,952	15,696

Source: TDC JTW Data 2001, 2006 with adjustments by Hill PDA

8.3 Scenario 2: Population and Aspirational Growth

The second scenario is referred to as *Population and Aspirational Growth*. This model is built on assumptions made regarding the Shire's forecast population growth as well as the continued / aspirational success of a number of local industries.

The table below highlights where adjustments to job growth rate have been by industry made under the column 'assumptions'. By way of example, where the term 'Population' has been used, we have assumed that the industry has a reasonable correlation with the demands generated from population growth. Consequently jobs within these categories have been adjusted with the same rate of increase (0.29% - 0.30% per annum) as population growth.

Where the term 'Industry Review' has been used, we have based our growth rates on our research, local and state government strategies. By way of example, in light of historical industry trends, we have assumed a lower growth rate for Agriculture, Forestry and Fishing than the population growth rate. Considering past trends and broader industry trends relating to Electricity, Gas, Water and Waste Services as well as Construction, Health Care and Social Assistance, we have assumed a higher rate than population growth.

Where the term 'Direct User' has been applied this means that there is a strong correlation for the industry in question with the population growth rate (0.29% per annum) and the increase in household consumption (1% per annum). This is the case for the Retail Trade industry however we have adjusted this figure from a potential growth rate of 1.3% to 1% per annum to factor in Bellingen's high levels of escape expenditure (discussed further in Chapter 9).

Based on this analysis, the results shown in the table below indicate that Scenario 2 could yield an additional 576 jobs by 2036. This represents a 17% increase or 0.64% per annum growth in jobs over the Strategy period. Whilst this is lower than the 1% overall job growth achieved across the Shire between 2001 and 2006, it is considered conservative and more precautionary over a longer period of time on an industry by industry basis.

In light of the needs of employment planning, Scenario 2 has been chosen as the most appropriate scenario to model further for this Strategy. The results shown in Table 27 below have therefore been used in any future analysis.

Table 27 - Scenario 2 – Population and Aspirational job Growth 2011 - 2036

Industry	2011	2016	2021	2036	Net Change 2011-2036	Assumption
Agriculture, Forestry and Fishing	397	401	409	415	18	Industry Review
Mining	-	-	-	-	-	Industry Review
Manufacturing	317	323	335	345	27	Population growth rate
Electricity, Gas, Water and Waste Services	19	20	22	24	5	Industry Review
Construction	164	169	179	188	25	Industry Review
Wholesale Trade	122	124	129	133	10	Population growth rate
Retail Trade	409	430	475	524	115	Direct User
Accommodation and Food Services	344	355	376	400	56	Industry Review
Transport, Postal and Warehousing	117	121	128	136	19	Industry Review
Information Media and Telecommunications	27	28	29	30	2	Population growth rate
Financial and Insurance Services	50	51	53	54	4	Population growth rate
Rental, Hiring and Real Estate Services	42	42	44	45	4	Population growth rate
Professional, Scientific and Technical Services	154	162	179	198	44	Population growth rate
Administrative and Support Services	76	80	88	97	21	Population growth rate
Public Administration and Safety	152	154	160	165	13	Population growth rate
Education and Training	335	345	366	389	54	Industry Review
Health Care and Social Assistance	406	426	471	520	115	Industry Review
Arts and Recreation Services	74	77	85	94	21	Industry Review - Aspirational
Other Services	129	133	141	150	21	Population growth rate
Inadequately described	23	24	25	25	2	Population growth rate
Not Stated	3	3	3	3	0	Population growth rate
Total	3,360	3,468	3,697	3,936	576	

Source: Hill PDA, ABS 2006, TDC 2006

9. DEMAND FOR RETAIL FLOORSPACE

Demand for retail floorspace is largely dependent upon household expenditure. Household expenditure is in turn dependent upon the number of households and the socio-demographic characteristics of those households. Most notably, there is a strong correlation between expenditure, household type and household income levels.

In order to identify the degree of retail demand generated by residents within Bellingen Shire, Hill PDA has prepared a Retail Expenditure Model. The model combines Bellingen's demographic characteristics (as discussed in Part A, Chapter 3 of this Strategy) with the estimated population as of 2011.

For the purposes of this assessment, household expenditure was sourced from:

- The ABS Household Expenditure Survey 2003-04 which provides household expenditure by broad commodity type by household income quintile; and
- The Marketinfo 2009 database which is generated by combining and updating data from the Population Census and the ABS Household Expenditure Survey (HES) using "micro simulation modelling techniques".

Marketinfo combines the data from the Census, HES and other sources to derive total HES by commodity type. This data, which is validated using taxation and national accounts figures, quantifies around 14% more expenditure than the ABS HES Survey.

This data has been assessed in order to quantify the amount of expenditure likely to be generated in Bellingen Shire today and over the Strategy period. This expenditure is then translated into demand for retail floorspace. Allowances have also been made in this Chapter for expenditure that is gained by the Shire on account of Tourism and lost by the Shire as a result of the pull of major shopping centres in the Region such as Coffs Harbour.

Considering projected retail demand and existing supply, this section also provides recommendations as to the quantum of additional retail floorspace required in Bellingen Shire over the Strategy period, its type and where it should be located.

9.1 Bellingen Trade Area

As a fundamental component of Hill PDA's modelling, a 'Trade Area' for Bellingen has been established. A trade area is a defined geographical region whereby the majority of expenditure within that region is captured by the subject retail centre or centres. It is important to note that there may be different trade areas for different types of retail stores or commodities.

The geographic scope of a trade area is determined by a number of factors including:

- the strength and attraction of the centres in question. This can be determined by factors such as the composition, layout, ambience / atmosphere and car parking offer in the centres;
- the proximity and attraction of competing retail centres, particularly their respective sizes and retail offer;
- the location and accessibility of the retail offer, including the available road and public transport network and travel times; and

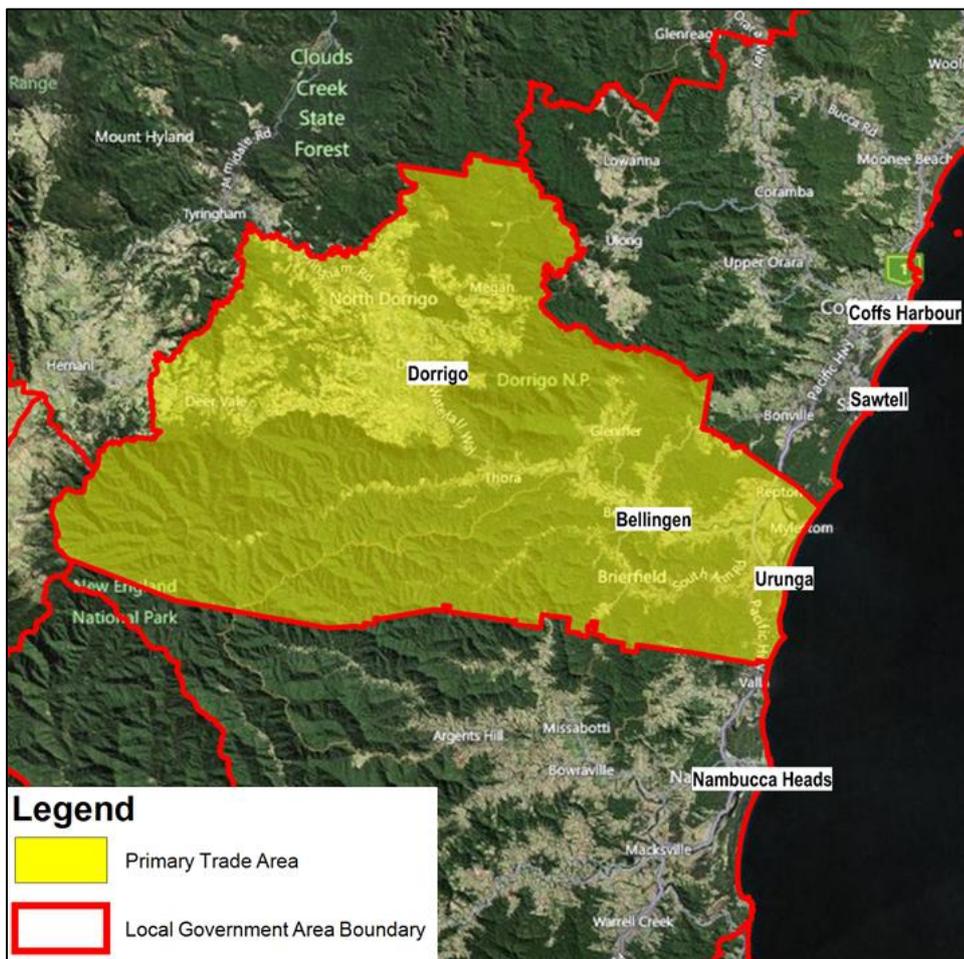
- the presence or absence of physical barriers, such as rivers, railways, national parks and freeways.

Having regard to the factors outlined above, we have defined the Primary Trade Area (PTA) for Bellingen as being the boundary of the Shire itself. It is considered unlikely that additional trade will be drawn from households to the south of the Shire as the southern border is largely bound by national parks. Furthermore households located in suburbs such as Bowraville and Valla Beach are more likely to travel to higher order centres in Nambucca Shire or Port Macquarie to undertake shopping on a regular basis.

To the north of the Shire national parks also constrain the number of dwellings likely to fall within the LGAs trade area with strong retail offer being provided in Toormina, Boambee and Coffs Harbour. A similar predicament occurs to the west of the Shire with Armidale becoming a more attractive retail destination (than Dorrigo Village) for dwellings located outside of the Shire.

The figure below shows what is considered to be Bellingen’s Primary Trade Area.

Figure 13 - Bellingen’s Primary Trade Area



Source: Hill PDA, MapInfo 11.5

9.2 Existing Retail Demand and Expenditure

Using Hill PDA’s Retail Expenditure Model the table below has been prepared to show the total retail expenditure generated within Bellingen’s PTA by retail category. The table is based on the estimated population within the Trade Area, as well as estimated household expenditure.

Table 28 - Total Retail Expenditure Generated by Bellingen Shire Residents (\$m2009)

Retail Category	Total (\$m)
Supermarkets & Grocery Stores	54.2
Specialty Food Stores	18.0
Fast-Food Stores	7.6
Restaurants, Hotels and Clubs*	8.6
Department Stores	14.6
Clothing Stores	8.6
Bulky Goods Stores	24.6
Other Personal & Household Goods Retailing	25.7
Selected Personal Services**	4.0
Total Retailing	165.8

Source: Hill PDA, ABS Household Expenditure Survey 1998-99 and Marketinfo 2009.

Using the data in the table above and cross tabulating it with anticipated retail turnover rates, the table below shows the total retail floorspace required to serve Bellingen Shire's households in 2011. It shows that on average there is demand for 2.3sqm of retail floorspace per person which is considered at the higher end of the range indicating a greater socioeconomic base consistent with the demographic analysis discussed in Part A, Chapter 3.

Table 29 - Total Retail Floorspace (sqm) Demand Generated by Bellingen Shire Households in 2011

Retail Category	Target Rate*	2011
Supermarkets & Grocery Stores	9,500	5,702
Specialty Food Stores	7,500	2,398
Fast-Food Stores	7,500	1,010
Restaurants, Hotels and Clubs	4,500	1,911
Department Stores	3,500	4,167
Clothing Stores	5,000	1,710
Bulky Goods Stores	3,500	7,035
Other Personal & Household Goods Retailing	4,500	5,708
Selected Personal Services	3,200	1,245
Total Retailing	5,367	30,886

Source: Hill PDA, ABS Household Expenditure Survey 1998-99 and Marketinfo 2009

Bulky Goods

The table above shows that bulky goods is the largest category (with respect to floorspace) of retail demand. Bulky goods retailing may relate to electrical appliances, furniture, floor coverings, hardware, sports and camping stores. The quantum of floorspace required for this retail type is mainly attributed to the nature of its goods requiring large display and loading areas. Notwithstanding the scale of demand generated for bulky goods floorspace, a survey of Bellingen, Dorrigo and Urunga centres did not identify any large bulky goods stores meaning that all of the demand (i.e. expenditure) for this retail type is presently escaping the Shire to be spent in other centres.

Supermarkets

As shown by the table above, supermarkets (including convenience stores and small mixed business stores) also represented one of the largest retail floorspace categories required within Bellingen as of 2011. At that time there was demand generated within the PTA for 5,702sqm of supermarket and grocery store floorspace. Dependent on

size, this demand may translate into the provision of approximately 5-6 smaller²¹ supermarkets or 1 large²² ('Full Line') and 1 medium²³ sized supermarket.

9.3 Existing Supply vs. Existing Demand

By comparing demand generated (as discussed above) with existing floorspace, it has been possible to identify whether there is an existing surplus or deficit of retail floorspace in Bellingen Shire based on household expenditure alone.

The table below provides a breakdown of existing retail floorspace by category supplied in the three main centres of Bellingen Shire (being Dorrigo, Bellingen and Urunga) and compares this to the demand generated for retail floorspace by households within the Trade Area. The table does not include supply from Bellingen's smaller neighbourhood centres.

It is important to note that the figures shown in the table below do not account for additional expenditure that is being captured by Bellingen's Centres from tourists or workers. Furthermore it does not account for the expenditure that is being lost from Bellingen Shire as a result of residents working or shopping in Toormina, Coffs Harbour or Nambucca Heads. Rather it simply shows how existing supply relates to household demand.

Therefore assuming Bellingen was a closed system, the table below shows that as of 2011 there was:

- An undersupply of all retail types by over 10,000sqm. This undersupply confirms that expenditure is being drawn out of the Shire to surrounding urban centres. In other words, residents from Bellingen Shire are travelling out of the LGA to centres such as Toormina and Coffs Harbour to conduct a portion of their supermarket, discretionary, household and personal shopping; and
- One exception being the Restaurants, Hotel and Club category with an existing oversupply of floorspace indicating the tourism and lifestyle focus of the Shire and therefore the greater local demand for food, leisure and entertainment related activities.

Table 30 - Floorspace Supply vs. Demand 2011(sqm)

Retail Category	Demand 2011	Supply 2011	Undersupply
Supermarket & Grocery Stores	5,702	2,250	-3,452
Specialty Food	2,398	2,025	-373
Fast-Food Stores	1,010	165	-845
Restaurants, Hotels and Clubs	1,911	5,266	3,354
Department Stores	4,167	0	-4,167
Specialty Non Food	1,710	6,425	4,715
Bulky goods	7,035	0	-7,035
Personal Services	5,708	2,056	-3,652
Other	1,245	1,995	750
Total Retail Floorspace	30,886	20,182	-10,704

Source: Hill PDA, ABS Household Expenditure Survey 1998-99 and Marketinfo 2009

* Note blue colour represents oversupply, red represents undersupply

²¹ Average floor Area of 1000sqm

²² Average floor Area of 3,500sqm

²³ Average floor Area of 2,000sqm

9.4 Future Household Retail Demand

As discussed, the main influence on the demand for retail floorspace in the Shire over the Strategy period will be the rate of population growth. The growing affluence of households, and therefore their increasing ability to purchase goods and service, will be another significant factor. This means that the anticipated population growth in addition to any socioeconomic improvements to the Shire’s households over the Strategy period, will translate into growth in demand for retail floorspace.

In order to project the growth in demand for retail floorspace to 2036, the socio-economic characteristics of the population together with the estimated DP&I population growth rates (as outlined in Part A, Chapter 3) were utilised by Hill PDA’s Retail Expenditure Model. The level of expenditure anticipated to be generated in 2036 was then translated into demand for retail floorspace.

On this basis the Hill PDA Retail Expenditure Model calculates not only what the cumulative household expenditure in Bellingen Shire will be, but also what type of store this expenditure might be spent in. This is particularly relevant for planning as stores types like supermarkets, personal services and speciality food, often need to be locally based, whilst bulky goods and department stores can be regionally based.

The following table provides a breakdown of net growth in retail expenditure by retail category for 2016, 2026 and 2036.

Table 31 - Total Retail Expenditure Forecast for PTA 2011 - 2036 (\$m2009)

YEAR	2011	2016	2026	2036	Net Change 2011-2036
Supermarkets & Grocery Stores	54.2	58.8	68.3	79.3	25.1
Specialty Food Stores	18.0	19.5	22.7	26.3	8.3
Fast-Food Stores	7.6	8.2	9.6	11.1	3.5
Restaurants, Hotels and Clubs*	8.6	9.3	10.8	12.6	4
Department Stores	14.6	15.8	18.4	21.3	6.7
Clothing Stores	8.5	9.3	10.8	12.5	4
Bulky Goods Stores	24.6	26.7	31.0	36.0	11.4
Other Personal & Household Goods	25.7	27.9	32.4	37.6	11.9
Selected Personal Services**	4.0	4.3	5.0	5.8	1.8
Total Retailing	165.8	179.9	208.9	242.5	76.7

Source: Hill PDA, ABS Household Expenditure Survey 1998-99 and Marketinfo 2009

As shown above, between 2011 and 2036, retail expenditure in the PTA will increase by close to \$76.7m.

Using industry benchmark target turnover rates, the tables above may be converted into additional floorspace demand generated over the Strategy period.

Table 32 - Retail Floorspace (sqm) Demand for Bellingen PTA 2011 - 2036 (\$m2009)

YEAR	Target Rate*	2011	2016	2026	2036	Net Change 2011 - 2036
Supermarkets & Grocery Stores	9,500	5,702	6,190	7,186	8,342	2,640
Specialty Food Stores	7,500	2,398	2,603	3,022	3,508	1,110
Fast-Food Stores	7,500	1,010	1,097	1,273	1,478	468
Restaurants, Hotels and Clubs	4,500	1,911	2,075	2,409	2,796	885
Department Stores	3,500	4,167	4,523	5,251	6,097	1,930
Clothing Stores	5,000	1,710	1,856	2,155	2,502	792
Bulky Goods Stores	3,500	7,035	7,637	8,867	10,294	3,259
Other Personal & Household Goods Retailing	4,500	5,708	6,196	7,194	8,352	2,644
Selected Personal Services	3,200	1,245	1,351	1,569	1,821	576
Total Retailing	5,367	30,886	33,529	38,925	45,190	14,304

Source: Hill PDA, ABS Household Expenditure Survey 1998-99 and Marketinfo 2009

Hill PDA expenditure modelling demonstrates that over the next 25 years, demand will be generated in Bellingen's PTA for an additional 14,304sqm of retail floorspace. This represents an 46% increase on existing household demand.

It is important to reiterate however that the floorspace projections shown above relate to the growth of the resident population only. The following sections factor in additional expenditure captured by the Shire as a result of tourism as well as retail expenditure lost from the Shire to competing centres.

9.5 Tourism Expenditure

A modest component demand for retail services is generated by visitors or tourists to an area. Bellingen Shire supports a \$28m annual tourism industry²⁴. This figure relates to expenditure generated by 87,000 domestic overnight and 139,000 domestic day visitors each year²⁵.

Tourists increase demand in particular for retail floorspace and services such as restaurants, cafes, accommodation and entertainment. To exemplify this, eating out / visiting restaurants was the second most frequent activity nominated by tourists to Bellingen Shire in response to the Tourism Research Australia Visitor Survey. Visiting friends / relatives was the most frequently cited activity with 'just walking around / driving' and 'going to the beach' ranking 3rd and 4th respectively.

To translate tourist dollars into floorspace demand, we have used Tourism Australia Research data derived from the 2011 National Visitors Survey²⁶. This research states that approximately 28% of expenditure for overnight domestic tourists may be attributed to the drink and food category; 24% to accommodation and 10% to shopping, gifts and souvenirs and 3.4% related to entertainment including movies, museums and zoos²⁷.

For day-trippers in NSW, 31% of expenditure related to drink and food categories; 28% related to shopping, gifts and souvenirs and 4% related to entertainment including movies, museums and zoos.

²⁴ Tourism Profiles for LGAs in Regional Australia NSW, Tourism Research Australia 2007

²⁵ Tourism Profiles for LGAs in Regional Australia NSW, Tourism Research Australia 2007

²⁶ Tables 13 and 17, Expenditure by Overnight and Day Domestic Visitor for year ended March 2011, Travel by Australians, Quarterly Results of the National Visitor Survey.

²⁷ It is important to note that this figure does not include international tourists as regrettably international tourism did not form part of Tourism Australia's assessment of expenditure in the Shire.

In light of the tourist spend survey results, tourism within Bellingen, on a per annum basis accounts for an additional:

- \$8.71m of drink and food related expenditure;
- \$4.08m of accommodation expenditure;
- \$4.78m of shopping expenditure; and
- \$1.01m of entertainment related expenditure including movies, museums and zoos.

Based on the estimated Tourism expenditure captured by Bellingen Shire per annum, we have calculated that there was a corresponding increase in demand for 2,450sqm²⁸ of retail floorspace as of 2011.

It is important to also consider however the degree of household expenditure that is lost from the LGA annually as a result of Bellingen residents visiting other destinations for tourism. Given the nature of the Coffs Coast Region as a well-recognised tourist destination, on balance this Strategy considers it appropriate to factor in a net gain in tourist dollars for Bellingen Shire and therefore retail demand. Furthermore whilst domestic tourism is experiencing a recovery, for the purposes of forecasting, we have assumed a modest annual growth rate of 0.15% over the Strategy period²⁹.

Bellingen, Urunga and Dorrigo are the main tourist centres for the LGA. These centres provide an array of accommodation options for tourists. Taking this into consideration, for the purposes of this assessment, it has been conservatively assumed that 90% of all tourist generated demand for retail floorspace is captured by these centres or 2,205sqm as of 2011. This demand has been proportionally spread across each relevant retail category for analysis.

9.6 Household Expenditure Capture and Loss

Owing to the type of retail floorspace provided within Bellingen Shire and the nature of surrounding centres it is anticipated that there is a net loss in household expenditure from the Shire to surrounding LGAs. This is particularly the case for expenditure in the supermarket and grocery store category on account of the lack of a full line supermarket in the LGA as well as the bulky goods and department store categories owing to a similar lack of local supply.

Furthermore on account of the strength, proximity and accessibility of surrounding centres to Bellingen Shire, it is not considered likely that a significant proportion of expenditure will be captured from dwellings or employment areas directly surrounding the Shire.

Based on the type and location of retail floorspace provided within the Shire's three key centres and the surrounding LGAs, Hill PDA has applied 'capture rates' to the various retail categories and the level of expenditure they may reasonably secure from the Shire's Trade Area.

To identify appropriate capture rates we have used value judgements taking into account travel distances, accessibility and the strength of retail offer. We have also considered the different capture rates and trade areas generated for different types of retail stores or commodities.

²⁸ Based on drink, food and shopping expenditure and applying Target Turnover rates of \$5,500 / sqm

²⁹ Domestic Overnight Travel to NSW – Year Ended June 2011 <http://corporate.tourism.nsw.gov.au/Sites/SiteID6/objLib12/NVS-snapshot-YE-Jun-11.pdf>

For example for food and grocery shopping, shoppers generally choose a retail centre closer to where they live provided that the retail offer is good. As Bellingen Shire does not have a full line or major supermarket yet centres such as Toormina Centro (with a Coles and a Woolworths) are located within a reasonable drive time, we have assumed that 50% of all supermarket related expenditure is lost from the LGA. This capture rate accords with our earlier analysis of existing retail supply (i.e. 2,250sqm of supermarket floorspace) compared to demand (i.e. demand for 5,700sqm of supermarket floorspace).

'Top up' shopping is often referred to as shopping for a few items of food and groceries when needed quickly. This type of shopping is often conducted in a range of possible locations such as petrol stations, convenience stores and smaller supermarkets. We have assumed that Bellingen's centres provide good opportunities for top up shopping as well as specialty food options with an array of smaller grocery, deli and organic food stores. We have therefore retained a higher capture rate of 75% for the specialty food category. We have not assumed a higher rate however as we expect that some specialty food expenditure will be lost with the supermarket expenditure to competing centres.

The choice of retail centres for clothing shopping is more limited across Bellingen Shire. Furthermore shopping for clothes can become quasi-entertainment rather than a chore. Often it's a case of comparing items in different stores and so shoppers will travel further to centres with a greater retail offer. In this case the major destinations for clothes shopping are the larger centres such as Coffs Harbour, Toormina, Nambucca Heads and Port Macquarie. We have therefore assumed a lower capture rate for the Shire in the order of 45% for clothing shopping (i.e. 55% of clothing related expenditure is currently lost from the Shire).

As the Shire does not presently provide any department stores, discount department stores or bulky goods stores, we have assumed that 100% of the department store and 85% of the bulky goods expenditure is lost to retailers such as Target Coffs Harbour and KMART in Toormina and Armidale. The remaining 15% of the bulky goods floorspace is retained by Bellingen's existing smaller retailers.

