

CABINET—SUBJECTS FOR CONSIDERATION, 11th September 19 89

02981

CABINET	SUBJECT	DOCKET
Not relevant		
No. DEFERRED 10.7 Decision	Coastal Marina Development Supplementary Development Plan and proposal for development of a marina at Marino Rocks. DEERR ONE WEEK	D.E.P. 2161/1988

Not relevant

10-7/11
10-9/14

PD 2161/88

**TO THE PREMIER
FOR CABINET**

**COASTAL MARINA DEVELOPMENT SUPPLEMENTARY DEVELOPMENT PLAN BY THE MINISTER AND
PROPOSAL FOR DEVELOPMENT OF A MARINA AT MARINO ROCKS**

1. PROPOSAL

- 1.1 To give statutory recognition to four potential marina development sites along the Port Gawler - Cape Jervis coastline by amendment to the Development Plan.
- 1.2 To endorse the preparation of a scheme under Section 63 of the Planning Act to facilitate a marina and associated residential development at Marino Rocks.

2. BACKGROUND

- 2.1 Cabinet previously endorsed (July 1988) Marino Rocks, Wirrina, Maslin Beach Quarry and Mutton Cove as preferred marina locations based on the report prepared by the inter Departmental Marina Assessment Advisory Committee (MAAC).
- 2.2 With respect to the Mutton Cove site, Cabinet resolved that any further action concerning its future use should be determined as part of the Port Adelaide Industrial Land Review.
- 2.3 A separate development proposal report has been jointly prepared within the Department of Environment and Planning and the Department of Premier and Cabinet for the Patawalonga/West Beach area. It deals with issues that were outside the terms of reference of the MAAC and outlines how a marina development could be carried out in this area without incurring the impact and concerns associated with Jubilee Point. The marina development proposed in this report would be compatible with the Zhen Yun hotel development on the West Beach Trust land. Other smaller marina proposals have been submitted for the mouth of the Patawalonga.

This submission recognises the potential for a marina in the Glenelg/West Beach area, as well as the other sites of Marino Rocks, Maslin Beach Quarry and Wirrina.

- 2.4 A Melbourne based company, Crestwin Corporation Limited (now established in S.A. as Mintern Pty. Ltd.), has submitted for Government consideration a proposal for a major marina and residential development at Marino Rocks, on one of the nominated sites.
- 2.5 The proposal includes (see attached maps):
 - a 380 berth marina, with a further 140 dry berth facilities together with associated retail activities;
 - a 1000 space carpark separated in level from the built facilities;
 - associated waterfront, hillside and hilltop housing west of Cove Road;
 - an underpass from Cove Road under the railway line to an easterly connector road to meet Lonsdale Highway;

- two areas of new subdivision within the Hills Face Zone (HFZ) to the east of the railway with a total of approximately 860 allotments (440 and 420 respectively);
- a public landscaped open space system linking the current private open space in the HFZ to the waterfront.

2.6 This submission provides an avenue for Cabinet to determine how it will:

- give statutory recognition to the potential marina sites; and
- respond to the Mintern proposal for Marino Rocks.

3. DISCUSSION

3.1 SUPPLEMENTARY DEVELOPMENT PLAN (SDP)

3.1.1 Apart from the North Haven/Outer Harbor area, the Development Plan does not give any indication of where marinas could be considered. An amendment to the Development Plan that gives statutory recognition to potential coastal marina locations is an effective way for the Government to provide an indication to the general public and the private sector development industry of its view on these matters.

3.1.2 A draft Supplementary Development Plan has been prepared to support the marina development investigation and to provide for the Marino Rocks development.

3.1.3 The SDP

- (a) Identifies the four potential marina development sites at the structure planning level (i.e. with sites shown indicatively only) with supporting objectives. At the zoning level it removes basic legal impediments but retains existing zones and prevents development that may prejudice a marina and land based development from occurring.

It is intended that, as details relating to the development of each site are finalised and the appropriate environmental assessment has been completed it would be possible to then make comprehensive amendments to the Development Plan at the zoning level.

- (b) Rezones the marina site for Marino Rocks together with the nearby parcels of land. The SDP creates a Marina Zone west of the Noarlunga railway and rezones HFZ land to the east to a Residential Zone. Other land to the east of the railway is rezoned to HFZ as part compensation for land removed from the HFZ.

3.1.4 The Marina Zone provides for the construction of a marina and associated residential, commercial and tourist related development. A number of policies are introduced to guide the development in this zone.

3.1.5 The Residential Zone is obtained by extending the boundaries of the existing R2 Zone to incorporate the HFZ land comprising part of the proposal.

3.1.6 If Cabinet wishes to proceed with this SDP it could be released for exhibition within the next 4-6 weeks following consultation with the Marion Council. The SDP would be on exhibition for two months (say October and November) and could be authorised in the first half of 1990 (refer Section 3.7 - Time frame).

When authorised, the SDP will provide for development of the Marino Rocks site.

3.2 SECTION 63 SCHEME FOR MARINO ROCKS

- 3.2.1 The developers of the Marino Rocks site (Mintern) are seeking assurance of the Government's commitment to their development. If the Government wants to give a commitment to the development prior to the authorisation of the SDP or the preparation and processing of an Environmental Impact Statement, Section 63 of the Planning Act is considered to provide the best mechanism for this assurance to be given in the short term. In conjunction with definition of a Section 63 scheme an indenture agreement between the proponents and Government could be prepared to address those matters requiring joint efforts and the responsibilities of the parties.
- 3.2.2 Section 63 provides for a scheme to be prepared on behalf of the Minister for Environment and Planning and submitted to the Governor for authorization. It provides a single approval for the scheme, obviating the need to seek approvals through other sections of the Planning Act. Because it would be seen as the Ministers scheme it will require Government commitment to all the elements of the proposal, such as building a marina at the foreshore and the use of land currently in the HFZ for residential development.
- 3.2.3 Before the necessary detailed negotiations to prepare the scheme and associated indentures can commence, a 'heads of agreement' will be necessary to define the process to be followed and to secure the site. This should be in place prior to the public comment period on the SDP. Any formal indenture and scheme would seek to ensure the marina facilities and public amenities are constructed in the earliest stages.
- 3.2.4 Section 63 requires that the local council be consulted before authorisation. It does not necessarily require the preparation of an environmental impact statement, although it is intended that the documentation would include investigations of the environmental effects of the marina development. Section 63 does not require public consultation. However, by the concurrent exhibition of a SDP that in part addresses the particular proposal, opportunity will be given for public comment.
- 3.2.5 If the Government supports use of Section 63 for this project it is expected a period of three months would be required to complete the Section 63 documentation. The end of the public exhibition and hearing period for the SDP could thus be managed to occur prior to the final consideration by the Governor of the Section 63 scheme (refer Section 3.7).

3.3 ISSUES TO BE CONSIDERED IN RESPONDING TO MARINO ROCKS PROPOSAL

In deciding whether to make the commitment to the Marino Rocks proposal through the SDP and the Section 63 scheme a number of matters need to be taken into account. They are as follows:

- (a) The marina site is a preferred metropolitan marina locality in the MAAC Report. It has also been supported publicly as a marina site by the Conservation Council. However, the MAAC Report and the Conservation Council support did not refer to residential development over the full area included in the Mintern proposal.
- (b) The marina site will have little effect on sand movements and requires virtually no sand management programme.
- (c) Environmental issues relating to the marina site are minimal and relate mainly to the cliff face alterations.
- (d) The marina site is not directly adjacent to nor overlooked by existing residential development.

- (e) The locality serves the concentration of boat owners recognised in the MAAC Marina Demand Study.
- (f) The proposal provides a new easterly connector road for existing residents of Hallett Cove. This road will improve access to the coast and will result in less traffic on Cove Road.
- (g) The proposal makes allowance for adequate buffering between quarrying activities and the new residential development.
- (h) The marina requires the use of coastal reserves and seabed for reclamation and moorings and, as presented, the proposal seeks these lands at no cost.
- (i) Some Hallett Cove residents overlook the HFZ that will be taken over by the development.
- (j) Development in the HFZ is needed to subsidise the marina facilities. This scheme would represent the first major excision of land from the HFZ for development purposes.
- (k) The Minister for Environment and Planning, as the person responsible for implementation of the Section 63 scheme, will be vulnerable to any criticism about the project.