On account of our survey analysis of Bellingen Shire and the socio-economic analysis of its population, we have assumed higher rates of capture for the Personal Services (80%) and Restaurant / Hotel / Club categories (80%).

The table below provides a summary of the modelling results having applied the above mentioned capture rates.

Table 33 - Growth in Demand for Retail Floorspace (sqm) by Category in Bellingen 2011 – 2036

YEAR	2011	2016	2026	2036	Growth 2011-2026	Growth 2011-2036
Supermarkets & Grocery Stores	2,851	3,095	3,593	4,171	742	1,320
Specialty Food Stores	1,798	1,952	2,266	2,631	468	833
Fast-Food Stores	758	823	955	1,109	197	351
Restaurants, Hotels and Clubs	1,529	1,660	1,927	2,237	398	708
Department Stores	-	-	-	-	-	-
Clothing Stores	769	835	970	1,126	200	356
Bulky Goods Stores	1,055	1,146	1,330	1,544	275	489
Other Personal & Household Goods Retailing	3,425	3,718	4,316	5,011	891	1,586
Selected Personal Services	996	1,081	1,255	1,457	259	461
Total Household Demand	13,181	14,309	16,612	19,286	3,431	6,105
Plus Tourism Demand	15,381	16,565	18,983	21,788	3,602	6,397

9.7 Summary of Results

For the purposes of retail planning, the table above has provided the net forecast growth in demand for floorspace by retail type into short term (2011 to 2016), medium term (2016 to 2026) and long term periods (2026 to 2036). The table shows that for each of these periods there will be a steady growth in demand for retail floorspace with population and tourism growth.

The table shows that as of 2011 there was sufficient demand generated by Bellingen's households to support over 13,000sqm of retail floorspace in the Shire. Assuming that the retail mix stays broadly the same (i.e. assuming no major supermarket or discount department store is developed in the Shire) by 2036 there would be forecast demand for 19,286sqm. This represents a net increase of 6,105sqm or a 46% increase on existing demand.

As discussed above, demand for retail floorspace generated by the tourist trade (having particular regard for drink and food related expenditure as well as general shopping) increases existing demand by over 2,200sqm to 15,381sqm. Accordingly the addition of estimated household and tourist related expenditure aligns closely with our estimates of existing floorspace supply (16,000sqm) suggesting that demand and supply are presently at equilibrium in the Shire. By 2036, accounting for tourism, this demand could increase by 6,400sqm to 21,800sqm.

Non-Retail Floorspace within Centres

As a final matter of note, not all shopfront floorspace within a retail strip relates to retail uses. Uses such as real estate agents, banks, travel agents, dentists and post offices are classified by the ANZIC code as commercial.

With respect to shop front commercial floorspace, it is possible to estimate its growth in demand on a pro-rata basis with the growth in retail space. In high trading indoor centres commercial space occupies around 5% to 7% of specialties. In strip shopping centres the proportion may be as high as 40%, although 20% is more common. Accordingly demand for 20,000sqm of retail floorspace in Bellingen's centres by 2036 could result in the equivalent demand for 4,000sqm to 8,000sqm of commercial shopfront space.

9.8 Jobs by Store Type

Assuming the growth in demand for retail in Bellingen Shire can translate into businesses and supply within its centres, the approximate number of jobs that will be created over the Strategy period can be estimated. We have

undertaken this analysis as a crosscheck for the employment growth scenarios discussed in Chapter 8 for the retail industry.

Industry surveys of retail floor space suggest that 1 employee is generated for between 21sqm and 60sqm of retail floor space. The higher employee density (1 per 21 - 30sqm) generally relates to supermarket and grocery stores, small shops and personal services while the lower employee density (1 per 45 - 60sqm) relates to department and bulky goods stores.

Applying these rates to Hill PDA’s floorspace forecasts results in demand for an additional 179 jobs in Bellingen Shire in the retail industry over the Strategy period. In total it is estimated that 613 jobs could be supported in the Strategy area by 2036 based on household and tourist generated demand. This figure slightly exceeds the figure calculated in Chapter 8, which forecast job growth in the retail sector would increase by 170 jobs to 570 by 2036.

Table 34 - Potential New Retail Jobs in Bellingen Shire 2011 – 2036

Retail Category	Yield sqm / person	Floorspace Demand 2036	Jobs Generated 2036	Net Floorspace Increase by 2036	Net Job Increase 2036
Supermarkets & Grocery Stores	40	4,673	117	1,380	35
Specialty Food Stores	30	3,131	104	885	29
Fast-Food Stores	30	1,609	54	411	14
Restaurants, Hotels and Clubs	45	2,737	61	768	17
Department Stores	40	-	-	0	0
Clothing Stores	60	1,126	19	356	6
Bulky Goods Stores	40	1,544	39	489	12
Other Personal & Household Goods Retailing	30	5,511	184	1,646	55
Selected Personal Services	40	1,457	36	461	12
Total		21,788	613	6,397	179

10. DEMAND FOR FLOORSPACE AND LAND

The following Chapter translates the employment growth forecasts discussed in Chapter 8 into likely demand for floorspace and in turn land. The Chapter uses a number of approaches including Hill PDA's bespoke employment lands demand assessment model that was designed to inform the Strategy. The analysis enables a comparison of existing land supply compared to potential demand and in turn informs recommendations regarding the appropriate use and supply of land in the Shire over the Strategy period (please refer to Part D of the Strategy).

10.1 Growth in Demand for Floorspace – All Categories

For the reasons discussed in Chapter 8, we have modelled the second Scenario for employment growth to forecast the increase in demand for floorspace and land. The second scenario was the 'Population and Aspirational Employment Growth' scenario that is based on the DP&I's population forecasts and assumes the successful implementation of Bellinghen Shire's Economic and Tourism Development Plan to encourage the growth of a range of local industries.

To translate job growth into floorspace, the table cross tabulates employment forecasts with an industry average employment yield to calculate growth in demand. The yields that have been used are based on industry benchmarks and survey analysis conducted in regional areas with some modifications made to account for the particular characteristics of Bellinghen Shire. The analysis has been conducted in accordance with the short, medium and longer term timescale used by the overall Strategy.

Table 35 - Actual Growth in Demand for Floorspace by Industry in Bellinghen Shire 2011 – 2036 (sqm)

Industry	Yield	2,011	2,016	2,026	2,036
Agriculture, Forestry and Fishing	155	61,527	62,144	63,398	64,356
Mining	155	0	-	-	-
Manufacturing	100	31,750	32,309	33,458	34,476
Electricity, Gas, Water and Waste Services	120	2,270	2,386	2,636	2,883
Construction	50	8,191	8,440	8,960	9,419
Wholesale Trade	100	12,211	12,427	12,869	13,260
Retail Trade	40	15,381	16,565	18,983	21,778
Accommodation and Food Services	55	18,928	19,502	20,705	21,981
Transport, Postal and Warehousing	220	25,841	26,626	28,267	30,010
Information Media and Telecommunications	40	1,099	1,118	1,158	1,193
Financial and Insurance Services	35	1,745	1,776	1,839	1,895
Rental, Hiring and Real Estate Services	37	1,544	1,571	1,627	1,676
Professional, Scientific and Technical Services	37	5,716	6,008	6,637	7,331
Administrative and Support Services	35	2,649	2,784	3,075	3,397
Public Administration and Safety	40	6,065	6,172	6,391	6,586
Education and Training	60	20,092	20,702	21,978	23,333
Health Care and Social Assistance	40	16,228	17,055	18,840	20,811
Arts and Recreation Services	95	6,989	7,346	8,114	8,963
Other Services	50	6,440	6,635	7,044	7,479
Total		244,666	251,567	265,980	280,825

Source: Hill PDA, ABS 2006, DP&I, Various Industry Sources

The table above shows that by 2036, there is forecast demand for over 280,000sqm of employment generating floorspace across the Shire. Table 36 below shows the net change in demand for floorspace by each milestone

year. It shows that by 2036 there will be a net increase in demand for 36,160sqm from 2011 representing a 15% increase in demand for employment generating floorspace across the Shire.

On an industry by industry basis, the table shows that Retail (+6,397sqm); Health Care and Social Assistance (+4,5,83sqm) and Transport Postal and Warehousing (+4,169sqm) are the three industries likely to experience the greatest actual increase in demand for floorspace. Growth in the first two industries is indicative of the Shire's growing population and its ageing demographic. The growth forecast in the latter industry is reflective of a broader state wide trend and will have important implications for the provision of suitable land in the Shire close to highway access.

On a proportional basis Retail will also experience the greatest increase (+42%) followed by Professional, Scientific and Technical Services; Administrative Support; Health Care and Social Assistance and Arts and Recreation Services with each experiencing notable growth (+28%) once again reflecting population growth.

For a number of these industries (i.e. Administrative and Support Services) the base level of demand is modest thereby resulting in fairly small growth in demand for floorspace (+748sqm) across the Shire. Other industries such as Education and Training however have a lower forecast proportional increase (+16%) yet are starting from a higher base, accordingly the net growth in demand is closer to 3,241sqm.

Table 36 - Net Growth in Demand for Floorspace by Industry 2011 – 2036 (sqm)

Industry	Net Change 2011-2016	Net Change 2016-2026	Net Change 2026-2036	Net Change 2011-2036	Proportional Increase 2011-2036
Agriculture, Forestry and Fishing	618	1,254	957	2,829	5%
Mining	-	-	-	-	-
Manufacturing	560	1,149	1,017	2,726	9%
Electricity, Gas, Water and Waste Services	116	250	247	612	27%
Construction	249	520	458	1,227	15%
Wholesale Trade	215	442	391	1,048	9%
Retail Trade	1,184	2,418	2,795	6,397	42%
Accommodation and Food Services	575	1,202	1,276	3,053	16%
Transport, Postal and Warehousing	785	1,641	1,743	4,169	16%
Information Media and Telecommunications	19	40	35	94	9%
Financial and Insurance Services	31	63	56	150	9%
Rental, Hiring and Real Estate Services	27	56	49	133	9%
Professional, Scientific and Technical Services	292	629	694	1,615	28%
Administrative and Support Services	135	291	322	748	28%
Public Administration and Safety	107	219	194	521	9%
Education and Training	610	1,276	1,355	3,241	16%
Health Care and Social Assistance	828	1,784	1,971	4,583	28%
Arts and Recreation Services	357	769	849	1,974	28%
Other Services	196	409	434	1,039	16%
Total	6,901	14,413	14,845	36,159	15%

Source: Hill PDA, ABS 2006, TDC 2006

10.2 Forecast Floorspace Demand for Centres 2011 - 2036

In order to determine the net increase in demand for floorspace within Bellingen's centres, we have selected the industry categories most suited to those locations. In some cases, the industry categories are broad enough to mean that some floorspace will be required in both centres and industrial lands i.e. Rental, Hiring and Real Estate Services. In these cases we have apportioned the growth in demand for floorspace across both locations.

In other cases such as Health Care and Education, we have assumed that 50% of the floorspace will be located outside of centres i.e. in schools or medical centres located within residential areas.

Taking into consideration these factors, as shown in Table 37 below, there is an estimated net increase in demand for approximately 14,931sqm of floorspace within Bellingen’s Centres over the Strategy period. The largest single portion of this growth (43%) relates to retail floorspace. A more detailed breakdown of forecast demand for retail floorspace is provided in Chapter 9.

A notable proportion of floorspace growth that is likely to be retained in centres also relates to the Health Care and Social Assistance category (15%) followed by the Arts and Recreation (13%) and Education and Training (11%). These land use categories are indicative of the demands created by a population with Bellingen’s socio-economic profile including an ageing population, a well educated population and one that encourages and supports the arts as an important local market.

Table 37 - Net Increase in Demand for Floorspace within Bellingen’s Centres 2011 – 2036 (sqm)

Industry	2011-2016	2016-2026	2026-2036	2011-2036	Proportion of Total
	Net Change	Net Change	Net Change	Net Change	
Retail Trade	1,184	2,418	2,795	6,397	43%
Financial and Insurance Services	31	63	56	150	1%
Information Media and Telecommunications	5	10	9	24	0%
Rental, Hiring and Real Estate Services	14	28	25	66	0%
Professional, Scientific and Technical Services	146	314	347	807	5%
Administrative and Support Services	101	218	241	561	4%
Public Administration and Safety	107	219	194	521	3%
Education and Training	305	638	677	1,621	11%
Health Care and Social Assistance	414	892	986	2,292	15%
Arts and Recreation Services	357	769	849	1,974	13%
Other Services	98	205	217	519	3%
Total	2,760	5,775	6,396	14,931	100%

10.3 Floorspace Demand for Industrial Areas 2011-2036

Taking the same approach as for Centres described above, Table 38 below sets out the anticipated growth in demand for floorspace within Bellingen’s industrial areas. We have also made some important assumptions regarding the proportion of floorspace associated with the Agriculture, Forestry and Fishing industry assuming that only 20% of required floorspace is located within Bellingen’s industrial areas respectively. The figures also incorporate the residual land for industries such as Rental, Hiring and Real Estate as well as professional, Scientific and Technical Services that may also be located within centres.

The table shows an anticipated demand for an additional 10,250sqm of floorspace within Bellingen’s industrial areas by 2036.

Table 38 - Net Increase in Demand for Floorspace within Industrial Land 2011 – 2036 (sqm)

	Net Change	Net Change	Net Change	Net Change	% of Total
Floorspace for Industrial Areas	2011-2016	2016-2026	2026-2036	2011-2036	
Agriculture, Forestry and Fishing	124	251	191	566	6%
Mining	-	-	-	-	0%
Manufacturing	560	1,149	1,017	2,726	27%
Electricity, Gas, Water and Waste Services	116	250	247	612	6%
Wholesale Trade	215	442	391	1,048	10%
Transport, Postal and Warehousing	785	1,641	1,743	4,169	41%
Information Media and Telecommunications	15	30	26	71	1%
Rental, Hiring and Real Estate Services	14	28	25	66	1%
Professional, Scientific and Technical Services	146	314	347	807	8%
Administrative and Support Services	34	73	80	187	2%
Total	2,006	4,177	4,069	10,252	100%

10.4 Forecast Demand for Land – Bellingen Shire 2011 - 2036

By cross tabulating the forecast demand for floorspace with benchmark floorspace ratios, it is possible to calculate the growth in demand for land in the Shire over the Strategy period. The table below shows that by 2036 there will be net growth in demand for 8.58ha of land relating to employment generating uses.

In land area terms the largest single portion of this growth relates to Retail (1.6ha of land or 21% of the net increase in demand for land) however notable growth in demand will also occur for:

- Transport, Postal and Warehousing – representing 18% of all growth in demand for land or 1.39ha;
- Agriculture, Forestry and Fishing – 12% of land or 0.94ha;
- Manufacturing – 12% of land or 0.91ha; and
- Health Care and Social Assistance – 10% or 0.76ha.

Table 39 - Net Increase in Demand for Land within Bellinghen Shire 2011 – 2036 (sqm and ha)

Industry	2016-2026 (sqm)	2026-2036 (sqm)	2011-2036 (sqm)	2016-2026 (ha)	2026-2036 (ha)	2011-2036 (ha)
Agriculture, Forestry and Fishing	4,180	3,191	9,431	0.42	0.32	0.94
Mining	-	-	-	-	-	-
Manufacturing	3,829	3,391	9,086	0.38	0.34	0.91
Electricity, Gas, Water and Waste Services	832	823	2,042	0.08	0.08	0.20
Construction	1,734	1,527	4,091	0.17	0.15	0.41
Wholesale Trade	1,473	1,304	3,495	0.15	0.13	0.35
Retail Trade	6,045	6,988	15,993	0.60	0.70	1.60
Accommodation and Food Services	1,718	1,823	4,362	0.17	0.18	0.44
Transport, Postal and Warehousing	5,471	5,809	13,895	0.55	0.58	1.39
Information Media and Telecommunications	133	117	315	0.01	0.01	0.03
Financial and Insurance Services	79	70	187	0.01	0.01	0.02
Rental, Hiring and Real Estate Services	70	62	166	0.01	0.01	0.02
Professional, Scientific and Technical Services	786	868	2,018	0.08	0.09	0.20
Administrative and Support Services	364	402	935	0.04	0.04	0.09
Public Administration and Safety	274	243	651	0.03	0.02	0.07
Education and Training	2,552	2,710	6,482	0.26	0.27	0.65
Health Care and Social Assistance	2,974	3,285	7,639	0.30	0.33	0.76
Arts and Recreation Services	1,281	1,415	3,290	0.13	0.14	0.33
Other Services	682	724	1,731	0.07	0.07	0.17
Total	34,477	34,753	85,807	3.45	3.48	8.58

10.5 Forecast Demand for Land in Centres 2011 - 2036

We have also translated the growth in demand for floorspace within centres (discussed above) into demand for land. Using the same assumptions we find that there will be demand for an additional 29,919sqm or 2.99ha of land within Bellinghen’s centres by 2036. Once again retail floorspace represents the largest portion (53%) of this growth in demand.

Table 40 - Net Change in Demand for Land within Bellinghen’s Centres 2011 – 2036 (sqm and ha)

Industry	2011-2016 (sqm)	2011-2026 (sqm)	2011-2036 (sqm)	2011-2036 (ha)
Retail Trade	2,960	6,988	15,993	1.60
Financial and Insurance Services	38	70	187	0.02
Information Media and Telecommunications	16	29	79	0.01
Rental, Hiring and Real Estate Services	17	31	83	0.01
Professional, Scientific and Technical Services	182	434	1,009	0.10
Administrative and Support Services	127	302	701	0.07
Public Administration and Safety	134	243	651	0.07
Education and Training	610	1,355	3,241	0.32
Health Care and Social Assistance	690	1,643	3,819	0.38
Arts and Recreation Services	594	1,415	3,290	0.33
Other Services	163	362	866	0.09
Total	5,531	12,870	29,919	2.99

10.6 Forecast Demand for Industrial Land 2011 - 2036

As a final step we have translated demand for industrial floorspace into demand for land. As shown in Table 41 below, demand for land is anticipated to increase by close to 3.2ha by 2036. Transport, Postal and Warehousing is anticipated to be one of the key growth industries requiring additional land (+1.39ha) as well as Manufacturing (+0.91ha).

Table 41 - Net Change in Demand for Industrial Land 2011 – 2036 (sqm and ha)

Land for Industrial Areas	2011-2016 (sqm)	2011-2026 (sqm)	2011-2036 (sqm)	2011-2036 (ha)
Agriculture, Forestry and Fishing	411	1,248	1,886	0.19
Mining	-	-	-	-
Manufacturing	1,865	5,694	9,086	0.91
Electricity, Gas, Water and Waste Services	386	1,218	2,042	0.20
Wholesale Trade	717	2,190	3,495	0.35
Transport, Postal and Warehousing	2,615	8,087	13,895	1.39
Information Media and Telecommunications	48	148	236	0.02
Rental, Hiring and Real Estate Services	17	52	82	0.01
Professional, Scientific and Technical Services	182	575	1,009	0.10
Administrative and Support Services	42	133	233	0.02
Total	6,285	19,345	31,965	3.20

10.7 Forecast Demand vs. Supply

As outlined above, applying Scenario 2 and a number of conservative assumptions to our modelling, there will be a notable increase in demand for retail, commercial and industrial floorspace, and in turn land, in Bellingen Shire over the Strategy period. The figures identified in this Chapter represent:

- Demand for close to 14,931sqm of additional floorspace within town centres representing a 34% increase on existing floorspace supply which in turn translates into a net increase in demand for 2.99ha of land or a 21% increase in land area; and
- Demand for an additional 10,250sqm of industrial floorspace translating into demand for an additional 3.2ha of land or a 5.5% increase on existing supply.

A summary of these key findings are shown in the table below. Their implications to the designation of employment lands over the Strategy period are subsequently discussed further in Part D of this Strategy.

Table 42 - Existing Supply 2011 vs. Demand 2036 in Bellingen’s Centres and Employment Lands (ha)

	Existing Floorspace	Existing Land	Additional Floorspace Required	Additional Land Required
Existing Centres	4.43	14.40	1.49	2.99
Existing Industrial Lands	N/A	58.56	1.03	3.20
Total	4.43	72.96	2.52	6.19

Source: Hill PDA Survey, Nearmap and Mapinfo 10.5

Please Note: in order to cross compare demand with existing developable land we have amended the estimates for existing land area by factoring in existing access ways and roads

PART C – FEASIBILITY AND INVESTMENT



Feasibility and Investment: this part provides a particular focus on demand for aged care living and criteria by which suitable locations for aged care dwellings should be assessed. It also investigates appropriate locations for a caravan park in Bellingen and the likely feasibility of such a development.



11. CRITERIA FOR SUITABLE EMPLOYMENT LANDS

The following Chapter establishes criteria by which additional land for employment generating uses should be assessed for its suitability. The criteria have been prepared in light of three key sources:

- The Mid North Coast Regional Strategy Sustainability Criteria;
- The Mid North Coast Region Settlement Strategy Guidelines (August 2007); and
- Industry experience, trend analysis and research undertaken by Hill PDA.

Given the varying characteristics of employment generating uses, where appropriate we have discussed the different needs / suitability of land for:

1. Additional retail and commercial uses; and
2. Additional industrial uses.

The intent of the criteria is to support Council in the transparent and effective assessment of development applications and planning proposals for employment lands. This process will in turn allow Council to ensure the efficient and sustainable development of land to meet the future needs of its resident and business community.

11.1 Key Location Criteria for Retail and Commercial Land

For the purposes of this Strategy, 9 key criteria were identified and agreed to be used to assess the suitability of potential locations for additional land to accommodate retail and commercial uses in Bellingen Shire. These key criteria were identified as the main factors influencing the suitable location for these uses however it is important to note that at a more detailed assessment stage additional social, environmental and economic considerations may arise.

For the purposes of this Strategy the 9 key location criteria include:

1. Proximity and relationship with an urban area;
2. Relationship to the centre hierarchy;
3. Accessibility to existing and proposed transport networks;
4. The availability and sustainable use of existing infrastructure;
5. Opportunity to cluster with other businesses and magnet infrastructure;
6. Land – availability, lot characteristics and ownership;
7. Job and expenditure containment;
8. Environmental suitability and impact; and
9. Demand for competing uses.

The relevance and rationale for the above referenced criteria is explained further below.

Criteria 1: Proximity and Relationship with an Urban Area

The first criterion relates to the accessibility of employment lands to residential areas. This is important for two key reasons:

- a. Many employment areas (such as centres) service the local residential population and therefore appropriate locations encourage walking and improve service provision for a broader range of the community – particularly those that are unable to travel by private vehicle; and
- b. It enhances the availability and mix of skills within the local labour force to the benefit of local businesses. It also reduces the need for residents to travel thereby enhancing the appeal of working locally and the lifestyle merits of the Shire.

The location of employment lands in close proximity to residential areas can also facilitate the efficient use of brownfield locations as well as existing infrastructure. The suitability of a location should however also consider whether the use of the nominated area would be better suited to alternative uses such as high value agricultural lands, residential or community uses.

Notwithstanding the above, the proximity of industrial zones to residential areas should be carefully considered so that they do not adversely affect the amenity of existing residential dwellings or planned growth areas. In turn it is important that a buffer is maintained between industrial and more sensitive uses so that the function of existing or prospective industrial businesses is not undermined.

Criteria 2: Relationship to the Centre Hierarchy

The second criterion is of particular relevance to retail and commercial uses. Whilst the DoP's draft Centres Policy *Planning for Retail and Commercial Development* recognises the importance of increasing competition in NSW (Principle 5), it also recognises the importance of focusing commercial development within centres (Principle 1) so as to support their ability to cater to a range of business needs. This principle is reinforced in the Settlement Planning Guidelines for the Mid and Far North Coast Regional Strategies 1997 (the Settlement Guidelines) that also state that the scale of commercial floorspace provision should be commensurate to the scale of the settlement it serves.

Accordingly Criterion 2 requires the potential zoning of new land for retail and commercial uses to consider the relationship to, and impact on, existing centres in the Region's centre hierarchy. In accordance with the Mid North Coast Regional Strategy, the role and function of centres should be strengthened and therefore there should be a presumption in favour of zoning additional land for centre related uses within, adjacent to, or surrounding existing centres. The rezoning and subsequent development of land in these locations for retail and service based businesses could in turn help to retain expenditure in the Shire to the benefit of the local economy.

The assessment of Criterion 2 and the potential impacts of new employment lands (particularly a rezoning to facilitate retail uses in excess of 1,000sqm) to the vitality and viability of established centres in the Shire or Coffs Coast Subregion may be better understood through the provision of an Economic Impact Assessment (EIA) by the applicant. Council may choose to have an independent or 'peer' review undertaken of the EIA for comfort that the proposed use would in fact reinforce the character and roles of centres in the locality and not undermine their economic viability.

Criteria 3: Access to Existing and Proposed Transport Networks

Criterion 3 is important for the full spectrum (i.e. retail, commercial and industrial) of employment generating uses. By way of example the availability of public transport within a centre supports its use by visitors, reducing the need for parking and the potential for traffic congestion. It also enables the use of the centre by a broader range of the community, including those that do not have access to private vehicles such as teenagers or the aged.

Access to transport networks such as the Pacific Highway (including the proposed re-aligned corridor) as well as key roads within the Shire such as Waterfall Way is of considerable importance for larger employment generating uses, having particular regard to light and general industry including storage and warehousing uses.

Successful industrial areas have good access directly to motorways connecting broader areas across Regions thereby enabling employers / employees to travel to them as well as vehicles to access businesses for servicing and deliveries. Direct and efficient access helps to reduce travel times and thereby business costs whilst improving connectivity to broader markets. It is also likely that an industrial area would employ residents from outside the Shire and accordingly the locations accessibility to the wider Region (i.e. at the gateway to the Shire) is an important consideration.

Access to transport networks is also important for light and heavy industrial businesses as it improves opportunities for access by a larger workforce and therefore the range of skills available to a business. As discussed in Chapter 7, the availability of skilled and knowledge workers has become an increasingly critical component of businesses within the knowledge economy.

Criteria 4: The Availability and Sustainable Use of Infrastructure

The provision of hard and soft infrastructure is a fundamental requirement for the timely and successful development of all employment generating uses. The provision of hard infrastructure such as roads, drainage, reticulated water and electricity services is key to enabling development to occur, to ensuring the efficient use of infrastructure and to reducing the financial implications to prospective developers / investors.

Furthermore industry consultation finds that the existing provision or committed provision (including funding) of infrastructure is crucial to providing certainty to investors, developers and tenants. Committed infrastructure reduces the potential risk of development and the attraction of a location for employment generating uses.

The Settlement Planning Guidelines for the Mid North Coast recommends that new development should not be designed in a ribbon format so as to increase the burden for infrastructure and that demand for water by new businesses does not place unacceptable impacts on the environment. To address these requirements, the Guidelines suggest that development only be located “*where there is sufficient existing capacity in the infrastructure*” or where sufficient funding has been identified to strengthen / extend existing infrastructure.

Soft infrastructure (such as open space, community services and retail services) is also important to serving the needs of workers and clients for all employment generating uses. The proximity and availability of this infrastructure enhances the amenity of a work location and reduces the need to travel.

Criteria 5: Opportunity to Cluster with Other Businesses and Magnet Infrastructure

The term agglomeration relates to the concentration of related or similar activities within a common geographic area such as a centre or industrial lands. Many employment generating uses along the mid north coast benefit from strong industry clusters in education, health, technology, media and property industries.

These industries seek to co-locate because of the productivity benefits of agglomeration gained as a result of:

- Improved opportunities to network;
- Increased innovation and service sophistication;
- Cost savings through economies of scale;
- The ability to specialise and use other services to complement business activity; and
- A larger available customer and supplier market.

The opportunity for a new business to cluster with an established one in the Shire can be an important attractor. For this reason clustering has been identified as one of the key criterion for new employment lands from an economic perspective.

Criteria 6: Land – Availability, Lot Size and Ownership

A successful centre or industrial location requires a critical mass of floorspace and supporting facilities (amenity space, car parking, services etc.). Accordingly a location of a suitable scale, with large sites capable of amalgamation in a reasonable period of time is required to support a viable cluster of associated uses.

One of the key land related factors required for new employment areas is land ownership and availability. Land must be available for development and with appropriate ownership to enable timely delivery. Accordingly a desirable location has reasonable parcels of vacant / underutilised land to support viable redevelopment as well as a number of landowners so that there is competition and a range of options for bringing land forward for the intended development.

Conversely locations with high levels of site fragmentation (particularly smaller sites), sites in strata title or land owned by people not inclined to sell / redevelop their properties can create significant barriers.

By way of example, a highly fragmented location with respect to ownership can hinder a developer's ability to effectively acquire a number of sites to form a larger site for redevelopment on account of extended time periods, holding costs and risk. The need to acquire a number of sites can also result in the prospective developer paying a premium or higher purchase price that the sum of individual land values. A highly fragmented location can therefore limit the attraction of developing an area by creating significant time constraints for development, costs and risks thus rendering prospective development unattractive, unviable or unworkable.

In support of this position, the Settlement Guidelines recognise that a variety of locations should be provided to encourage a range of development opportunities over time. We reinforce this position with the recommendation that an oversupply of employment generating lands (compared to forecast demand) should be encouraged so as to act as a price moderator in the Shire / broader Region and to provide an array of opportunities for new or expanding businesses.

Criteria 7: Employment Diversity

Criterion 7 relates to opportunities created by a new employment location to support a diversity of jobs in the Shire (i.e. light or heavy industrial, retail, administrative or specialist knowledge). A diversity of employment opportunities should be encouraged within the Shire so as to support a mixed and balanced community with respect to income levels, knowledge and cultures. A diversity of employment within the Shire also helps to

minimise the need to travel to alternative locations in the Region to the benefit of the Region's environmental, economic and social sustainability.

Criteria 8: Environmental Amenity, Suitability and Impact

A range of environmental matters must be considered when identifying / considering suitable locations for employment generating uses. Factors to consider include: site topography, flooding, water tables, sub stratum soil conditions, vegetation, fauna, Aboriginal and European cultural and heritage features, bushfire prone areas and visual sensitivities. As discussed under Criterion 1, it is also important to identify the proximity of the location to more sensitive uses (such as existing or planned residential areas) as well as the potential for conflict.

As identified by the Settlement Guidelines, future development should avoid areas of potential hazard, environmental significance, significant natural or economic resource, high landscape or cultural heritage value. Of particular relevance to Bellingen Shire is the impact of flooding and the suitability of land for development.

Many locations within the Shire have varying levels of flood influence. For the purposes of this Strategy the following approach has been applied to land of varying flood level categories:

1. For land that is designated as 'Floodway' it is not considered suitable for new commercial or industrial development. A development proposal for land in this category would be likely to have notable impacts on flood flow and would be contrary to Section 117 Direction 4.3 as well as the Bellingen LEP 2010;
2. For land designated as "Flood Fringe" there is some potential for industrial development however detailed investigation and analysis would be required to ensure that any filling on the site to enable commercial or industrial development did not exacerbate flood impacts for other properties and their uses; and
3. For land designated as "Flood Storage" there is less hazard considered and therefore there is potential for development subject to the effect the development could have to flood storage levels. The type of built form in this location is therefore restricted to ensure that development does not affect the localities overall level of flood storage.

The Settlement Guidelines also identify the need to ensure that new employment lands maintain or improve the Region's biodiversity, air and water quality.

These features may relate to the site in question or adjacent sites / localities and can have a direct and significant impact on the extent of land that can be developed, the form and financial viability of development.

Importantly, the environmental quality and visual appeal of a location may also have a bearing on the suitability of a location for employment generating uses. The visual appeal or amenity value of an area can create an important point of difference for a prospective developer or tenant. An area of high visual amenity can create an attractive location for work, which may be particularly important for service based businesses (i.e. cafes, tourist facilities etc.), creative industries or for businesses seeking to relocate from other locations in NSW to enjoy the lifestyle benefits of the Shire.

In this respect the suitability of a location from a business perspective not only relates to practical factors such as access and services but also to the image that it seeks to portray. Furthermore the appeal of a business's location and its proximity to services and lifestyle factors plays an important part in its ability to attract suitable employees with appropriate skills. For this reason the perceived appeal or image of a location can play an important role in defining its success.

Criteria 9: Demand for land

A final criterion for consideration is the demand for additional employment generating land. This criterion must be balanced with the potential use of the same land for alternative uses such as agriculture or residential and thereby the broader pressures related to the supply of land and suitable sites for these uses. Accordingly the demand forecasting and principles espoused by this Strategy, together with the Growth Management Strategy and the objectives of the Mid North Coast Regional Strategy should be considered in the assessment of the suitability of employment lands.

11.2 Summary

In summary, when considering the suitability of potential land for employment generating uses (and thereby potential rezoning) a wide range of environmental, social and economic matters must be considered.

Of particular note, there should be a recognised need for the land and demonstration that it makes efficient use of appropriate land and existing infrastructure in the Shire without compromising the potential use or amenity of surrounding uses. Prospective sites should complement and / or cluster with existing employment generating uses to provide a greater array of services in the Shire and diversity of job types whilst minimising the need for residents and workers to travel. The ownership, scale and environmental characteristics of a potential employment or locality site should be considered along with its potential impact to the environment, with a presumption in favour of improving, rather than detracting from the quality and visual appeal of a locality.

12. AGED CARE HOUSING

The Mid North Coast Regional Strategy forecasts employment growth across a range of industries including finance, administration, business services, health, aged care and tourism. To accommodate these industries, it recognises “these and other sectors as requiring additional employment lands capacity.”³⁰

The preceding Chapters of this Strategy have had a particular focus on employment generating lands and traditional employment generating industries including retail, commercial and industrial uses. It will now focus however on aged care housing, the need for such housing, its employment generating potential and potential sites within the Shire that could accommodate its growth.

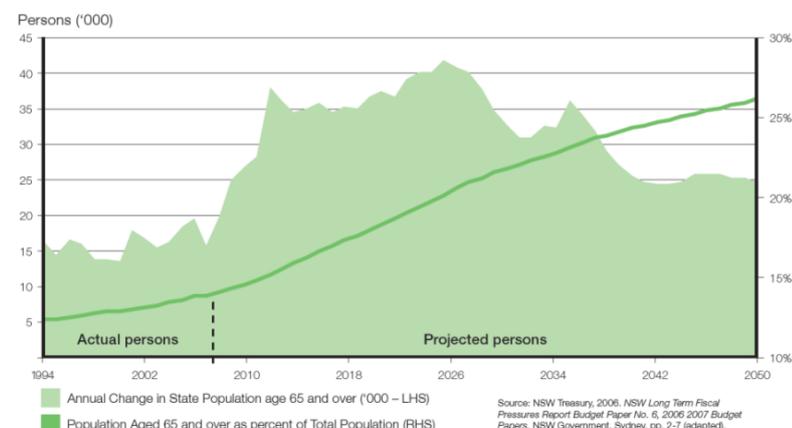
12.1 Demand for Housing for Older Australians

The NSW Government estimates that the number of people in NSW aged 65 years and over will increase from 0.9 million people in 2006 to 1.8 million by 2030³¹. The Mid North Coast Regional Strategy specifically forecast an increase in the median age of residents in the Region from 44 years in 2006 to 55 years in 2031 and the associated doubling of the population aged 65 years and over. Figure 15 below shows that by 2031, it is anticipated that of all Regions in NSW, the Mid North Coast will have the greatest proportion (35%) of persons aged over 65 years.

For Bellingen Shire, Chapter 3 of this Strategy has identified that the proportion of the population aged 65 years and over will increase from 18% to 30%. This represents a notable increase of +1,920 residents in this age bracket which is substantial given that the Shire’s population as whole (across all age groups) is only forecast to increase by +1,200. These statistics show that as a proportion of population, persons over the age of 65 years will increase significantly whilst the proportion and in fact number of people in younger age groups will decline.

These changes are a direct reflection of declining levels of fertility and increasing life expectancies and can be shown in the following figures as well as Figure 2, Chapter 3.

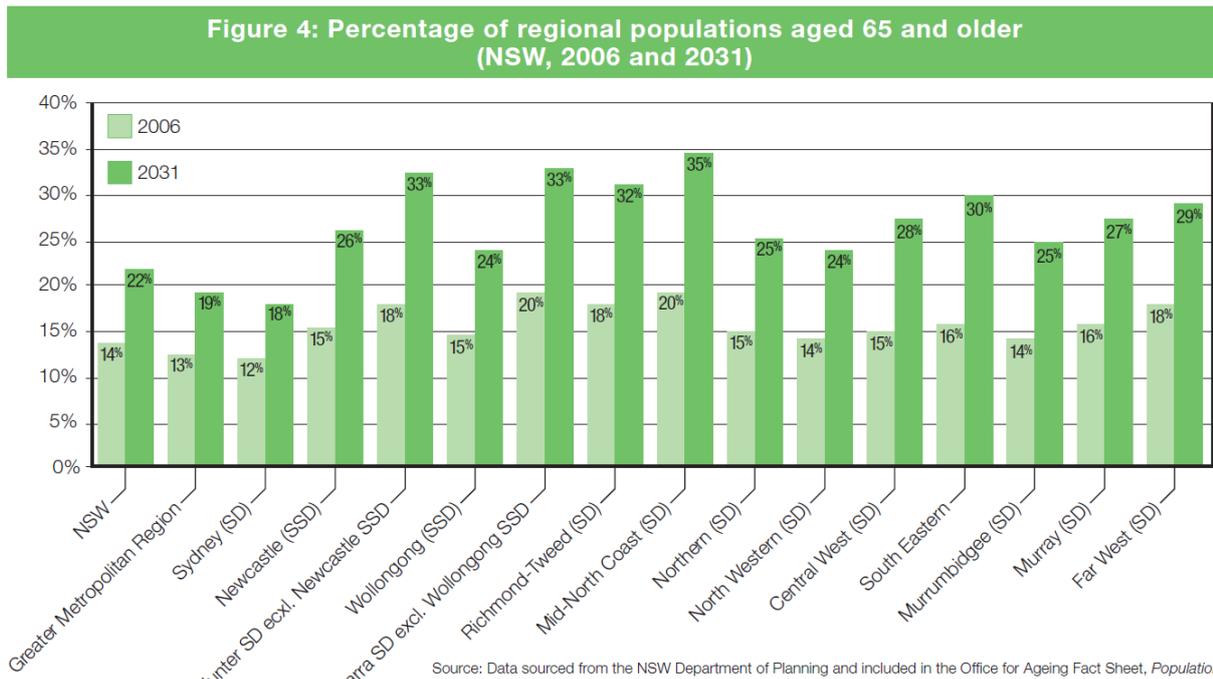
Figure 14 - Annual Increase in NSW Population Aged 65 years and Over



³⁰ Mid North Coast Regional Strategy Page 24

³¹ Towards 2030 – Planning for Our Changing Population 2008

Figure 15 - Percentage of Regional Populations Aged 65 and Older (NSW 2006 and 2031)



It is recognised that this demographic change will have a notable influence to the demand for housing, services and the economy. The Mid North Coast Regional Strategy specifically identifies that there will be an impact to “the type and availability of dwellings that will be needed.” It estimates that “By 2031, an additional 59 600 dwellings will be required to satisfy population growth, the changing age structure and declining occupancy rates as well as some expected tourism demands”.

The NSW Government also recognises that the demographic changes will not only have an impact on future housing markets but are likely to have an impact on “work and business opportunities, the required mix of services and the types of cultural facilities and recreational and lifestyle opportunities across locations.”³²

To address these influences the State Government has prepared a state wide policy called *Towards 2030 – Planning for Our Changing Population*. Of relevance to this Strategy, *Towards 2030* provides a number of key priorities including 1.1 *Ensuring government, business, community and individuals adequately plan for the future* and priority 1.3 *Liveable homes and communities*.

In response and of particular note to priorities 1.1 and 1.3, Bellingen Shire Council has included aged care housing within this Strategy.

12.2 Ageing in Place

Since the late 1990’s the Australian Government has advocated a policy referred to as ‘Ageing in Place’. The policy intent being to provide the opportunity for residents to remain in the same environment, where possible, as their care needs increased. Prior to this policy hostels were used to accommodate residents with low care needs

³² *Towards 2030 – Planning for Our Changing Population*, NSW Government 2008

whilst residents with high care needs were accommodated in nursing homes. Once low care residents became high care, transfer to another facility was necessary³³.

Today the preference is for residents to remain in their own homes with support for as long as possible. In fact it is understood that approximately 60% of those aged at least 70 have expressed a clear preference for remaining in their own homes with support from services³⁴.

It is also considered desirable for high care and low care to be delivered in the same facility. The ageing in place approach is considered advantageous as it reduces the level of potential disruption and continuity of care in a familiar environment. A recent study for the Department of Human Services found that social connectedness was highly valued by older people and therefore staying in their own homes and / or communities was of high importance³⁵.

However caution is applied as the same study found that many homes occupied by older Australians do not comply with Australian Standard AS 4299 (Adaptable Housing) and therefore may not be suitable for people as they age and develop increasing physical disabilities³⁶. Furthermore challenges can arise for service providers as the capacity of individual facilities to accommodate ageing in place is variable and depends largely on the physical environment and the ability to staff the facility appropriately³⁷.

12.3 Types of Seniors Housing and Aged Care

A vast array of housing tenures and types, with varying levels of care accommodate older Australians including self-care units and dwellings, retirement villages, residential age care facilities, mobile home villages and holiday parks. Many of these forms of accommodation do not have formal support services and therefore residents rely on assistance from family and friends or local services such as 'Meals on Wheels'.

There are however an array of retirement or aged care facilities available for residents, with a snapshot of some provided below and their associated level of care.

Independent Living: This form of accommodation relates to older Australians who are still independent and therefore able to continue living at home but may need some help. Independent Living Communities can be designed for people who are able to live on their own, but desire the security and conveniences of community living. Most communities provide organized social recreational programs and activities. Dining services are available as well as custom meal plans.

Congregate Living: this form of accommodation is suitable for those in good health who want independence and companionship. They generally live within their own apartments, share common areas, social activities, dining areas and amenities.

³³ Review of Pricing Arrangements in Residential Aged Care - Full Report Australian Government, Department of Health and Ageing <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-investinginagedcare-report-index.htm~health-investinginagedcare-report-5.htm>

³⁴ J McCallum, Submission to Senate Inquiry into Superannuation and Standards of Living, 3 May 2002

³⁵ Housing and Independent Living – Environmental and Built factors for Maintaining Independence in Older Age, Report to Ageing Disability and Home Care, Department of Human Services (March 2011)

³⁶ Housing and Independent Living – Environmental and Built factors for Maintaining Independence in Older Age, Report to Ageing Disability and Home Care, Department of Human Services (March 2011)

³⁷ Review of Pricing Arrangements in Residential Aged Care - Full Report Australian Government, Department of Health and Ageing <http://www.health.gov.au/internet/main/publishing.nsf/Content/health-investinginagedcare-report-index.htm~health-investinginagedcare-report-5.htm>

Assisted Living: this form of accommodation is suitable for those who can no longer live on their own, but don't require a high level of assistance. Assistance with medications, activities of daily living, three meals a day and housekeeping are provided in these communities. Residents live in their own private apartments, which often have a kitchen area.

Continuing Care, Nursing Care, Alzheimer's Care and Rehabilitation: these forms of accommodation provide for older Australians with a range of health and support needs. Twenty-four hour skilled nursing services are available in all of these communities. Residents generally have high care needs and complex medical conditions that require routine skilled nursing, physical therapy and rehabilitation care as well as other ancillary services.

12.4 Existing Provision in Bellingen Shire

It is understood that in addition to residents ageing in their existing homes in the Shire with informal and formal means of support, a number of organisations provide a range of housing options for older Australians including³⁸:

- Two independent living complexes in Bellingen operated by the Royal Freemasons Benevolent Society (one four unit development known as Legacy Units and one 16 unit complex known as Oakman Gardens);
- Four independent living units in Pine Street provided by the Rotary Club, Dorrigo;
- 30 High care and 63 low care places provided by Bellorana Nursing Home and Hostel on Watson Street, Bellingen; and
- 14 High care places provided in the Multi-Purpose Centre (MPC) in Dorrigo.

In light of the above, it is apparent that there are limited low or high care facilities in Urunga. The Royal Freemasons Benevolent Society has however recently received approval for a 60 bed aged care facility at Raleigh, which is in close proximity to Urunga.

12.5 Employment Generating Potential

Whilst housing for older Australians is not in itself an employment generating use, it supports job generation in five key ways as explained further below.

1. Through **construction related employment**. By way of example for every \$199,500 of construction value, one job for one year is generated in the construction industry. Accordingly for a \$10m development, in the order of 50 jobs for 1 year or 25 jobs for 2 years could be generated³⁹.
2. On the back of this economic activity, additional employment through **the 'multiplier effect'** would be generated. It is generally found that for every \$1 million in construction cost, a total of 20.60 job years could be generated in the economy both directly through construction (as discussed above) and in multiplier impacts. Accordingly for the same \$10m development, a total of 206 jobs could be generated across the broader

³⁸ Various sources including the Royal Freemasons Benevolent Society, Council and the Dorrigo Seniors Living employment and Spending Study, Urbis 2010

³⁹ Australian National Accounts: Input-Output Tables 1996-97 (5209.0), Price Index of the Output of the Building Industry - Producer Price Indexes (6427.0), CPI All Groups - RBA Bulletin (Table G2)

Australian economy⁴⁰. It is important to note that these jobs will not all relate to Bellingen, but rather to the flow on effect across the NSW and Australian economies dependant on the origin of materials etc.

3. Through the **generation of jobs to service the residents based onsite**. The aged care sector is a major employer in the Australian Economy with the residential care sector alone being the ninth largest employing industry in Australia. Therefore jobs will be generated both onsite and offsite as a result of new housing for older Australians. In the case of the latter additional jobs would be generated through government services operated by the NSW Department of Health, the NSW Department of Disability, Ageing and Home Care

In the case of the former (i.e. on site employment) the degree of employment likely to be generated will vary dependant on the nature of the facility and level of service offered. Based on discussions with industry providers, it is understood that in the order of 0.03 jobs per person⁴¹ is generated in the low care forms of accommodation (i.e. 3 jobs per 100 persons residing in accommodation described as independent living above) with the ratio increasing to one job per person for higher levels of care (i.e. for accommodation described as continuing care, nursing care, alzheimer's care and rehabilitation above).

4. Through **the generation of demand for goods and services such as retail**. This demand will be generated by new residents as well as new staff and their associated family members. Our research finds that by 2011, retail expenditure on a per capita basis will equate to approximately \$11,970 per annum. Therefore assuming that a new development attracts 50 new residents, an additional \$600,000 of potential retail expenditure will be drawn into an area. Assuming 50% of that expenditure is spent in the locality, this increase could generate demand for one additional job in the local retail industry.

Notwithstanding the above, it is important that retail expenditure and job generation figures are not double counted. For example, additional expenditure and jobs will not be generated if residents already living in the area relocate within the same area to occupy the new development. A net benefit will only occur if new residents are attracted into the locality i.e. from outside of its existing trade area.

12.6 Industry and Stakeholder Consultation

In order to inform this Strategy, a workshop was held with local housing and service providers for the aged in Bellingen. The workshop focused on some key questions being:

1. The level and nature of demand for housing for older Australians in Bellingen Shire;
2. Appropriate criteria by which suitable sites could be identified; and
3. The suitability of potential sites in the Shire for aged care housing in light of the designated criteria.

In response to the matter of demand, it was found that the existing⁴² and likely future⁴³ provision of high care services was adequate in the Shire. The majority of unmet demand related to independent living accommodation or housing that was smaller in scale, in town centres that was better suited to the needs of older people whilst allowing residents to remain in their community. The availability of this form of accommodation was particularly

⁴⁰ Australian National Accounts: Input-Output Tables 1996-97 (5209.0), Price Index of the Output of the Building Industry - Producer Price Indexes (6427.0), CPI All Groups - RBA Bulletin (Table G2)

⁴¹ Estimates based on various sources including the Royal Freemasons Benevolent Society, Council and the Dorrigo Seniors Living employment and Spending Study, Urbis 2010

⁴² Please refer to existing services described in Section 12.4 above.

⁴³ Approved development to start construction at 191 the Pacific Highway, Raleigh to be developed by the Royal Freemasons Benevolent Society

important for existing Shire residents seeking to downsize from larger dwellings or rural properties whilst retaining their independence.

There was a general consensus that the greatest degree of unmet demand related to Dorrigo. Owing to the lack of suitable independent living accommodation in the town, existing older residents needed to travel to other centres such as Bellingen for housing choice. This created social severance issues on account of the geographic and perceived distance / difference between the two locations.

It was recognised by service providers that notable efficiencies can be gained by concentrating housing for older persons in the one development / part of a centre. Furthermore a critical mass of demand was important for locations such as Dorrigo that were not as accessible as larger population concentrations.

The workshop also identified a range of geographic and service based needs of older persons which influenced site selection. These matters and their implications to the identification of suitable site for prospective development within the three centres are discussed further below.