3.4 CHANGES TO HFZ AT MARINO ROCKS

The following HFZ land budget could be put forward in response to the Mintern Proposal (see attached map):

- (a) 90.5 ha of HFZ land will be rezoned for residential development. This land is not visible from the Adelaide Plains but some land is visible from part of the Hallett Cove Estate to the south. Mintern own an 11 ha parcel of this land; the balance is subject to options to Mintern from the Sheidow estate.
- (b) A further 43.6 ha of the land will be rezoned from HFZ to become usable public open space between residential precincts.
- (c) 28.5 ha of land adjacent to the north of the site and not currently zoned HFZ will be added to the HFZ. This land is visible from the Adelaide Plains and contains vegetation of significance.
- (d) The net land to be rezoned then results in a loss of 105.6 hectares from HFZ; 43.6 ha of which will be usable public open space.
- (e) Consideration has been given to rezoning the CSIRO land at Glenthorne from its current Rural B zoning to HFZ to redress the net loss of HFZ land. However, the Commonwealth Minister for Administrative Services, the Hon Stewart West, has made it clear that the Commonwealth will be seeking to establish some housing development on the Glenthorne land. It will take some time to reach agreement with the Commonwealth on the location and extent of residential development opportunities.
- (f) Further investigations will be initiated to identify other possible land parcels which can be added to the HFZ as compensation for the net loss of land described above.

3.5 FINANCIAL IMPLICATIONS ASSOCIATED WITH MARINO ROCKS PROPOSAL

3.5.1 A financial analysis is included with the proposal showing the following:

Development cost	\$52.2m
Net Realization	\$63.2m
Return on Investment	\$11.0m
(21% return on investment)	

3.5.2 The Mintern financial analysis as outlined in the proposal is based upon the following assumptions:

- (a) No reliance is placed on either State or Local Government for financial assistance for the construction of the access road linking the marina with Lonsdale Highway or construction of the railway underpass.
- (b) However, Mintern propose that Government should meet headworks costs to the site. Preliminary discussions have been held with the service agencies on these costs. The costs show a figure of \$3.8m is required to meet the costs of sewage, water and power. Whilst some of these costs may be considered to be a transfer of funds from elsewhere, there will be additional real costs associated with the difficult topography.
- (c) Mintern propose that negotiations would be entered with the Marion Council to contribute to Cove Road realignment works, although their financial analysis does not include a figure for contribution. Marion Council would, of course, gain significant rate revenue from the addition of nearly 900 new residents plus the marina and tavern developments.
- (d) The proposal has as an essential feature, a deck which will form the ground level for the commercial centre and under which will be carparking. While this feature is undoubtedly expensive it is fundamental to the successful development of the marina. In a design sense, the creation of this deck successfully deals with the problem of carparking by avoiding unsightly open lot carparking and the need to extend significantly further into Gulf St Vincent. This is seen as desirable in a visual sense and particularly in terms of the substantial cost penalties anticipated if both the foreshore platform and the marina breakwater were to be extended further into the rapidly deepening water of the Gulf.
- (e) The Mintern proposal anticipates the achievement of freehold title to the proposed marina berths (freehold title to water elements of a marina would be inconsistent with the Marina Guidelines document). The company is expected to accept long term leasehold as an alternative to freehold.
- (f) The feasibility assumes the availability of the small area of coastal reserve and gulf waters required by the marina at no financial consideration, but in return offers public access to a previously secluded foreshore and the creation of a valuable arterial road link of benefit to all local residents.

3.6 COST-BENEFIT SUMMARY AT MARINO ROCKS

There is a clear interest for the Government in having a specific commitment to construction of a marina at Marino Rocks.