12.7 Key Criteria for Aged Care / Housing Sites

The Industry and Stakeholder Workshop described above reiterated that housing for older Australians can be broken down into a variety of different types i.e. independent living, assisted living or nursing care with each type having specific needs with respect to site characteristics and business model. Notwithstanding these variations, the selection of suitable sites for housing for the aged can be informed by a number of common characteristics.

Based on our research, feedback from the Industry and Stakeholder Workshop and industry experience, we have identified 8 criteria for the identification of suitable sites in the Shire to develop for the market group. The criteria are listed and explained further below.

Criterion 1 – Access to Services: the first criterion is a key consideration for the provision of aged care services as many residents may be restricted in their ability to walk or drive. Accordingly access to services such as shops, businesses and medical facilities (including hospitals) is important for not only health reasons but social wellbeing. To address this criterion, housing for older persons should be located within a reasonable walking distance of a town centre i.e. within 200m - 400m.

In the case of retail services, the Housing and Independent Living Study⁴⁴ discussed in earlier sections of this Chapter found that access to shops that sold fresh fruit and vegetables was an important consideration as opposed to a convenience store with a reduced range of goods. Access to a range of social, leisure and community activities is also important from a mental health perspective. Combined each of these factors support the creation of 'liveable communities' for older Australians which is a key objective for the NSW Government.

Criterion 2 – Pedestrian and Transport Accessibility: this criterion is relevant for a number of key reasons. As discussed above, many older Australians are restricted in their mobility owing to physical ailments and / or a lack of access to private transport. Accordingly a safe walking environment that is level

⁴⁴ Housing and Independent Living – Environmental and Built factors for Maintaining Independence in Older Age, Report to Ageing Disability and Home Care, Department of Human Services (March 2011)

(or has a modest gradient) both on the site and to services / centres is an important locational factor. Increasingly sites or locations suitable for use by scooters (i.e. low gradient, wide paved footpaths) is required to accommodate this form of transport and enable independence.

The proximity and frequency of public transport to a site is also a key consideration. A good public transport network not only allows residents to travel to a variety of locations and services but also allows staff, family, friends and specialists to access the site and visit their loved ones. Suitable sites should facilitate transport to not only local services but higher order services such as hospitals (in Bellingen or Coffs Harbour) as well as specialist medical care. This is a particular challenge for regional locations and centres such as Dorrigo which only have access to a bus to Coffs Harbour twice weekly and does not have a taxi service.

It is recognised that in the future technological advances such as the use of the internet may help reduce the frequency and need to travel. Accordingly suitable sites should also incorporate access to broadband internet services.

Criteria 3 – Amenity: This criterion relates to a range of matters including the visual appeal of an area, its microclimate (i.e. frost or heat retention), aspect (and thereby the availability of daylight and sunlight as) well as potential disturbances by way of noise, smell or traffic. The latter are important considerations for sensitive uses such as housing and may be largely influenced by surrounding uses such as highways or industrial premises.

Criteria 4 – Infrastructure: This criterion specifically relates to the provision of sewerage, electricity and reticulated water services along with adequate road and transport services. As discussed in Chapter 11, the Mid and Far North Coast Settlement Strategy Guidelines identified that developments should make efficient use of existing infrastructure services (without overburdening them). Furthermore developments should not be focused in locations where existing infrastructure is not available unless suitable funding for its provision has been secured.

Criterion 5 – Site Constraints: This criterion is important to supporting the feasibility of development and thereby its ability to be implemented / realised. In the case that existing buildings on the site are costly to demolish on account of environmental factors (asbestos or the scale) or that they have not reached the end of their economic life, it may not be attractive or viable to commence the development. Other site constraints can relate to the size, layout, gradient or level of contamination on the site all of which can significantly hinder the extent of land that can be developed. Should these constraints be so significant, sites may be rendered unsuitable.

Criterion 6 – Flooding and Climate Change: on account of the significant extent of flood prone land in the Shire, flooding and the effects of climate change (such as sea level rise) have been separated out as constraints in their own right. Flood liability restricts the development potential of land surrounding centres such as Urunga (i.e. largely a flood storage area) resulting in the need for specific design characteristics to overcome challenges. The potential for flooding could also restrict the prospect for aged care residential uses on the north side of the Bellinger River as the area could be cut off from ready access to medical or other services in the case of flooding.

Criterion 7 - Land ownership: whilst a site may meet all of the criteria listed in this section, the nature of the site's ownership may restrict its prospect or ability to be developed. By way of example, it may not be possible to develop as the owner of the land may not be willing or able to sell the land. Furthermore the market value / expectation of the landowner may impact on the development's feasibility. The availability and suitability of land may also be influenced if it is in the ownership of the Crown, as is the case for a number of potential locations in Dorrigo.

Criterion 8 Land Use Planning: as a final criterion, the objectives of the Shire's strategic plans must be considered. In this respect, a number of land uses compete for sites in the Shire. Accordingly a comprehensive review of the best sites for uses must be considered to ensure that all of the existing and prospective needs of the community and economy are protected. Accordingly a given site's zoning and the intentions of the longer term planning framework for the Shire should be considered particularly for uses with restricted location options such as high value farmland and industrial land.

It is important to note that whilst the list of criterion outlined above have been sourced through various means, they are not exhaustive and other factors, particularly location or community specific factors, may influence the suitability of any given site. Furthermore owing to site specific matters, the weight or significance of these criterion will vary, with some cancelling each other out whilst others will tip the balance in favour of a suitable site or otherwise.

Taking these caveats into consideration, the following section applies the criterion to the key sites identified by the Industry and Stakeholder Workshop and other means investigated during the course of researching this Strategy.

12.8 Potential Sites and their Suitability

In accordance with the Bellinghen 5 Year Economic and Tourism Development Plan 2010, the following potential sites for housing for older persons have been identified for consideration across the three centres of Urunga, Dorrigo and Bellinghen as follows:

Bellinghen

1. 6 Bowra Street, Bellinghen (Bellinghen Bowling Club Site),(Lot 570 DP 755557)

Dorrigo

2. 100 Kurrajong Street (Lot 2 DP 525348)
3. 85 Hickory Street (Lot 2 DP 628931)
4. 75-79 Hickory Street (Lot 1 DP 932727, Lot 4 Section 10 DP 758357, Lot 1 DP 1039586)
5. Railway Street, Dorrigo (Lot 709 DP 706735)
6. Land to the south of Waterfall Way along Gum Street, Dorrigo(Lot 12 DP 1163271)
7. Land bound by Ash, Wattle and Railway Streets, "Former Polo Fields"
8. Land to the south of Berry and Hydro Streets, Dorrigo (Lot 710 DP 706735)

Urunga

9. Vacant lot, corner of Morgo and Bowra Street, Urunga (Lots 1 & 9 Section 2 DP 759026)
10. 21 Newry Street, Urunga (Lot 12 DP 732665)
11. 26-32 Orara Street, Urunga (Lots 1-4 DP 11210)
12. 15-19 Orara Street (Lot 5 Section 11 DP 759026)

Plans showing the location of each potential site are provided on the following page.

It is important to note that the list of potential sites across the Shire provided above are by no means exhaustive as opportunities for additional sites will arise over time, including opportunities to amalgamate sites and / or re-develop existing buildings.

Figure 16 - Plan of Site Investigated for Aged Housing in Bellinghen



Source: Bellinghen Shire Council, Hill PDA, MapInfo 11.5

Figure 17 - Plan of Sites Investigated for Aged Housing in Dorrigo



Source: Bellinghen Shire Council, Hill PDA, MapInfo 11.5

Figure 18 - Plan of Sites Investigated for Aged Housing in Urunga



Source: Bellingen Shire Council, Hill PDA, MapInfo 11.5

To assess these sites we have ranked their suitability against the key criteria listed in the preceding section. When assigning scores to each criterion we have considered the information available to us. A more detailed analysis and specialist studies are recommended for sites to be investigated further.

We have also applied a simple scoring mechanism (shown in the table below) to appoint to the relevant criteria for each location. A high score of 5 indicates that the location ranks as 'Excellent' against the criterion whereas a low score (1) represents 'Very Poor' support for the Criterion in question. Using the methodology established above, Table 44 below summarises the scoring of each location against the established criteria.

Table 43 - Scoring of Potential Locations

Description	Score
Very Poor	1
Poor	2
Average	3
Good	4
Excellent	5

Table 44 - Assessment and Ranking of Potential Locations for Housing for Older Australians

Hill PDA	Weightings		Site 1 - 6 Bowra Street, Bellingin		Site 2 - 100 Kurrjong Street, Dorrigo		Site 3 - 85 Hickory Street, Dorrigo	
	Maximum Unweighted Score	Weighting (%)	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score
1. Access to Services	5	12.5	4	10	4	10	5	12.5
2. Pedestrian and Transport Accessibility	5	12.5	3	8	3	8	4	10
3. Amenity	5	12.5	4	10	4	10	3	7.5
4. Infrastructure	5	12.5	5	13	3	8	5	12.5
5. Site Constraints	5	12.5	3	8	2	5	4	10
6. Flooding and Climate Change	5	12.5	3	8	4	10	4	10
7. Land Ownership	5	12.5	4	10	2	5	4	10
8. Land Use Planning	5	12.5	3	8	5	13	5	12.5
Total Weighted Score	40	100	29	73	27	68	34	85
Normalised Score			85		79		100	

Hill PDA	Site 4 - 75-79 Hickory Street, Dorrigo		Site 5 - Railway Street, Dorrigo		Site 6 - South of Waterfall Way, Dorrigo		Site 7 - Ash, Wattle and Railway Streets	
	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score
1. Access to Services	5	12.5	4	10	3	7.5	4	10
2. Pedestrian and Transport Accessibility	4	10	4	10	2	5	3	2
3. Amenity	4	10	4	10	4	10	3	7.5
4. Infrastructure	5	12.5	4	10	4	10	4	10
5. Site Constraints	4	10	3	7.5	3	7.5	4	10
6. Flooding and Climate Change	4	10	3	7.5	4	10	3	7.5
7. Land Ownership	4	10	5	12.5	4	10	2	5
8. Land Use Planning	3	7.5	5	12.5	5	12.5	1	2.5
Total Weighted Score	33	82.5	32	80	29	72.5	24	54.5
Normalised Score	97		94		85		64	

Hill PDA	Site 8 - South of Berry and Hydro St, Dorrigo		Site 9 - Morgo and Bowra St, Urunga		Site 10 - 21 Newry Street, Urunga		Site 11 - 26-32 Orara St, Urunga		Site 12 - 15-19 Orara Street, Urunga	
	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score	Unweighted Score	Weighted Score
1. Access to Services	4	10	4	10	4	10	4	10	4	10
2. Pedestrian and Transport Accessibility	3	7.5	4	10	5	12.5	5	12.5	5	12.5
3. Amenity	3	7.5	5	12.5	3	7.5	4	10	4	10
4. Infrastructure	4	10	4	10	4	10	4	10	4	10
5. Site Constraints	4	10	4	10	1	2.5	4	10	4	10
6. Flooding and Climate Change	3	7.5	3	7.5	3	7.5	3	7.5	3	7.5
7. Land Ownership	4	10	4	10	4	10	4	10	4	10
8. Land Use Planning	1	3	3	7.5	5	12.5	5	12.5	5	12.5
Total Weighted Score	26	65.5	31	77.5	29	72.5	33	82.5	33	82.5
Normalised Score	77		91		85		97		97	

12.9 Assessment Outcome

Having applied the eight criteria, four locations stand out as having excellent potential to be developed as housing for the aged. Five locations provide secondary options worthy of continued analysis whilst the remaining sites either represent longer term options or options that should be dismissed at this stage entirely.

Key sites to be supported for further investigation, in order of ranking include:

1. 85 Hickory Street, Dorrigo (Site 3) with a normalised score of 100

This site scored the highest of each site assessed on account of excellent location within easy walking distance of Dorrigo Centre. The site therefore has excellent accessibility to services and amenities (i.e. supermarkets, specialty stores, business services). The site is serviced by existing infrastructure and is not in a flood prone location.

The site is zoned residential and is in single ownership, thereby reducing both the planning risk and cost of site assembly. A minor constraint of the site is its poor level of access to public transport, however this is a common factor for all locations within Dorrigo. Another key consideration to the realisation of this site as housing for older persons relates to the willingness of the existing owner to develop the site, or sell the site to be developed as housing.

2. 75-79 Hickory Street, Dorrigo (Site 4) with a normalised score of 97

This site scored well for many of the reasons discussed for 85 Hickory Street above. It was considered particularly strong with respect to amenity (adjacent to Coronation Park) as well as access to the centre and its amenities. The site is presently on the market, is in single ownership and is serviced. The existing building would be relatively inexpensive to demolish.

One constraint relates however to the sites existing B2 Local Centre Zone. This zone does however permit dwelling houses and shop top housing with consent and therefore a pure residential or mixed use development could be considered for the site. As a result of this location, a residential use at ground floor level would not create a significant disruption to the continuity of uses in the centre, but rather maximise the benefits of the site's proximity to the park and other amenities.

3. 26-32 Orara Street Urunga (Site 11) with a normalised score of 97

This site scored well against the key criteria on account of its central location within Urunga within walking distance of Urunga Centre and its associated services (i.e. supermarkets and specialty stores) as well as Urunga rail station. The site is a relatively large cleared area that can benefit from existing surrounding infrastructure and services.

The site is already zoned residential and is in single ownership. The key constraint to the site relates to the locations designation as a flood storage zone and thereby the constraints to the form of development that could be designed for the site. The willingness of the existing owner to develop the site, or to sell the site to be developed as housing for the aged is another factor that would require further investigation.

4. 15-19 Orara Street Urunga (Site 12) with a normalised score of 97

This site scored well against the key criteria for the same reasons as 26-32 Orara Street discussed above.

Other potential sites worthy of further investigation and consideration include:

5. Railway Street, Dorrigo with a normalised score of 94
6. The corner of Morgo and Bowra Street, Urunga with a normalised score of 91
7. 6 Bowra Street, Bellingen with a normalised score of 85
8. 21 Newry street, Urunga with a normalised score of 85
9. Land south of Waterfall Way, Dorrigo with a normalised score of 85

It is important to reiterate that our assessment of the suitability of each of the above sites has been largely desk top based and has not had the benefit of detailed environmental or social studies. In some cases some of the key constraints and obstacles to the development of the sites shortlisted above may not be determined until more detailed site investigations are undertaken. In other cases, the key constraints identified (i.e. access to the centre) may be overcome through the inclusion of a transport shuttle or walkway. Accordingly we support the more detailed investigation of these opportunities in greater detail.

13. FEASIBILITY OF A NEW CARAVAN PARK

The following Chapter investigates the potential demand and viability of a new caravan park within Bellingen Shire. It recognises the need for commercial facilities to provide a range of accommodation options for tourists to the Shire and thereby the important role Caravan Parks play in supporting the local and regional economy. The Chapter investigates the likely revenue to be achieved by caravan parks compared to the likely establishment and operational costs and therefore the viability of developing and running a new one. It concludes by investigating a potential site for a new caravan park in the Shire.

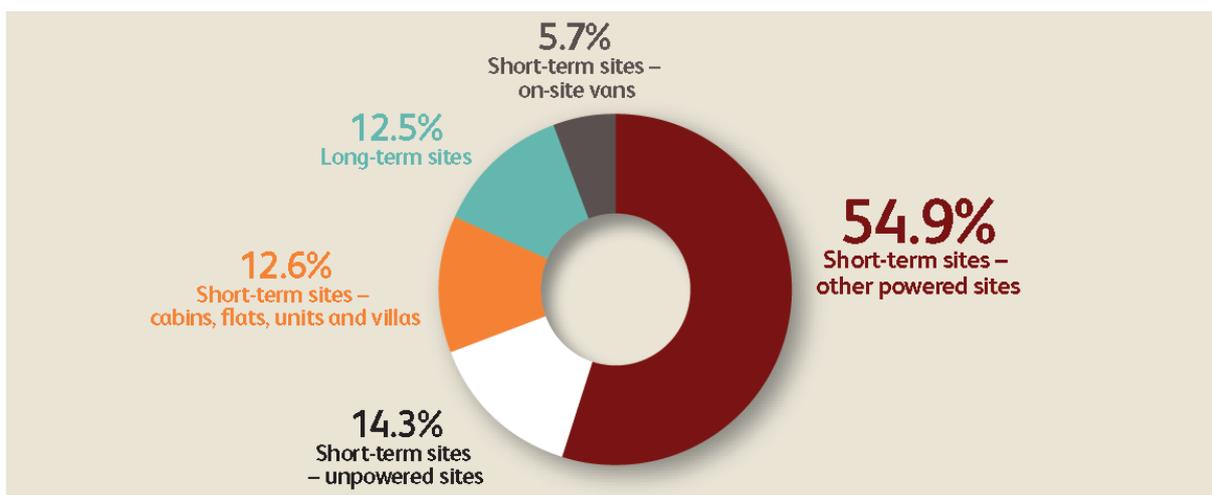
13.1 The Caravan Park Industry

The Caravan Park industry is becoming an increasingly important component of total tourist accommodation in Australia. Caravan park facilities are improving with a particular focus on cabin and on-site van segments. Furthermore new quality facilities are usually available at lower tariffs than competing hotels and motels, but still offer reasonably attractive profit margins for operators. The growth in the number of ‘grey nomads’ or retired persons travelling through regional Australia has also increased demand for low cost and flexible camping grounds that can accommodate campervans.

The industry has survived the recent economic slowdown in better shape than other tourist accommodation providers, by offering a combination of low-cost and high-quality accommodation. Furthermore in the past 10 years the industry has assisted lower income households by providing long-term sites at low cost when house prices and rents escalated at well above Consumer Price Index (CPI) levels.

As shown in the Figure below, the majority of revenue (54.9%) generated by Caravan Parks relates to short term sites with power (i.e. tourist accommodation) whilst long term sites (residential) accounts for 12.5% of users.

Figure 19 - Caravan Park Product and Services Segmentation (2011-2012)



Source: Ibis World

Results from a Tourism Research Australia survey for 2009 indicated that domestic visitors spent 40.9 million visitor nights in caravan and camping accommodation across Australia per annum. A further 4.5 million visitor nights were spent by international tourists. In light of this split, the industry is largely sensitive to trends in domestic overnight

travel and, to a lesser extent, international visitor arrivals. Overall demand originating from these groups is driven by the growth in disposable household incomes and the frequency and length of holidays taken. The continuing escalation in overseas travel by Australians due to the strong exchange rate is also dampening domestic travel demand.

IBIS World forecasts the industry will generate in the order of \$1.31 billion in revenue during 2011-12, up 1.1% for the year due to steady demand from domestic and international tourism. This is consistent with an average annual growth rate of 1.3% over the past five years. The industry is forecast to comprise about 1,435 long-term and short-term stay enterprises, down 0.2% from the previous year, largely due to the closure of caravan parks as property values increased and owners sold assets.

Over the next five years to 2017, total industry revenue is expected to increase by 1% per annum to around \$1.38 billion. Site numbers and site capacity levels are expected to continue to decline at a slow, steady rate in future years. Domestic visitor numbers are anticipated to remain relatively stable, while international visitor numbers will decline, at least in the short term, due to the high Australian dollar.

13.2 Existing Supply and Future Demand

As of 2010 NSW had 33% of the national caravan park market with the bulk of caravan parks in the State being located within the south and north coastal regions.

There are presently six caravan parks operating within Bellingen Shire including the Urunga Waters Caravan Park, the Urunga Heads Caravan Park, the Bellingen River Tourist Park (Repton), the North Beach Holiday park (Mylestom), the Brigalow Caravan Park (Urunga) and the Dorrigo Mountain Resort. The Shire also has a number of facilities that provide cabin style accommodation. As discussed in Chapter 7, these facilities are an important foundation to the local tourist industry accommodating over 16% of all overnight visitors to the Shire compared to 15% within hotels, resorts or motels.

Despite the important role played by commercial camping grounds to the Bellingen tourist industry, the proportion of visitors staying in this form of accommodation in the Shire is lower in comparison to other LGAs in the Region. It is anticipated this is more a matter of supply rather than demand as tourist surveys for the Coffs Coast find that many visitors are attracted to Bellingen Shire, having particular regard to Bellingen and Dorrigo Centres for day trips. Despite this attraction, the majority of visitors stay in alternative locations such as caravan parks in surrounding LGAs (please refer to more detailed discussion in Chapter 7).

The table below shows all LGA's within Coastal regions with over 100 dwellings in caravan parks. It is important to note that the ABS does not differentiate between dwellings that are occupied by visitors or longer term residents and that the census count occurs in August, which is not likely to show seasonal peaks i.e. summer holiday periods. For comparative purposes, these factors are common for each of the coastal areas shown. The table shows that in light of other coastal LGAs, having particular regard to those directly surrounding Bellingen Shire (i.e. Nambucca with 420 and Coffs Harbour with 1,250), Bellingen Shire has a comparative low number of dwellings (239).

Table 45 - Coastal LGAs with More than 100 Dwellings in Caravan Parks

Coastal Areas	Caravan / Residential Park or Camping Ground	Manufactured Home Estate	Total
Tweed	1,873	1,115	2,988
Port Stephens	623	1,180	1,803
Lake Macquarie	1,099	544	1,643
Coffs Harbour	1,250	207	1,457
Hastings	897	433	1,330
Shoalhaven	854	230	1,084
Wollongong	761	303	1,064
Ballina	747	210	957
Clarence Valley	826	-	826
Nambucca	420	366	786
Shellharbour	271	458	729
Great Lakes	528	3	531
Eurobodalla	426	65	491
Richmond Valley	367	86	453
Byron	426	5	431
Beg Valley	365	40	405
Wingecarribee	96	287	383
Greater Taree	290	51	341
Kempsey	295	38	333
Lismore	251	-	251
Bellingen	239	-	239
Newcastle	31	199	230
Regional Total	12,935	5,820	18,755

Source: ABS 2006 Census

Reinforcing the comparative lack of caravan park dwelling supply shown in the table above, tourism data for Bellingen Shire shows that the average number of overnight tourists per annum (averaged over three years to June 2007) staying in Bellingen, Nambucca and Coffs Harbour LGAs was 1.1m⁴⁵. The average length of stay was 3.5 nights. Bellingen Shire however had only 8% of this market.

Within the three LGAs 38% of overnight tourists stayed in hotels, motels and holiday houses and units, 34% stayed with friends and relatives and 17% in the caravan parks. With 14,000 visitor nights in the caravan parks Bellingen Shire captured only 6.2% of this market. With a 59% average occupancy rate for caravan parks, demand is however considered reasonably strong.

Given the small existing offer of caravan park accommodation in the Shire, combined with the strong attraction of Bellingen Centre, Dorrigo Centre, Bellingen festivals and events in addition to National Parks, there is clearly an opportunity to capitalise on quite strong latent demand for overnight caravan and camping accommodation.

A new caravan park of say 120 - 150 sites would capture no more than 4% of the caravan park market in the three LGAs. It's likely that the offer could also stimulate some additional demand to the Coffs Coast Region.

⁴⁵ Tourism Profiles for Local Government

A particular demand is identified for a location around Bellingen Centre given that there are three existing caravan parks in Urunga and one in Dorrigo yet none in or surrounding Bellingen Centre. Bellingen Centre also has a number of important local events and festivals that attract visitors from outside of the Region (as discussed in Chapter 7). Additional accommodation within or in close proximity to the centre would help support this industry and local employment spin offs.

13.3 Benefits of Caravan Parks to Tourism and the Economy

Across Australia the caravan park industry generated revenue of \$1.30b in 2010-11 and employed 10,650 workers with an average salary of \$19,925⁴⁶. The value added to gross domestic product was \$530m (41% of revenue).

In June 2010 there were 431 short term and 70 long term caravan parks operating in NSW. ABS Tourist Accommodation Small Area Data identifies there were 103 operating caravan parks as of June 2010. The average size of an establishment was 155 units (vans, sites and cabins) for the Region and 150 units for NSW. Occupancy rates for 2009-10 were 59.4% for the North Coast Region and 59.6% for NSW. Average takings for short term stayers were \$27 for the Region and \$24 for NSW⁴⁷.

If a caravan park were to establish in Bellingen with a 150 units it could attract or provide a potential 97,000 visitor nights in Bellingen (assuming 3 persons per unit per night and an occupancy rate of 59%). Average spend per overnight visitor per day in 2009-10 in the Region was \$139. Of that 32% (\$45) was in accommodation.

However with respect to overnight tourists staying in the caravan parks, the average spend on accommodation was only \$9 to \$10. Given that caravan parks attract more price conscious tourists it's likely that average spend in other areas would also be a little lower. Assuming 10% lower spending⁴⁸ we estimate the level of tourism spend that would be generated by tourists in a new caravan park in Bellingen Shire to be as shown in the table below.

Table 46 - Estimated Expenditure and Value Added from Overnight Tourism (\$/visitor/night)

Item	\$ Spend*	% Value Added**	\$ Value Added
Accommodation***	9.45	40.7%	3.85
Food and drink	45.70	40.0%	18.28
Airfares	3.82		
Other transport fares	2.46		
Fuel	16.70	9.8%	1.64
Shopping	12.55	26.5%	3.33
Entertainment	4.24	26.5%	1.12
Other	2.88	26.5%	0.76
Packages	0.34		0.00
Total expenditure	98.13		28.97

* Regional Tourism Profile for Mid North Coast 2009-10, Tourism Research Australia

** IBIS World Report for Caravan Parks and Camping Grounds, 2011

*** ABS Tourist Accommodation Small Area Data for NSW Cat 8635.1

The above table shows that every person staying in a caravan park is expected to spend \$98 per day in accommodation, travel, food and drink, entertainment and shopping. The bulk of that money would be spent in Bellingen Shire.

⁴⁶ IBIS World Report for Caravan Parks and Camping Grounds in Australia July 2011

⁴⁷ ABS Tourist Accommodation Small Area Data for NSW Cat 8635.1

⁴⁸ But a 4% price adjustment to account for CPI

The value added (or contribution to local domestic product) would be around \$29 per visitor per night stay. Assuming an average size caravan park of 150 units, an average occupancy of 3 persons per unit and an occupancy rate of 59% total tourism spend would be \$9.5m per annum. Total value added to the Bellinghen economy would be \$2.8m per annum.

13.4 Type of Caravan Park

The Settlement Planning Guidelines for the Mid and Far North Coast Regional Strategies⁴⁹ identify that a wide range of accommodation should be provided to cater to tourists. This range should vary from low cost family type tourism developments such as caravan parks and camping grounds to large single destination development. As established by the preceding sections of this Chapter, a new caravan park within the Shire, particularly in or around Bellinghen Centre would help to support this range of accommodation.

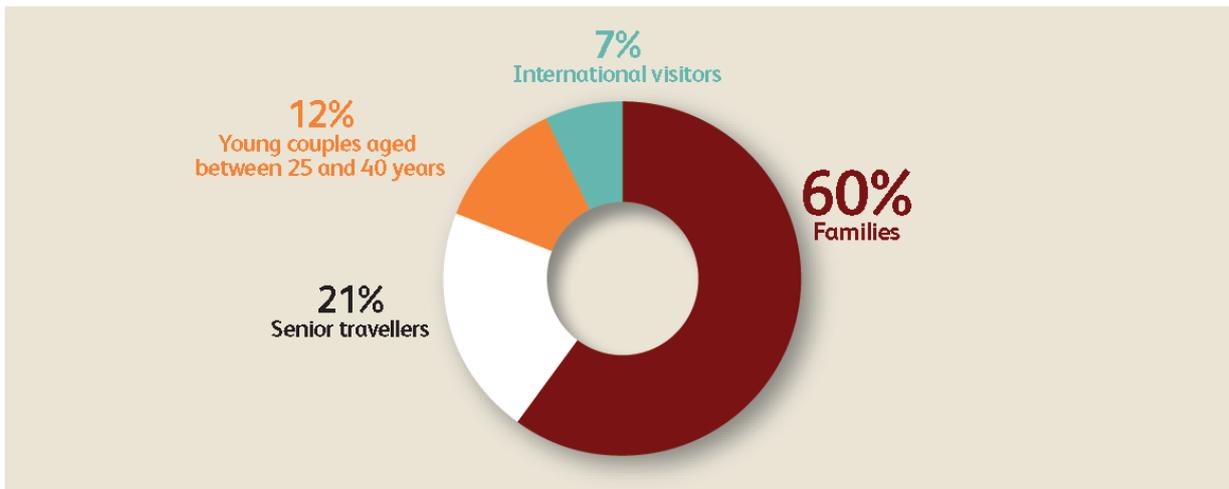
With respect to the type of accommodation provided within the caravan park, the figure below sets out the broad range of the market that frequents this form of accommodation. Families represent the overwhelming majority followed by senior / retired travellers. Comparative analysis of other caravan parks shows the growing importance of a range of facilities, accommodation types and prices points within the one caravan park to cater to this demand. Such a range should include:

- powered sites for vans used by retired seniors on longer holiday trips;
- powered higher quality, smaller cabins for younger couples and professionals visiting festivals, events or local tourist attractions;
- powered and larger cabin sites for families on summer holidays; and
- powered and unpowered camping sites for more price conscious international travellers (i.e. backpackers), families and retirees.

From a demand and financial viability perspective, the range of accommodation should also be maximised for any caravan park in Bellinghen. The caravan park could also be used to house longer-term residents in affordable accommodation – particularly if there are excess units (measured by when occupancy rates are below average – say 59%).

⁴⁹ Page 8, Settlement Planning Guidelines for the Mid and Far North Coast Regional Strategies

Figure 20 - Caravan Park Market Segmentation 2011-2012



Source: Ibis World

13.5 Location Criteria

Based on our research and analysis of existing caravan parks in the Region, the following section identifies a number of general criteria and key factors that can help to define the suitability of a site for a new caravan park. These factors are described below and subsequently applied in Section 13.7 to identify and test the suitability of potential sites in, and surrounding Bellingen Centre.

Criteria 1: Flooding and Climate Change – flooding (and increasingly sea level rise) can have a significant impact to public safety and accordingly most forms of caravan park development are not considered appropriate in high flood risk areas. As recognised by Yeo et al⁵⁰, defining flood risks in caravan parks can be complicated on account of the variety of uses they comprise i.e. short and longer term accommodation, commercial and private. Yeo et al concludes that the acceptability of caravan parks within flood prone areas varies according to the level of risk (in terms of probabilities and consequences); the types of uses and the ability to manage risk. In sum, it is best to avoid flood risk areas for Caravan Parks where possible.

Criteria 2: Proximity to Services, Centre(s) and Attractions – a caravan park can have a greater opportunity for success if it provides, or is located in close proximity to services required by visitors to an area such as a café, laundromat and grocery store. Where these services are not provided on site, it is desirable that they be located in close proximity to the caravan park to reduce the need to travel by car and allow for a broad range of visitors (including children) to readily access goods. Close proximity to local tourist attractions also acts as a key magnet for visitors increasing the likelihood of success.

Criteria 3: Visual Amenity – a location with a high level of visual appeal i.e. views of water, mountains or other environmental features is a positive factor for a caravan park seeking to attract tourists.

⁵⁰ (Yeo S. et al) What are Acceptable Flood Risks in Caravan Parks? NSW Department of Environment and Climate Change

Criteria 4: Land Availability – as with all land uses, the availability of land is a key criterion. For caravan parks this matter is particularly important as a large comprehensive parcel of land is required to enable a ‘critical mass’ of caravan / camping sites to be provided. By way of comparison, the existing caravan parks in Urunga cover between 3.6ha and 4.6ha of land. Furthermore a large existing parcel of land in the ownership of one or a small number of people who are willing to develop the land for the given use, or sell it onto someone who is, is a key factor in achieving any development outcome.

Criterion 5: Road Access and Visibility – as a tourist facility, the visibility and accessibility of a caravan park to either passing traffic or visitors to local / regional attractions is an important element in attracting trade. Furthermore the ease and comfort of road access is an important consideration for visitors driving larger vehicles (i.e. caravans or campervans or ‘rigs’) to destinations.

Criterion 6 Topography and Site Constraints - This criterion is important to supporting the feasibility of development and thereby its ability to be implemented / realised. Where existing buildings on a given site are costly to demolish on account of environmental factors (asbestos or their scale) or that they have not reached the end of their economic life, it may not be attractive or viable to commence the development. Other site constraints can relate to the size, layout, topography or level of contamination on the site all of which can significantly hinder the extent of land that can be developed. Should these constraints be significant, sites may be rendered unsuitable.

Criterion 7: Infrastructure: This criterion specifically relates to the provision of sewerage, electricity and reticulated water services along with adequate road and transport services. As discussed in Chapter 11, the Mid and Far North Coast Settlement Strategy Guidelines identified that developments should make efficient use of existing infrastructure services (without overburdening them). Furthermore developments should not be focused in locations where existing infrastructure is not available unless suitable funding for its provision has been secured. The provision of infrastructure is also an important consideration for caravan parks as the capital cost of provision can significantly hinder the viability of development.

13.6 Potential Revenue and Costs

The challenging economic conditions in which businesses now operate require owners and advisers to carefully examine business performance with regard to profit drivers, expense structures and their competitiveness in the market place. Our research and analysis of Caravan Parks has found that their profitability is highly dependent on revenue. A small shift in revenue would exacerbate the change in profitability because a large proportion of costs are fixed.

Capital costs for a medium standard park is around \$26,000 per bay which covers the cost of communal facilities, electricity, office, laundromat, barbeque areas, small swimming pool, internal roads and landscaping⁵¹. To support our feasibility calculations, we have allowed for a further 10% of costs towards the prospective caravan parks design, application fees and contingencies. We have therefore assumed that total design and construction costs would be in the order of \$4.3m.

⁵¹ Rawlinsons Construction Handbook 2011

Average fees per unit or bay have been estimated as \$28.50 per day. For a park of 150 units with 59% occupancy this calculates to \$905,000 per annum. The main operating items would be the cost of goods (5.4% of revenue), wages and salaries (27.7% of revenue and includes full-time proprietors) and other overheads (29.3% of revenue net of taxes, interest cost, amortisation and depreciation)⁵². Net operating revenue (Earnings before interest, tax, depreciation and ammonisation) is around 37.5% of gross revenue which calculates to around \$340,000 per annum for an average size park of 150 units.

A survey of caravan parks in the locality suggests that higher tariffs are being achieved⁵³. Powered sites near the beach range from \$38 per night (for 3 people) to \$59 per night in high season – averaging around \$43 throughout the year. Parks on the Pacific Highway, further away from the beach have lower tariffs at \$31 to \$34 per night (low season for three people) to \$40-\$45 per night (high season) averaging around \$34.

In Bellingen we believe an average rate of \$34 per night per powered site is achievable with an occupancy rate of around 57%. This calculates to a gross revenue of around \$7,000 per site per annum.

13.7 Feasibility of a Caravan Park

The following section applies the research and assumptions discussed above to assess the financial feasibility of establishing a new caravan park in Bellingen.

The methodology used to test the feasibility of a hypothetical caravan park is the discounted cash flow (DCF) method. This method forecasts all costs and revenues in the cash flow over the life of the project and then discounts them back to a present value at an appropriate discount rate (or required rate of return) having regard to the fundamental risks of the investment. If the net present value is greater than zero then the internal rate of return (IRR) is greater than the required or target rate which implies that the development is financially feasible.

The DCF model shown in the table below is for a caravan park with 120 powered sites.

Table 47 - Hypothetical Caravan Park in Bellingen - Cash Flow Model (2011 \$,000)

Year	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Revenue																
Total Income			840	840	840	840	840	840	840	840	840	840	840	840	840	840
Terminal Value*																2,872
Capital Cost																
Land	0															
Design & Construct		2,574	858													
Operating Costs																
Cost of Goods			45	45	45	45	45	45	45	45	45	45	45	45	45	45
Wages & Salaries			233	233	233	233	233	233	233	233	233	233	233	233	233	233
Other Overheads			246	246	246	246	246	246	246	246	246	246	246	246	246	246
Net Cash Flow	0	-2,574	-542	316	3,324											

* Based on previous year’s net income capitalised at 11%

Discount Rate	7.0%	9.0%	11.0%	8.8%
NPV	468	-39	-428	0

⁵² FMRC Benchmarks for Caravan Parks and Camping Grounds in non-metropolitan regions 2011

⁵³ Various caravan parks researched including Beach Park Holiday Park, Clog Barn Caravan Park, Harbour City Holiday Park, Emerald Beach Holiday Park, Coffs Coast Holiday Park, Urunga Heads Holiday Park, Sawtell Beach Caravan Park, Banana Coast Caravan Park, Sapphire Beach Caravan Park, Lakeside Caravan Park, Darlington Beach Holiday Park

All cash flows in the above model are expressed in constant 2011 dollars. This means that escalation on costs and revenues are ignored. We consider 9% real (net of inflation) to be an appropriate required rate of return.

The NPV at negative \$39,000 suggests that the caravan park is marginal. If all costs and revenues are escalated at 3% per annum then the return on investment (IRR) before tax, depreciation, interest and amortisation is around 12.0% which is marginal again. Note that this excludes the opportunity cost of the land. If an opportunity cost for the land was factored in at say half a million dollars then the IRR is reduced to 10% (6.9% real) which is a little too low to be considered feasible.

Please note that the above model considers only powered sites and does not include any margins that could be made from other products such as the hiring of on-site vans and cabins as well as the sale of food, groceries and souvenirs. In order to widen the offer and ensure a reasonable level of occupancy, any new caravan park in Bellingen would need to have some component of alternative products.

13.8 Potential Suitable Sites

In light of the research, location criteria and feasibility analysis discussed in this Chapter, a number of different sites have been considered for a potential new caravan park in the Shire. Whilst a new caravan park could be accommodated within a range of locations across the Shire, our analysis and consultation for the Strategy has identified a particular need for such a form of accommodation within or around Bellingen Centre.

A new facility in or around this location could support the success of local festivals and events whilst enhancing the appeal of visiting the Shire for more than a day trip thereby retaining additional expenditure in the Shire. A new facility within or surrounding Bellingen Centre would also provide a convenient halfway point between the beaches at Urunga and the cafes and national parks in Dorrigo, thereby supporting tourism across the Shire.

Identifying a suitable site for a caravan park within or immediately surrounding Bellingen Centre is challenging. A caravan park requires a large extent of land that is affordable and not flood prone, which eliminates many opportunities within or immediately surrounding the centre.

Owing to these notable challenges, only four sites within reasonable proximity of the Centre were identified as having potential. Three of the four sites were subsequently eliminated however as they did not fit the appropriate criteria for the following reasons.

- **Land to the north east of the Old Butter Factory along Mill Street** – land in this location was identified as it was open agricultural land with a high visual amenity value, in close proximity to Bellingen Centre (approximately 1km walk) with a relatively flat gradient. The location could also benefit from clustering with the existing tourist facilities provided at the Old Butter Factory reinforcing its role as a tourist centre. The site was eliminated however given that it is located within the floodway and could potentially create a safety risk if occupied for short or longer term accommodation.
- **Land to the north of Bellingen Centre and south of the Bellinger River** – there is a large open area of land presently used for grazing in this location that extends from the RE1 Recreation Area (extending from Bridge Street) to the west, running parallel to Waterfall Way past River Street. Whilst this land is ideally

located, with ready access to Bellingen Centre and its associated tourist services and facilities, flooding once again eliminates this location as a prospect.

- **Land on the north side of Bellingen Centre and the Bellinger River** – for the same reasons given above, land to the north of the Bellinger River, presently zoned RU2 Rural Landscape has also been eliminated as a prospect. As an added complexity, land on the north side of the River has been eliminated in the case of flooding cutting off access for visitors from the Centre and the main highway access points in and out of the locality.

From the analysis above, it is evident that flooding is one of the key factors that will determine the suitability of a new site for a caravan park in Bellingen Shire. Accordingly our analysis has been confined to the south side of Waterfall Way, out of the flood zone. This criterion significantly reduces the opportunities for land within close walking distance of the centre. On the positive, land further away from the Centre can be cheaper and is held in larger lots making the development of a caravan park a more viable option with respect to land assembly and development costs. As discussed in Section 13.7 above, the viability of developing a new caravan park can be significantly influenced by the cost of land.

Having regard to the additional criteria established within Section 13.5 above, we have identified a fourth potential site located on the southern side of Waterfall Way, west of the Centre adjacent to the existing Bellingen Motor Lodge Hotel. This site benefits from:

- A high level of visual amenity;
- A large site (7.8Ha) that could facilitate a range of accommodation types;
- Direct access to Waterfall Way;
- Relatively close proximity (1.4km) to Bellingen Centre;
- Relatively flat gradient (with a gentle slope to the rear); and
- Non-fragmented ownership.

The site is also considered of merit as it could create a tourist cluster with the existing hotel on the site. In this way the existing facilities could be effectively and efficiently extended to facilitate a new caravan park. The slope of the site would allow for a mix of accommodation types, with cabins focused on the higher levels of the gradient to benefit from views across the locality.

The site's location out of the centre would reduce the cost of land and therefore enhance the financial viability of the model. Its location outside of the Centre would also help to minimise any potential impact as result of increased vehicle movements and car parking.

Whilst this Strategy identified this location as a good option for a new caravan park, additional environmental assessments would be required to ensure that development of the intensity required for a caravan park would be suitable. Furthermore the level of interest or willingness of the landowner to develop the land accordingly, or sell onto a potential caravan park operator is another key factor. To take matters forward, as a next step it is recommended that discussions are held with the landowner to progress this option further.

Another key factor to consider will be the extent of infrastructure available to the site (i.e. electricity, gas and water services) and the cost of extending the infrastructure if required. The development of the site would also require

the provision of secondary roads across the site to facilitate campervan / larger vehicle access. Initial analysis has identified that a caravan park on the site could benefit from the water and sewerage services provided to the existing hotel, however to facilitate this some changes may be required to the sewerage discharge point. Furthermore with respect to access, the horizontal and vertical alignment of Waterfall Way has been identified as having the potential to create some challenges with respect to appropriate sight distances.

The cost of providing this infrastructure to a basic level has been included in our feasibility analysis. Owing to this initial level of investigation, we do not believe it is practical to undertake further costing analysis at this stage. We highlight however that at a later stage any significant unknown costs should be determined to avoid undermining the commercial viability and attraction of the development and thereby its realisation.

As a final point, owing to the potential tourism synergies between a caravan park and hotel, it is recommended that any future amendment to the Bellinghen LEP 2010 (to accommodate the development) preclude the establishment of any long term accommodation on the site, or any subdivision prior to the establishment of a caravan park. The requirement could be included within a Schedule to the LEP that formalised the suitability of the site for short term accommodation only, as opposed to permanent housing. This would ensure that the development would provide for the needs of Bellinghen’s tourist economy, as opposed to Bellinghen’s future housing needs, in accordance with the strategic intent of the Employment Lands Strategy.

Figure 21 - Potential Location for a New Caravan Park in Bellinghen



Source: Bellinghen Shire Council, Hill PDA, MapInfo 11.5

PART D - IMPLICATIONS AND RECOMMENDATIONS



Recommendations: this part translates the key findings of Part A, B and C into recommendations for Bellingen Shire’s centres and employment lands. The recommendations are communicated as planning principles and strategies for employment lands by precinct and for each centre. Part D provides a review of the likely infrastructure requirements / costs associated with the recommendations of the Strategy. To conclude a comprehensive summary is provided of recommendations and an appropriate plan for implementation.



14. THE STRATEGY – RECOMMENDATIONS FOR CENTRES

Building on the discussion provided in earlier Chapters and the subsequent results of our floorspace and land demand modelling, this Chapter discusses the potential implications to Bellingin’s centres. The Chapter commences with a review of some of the key principles that should be applied when determining a suitable location or quantum of land to be rezoned for employment generating purposes in centres.

Building on the principles established, in accordance with the Project Brief, this Chapter then reviews opportunities for additional land to accommodate a range of employment generating uses in the Shire. Particular regard is had to:

1. Bellingin Major Centre;
2. Dorrigo Town Centre; and
3. Urunga Coastal Village.

14.1 Recommendations: Principles for Bellingin’s Centres

Chapter 10 identified demand for an additional 14,931sqm of floorspace (2.99ha of land) within Bellingin Shire’s Centres by 2036. In planning for the provision of this forecast demand, a number of important factors should be considered and are therefore discussed below.

Firstly, it is often the case that some additional demand for floorspace within centres can be accommodated by existing vacant floorspace. In the case of Bellingin, Dorrigo and Urunga existing vacancy levels are very low (2.7%, 1.6% and 2.7% respectively). This not only indicates that there is notable demand by businesses to locate within the centres but that there is minimal scope to accommodate the full extent of demand over the Strategy period without expansion or redevelopment at greater densities.

As demand grows, there will be increasing demand for additional land and space, leading to pressures to rezone and expand the boundaries of the centres. This pressure will be particularly acute for larger tenants who require sites of a sufficient size to accommodate a bigger building footprint and car parking.

Secondly it will be important to facilitate this demand and plan ahead for this need so as to attract additional businesses to Bellingin’s centres to serve its resident and tourist populations as opposed to alternative surrounding LGA’s. Furthermore, in order to protect Bellingin Major Centre’s role as the main centre within the Shire, it is recommended that the greatest share of floorspace growth is directed to this centre. To achieve this however it will be important to ensure that Bellingin Major Centre provides attractive and financially viable opportunities for redevelopment and investment. Recommendations with respect to achieving this are discussed further under Section 14.2 below.

To assist in guiding the subsequent recommendations regarding each centre below, the following table distributes the estimated growth in demand for floorspace and land across each of the three centres. The analysis has been

based on three key factors being:

1. The role of each centre in the Region’s centre hierarchy;
2. The character of each centre and the role it plays in supporting the Shire i.e. Bellingen is the civic and commercial focus of the Shire and therefore should have the greatest concentration of commercial and service based businesses; and
3. The scale of the centre and its likely trade area.

Table 48 - Provision of Floorspace and Land by Centre

	Floorspace 2016	Floorspace 2026	Floorspace 2036	Land 2016	Land 2026	Land 2036	Land 2036 (ha)	
Bellingen	1,538	3,223	3,558	3,023	9,328	16,352	1.64	55%
Dorrigo	887	1,853	2,059	1,807	5,565	9,775	0.98	33%
Urunga	335	698	779	701	2,155	3,791	0.38	13%
Total	2,760	5,775	6,396	5,531	17,048	29,919	2.99	100%

The key findings shown in Table 48 and their implications to each centre are discussed further below.

14.2 Recommendations: Bellingen Major Centre

As discussed in Chapter 5 of this Strategy, Bellingen is the main centre for the Shire and is categorised as a Major Centre within the Mid North Coast Subregion. It provides an important array of retail, commercial, civic and community uses for the local resident and working population. The centre is also well placed geographically (i.e. in the centre of the Shire) to service the bulk of the resident, worker and tourist population.

On account of the Centre’s role within the hierarchy and geographic location, this Strategy identifies its suitability for the bulk of additional floorspace (+3,558sqm or 1.64 Ha) of land. The key challenge for the Centre is where this additional floorspace could be accommodated.

Accommodating Additional Retail floorspace including a Supermarket

Breaking the demand forecasts for Bellingen Centre down further, just over 50% (approximately 1,800sqm) relates to retail floorspace. As retail uses tend to choose ground floor / shop front locations, this could translate into demand for the equivalent of 18 new specialty stores at 100sqm each or say 8 - 10 specialty stores and a new small supermarket of 800sqm – 1000sqm.

With respect to supermarket floorspace, Bellingen Centre presently has one small (approximately 540sqm) supermarket. The modest scale of the supermarket limits the range of goods it can offer to the local community (i.e. fresh food, deli and dry goods) requiring residents to travel out of Bellingen to larger centres in surrounding LGA’s that offer ‘full line’ supermarkets. This results in lost trade for the Centre (directly through supermarket spending and indirectly through spin off trade to other retailers). It also results in additional traffic and environmental impacts as well as lifestyle pressures (i.e. having to travel greater distances for grocery goods).

Our analysis of retail demand across the Shire found that by 2036 there would be a net increase in demand for close to 1,320sqm of supermarket floorspace alone. As the Major Centre for the Shire, it is recommended that the majority of this demand (i.e. 800-1000sqm) be located within Bellingen Centre to address the key issues outlined above.

With respect to location, it is important to identify a site / locality that would:

- Reinforce the centre as the key retail hub by acting as an anchor for the centre and providing spin off benefits to surrounding uses;
- Not detract from the centre and its fine grain / boutique character;
- Not create a significant traffic and transport impact; and
- Provide greater retail choice and competition.

In light of the last objective, it may be considered appropriate that a new supermarket be encouraged for the centre to provide a retail alternative / choice. The new supermarket could be located at the eastern end of the Major Centre to act as an alternative anchor or attractor to the centre, balancing the effect of the existing supermarket located at the western end of Hyde Street. A range of sites could come forward over the Strategy period to facilitate this including the site at 10 Ford Street / 25 Hyde Street which currently provides a smaller grocery store and service station. Other options relate to an amalgamation of land and existing uses at 15 and 17 Hyde Street, adjacent to the Fire Station.

A second supermarket at this end of the Centre could strengthen its attraction to local shoppers and visitors, creating the “barbell effect” whereby two anchors are located at either end of the centre supporting the patronage of specialty stores in between.