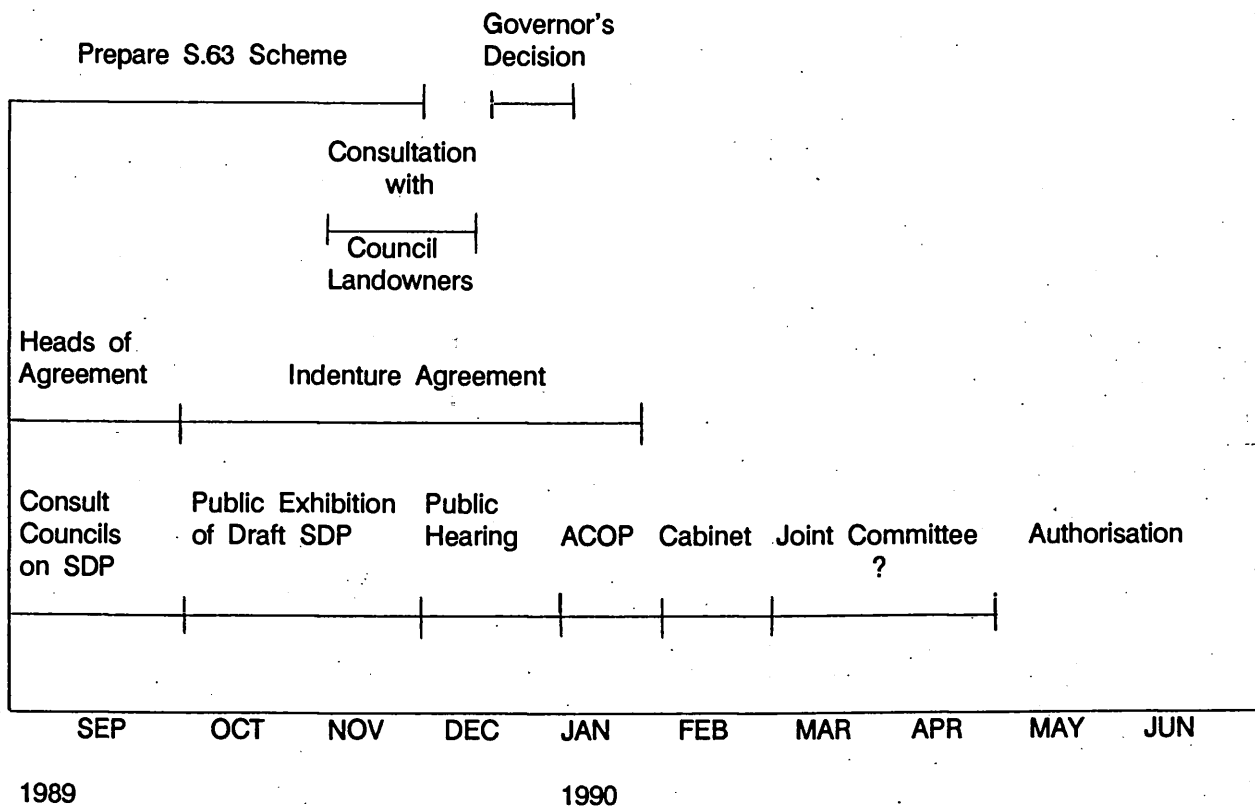
The issue is how far the Government is prepared to go to set up the project. The Mintern proposal requires the Government to:

- (a) Make Crown land available at no cost to the project; recognising that the public will have access over much of the area following project construction.
- (b) Provide a substantial betterment through rezoning a significant area of HFZ land.
- (c) Provide \$3.8m of infrastructure.

Cabinet needs to decide whether the community benefit justifies its actions under (a), (b) and (c) above.

3.7 TIME FRAME - MARINO ROCKS

ASSUMES CABINET DECIDES TO PROCEED WITH SDP AND S.63 SCHEME



3.8 CONSULTATION

At this stage there has been no detailed consultation with Marion Council on the Marino Rocks proposal or on the strategy outlined in this submission. There is a legal requirement to consult with affected Councils on both the SDP and the Section 63 scheme.

Opportunity for public comment is proposed through the SDP process.

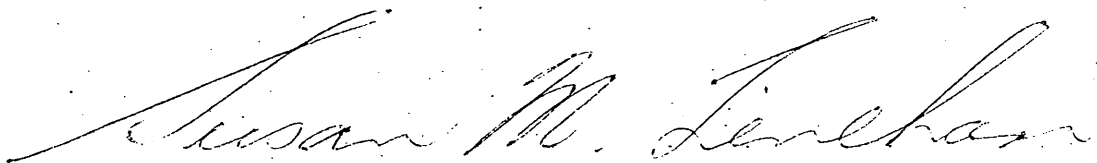
3.9 STAFFING

In order that details of a Section 63 proposal can be completed within three months it is expected that a staffing equivalent of one full time officer and other lesser commitments from personnel of Premiers Department, Crown Law and Environment and Planning will be required.