It is important to note however that the smaller scale of demand i.e. for something in the 1,000sqm range limits the types of supermarket retailers that would be interested in locating in the Centre to the smaller, less main stream providers. Alternatively the existing supermarket could be extended to the size of a Super IGA thereby increasing its range of goods on offer to include a greater variety of fresh produce, bakery and deli goods.

One opportunity to facilitate the expansion of the existing supermarket, whilst retaining it in its general locality is through the relocation of the existing light industrial uses occupying space between Hyde Street and Short Street Lane. At present there are urban support services (vehicle repair) workshops occupying units at the end of the retail strip and rear of shop front premises which is an unusual arrangement in the middle of a cluster of prime retail space. The occupation of this space by such a use is in part historic and in part a result of the lack of alternative suitable land surrounding the Centre. As will be discussed further in Chapter 15, Bellinghen Centre would benefit from the creation of an urban support zone (industrial land) to enable the relocation of these businesses out of the centre, yet still close to the resident population and passing trade in order to service them.

The relocation of the existing urban support uses out of the centre would reduce the convenience of using them to a small degree and the convenience of workers in accessing services (i.e. lunch and other amenities) in the Centre. As a positive however, the relocation of these uses could reduce some traffic congestion and amenity disruption (particularly for properties in the residential zone along Short Street Lane) and provide opportunities for new larger format stores, such as a larger supermarket. The extension of a supermarket in this location could also provide additional opportunities for traffic circulation and parking around the back of the centre along Short Street Lane thereby improving shopper access and convenience.

A similar opportunity exists in relation to the sizeable site at 84 - 90 Hyde Street, presently occupied by a service station and mechanical repairs. Over the medium to long term, larger parcels of land such as this site could come to the market presenting a central opportunity for a new supermarket. Additional opportunities at the western end of the centre relate to the consolidation of smaller existing retailers and landowners for redevelopment (i.e.

properties from 87 to 101 Hyde Street or 107 to 105 Hyde Street). This is however a longer term and less attractive option for prospective supermarket operators and tenants owing to the potential risk associated with site acquisition and amalgamation.

Accommodating Additional Commercial, Education and Health Floorspace

With respect to the remaining portion of demand, just over one quarter (approximately 900sqm) of the forecast floorspace requirement relates to commercial uses with the remaining quarter relating to health (i.e. medical centres, pathologists, dentists etc.) and education floorspace (i.e. training centres etc.). These uses may be suited to ground floor shop front units as well as first level locations.

The centre would benefit from the clustering of these uses in close proximity to the existing heart of the centre to add vitality through additional pedestrian traffic, demand for goods and services. It is therefore considered desirable for commercial uses, where possible, to be encouraged to locate above ground floor retail along Hyde Street.

Owing to the low vacancy rate of the Centre at the time of survey, there is however relatively limited scope at present for additional uses without the redevelopment of existing shop fronts to include commercial floorspace at first floor level. Whilst this would be an efficient use of space within the existing centre, it is not always desirable for commercial and health uses that may seek a more prominent street front location and that may require disabled access to be provided to the first floor.

This trend is evidenced by the commercial uses that have occupied former residential dwellings, or redeveloped corner sites to commercial suites along William Street. This Street provides a natural extension of the existing Centre to the south, is visually appealing, with parking and wide streets whilst remaining within walking distance of the Centre. The properties along the northern side of William Street also benefit from rear lane access along Halpin Street for parking and servicing. As a result of these characteristics it has attracted a mix of uses including employment and training services and some health related uses. The projected demand for these services could therefore cluster with these existing uses in William Street.

This Strategy therefore identifies the short to medium term opportunity to rezone the northern side of William Street to allow for a range of commercial uses. This could be achieved through the extension of the B2 Local Centre Zone that would also create opportunities for community facilities, educational establishments and office premises whilst retaining opportunities for dwelling houses.

Figure 22 - Potential Extension of Bellingen Centre



Source: Bellingen Shire Council, Hill PDA, MapInfo 11.5

Innovation and Incubator Space

The Bellingen Shire 5 Year Economic and Tourism Development Plan (2010) identified the high proportion of small and enterprise businesses operating in the Shire and broader Mid North Coast Region. The benefits of clustering these uses (otherwise referred to as agglomeration) was also recognised by the Plan and in turn the prospect of an innovation centre in the Shire.

The same Plan recognised the importance of focusing on the growth of creative industries, tourism and hospitality thereby building on the existing industry attractors of the locality and the skills of its local resident population. Our analysis of the resident working population has identified a series of smaller businesses in these fields as well as the technology industry that operate from private residences or small studios.

In many cases these businesses would benefit from shared resources (such as meeting spaces, photocopiers and printers) as well as interaction with other individuals to stimulate ideas and to learn from other business experiences. Subsequent networking and support facilities can enable the growth of smaller / fledgling businesses within the Shire, having a potential flow on benefit to the local economy. Such a facility could be modest in scale but branded as an Innovation Centre that acts as an attractor for likeminded people seeking to engage with other professionals.

This Strategy has therefore sought to identify a range of potential sites that would be suitable for the location of such a facility. Based on our research, site visits and consultation with the local Chambers of Commerce and other stakeholders, we have identified the need for an innovation centre that can support small commercial businesses including IT and creative industries.

Some of the key principles we have identified as important to defining an appropriate location for a small business and creative industry innovation centre include:

- Its proximity to an existing hub of businesses and creative activities in order to leverage off these existing uses and the economic benefits of clustering;

- Its proximity to an existing hub of businesses and creative activities so in turn these existing organisations can benefit from the associated investment and demand for services generated;
- A visually appealing location that inspires creativity and facilitates a place where people want to meet and work;
- An accessible location for a range of visitors and uses i.e. close to existing services, transport and housing;
- A site of a suitable size that would allow for growth and expansion; and
- A location with amenities i.e. cafes that allow people to meet and congregate informally to share ideas.

Having regard to these factors the Strategy identifies Bellingen as an appropriate location for an innovation centre. Bellingen is centrally located within the Shire for residents and the local workforce already acts as the Shire's Major Centre. The location of an Innovation Centre within Bellingen would help to reinforce this role whilst building on the existing cluster of businesses in the locality.

Having regard for the above referenced factors, three potential locations were identified for an innovation centre as follows.

William Street

As discussed above, the northern side of William Street represents a natural extension of the Major Centre to the south. In addition to this location's potential to accommodate commercial uses over the Strategy period, this location could also facilitate the development of an innovation centre.

As discussed above, William Street is located within walking distance of Hyde Street and therefore prospective uses would benefit from the existing amenities provided and in turn existing business in Hyde Street could benefit from additional trade generated. William Street also provides a visually appealing, central location with car parking.

A key challenge of this location relates to the need to create a cluster of creative uses, rather than leveraging off an existing cluster. It would also be necessary to acquire land / properties which could hinder opportunities on account of cost or time delays in light of the existing quality of residential properties in the location. The cost of acquisition and establishing such a facility could however be more significant with this option, particularly at the trial stage of the concept i.e. testing whether it has merit and value for the local community.

To help address this challenge, the potential to partner with the Youth Centre that has been constructed at 2-4a William Street has been identified. The Centre is located on the southern side of William Street yet enjoys many of the benefits of close access to Hyde Street.

Whilst the main focus of the centre will be towards younger adults, it has the potential to be compatible with a business focus owing to the times of day that youth are likely to be using the facility i.e. an innovation centre may have greater attraction to business persons during the morning and daytime periods, whilst a Youth Centre would have greater appeal during evening or weekend periods. In this way a multipurpose use could make a more efficient use of the new facility and increase its value to a broader section of the community.

Importantly the Bellingen Youth Centre is part of the “*Arts, Business and Community Centres for Young Australians Initiative*” which is funded by the Federal Government through the Jobs Fund program which is designed to maximize job and training opportunities in local communities⁵⁴. Accordingly the combination of uses within the centre could present an excellent opportunity as a means of supporting youth in their development of their own education, innovation business skills and ideas with more experienced members of the community taking a leadership and mentoring role.

Subject to the successful trial of such a facility in this location, the innovation centre could be extended or relocated to an alternative larger location on the northern side of William Street. The William Street Youth Centre therefore presents an excellent opportunity to trial the concept of an innovation centre in the short term.

Old Butter Factory

This location is considered to have many merits for an innovation centre. It is visually appealing, already has a cluster of creative uses and is visible from Waterfall Way. The location has existing amenities (i.e. a café) and designated car parking as well as an established name and presence in the Region for its local businesses. As a result of these characteristics it could form the basis of a larger innovation centre.

Key challenges for the location relate however to opportunities for expansion as a result of flood and heritage related issues. In the case of the latter, it would be important that any expansion of uses and buildings on the site did not detract from the heritage character of the site which creates its ambience.

Whilst the site is located in close proximity to Bellingen Major Centre, it is not located within a short walking distance. As a result any activity generated in this location would not naturally flow on to benefit the centre as greatly as a site within the Major Centre.

Notwithstanding the latter point, and should the matters of flooding and design be able to be addressed, the Old Butter Factory represents a good opportunity for the creation of an Innovation Centre in the Shire.

Short Street Lane

A third alternative for locating a business innovation centre relates to land bound by Short Street Lane and Church Street. This location already benefits from an existing cluster of creative uses (artists and galleries). It is also located adjacent to existing cafes and Council thereby benefitting from formal and informal meeting places and synergies with local organisations. The block also provides a defined area in the Centre of Bellingen that could act as a cluster for additional businesses.

The main challenges of this location would relate to opportunities to expand. An innovation centre in this location would need to occupy (or redevelop) one of the existing buildings and would therefore be reliant on existing landowners. Another challenge would relate to the potential traffic and parking constraints of such a central location.

Recommendation: In light of the analysis provided above, a number of sites have been identified as having the potential to be developed as an innovation centre in Bellingen. The success of any of the three locations would be dependent however on the willingness of landowners to sell or develop their sites accordingly.

To progress opportunities, it is recommended that the Council engage with the Bellingen Chamber of Commerce and other relevant stakeholders (i.e. existing landowners, creative industries, the William Street Youth Centre

⁵⁴ http://www.bellingen.nsw.gov.au/index.php?option=com_jentlacontent&view=article&id=47424:the-bellingen-youth-centre-progress-repo&catid=1196:youth-bellingen&Itemid=1709

manager and local business persons) to explore demand for such a space, necessary facilities as well as funding opportunities. It is recommended that any such centre start off with a modest scale of facilities including flexible workspaces, a meeting room, broadband internet access (when available) as well as office equipment (computers, photocopier and a printer) that could be shared as well as a centre manager. Our analysis suggests that the William Street Youth Centre presents an excellent opportunity to investigate further in the short term as a multipurpose youth / innovation centre.

There would also be great value in marketing the centre as a hub of activity with networking drinks and events that share information across businesses.

14.3 Recommendations: Dorrigo Town Centre

This Strategy has identified the potential growth in demand for approximately 2,000sqm of floorspace in Dorrigo Town Centre by 2036. Approximately half of this space would relate to retail floorspace demand with the remaining portion relating to commercial floorspace. At the time of survey, the centre had a low vacancy rate indicating the strength of the centre as a place to shop for local residents and to visit for passing trade. Accordingly additional floorspace will be required to accommodate the forecast growth in demand over the Strategy period.

There are two potential means of addressing this. The first being through the extension of land zoned B2 Local Centre and the second through the redevelopment of sites at a higher density. The Centre currently extends along Hickory Street and Waterfall Way covering 5ha of land providing a variety of commercial and retail shops such as specialty food, café / restaurants and clothing. Based on our retail and commercial survey, the prevailing density of development is therefore low in the order of 1:0.3 and at best 1:0.4 when incorporating urban support services and residential uses.

In light of these factors, in the case of Dorrigo we do not recommend the extension of the B2 Local Centre Zone in the short to medium term. Rather we would encourage the redevelopment of some of the existing lower density sites within the Centre to achieve a greater development density and thereby accommodate the growth in demand for floorspace. This approach would also help to reinvigorate some of the existing retail units whilst providing opportunities for commercial uses on the upper floors or residential to add vitality to the existing Centre.

This approach is also preferred as it avoids the extension and thereby dilution of the Centre further along Hickory Street or Waterfall Way. As the Centre already expands over a notable distance, it is preferable to keep it compact for ease of walking and to ensure that visitors can access an array of retailers and businesses conveniently.

Recommendation: in order to accommodate the growth in demand for retail and commercial floorspace in Dorrigo over the Strategy period, it is recommended that the redevelopment of existing sites for mixed use and higher density development within the Centre is encouraged.

Potential Innovation Centre

Discussions during the course of preparing the Strategy identified the potential for an innovation centre in Dorrigo that accommodated a different type of business to that already discussed for Bellingen Centre (i.e. IT and creative

industries). It is understood that on account of environmental (climatic) and lifestyle factors, Dorrigo was attracting growing interest in, and a possible cluster of energy and resource related industries.

A potential area for further investigation therefore related to the development of an innovation centre for businesses in this industry. Such a centre would be markedly different to the type discussed for Bellingen and would need to accommodate a far larger site area, outside of the Town Centre to accommodate appropriate research equipment and servicing vehicles. The appropriate microclimate would also be a key factor in identifying the suitability of a location, with early analysis indicating that a location on higher topographies was preferable.

Accordingly the potential demand for and location of an innovation centre in Dorrigo is recommended as an area for further investigation.

14.4 Recommendations: Urunga Coastal Village

This Strategy has identified the potential growth in demand for approximately 780sqm of floorspace in Urunga Town Centre by 2036. Whilst this reflects a modest component of growth (i.e. 4 specialty stores and 4 commercial premises) comparative to the growth forecast for Bellingen and Dorrigo, it represents close to a 10% increase on existing floorspace supply.

The centre currently provides retail and services to accommodate the local resident and visitor population. It has a good range of services for a centre of its size including two supermarkets, a newsagent, cafés, restaurant and specialty food stores. The range of existing retail offer is however limited by two key factors:

1. The small scale of the centre's catchment area (i.e. the scale of the resident population that uses it and the scale / duration of the tourist season); and
2. The strength of competing centres such as Toormina, Nambucca, Bellingen and Coffs Harbour. These centres are higher in the retail hierarchy as they provide an array of specialty retail stores in addition to full line supermarkets, discount department stores, lifestyle and business services.

Without significant growth in the local resident and / or tourist population, the amount of retail expenditure (and therefore attraction of the centre to a greater range of businesses) is limited.

A third, yet less compelling factor influencing the mix of retail uses in the Centre relates to the availability of land for new uses. Consistent with other centres in the Shire, at the time of survey, Urunga had a relatively low vacancy rate. Furthermore the bulk of the vacancies were in the less desirable units located off the main thoroughfares in the centre.

Accordingly should a new retail opportunity present in the future, it is considered appropriate to have identified some opportunities for the centre's expansion. Our analysis has subsequently identified the potential for:

- The expansion of retail uses / development into the car park to the north of Bowra Street (Lot 6 Bonville Street). This option would however have an adverse impact to the availability of car parking in the centre which we understand is an increasing challenge. The site's redevelopment with basement level car parking is also likely to have development viability and flooding challenges;

- The more efficient use of existing sites located within the existing B2 Local Centre Zone including the vacant site at 21 Morgo Street and the redevelopment of sites between 30 and 40 Bonville Street not only to allow for the retention of the existing uses as required but the more efficient use of land to provide a greater array of retail and business services; and
- The extension of the B2 Local Centre Zone to the east to incorporate land facing Morgo Street opposite the Urunga Heads Holiday Park. Whilst land in this location has a high value (on account of its views and central location) that would be unlikely to attract redevelopment for retail only, it presents an excellent opportunity for a mixed use development including ground floor retail uses and residential apartments on the upper floors. Ground floor retail in this location such as a café / restaurant / wine bar or clothing / gift / homeware store could benefit from the amenity of the location, appealing to the local tourist and resident market. This location has a number of properties that could be redeveloped in the short to medium term for mixed use, medium density development including 37 and 35 Morgo Street.

Recommendation: In order to provide the greatest opportunity for a range of retail and business services to be attracted to the Centre over the Strategy period, we recommend the intensification and development of existing land identified within the Centre in the short term in addition to the existing B2 Local Centre Zone east to Morgo Street and south to Newry Street in the medium term.

Figure 23 - Plan of Potential Areas of Intensification and Extension in Urunga Centre



Source: Bellingen Shire Council, Hill PDA, MapInfo 11.5

14.5 Summary of Recommendations

In light of the discussion above, a summary of key recommendations for each Centre is provided in the table below. The table compares forecast demand for land and floorspace to existing demand in addition to recommended areas for expansion of the B2 Local Centre Zone in each centre. In essence close to 50% of the forecast demand for new space is anticipated to be achieved through the redevelopment of existing sites in the centres, whilst capacity for the remaining 50% of demand has been made through the recommended expansions.

A more detailed analysis of the phasing of potential centre extensions is discussed further in Chapter 16.

Table 49 - Summary of Expansion Opportunities for Bellingen, Urunga and Dorrigo Centres

Centre	Existing Zoned Land (Ha) / Floorspace (Sqm)	Net 2036 Demand	Recommended Expansion Areas Short to Medium Term
Bellingen	8.8ha / 21,841sqm	1.64 Ha / 3,588sqm	0.7ha
Dorrigo	5.0ha / 14,305sqm	0.98 Ha / 2,059sqm	0ha
Urunga	3.9ha / 8,200sqm	0.38 Ha / 779sqm	0.6ha
	14.2ha / 44,300sqm	2.99 / 5,351sqm	1.3ha

Source: Hill PDA

15. THE STRATEGY – RECOMMENDATIONS FOR INDUSTRIAL LANDS

Building on the research and discussion provided in earlier Chapters and the subsequent results of our floorspace and land demand modelling, this Chapter discusses the potential implications to Bellingen’s industrial lands.

The Chapter commences with a review of some of the key principles that should be applied when determining a suitable location or quantum of land to be rezoned for employment generating purposes in industrial locations. It then investigates the potential of existing locations for additional development whilst identifying potential new areas for industrial development or expansion.

15.1 Principles for Bellingen’s Industrial Lands

Chapter 10 identified demand for an additional 10,200sqm of floorspace (3.2ha of land) to accommodate Bellingen’s industrial demands by 2036. In planning for the provision of this forecast demand, a number of important factors should be considered and are therefore discussed below.

Firstly, when planning for industrial areas, it is important to facilitate an oversupply or surplus of zoned land, which is owned by a number of different parties, in order to provide a range of opportunities and types of sites for businesses. Furthermore a surplus of zoned land acts as an important price moderator. Available and affordable employment lands are key attractors for new businesses and are critical to facilitating the expansion of existing businesses located within an area.

Secondly, it is important to plan for more, rather than less zoned land in the Shire on account of environmental requirements that can restrict the density or extent of development permitted on a parcel of land. This is a particular challenge for Bellingen given the extent of land located within or in close proximity to flood liable land. This challenge can be in part addressed by Council facilitating a range of zoned land (i.e. land suitable for light and general industrial uses as well as urban support services) and thereby options for development.

As a third principle, we have identified the majority of opportunities in closest proximity to the Pacific Highway (along both the existing and proposed alignment). These locations provide accessible opportunities in close proximity to the bulk of the Shire’s residents and at the gateway to the main urban areas. This geographic location can help to maximise opportunities to attract businesses with an inter-regional or state wide focus to locate within the LGA without having to travel through sensitive residential or centre areas. As a result of the identification of new sites in these locations, and the draw of industry related investment from further afield than the Shire, demand for industrial land in Bellingen could exceed the forecast demand for 3.2ha.

Finally, in the case of employment planning, we recommend the zoning and protection of good quality employment lands in order to protect existing and prospective industrial businesses against competing uses (such as residential). Once land is subdivided into smaller lots and sold into private ownership (particularly in the case of higher value uses such as residential) it can be extremely time consuming and costly to ‘down zone’ it back to industrial land. We also recommend the provision of industrial land in / surrounding each of the key centres in the

Shire (Bellingen, Dorrigo and Urunga) in order to support local services. We therefore recommend the distribution of the forecast net increase in demand of 3.2ha across each of the three centres.

Owing to the nature of industrial uses, it is best to provide comprehensive parcels of land for future businesses and therefore it may be considered appropriate based on the scale of the centres to distribute in the order of +1.4ha of forecast demand to Bellingen, +1.2ha to Dorrigo and 0.6ha to Urunga. In addition to this distribution are opportunities for highway related industrial zones and logistics hubs discussed further below.

In light of local and regional policies, we have also sought to identify sites that do not have any major technical difficulties relating to the provision of water services. As this is a desk top study however these assumptions would need to be tested in greater detail by Council's engineers and other experts. Access would also need to be improved / upgraded for many of the potential sites, having particular regard to turning lanes and the provision of adequate sight lines. There would be costs associated with the provision of each of these features and services.

Furthermore, discussions would need to be had with Roads and Maritime Services where access requirements related to State Roads such as Waterfall Way or the Pacific Highway. It would also be necessary to clarify, where appropriate, any issues associated with the extension of water mains past rural properties and the potential need and suitability of servicing those lots.

With these principles in mind, we have considered the suitability of existing employment lands in the area for future industrial development along with potential new sites for further investigation and potential rezoning.

15.2 Recommendation: Raleigh Industrial Precinct

The Raleigh Industrial Precinct is an established and well utilised industrial location that plays an important role in the generation of employment within the Shire. The Precinct is well buffered from sensitive uses (such as land zoned R1 General Residential) and with the proposed alterations to the Pacific Highway, scheduled to commence in 2013⁵⁵, will become increasingly visible from the Highway. Accordingly it is recommended that this Precinct is protected and maintained within the IN1 General Industrial Zone.

Our analysis has found however that the Precinct (as it is currently focused around Alex Pike Road) is largely developed (an estimated 3 lots remained as vacant at the time of survey). There is also limited potential for the expansion of land in this cluster without the clearing of additional land which could have environmental implications i.e. land to the direct north is zoned environmental management.

Development within the existing cleared portion of the Precinct for larger industrial uses is also heavily influenced by the notable gradient of the land which limits the type of building and the extent of the site that could be developed whilst increasing development costs. The Precinct is not visible from the Pacific Highway at present and therefore fails to attract the attention of businesses and potential tenants that are not aware of the Precinct.

Recommendation: Protect the existing area zoned as IN1 General Industrial over the longer term.

⁵⁵ http://www.rta.nsw.gov.au/roadprojects/projects/pac_hwy/port_macquarie_coffs_harbour/warrell_creek_to_urunga/index.html

15.3 Recommendation: Raleigh Industrial Precinct Expansion

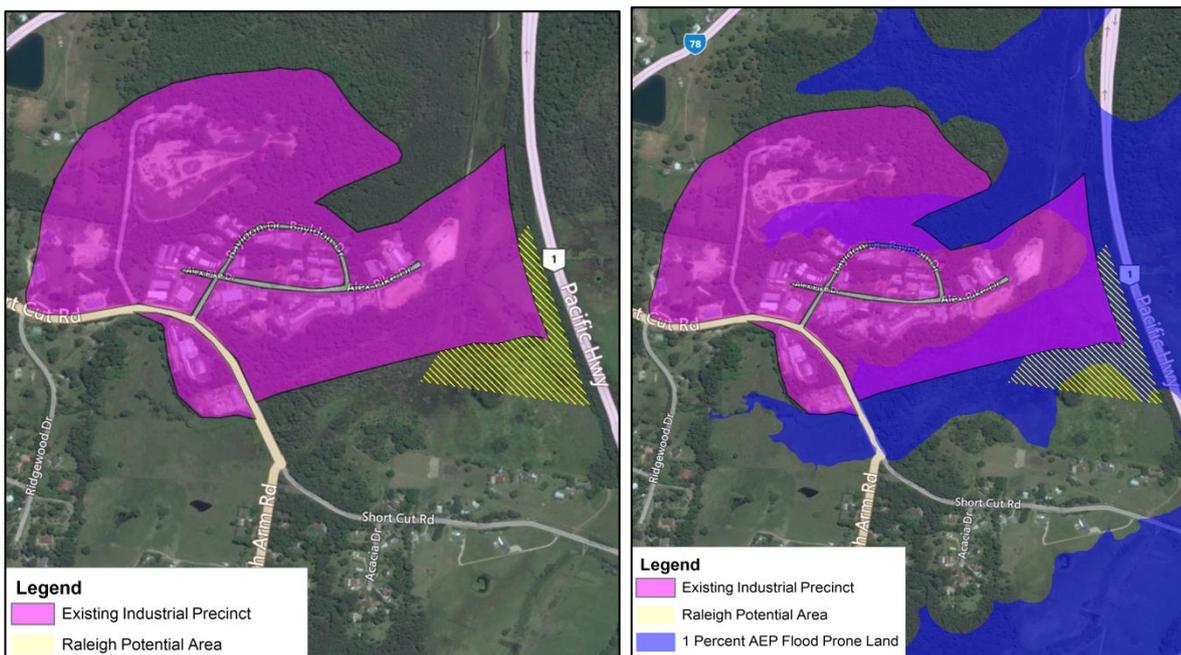
Notwithstanding the limited development capacity of the existing cluster of industrial land in the Raleigh Industrial Precinct, looking forward there will be opportunities to expand the Precinct so that it can benefit from additional land with a lower gradient and greater visibility to the highway.

The proposed upgrade to the Pacific Highway, now scheduled to commence construction in 2013, includes a realignment of the current corridor so that it will sweep around the base of the existing area designated as the Raleigh Industrial Precinct. As part of this re-alignment, the new corridor will travel through part of the existing Raleigh industrial land that extends from Alex Pike Drive east to the current Pacific Highway Corridor. This section is presently undeveloped. Importantly the re-alignment would create opportunities for additional land to directly front the Highway and therefore these new areas should be investigated for opportunities to expand the Raleigh Industrial Precinct to create new employment opportunities.

By way of example, the new alignment would create a triangular section of land bound by the existing Pacific Highway corridor, the new Highway alignment and Short Cut Road. We therefore identify the prospect of rezoning a proportion of this land from E3 Environmental Management to IN1 General Industrial.

The land to be investigated is shown in the figure below and includes land to the north of Short Cut Road and to the west of the existing Pacific Highway.

Figure 24 - Raleigh Precinct Potential Expansion Area



Source: Bellinghen Shire Council, Hill PDA, MapInfo 11.5
 Note blue overlay indicates land in the 1% AEP Flood Prone Area

A highly visible employment precinct is important to a shire's economy as it clearly indicates the availability of suitable land within an LGA to a broader market, thereby attracting additional potential tenants and occupiers.

From a business point of view, a highly visible industrial location along a major transport corridor can be very attractive for a number of reasons. A highly visible location can advertise a business and its services thereby

attracting additional clients and passing trade. This is key for businesses that rely on highway exposure such as highway convenience and urban support services (i.e. service stations, car repairs, kitchen cabinet makers etc.).

Businesses that rely on prompt servicing and the storage / warehousing of goods for a region are also attracted to land along major corridors on account of the accessibility benefits. There are significant cost and efficiency benefits of service related vehicles being able to easily access servicing or loading areas that are closely located to the highway.

Notwithstanding the potential benefits, there are four key issues that would need further investigation with respect to this potential option. The first being the availability of land within this area for development should it be rezoned. This will be largely influenced by the willingness of existing residents to sell the land (or re-develop it) for alternative uses. This matter may become more attractive as the current location becomes enclosed by the Highway. The relationship of new industrial land and any potential amenity impacts (i.e. noise or dust) should also be considered in relation to existing surrounding residential uses such as those located along Short Cut Rd to the south. The proposed buffer between the investigation area and existing dwellings will help address this issue.

The second issue relates to the environmental suitability of the location including ecological sensitivities and its gradient. With respect to environmental sensitivities, BLEP 2010 identifies this area as partly within an E3 Environmental Management Zone. Accordingly any variation to the zone must consider and address in full the provisions of S117 Direction 2.1 Environmental Protection Zones. The Environmental Impact Statement prepared by the RMS for construction of the highway in this locality did not identify any significant environmental features in the immediate locality (such as the presence of endangered Ecological communities) that would suggest the land is significantly constrained.

Initial inspection identifies that a portion has been cleared and the eastern component within the triangle of land identified for possible expansion, has a more manageable gradient than the existing developed area. With respect to flooding, the plan above shows that a portion of the potential extension area does not fall within the 1% AEP Flood Prone Zone.

The third issue relates to infrastructure provision and the availability of water, electricity and sewerage systems. On account of the existing Raleigh Industrial Precinct, it is apparent that there are some existing services within the locality however there would be costs associated with any extensions to, or enlargement of existing water or electricity services for the site. It is important to note that the existing Industrial Precinct is not sewered and extension of the sewer to the expanded area may not be feasible. At this point of investigation it is not practical to undertake detailed costing. We do however recommend that these matters are addressed in greater detail at the appropriate stage to determine the suitability of this location being developed for the nominated uses.

To effectively develop this location for employment uses, it would also be necessary to develop the road network to a reasonable standard for commercial vehicles including roads of an appropriate width and the provision of sheltered turning lanes. Access needs to be carefully considered in light of the vertical and horizontal alignments of the land / roads, the proposed bypass route and associated access points. It is noted that the Old Pacific Highway alignment will provide potential for a new access point to this land.

It is also important to note that direct access to the new highway will not be permitted and that any planning proposals to rezone land in proximity to a state classified road will need to be supported by a detailed Traffic Impact Assessment. This assessment will need to identify potential impacts on the safety and efficiency of the State road networks.

The fourth issue relates to the requirement for any future rezoning of land along the Highway to be consistent with the Section 117 Direction – Commercial and Retail Development. This Direction in particular seeks to prevent inappropriate development fronting the highway and to reinforce the role of towns. It will therefore be important for any potential development in this location to take into consideration these factors.

The additional land is within the Coastal Area, as defined by the Mid North Coast Regional Strategy and therefore cannot currently proceed to rezoning. Accordingly, the land is included as an indication of Council's future strategic intent, and a submission will be made to amend the Mid North Coast Regional Strategy to include this land at the next point of review.

Recommendation: In the short term investigate opportunities to expand the Raleigh Industrial Precinct to the south so that it can benefit from the re-alignment of the Pacific Highway Corridor. This extension should occur following appropriate amendment of the Mid North Coast Regional Strategy, in tandem with or further to the re-alignment of the Highway due to commence in 2013.

NOTE: The proposed Raleigh Industrial Precinct Expansion Area was excluded from the partial endorsement of the ELS by the Department of Planning & Infrastructure, in accordance with the following commentary.

Raleigh Industrial Precinct Expansion Area

Consistent with the recommendations of the Strategy, release of this land should occur following an appropriate amendment of the Mid North Coast Regional Strategy (MNCRS). Council's strategic intent to further investigate the suitability of this land for future release is noted and the site can be brought forward for further consideration in the upcoming review of the MNCRS.

15.4 Recommendation: Raleigh Potential Employment Precinct

A modest opportunity for a new standalone employment use relates to land presently zoned large lot residential located at the exit point from the Pacific Highway on route to Bellinghen via Waterfall Way as shown in Figure 25 below. The site is located opposite an electrical substation designated as special infrastructure. It provides opportunities for a highway related business to benefit from the site's location as well as good access to both the Raleigh residential area and Bellinghen Town Centre in accordance with objectives of the Mid North Coast Regional Strategy to have employment areas "closely associated with their settlements".⁵⁶ As the land is not presently within a mapped growth area in accordance with the Mid North Coast Regional Strategy, any immediate proposal for rezoning would need to address the Sustainability Criteria in Appendix 1 of the Strategy.

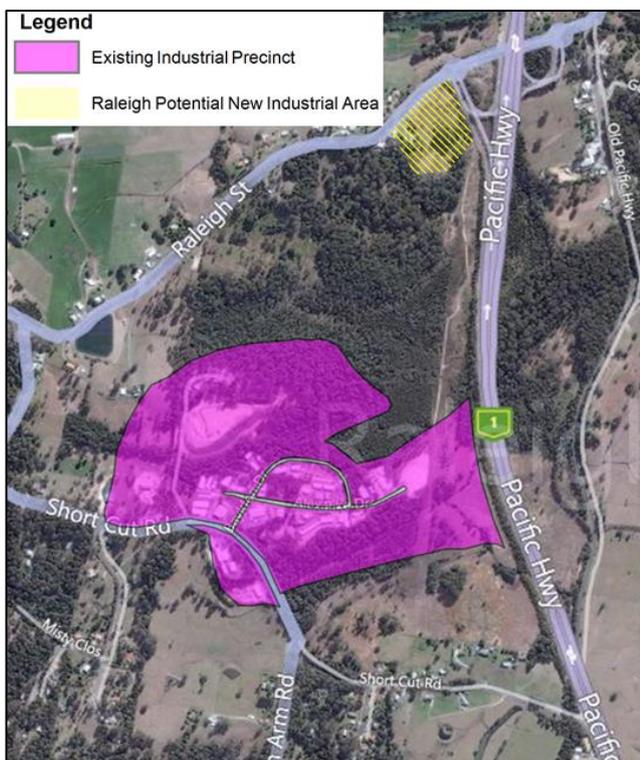
Initial analysis has identified that the area could technically be sewered subject to the extension and potential upgrade of existing services, however this may not be economically feasible. A water main runs directly past the property, whilst vehicular access would be possible from Waterfall Way subject to more detailed consideration of suitable sight distances. These matters and their potential costing would need to be considered further at the next stage of investigation and assessment.

⁵⁶ Page 26 Mid North Coast Regional Strategy, Department of Planning and Infrastructure

As the site is strategically located at the gateway to Bellinghen and Dorrigo Centres, it will be important to ensure that any prospective development does not detract from the visual appeal of the area. . This may be achieved through high quality design features or vegetation buffering that would accompany any proposal to develop the land as IN1 General Industrial, however it may also be achieved through the investigation of potential uses within the B6 Enterprise Corridor Zone or the B7 Business Park Zone which would typically present differently to the street frontage. The suitability of any such zone, and the associated building form would however be subject to an assessment of the merits of any planning proposal considered.

Any planning proposal for this location should also take into consideration the Section 117 Direction – Commercial and Retail Development along the Pacific Highway, North Coast 2009. This Direction in particular seeks to prevent inappropriate development fronting the highway and to reinforce the role of towns. With respect to the latter, it will be important for any potential application for a B6 Enterprise Corridor Zone B7 Business Park Zone to show how future occupiers would not detract from the economic viability of the commercial centres in the locality.

Figure 25 - Raleigh Potential New Employment Precinct



Source: Bellinghen Shire Council, Hill PDA, MapInfo 11.5

Recommendation: Undertake more detailed investigations and discussions with the landowner regarding the potential rezoning of the area for B6 Enterprise Corridor Zone or the B7 Business Park Zone. In the event of these not being supported or desirable, investigate the imposition of an IN1 General Industrial zone.

NOTE: The proposed Raleigh Potential New Employment Precinct was excluded from the partial endorsement of the ELS by the Department of Planning & Infrastructure, in accordance with the following commentary.

Raleigh Potential Employment Precinct

The site represents significant expansion outside of the MNCRS growth area boundary and as recommended in the Strategy further investigation is required to determine its suitability for employment land release. Councils strategic intent is noted. The suitability of this land for future employment land use can also be considered in the review of the MNCRS.

15.5 Recommendation: Urunga North Industrial Precinct

As discussed in Chapter 5, the existing Urunga North Industrial Precinct is functioning well, supporting the service needs of Urunga Village as well as providing highway related convenience. The Precinct has limited opportunities however to accommodate additional businesses or for the intensification of uses as the vast majority of land is maximised by current uses and their tenants. There are also minimal opportunities for expansion on account of the surrounding uses including residential, the Pacific Highway and the River. Furthermore the location is flood prone.

The only opportunities for the Precinct's growth would relate to the redevelopment of dwellings along its western border for industrial uses. This would however have notable cost and site amalgamation challenges for prospective businesses.

Recommendation: the Precinct provides an important array of urban support services and is well located with respect to highway and village access. It is therefore recommended that the Precinct be retained and protected as IN1 General Industrial Zone.

15.6 Recommendation: Urunga North Expansion Opportunities

Whilst it would not be possible to rezone land directly adjacent to the Urunga North Industrial Precinct for industrial uses at this point in time, our investigations have identified the potential for land located diagonally opposite the Precinct on the eastern side of the Pacific Highway as it is currently aligned.

The potential expansion area is shown in Figure 26 below and incorporates land to the east of the Pacific Highway and to the north of its junction with Yellow Rock Road. We have designated a potential northern boundary for a first investigation stage as approximately 160m north of the intersection of Short Cut Rd and the Pacific Highway.

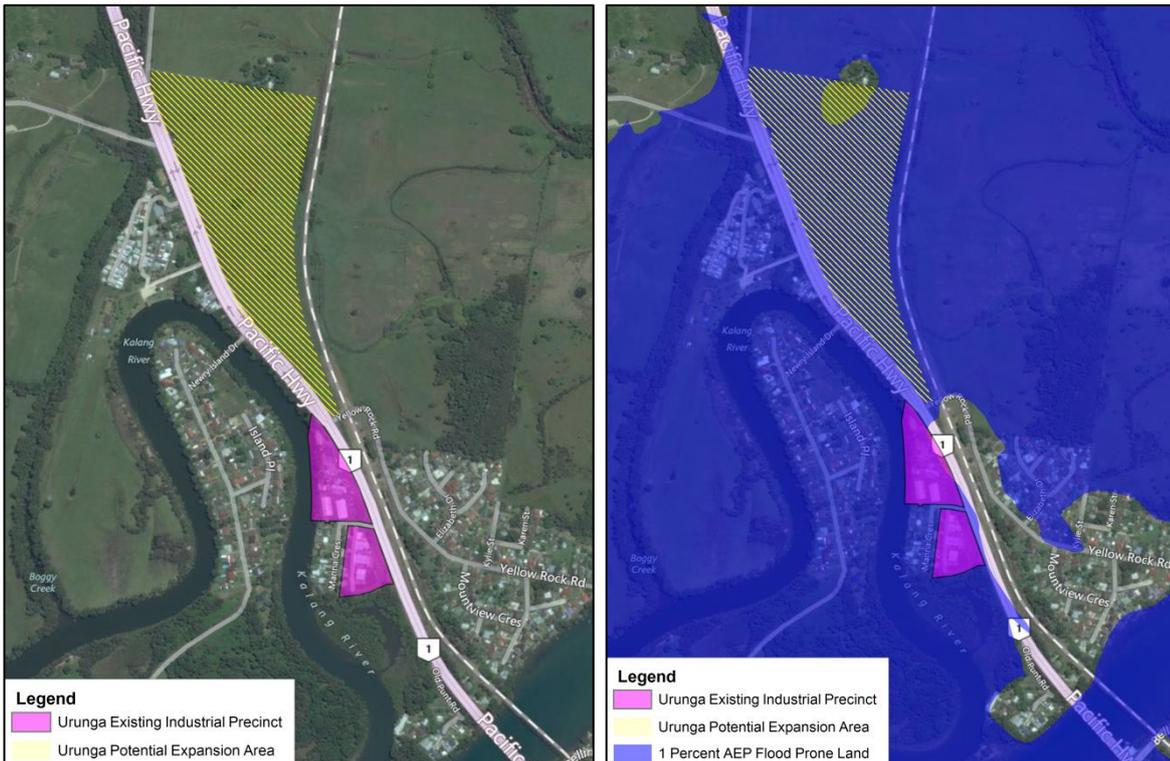
The location benefits from a flat gradient, exposure to the existing highway and a significant buffer from surrounding residential uses. It is important to note however that the proposed alignment of the Pacific Highway would move a large share of existing traffic away from this location to the west, thereby reducing the visibility of the location to the majority of cross regional / state vehicle movements travelling north and south along the highway. The location would still retain frontage however to the existing highway network with convenient access to the new Highway corridor.

Similar to the Raleigh Potential Expansion Area, we identify three potential matters that would require further investigation for this area. Firstly the willingness of the existing land owner to sell / redevelop the site for industrial uses. The second being any environmental or agricultural implications of rezoning the site. Of note the site falls within the 1% AEP flood area. This is in keeping however with the existing Urunga North Industrial Precinct.

The third matter for consideration would be the extension of existing services such as water, electricity and sewerage to the site. Initial investigations have identified that this could be achieved yet may require the expansion of existing pumps and storage capacity. The effective development of the area would also require the provision of an internal road structure as well as new access ways that would need to be designed to ensure there are not adverse impacts to / conflicts with existing turning lanes and other features.

The land is currently identified as “Proposed Employment Lands” in the Mid North Coast Regional Strategy and can proceed to rezoning without any need for amendment of that Strategy.

Figure 26 - North Urunga Industrial Precinct Potential Expansion Area



Source: Bellinghen Shire Council, Hill PDA, MapInfo 11.5
 Note blue overlay indicates land in the 1% AEP Flood Prone Area

Recommendation: Undertake more detailed investigations and discussions with the landowner regarding the potential rezoning of the Urunga North expansion area for IN1 General Industrial uses. Subject to the success of these investigations, undertake a more detailed assessment of potential infrastructure, flooding and other environmental and economic constraints to rezoning the location.

15.7 Recommendation: Tamarind Drive Industrial Precinct

As described in Chapter 5, this Precinct has been occupied by two businesses for an extended period of time. The existing uses occupy approximately half of the site with a water body running along the eastern border. Over time residential development has occurred immediately surrounding the site creating potential for conflict. Owing to the nature of surrounding uses, there are limited opportunities for the expansion of this Precinct or the intensification of existing uses.

Should the current uses move off the site, it is unlikely that a new industry would be attracted to this location on account of its access constraints and interface with residential and recreational uses. Furthermore it is likely that there would be pressure for the rezoning of this land to a more compatible use such as residential. Accordingly subject to the longevity of the existing business on the site, this Strategy identifies that the Precinct has limited long term opportunities for industrial uses.

Recommendation: retain the existing IN1 General Industrial Zone in the short to medium term to reflect the established industrial businesses in the Precinct. In the longer term, subject to the requirements of the existing businesses, there is the potential to investigate the rezoning of this land to an alternative use i.e. residential or public recreation.

15.8 Recommendation: Bellinghen Investigation Area

With the exception of Tamarind Drive, Bellinghen Major Centre has no land within its immediate area zoned for industrial uses. As a result urban support services, traditionally located in industrial precincts, have remained within the centre in locations such as Short Cut Lane to the rear of Waterfall Way. It is recognised that to support the local residential population and to facilitate new opportunities in the existing centre, additional land should be zoned to accommodate the relocation and potential expansion of these and other prospective industrial uses.

In accordance with the Mid North Coast Regional Strategy, it is also considered important that industrial areas are “closely associated with their settlements”⁵⁷. This objective seeks to reduce the cost of servicing, to improve access and reduce car dependencies. As the land is not presently within a mapped growth area in accordance with the Mid North Coast Regional Strategy, any immediate proposal for rezoning would need to address the Sustainability Criteria in Appendix 1 of the Strategy.

Notwithstanding these objectives, significant challenges arise when seeking to identify suitable lands to rezone for industrial uses in Bellinghen. Of particular note, a major constraint relates to land that is flood liable. This factor eliminates a large portion of flat land with frontage to Waterfall Way along the River corridor that would otherwise be highly desirable for a wide range of uses.

Other potential sites are located in close proximity to high amenity uses such as residential and community facilities as well as recreational and tourist destinations. As tourism is a key industry in Bellinghen, it will be important for any new industrial zone to respect the visual appeal of the centre, including the visually appealing green and open corridor that leads to and from the centre, setting the scene for the centre’s character. It is also important to protect the amenity of Bellinghen Centre, thereby restricting the potential for conflicting land uses.

Weighing all of these factors up, along with other criteria explained in Chapter 11 a potential location has been identified along Waterfall Way, to the west of the existing centre with good access from Hennesseys Lane. The potential site is shown in Figure 27 below.

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Figure 27 - Potential Bellingen Employment Lands



Source: Bellingen Shire Council, Hill PDA, MapInfo 11.5
 Note blue overlay indicates land in the 1% AEP Flood Prone Area

It is understood that the site is in private ownership and that the landowner has previously expressed some interest in the potential industrial use of the land. The site is partially located on land designated as Regionally Significant Farmland yet it is located a reasonable distance from the town centre and the bulk of residential uses thereby reducing the potential for disturbance. Its relative proximity to the town centre has potential to support the centre's function whilst providing employment opportunities whilst being in reasonable association the Bellingen settlement area.

The site has a gentle gradient which reduces its potential for flooding and it has some established vegetation to buffer views of prospective development from the main road thereby minimising any potential impact to visual appeal of Waterfall Way. In order to minimise impacts to the view from Waterfall Way (and thereby the approach to and from the town centre) as well as the potential caravan park site, it is recommended that vegetative and land buffers are provided should this option be progressed and implemented.

The provision of infrastructure on the site would be another key parameter. On account of surrounding uses and existing services, it is understood that the extension of the existing sewerage and water services to the site could be possible however the cost and feasibility of works would need to be assessed in greater detail if the area were to proceed. Access from Hennesseys Lane and its intersection with Waterfall Way would also need to be upgraded significantly. The cost of extending the services and the access upgrades would need to be determined through more detailed analysis and factored into any subsequent development feasibility analysis. At this stage of early investigation it is not practical to undertake this level of detailed analysis however concerns regarding these matters should not preclude opportunities to continue to investigate the location as described.

As noted above, the investigation area is in part located on Regionally Significant Farmland. The development of this investigation area for industrial uses would however only result in a relatively minor loss of such lands when considering the extent of nearby alluvial lands with high potential surrounding Bellingen. In this regard Council's analysis has identified that the area of regionally significant farmland mapped in this precinct represents only 0.43% of the total area of regionally significant farmland within a 5km radius of Bellingen town centre (5.2ha out of 1200ha).

It is also noted that the type of land uses that would be established (i.e. light industrial) would create significantly less potential for conflict than other potential uses (such as residential) to the operation of the land for agricultural activities.

In view of the difficulties that exist with locating industrial land that is reasonably close to Bellinghen, the minor amount of land affected and the nature of the future use, it is considered that in this instance it is reasonable to continue to investigate the potential of this area for industrial uses.

Recommendation: Undertake more detailed investigations and discussions with the landowner regarding the potential rezoning of the land for IN1 General Industrial uses. Subject to the success of these investigations, undertake a more detailed assessment of potential infrastructure, flooding and other environmental and economic constraints to rezoning the location.

NOTE: The proposed Bellinghen Industrial Investigation Area was excluded from the partial endorsement of the ELS by the Department of Planning & Infrastructure, in accordance with the following commentary.

Whilst I understand the reasoning behind the selection of the Bellinghen Industrial Investigation Area and the benefits it may bring in terms of the Bellinghen town centre, further investigation is required to confirm its suitability for future release. The site represents significant expansion outside of the MNCRS growth area boundary, encompasses regionally significant farmland and matters such as access, localized flooding, service capability and visual impact require further investigation. This is consistent with the recommendations of the Strategy. Accordingly, further consideration of this site for future release can be undertaken as part of the review of the MNCRS.

15.9 Recommendation: Dorrigo Industrial Precinct

The Dorrigo Industrial Precinct is separated into two key areas. The southernmost component (7.2ha of the 11.1ha Dorrigo Industrial Area) is located along Ash, Berry and Hydro Streets. On first impression there appears to be notable capacity within and surrounding this location for additional industrial development and tenants. Having regard however to the site selection criteria discussed in Chapter 12, particularly the *Site Availability* criterion, the development potential of the Precinct may be significantly reduced.

By way of example, a large parcel of land often referred to as the 'former polo fields' is located to the north of Ash Street. Upon inspection the site may be considered ideally suited to redevelopment for industrial uses. The 3.2ha site shown in Figure 28 in green hatching is flat, has street frontage and is vacant. On account of its physical attributes, the site could present viable opportunities for additional industrial uses within the Precinct. There could also be opportunities in the future to expand the zone to the north thereby providing additional, adjacent and flat land in large parcels.

Ownership is however a constraint for the effective use of the existing industrial zoned site as it is in the ownership of the Crown and reserved for "Future Public Requirements". This complicates the lands potential for development and restricts its long term prospects as private industrial land. Of note however is that the cleared land directly to the north of the Former Polo Field site is not owned by the Crown and could therefore present

better opportunities over the longer term for industrial redevelopment, subject to the willingness of the existing land owner and other factors associated with development consent (i.e. environmental implications).

A review of ownership in the Precinct also identifies a large lot of vacant land to the south of Berry Street and to the east of Hydro Street (as shown highlighted in yellow in Figure 28 below). This land presents a potentially attractive location for future industrial uses however we understand the present owners of the site do not have immediate intentions to develop it for industrial purposes. This could in turn further reduce the Industrial Precinct's potential by an estimated 2.5ha.

In light of the ownership constraints referenced above for the Berry / Hydro Street site as well as the Former Polo Field Site, a remaining 1.5ha of land is available for industrial uses (highlighted in pink in Figure 28) in the southern component of the Precinct. This land is however presently occupied by a range of light and general industrial uses. Most of these uses are low density and there is some scope to intensify the extent of development and occupation on the site. This however would be subject to the needs of the existing businesses and would present minimal opportunities for new occupiers.

The second component of land within the Precinct is located to the north of a cluster of historic industrial uses along Vine Street (3.9ha). This component relates to the former Abattoir Site which includes a number of vacant, run down and purpose built buildings. The site has benefits for general industrial use given its scale and location away from the main cluster of residential in Dorrigo. Its effective and immediate use by a new tenant is hindered however as it is understood the buildings are contaminated with asbestos and there are a number of structures such as retention ponds that would need removal. This would result in complications and costs associated with remediation and development and therefore a less attractive development site for a prospective industrial tenant.

In light of the above factors, whilst Dorrigo appears to have a notable amount of vacant and open land available for development, its ownership, zoning and development constraints present obstacles to viable opportunities for new businesses in the short to medium term. The limited immediate capacity of land in the industrial precinct must in turn be considered in light of the forecast demand for industrial land over the Strategy period along with opportunities to attract new businesses to the Town.

As discussed at the opening of this Chapter, 1.2ha of the forecast 3.2ha of additional land should be targeted for Dorrigo over the Study period. Furthermore as a general principle, more rather than less land should be zoned to ensure land values are moderated and attractive for suitable industries. Accordingly it will be necessary to retain all existing land within the Precinct as industrial (whilst investigating new sites) so as to ensure the greatest range of opportunities are maintained. This is particularly pertinent for Dorrigo Centre that is geographically separated from the Shire's main industrial areas (such as Raleigh) and the bulk of land that has been identified as having potential for investigation as future industrial lands. This Strategy considers the close proximity of industrial land to Dorrigo centre as an important means of supporting its economic growth by providing opportunities for business investment. The close proximity of industrial lands is also important in supporting the sustainability of the centre by providing accessible urban support services for its community.

On this basis, it will also be necessary to identify additional land in the locality to support the forecast growth in demand, and the sustainable and effective function of the Town. These future opportunities are discussed further in Section 15.10 below.

Recommendation: Retain all existing land designated for IN1 General Industrial Use within the Dorrigo Industrial Precinct.

Figure 28 - The Southern Component of the Existing Dorrigo Industrial Precinct



Source: Bellingen Shire Council, Hill PDA, MapInfo 11.5

15.10 Recommendation: Potential Dorrigo Expansion Areas

As discussed in the preceding section, the immediate development of a significant quantum of existing industrial zoned land in the Dorrigo industrial area is hindered as a result of ownership constraints. In the interests of providing choice and moderating industrial land values, our investigations have identified some additional sites and land that could present longer term opportunities for expansion of the zone in the medium term and redevelopment over the medium to longer term.

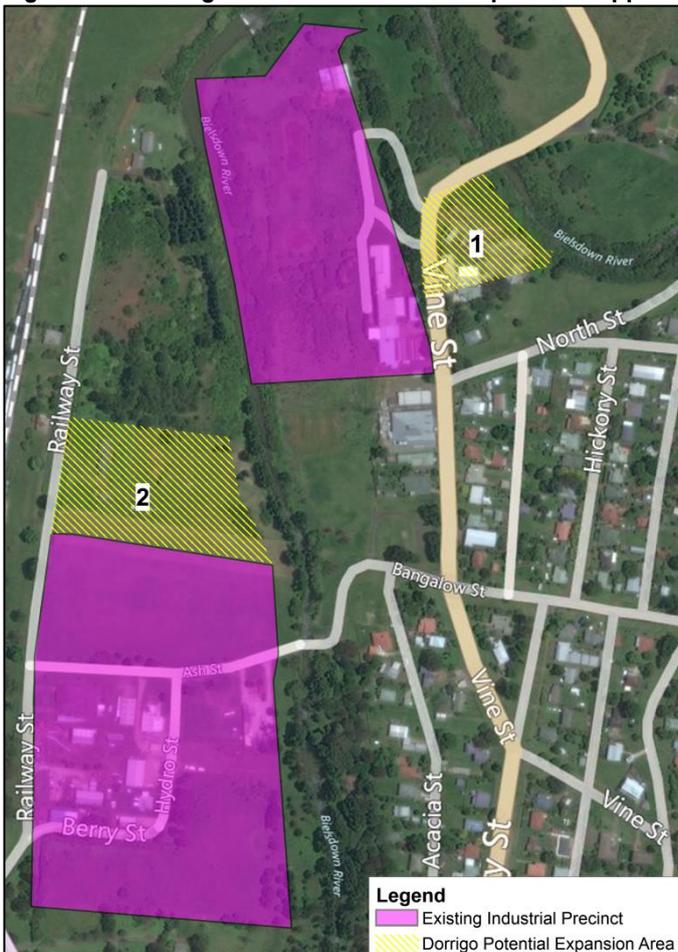
The first opportunity relates to land occupied by the Country Energy Depot (approximately 1.0ha) located to the east of Vine Street and south of Coramba Road. Whilst this land is entirely occupied by this user and does not present any immediate opportunities for new industrial uses, its zoning for industrial purposes could present longer term opportunities for the land to be used by alternative industrial businesses should the Depot choose to relocate or rationalise the extent of the site it is using.

A second extension to the zone would be land directly to the north of the former polo fields site and to the east of Railway Street. This land is approximately 1.4ha in area with a relatively constant gradient. A notable portion of the land has been cleared and it is neither Crown land nor flood liable to any significant extent. The site also presents a logical expansion of the zone to the north away from more intensive residential uses. Initial investigations suggest that access for vehicles could be provided from the site onto Railway Street subject to detailed design to address suitable sight distances.

The site is in private ownership and has some residential and agricultural buildings. Notwithstanding the potential for an additional 1.4ha of industrial land, its realisation as an industrial use will be dependent upon the willingness of the existing landowner(s) (including a residential dwelling) to sell their land or redevelop it accordingly. For these reasons any realisation of development on this land would at best be a medium to long term prospect.

Recommendation: Undertake more detailed investigations and discussions with the various landowners regarding the potential rezoning of the land for IN1 General Industrial uses over the medium to longer term. Subject to the success of these investigations, consider a more detailed assessment of potential infrastructure and environmental constraints to rezoning the location.

Figure 29 - Dorrigo Industrial Precinct Expansion Opportunities



Source: Bellingen Shire Council, Hill PDA, MapInfo 11.5

15.11 Summary of Recommendations

In summary, in accordance with the principles established at the outset of this Chapter, the subsequent recommendations have sought to:

1. Provide an array of employment lands with varying characteristics, suitability's and timeframes for availability across the Shire to service its main centres whilst accommodating the expansion of existing, or attraction of new businesses. By way of example we have identified:
 - The need to protect existing industrial zones in Raleigh, Dorrigo and North Urunga for local industries;

- Opportunities for new employment lands along the highway corridors for highway related uses (i.e. transport and warehousing) i.e. the Potential Raleigh Expansion Area;
 - Opportunities for new employment lands suited to highway convenience and urban support services close to Urunga (i.e. the Urunga North Potential Expansion Area); and
 - Land suited to a range of employment generating uses, urban support services and general industry close to Bellingen (the Bellingen Investigation Area).
2. Recognise that some existing industrial precincts may not be able to achieve the full scale of land anticipated on account of ownership and development constraints (i.e. Dorrigo), site and infrastructure constraints (i.e. Raleigh) and other competing land uses such as residential (i.e. Dorrigo, Tamarind Drive and Urunga). As a result of these possible constraints, we recommend the ongoing investigation of new areas for rezoning as discussed above.
 3. Provide recommendations for future growth and supply to facilitate a range of opportunities and moderate land prices. In our experience the supply of industrial land is an important moderator of price and in many cases an oversupply of suitable land can help to encourage new industries to any one area over another.
 4. Identify initial areas for investigation and where appropriate zoning as industrial land. It is important to note that the suitability and take up of any land subsequently rezoned as IN1 General Industrial (or currently zoned as IN1 General Industrial) should be monitored over a 5 year period. Dependant on the outcome of this period and competing demand for land within the Shire, Council may consider it appropriate to rezone the land back to its prior use or an alternative use to meet local demand and policy objectives. It is also considered prudent that a review of the adopted Investigation Areas occur after a 5 year period. This would determine whether alternative areas need to be considered in view of an observed lack of interest in developing the adopted Investigation Areas for employment generating purposes.

In light of the discussion above, a summary of the recommendations is provided in the table below. A more detailed analysis of the phasing of potential land release is discussed further in Chapter 16.

Table 50 - Summary of Expansion Opportunities for Employment Lands

Existing / Potential Industrial Lands	Existing Zoned Land	Potential Expansion Area	Initial Recommended Investigation Areas
Raleigh Industrial Precinct	58.4ha		
<i>Raleigh Extension Zone</i>	0ha	4.8ha	4.8ha
<i>Raleigh New Employment Area</i>		4.1ha	4.1ha
North Urunga Industrial Precinct	2.3ha		
<i>North Urunga Extension Zone</i>	0ha	13.4ha	13.4ha
Bellingen - Tamarind Drive Precinct	1.4ha	0ha	
<i>Bellingen Investigation Area</i>	0ha	5.7ha	5.7ha
Dorrigo Industrial Area	11.1ha (7.2ha + 3.9ha)		
<i>Dorrigo Expansion Area 1</i>	0ha	1.0ha	
<i>Dorrigo Expansion Area 2</i>	0ha	1.4ha	
	73.2	30.4	28

Source: Hill PDA

In summary, with respect to industrial supply compared to demand, the Strategy has identified demand for an additional 3.2ha of industrial land to support the growth of Bellinghen Shire by 2036. Furthermore the Strategy recommends that additional demand should be distributed across the Bellinghen, Dorrigo and Urunga centres (i.e. 1.4ha, 1.2ha and 0.6ha respectively). The Strategy has also identified that there is limited capacity (owing to the extent of existing development, environmental and ownership constraints) for the existing employment zones to accommodate all of this demand. Accordingly we have identified potential future investigation areas in this Chapter and Table 50.

On first principles it may appear that the potential industrial expansion areas identified and recommended in the final column of Table 50 significantly exceeds the need (i.e. 30.4ha vs. 3.2ha). In this regard a number of matters must be considered. Firstly these areas have been identified as potential investigation areas over the Strategy period as opposed to actual areas that could be rezoned in the short term. It is expected that upon more detailed environmental and planning investigations, a large portion of the identified sites (in some cases some sites all together) may need to be eliminated.

Secondly the potential expansion areas are in private ownership and therefore the rezoning and any prospective redevelopment as industrial would need to align with the intentions of existing / future landowners which also presents a risk to the realisation of useable land. For these reasons a significant quantum of land has been identified for investigation across the Shire, over and above the forecast demand.

As a final matter for consideration with respect to industrial land demand compared to future investigation areas, it should be noted that the vast majority of realistic opportunities have been identified along the highway corridor. The successful rezoning of land in these locations and their development could encourage significantly more demand for land than the identified 3.2ha by this Strategy on account of the broader draw of businesses and opportunities created by such a prominent location.

Significantly less potential for new industrial land presents however around the Bellinghen, Dorrigo and Urunga centres themselves despite the need for urban support services for their local populations. For this reason a greater emphasis has been placed not only on the identification of additional industrial land in these locations but the retention of existing industrial zoned land to accommodate the 3.2ha identified as necessary for local services and industries. This recommendation is particularly pertinent for centres such as Dorrigo that are significantly removed from the major existing industrial areas (i.e. Raleigh) or the potential new areas around the Pacific Highway.

16. SUMMARY OF RECOMMENDATIONS

The following table provides a summary of the recommended extensions and additions to Bellinghen Shire’s key centres and employment lands to accommodate forecast demand discussed in this Chapter. The table also provides a summary of the recommendations made with respect to additional employment generating uses (caravan parks, aged care housing, innovation centres and logistics hubs).

Key:

Short Term 1-5 Years 2011 – 2015 Medium Term 5 - 10 years 2016 – 2025 Long Term 10 years + 2026 – 2036

Table 51 - Summary of Recommendations and Phasing

Location	Timing	Potential Zone	Recommendation
CENTRES			
Bellinghen		B2 Local Centre	Extend existing centre to include land identified on the northern side of William Street
		B2 Local Centre	Investigate potential for innovation centre on shortlisted sites in Bellinghen with a particular focus on 2- 4a William Street
Dorrigo		B2 Local Centre	Focus redevelopment within the existing centre zone
		B2 Local Centre	Undertake preliminary investigations to potentially develop a resource innovation centre in Dorrigo
Urunga		B2 Local Centre	Encourage the intensification of existing land within the Centre in the short term and rezone additional land along Morgo Street to accommodate the growth of the centre in the medium term
EMPLOYMENT LANDS			
Raleigh Industrial Precinct		IN1 General Industrial	Retain as employment lands.
<i>Raleigh Extension Zone</i>		IN1 General Industrial	Undertake further investigations as to suitability as employment lands in the short term and for its development as a logistics hub in the medium term
<i>Raleigh New Employment Area</i>		B6 Enterprise Corridor B7 Business Park	Undertake further investigations as to suitability as employment lands in the short term.
North Urunga Industrial Precinct		IN1 General Industrial	Retain as employment lands.
<i>North Urunga Extension Zone</i>		IN1 General Industrial	Undertake further investigations as to suitability as employment lands over the medium term.
Bellinghen - Tamarind Drive Precinct		IN1 General Industrial	Retain as employment lands.
<i>Bellinghen Investigation Area</i>		IN1 General Industrial	Investigate as potential alternative location for existing urban support services in Bellinghen Centre.
Dorrigo Industrial Area		IN1 General Industrial	Retain as employment lands.
<i>Dorrigo Expansion Area 1</i>		IN1 General Industrial	Potential longer term opportunity as employment lands.
<i>Dorrigo Expansion Area 2</i>		IN1 General Industrial	Potential longer term opportunity as employment lands.
SITES FOR AGED HOUSING		B2 Local Centre / Residential	Discuss potential for development of top 4 sites as aged housing with landowners in Dorrigo and Urunga along with more detailed site and development feasibility analysis. Continue to investigate and prioritise the 5 secondary sites as those with merit and potential for development subject to overcoming any potential constraints.
CARAVAN PARK		LEP Schedule	Undertake more detailed investigation of land owner interest and environmental considerations for the preferred caravan park location in Bellinghen
INFRASTRUCTURE		N / A	Prioritise developments in locations already served by key infrastructure such as reticulated water, electricity and sewerage to make efficient use of existing services, minimise the cost of development and maximise opportunities for outcomes. Consider alternative outcomes for infrastructure provision (in particular reticulated sewerage) where land constraints prevent desirable employment generating development form being located within close proximity to existing infrastructure

DISCLAIMER

This report is for the confidential use only of the party to whom it is addressed (the client) for the specific purposes to which it refers. We disclaim any responsibility to any third party acting upon or using the whole or part of its contents or reference thereto that may be published in any document, statement or circular or in any communication with third parties without prior written approval of the form and content in which it will appear.

This report and its attached appendices are based on estimates, assumptions and information sourced and referenced by Hill PDA and its sub consultants. We present these estimates and assumptions as a basis for the reader's interpretation and analysis. With respect to forecasts we do not present them as results that will actually be achieved. We rely upon the interpretation of the reader to judge for themselves the likelihood of whether these projections can be achieved or not.

As is customary, in a report of this nature, while all possible care has been taken by the authors to prepare the attached financial models from the best information available at the time of writing, no responsibility can be undertaken for errors or inaccuracies that may have occurred both with the programming or the financial projections and their assumptions.

This report does not constitute a valuation of any property or interest in property. In preparing this report we have relied upon information concerning the subject property and/or proposed development provided by the client and we have not independently verified this information excepted where noted in this report.

**Appendix 1 - MINUTES OF AGED CARE
AND HOUSING WORKSHOP
OCTOBER 31 2011**

Aged Care Housing Workshop		
31/10/2011	11am-1pm	Bellingen Shire Council
Meeting called by	Bellingen Shire Council and Hill PDA	
Type of meeting	Workshop	
Facilitator	Sarah Hill, Hill PDA	
Note taker	Sarah Hill, Hill PDA	
Attendees	<ul style="list-style-type: none"> ▪ Alison Pattinson, Co-ordinator, Dorrigo Support Centre ▪ Murray Slender, Dorrigo 1 Real Estate ▪ Sarah Churchyard, General Manager, Bellorana Ltd ▪ Heather Nicholls, Regional General Manager, Royal Freemasons Benevolent Institution ▪ Bill Baggett, Dorrigo Seniors Housing Action Group ▪ Tim Christiansen, Trustee (Cork Trust) ▪ Bev Stevens, Barwick Stevens Lawyers & Trustee (Cork Trust) ▪ Daniel Bennett, Strategic Planner, Bellingen Shire Council ▪ Sarah Hill (SH), Director of Hill PDA 	
The workshop commenced with introductions followed by SH running through the agenda, purpose of the Employment Lands Strategy and key matters for discussion.		
Demand for Aged Care Housing		
Discussion		
<p>Key points raised during the workshop regarding demand for varying types of aged housing that are of relevance to the Strategy included:</p> <ul style="list-style-type: none"> ▪ Bellingen, Dorrigo and Urunga each have varying needs with respect to aged housing. ▪ In particular Dorrigo has a high number of people seeking to relocate from larger rural properties to more manageable properties (i.e. smaller dwellings and gardens that are closer to services). Many seek to remain in their community with a component of independent living. Those who cannot find suitable accommodation in Dorrigo are generally required to move to Bellingen although the climate and community is very different and the preference for many is to stay in Dorrigo. ▪ It was generally agreed that adequate provision already existed for high care seniors housing / accommodation in Dorrigo on account of the services provided by MPS. Owing to the nature of this level of care, there was generally a higher turnover of beds than other for other forms of seniors housing. ▪ The majority of unmet demand is for independent living / seniors housing accommodation with opportunities for progression in time to higher needs accommodation. ▪ There is a growing demand for rental accommodation for seniors who do not have the capital to purchase properties. ▪ There is a general lack of medium density / smaller housing supply across the Shire for any age group. This is largely a development feasibility issue as opposed to demand. ▪ The concept of housing for the aged can be broken down into a variety of different types i.e. seniors housing (independent living), high care or needs housing (residential, respite) 		

etc. Each type has specific needs with respect to site characteristics and business model.

- Bellingen draws clients from across the Shire as well as approximately 5% from outside of the Shire (i.e. Coffs Harbour and Nambucca Heads). The majority are in their 80's.
- The State and Commonwealth Government actively encourage people to age in place – the majority of government funding is therefore being directed to support this approach through services etc. However it can be more efficient / cost effective to concentrate clients in one area / development with respect to servicing.
- Many seniors are keen to age in their existing homes – for some there remains a stigma against large retirement living complexes, some people prefer smaller clusters of housing.
- All agree that there is a range of solutions i.e. a variety of housing types / levels of care are needed to address the growing demand.
- The provision of support / health staff is a key issue in locations such as Dorrigo as there can be insufficient critical mass to attract staff for full time work.
- Higher needs aged care housing (i.e. residential) is a greater employment generator on a per square metre basis than retirement living / seniors housing. The former results in approximately 1 operational job per bed. Both types of housing development generate construction related employment and have a spin off to the local economy through any net gain in retail / service related expenditure.

Criteria for Identifying Suitable Sites for Aged Care Housing

Discussion

- Key criteria / characteristics for suitable aged care housing sites include:
 - Availability of reticulated sewerage and water services
 - Amenity of the site including its aesthetic appeal and relationship with surrounding uses i.e. noise from industrial uses or highways
 - Demolition costs
 - Site remediation costs i.e. asbestos removal
 - Site aspect i.e. ideally north facing
 - Land ownership i.e. ability to purchase at a reasonable price
 - Suitability of zoning and therefore alternative uses i.e. productive farmland, industrial land
 - Access to services i.e. retail, business and town centre
 - Pedestrian and scooter access to / from the site
 - Access to medical services i.e. in the Shire and Coffs Harbour
 - Gradient – for development feasibility and pedestrian access
 - Extent of the site that is developable
- Transport is a critical site requirement for staff and the family of residents. It is also a key requirement for residents seeking to access medical facilities or general services.

- Planning for the future – the national broadband network is likely to reduce the need to travel greater distances, particularly if health care providers get on board and enhance their services through the internet.
- Dorrigo has no taxi service or public transport with the exception of one community bus per week to Coffs Harbour. There is a bus from Bellingen to Urunga and Coffs Harbour. The intercity train stops at Urunga and Coffs however its timetable is infrequent and not ideal.
- Bellorana have planning approval for a 60 bed unit development in Raleigh. Aiming for occupation at the end of 2011.
- The Trust is looking to develop a 60 unit seniors housing / retirement complex in Dorrigo.
- Land surrounding Urunga Town Centre is largely flood storage – any built structure must avoid disrupting this through innovative design measures.
- The north side of the river in Bellingen should be avoided for aged housing as it would be cut off from medical or other services in the case of flooding.
- Crown land presents some constraints to development in Dorrigo as well as land gradient and ownership.

Appendix 2 - **MINUTES OF CONSULTATION**
MEETING WITH CHAMBERS OF
COMMERCE OCTOBER 31 2011

Consultation Workshop with Chambers of Commerce	
5.30pm - 7.30pm	Bellingen Shire Council
Bellingen Shire Council and Hill PDA	
Workshop	
Sarah Hill, Hill PDA	
Sarah Hill, Hill PDA	
<ul style="list-style-type: none"> ▪ Peter Lynch, Dorrigo Chamber of Commerce ▪ Steve Allen, Urunga Chamber of Commerce ▪ Guy Saddleton, Bellingen Chamber of Commerce ▪ Charlie Hannavy, Bellingen Shire Council ▪ Daniel Bennett, Strategic Planner, Bellingen Shire Council ▪ Sarah Hill (SH), Director, Hill PDA 	
Introductions and Welcome	
<ul style="list-style-type: none"> ▪ SH welcomed all attendees to the workshop and invited each person to introduce themselves and their roles. ▪ SH then ran through some of the key findings of Hill PDA's surveys and research to date answering questions as required. 	
Discussion	
<ul style="list-style-type: none"> ▪ The discussion commenced with a focus on Urunga Town Centre. <ul style="list-style-type: none"> - Steve identified that the Caravan Park in the Village had an important influence on trade as well as tourists during school holiday. Urunga Caravan park (located on the highway) mainly comprises of longer term residents. - More street front retail units would be desirable along with greater retail variety however the provision of additional retail in the Village is constrained by surrounding uses, developed land and site ownership. The vacant block next to the hotel along the waterfront represents a good opportunity. - Parking is becoming a growing issue in Urunga. ▪ Bellingen experiences ongoing interest from new businesses looking to set up in the centre. <ul style="list-style-type: none"> - There is anecdotal demand for manufacturing and industrial land in / around Bellingen centre. - An innovation centre would be great for IT focused residents – this could be located within Bellingen centre. - William Street provides a good location for additional commercial businesses / professional consulting rooms. Council's 2003 LEP reduced flexibility with respect to the range of uses permitted in William Street. The former Telstra site has potential to be developed as an innovation centre or alternative use. - Bellingen would benefit from a caravan park, the closer the park to the Centre the better as this would create additional demand for goods and services. ▪ With respect to Dorrigo – lifestyle is an important attraction for a range of residents. <ul style="list-style-type: none"> - Noise from the existing industrial lands is potentially an issue for the town centre. - Dorrigo is increasingly focusing on tourism for jobs and trade – need to encourage more visitors to travel into the town centre. - Online shopping and associated home delivery of grocery goods from major stores is significantly 	

influencing demand for supermarket / grocery floorspace in the town centre.

- Designated free camping sites on the Plateau have the potential to attract more travelling tourists, such as 'grey nomads'. Some visitors have indicated their attraction to towns with free campsites nearby, where after they spend in the towns on other products and services. A number of sites on the Plateau are already well used, but are not designated as such and therefore are not promoted.
 - Higher altitude land in Dorrigo provides the right climatic conditions for some manufacturing businesses i.e. renewable energy industries. These businesses could benefit from agglomeration (economic efficiencies) attracting other businesses to cluster.
 - Dorrigo could also build on the concept of sustainable agriculture, becoming a central distribution centre for industries that add value to the process. This arrangement could encourage smaller landowners, seasonal produce and food security.
 - Dorrigo could benefit from an agricultural or renewable energy (i.e. hydro, wind or solar) innovation centre.
- Bellinghen Shire provides an excellent opportunity for manufacturing businesses looking to relocate from Sydney and benefit from a lifestyle change.
 - Land in close proximity to the highway is more desirable for manufacturing industries than land further inland.
 - There is interest for land in the Shire from landscaping and nursery businesses.
 - Land around Thora represents an opportunity for a new caravan park.
 - Each centre would benefit from a higher proportion of visitors staying overnight. Could better leverage off attractions such as the rainforest centre that attracts international visitors.