4. RECOMMENDATION

That Cabinet:

- 4.1 Endorse the Glenelg/West Beach area as an additional preferred marina site on the same basis as the sites at Marino Rocks, Maslin Beach Quarry and Wirrina.
- 4.2 Agree to the preparation and release of a Supplementary Development Plan to give statutory recognition to potential marina sites at Glenelg/West Beach, Maslin Beach Quarry and Wirrina and with detailed rezoning of the Marino Rocks site.
- 4.3 Agree to the preparation of a Section 63 scheme and indenture agreement to facilitate the proposal for a marina development at Marino Rocks.

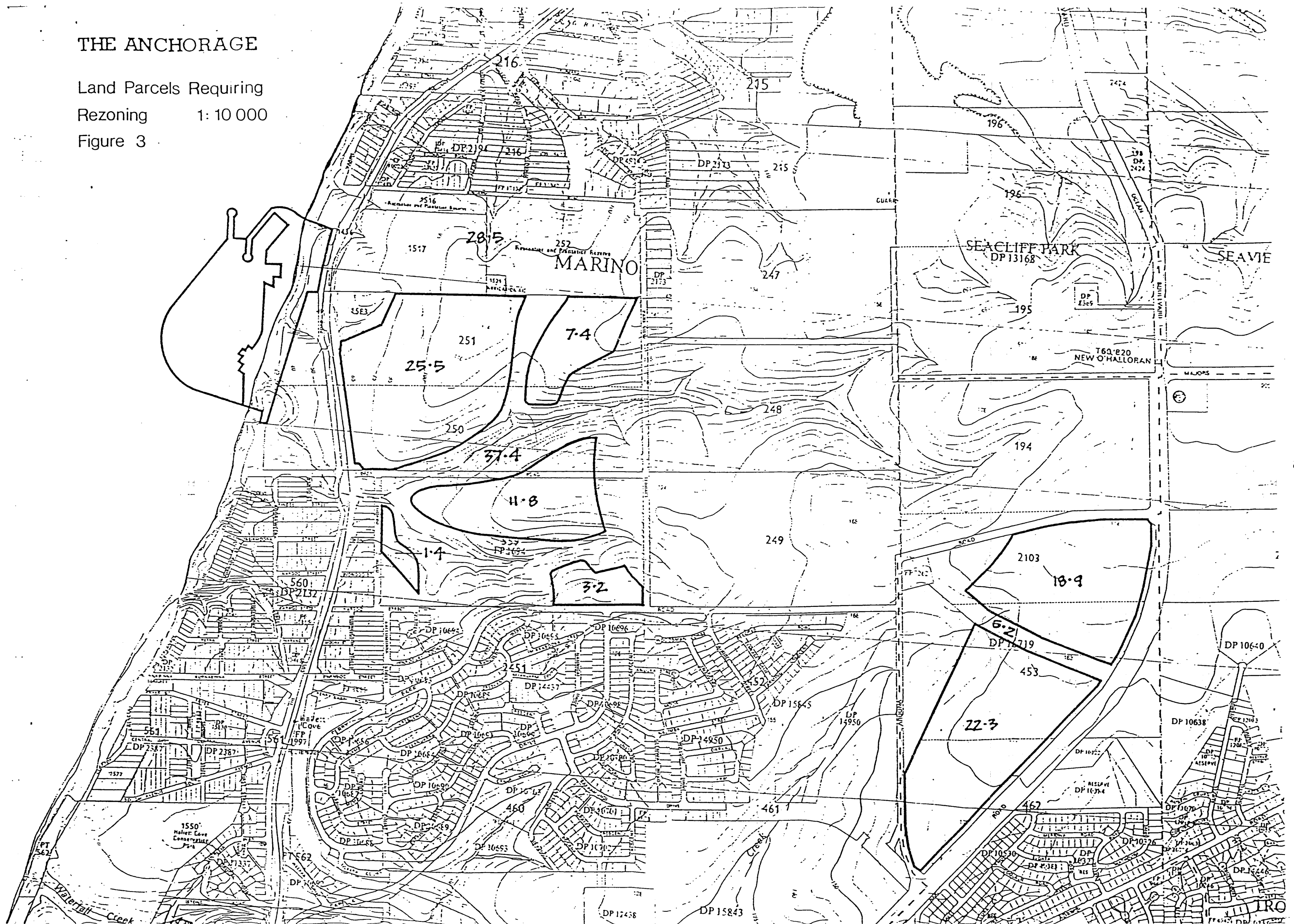


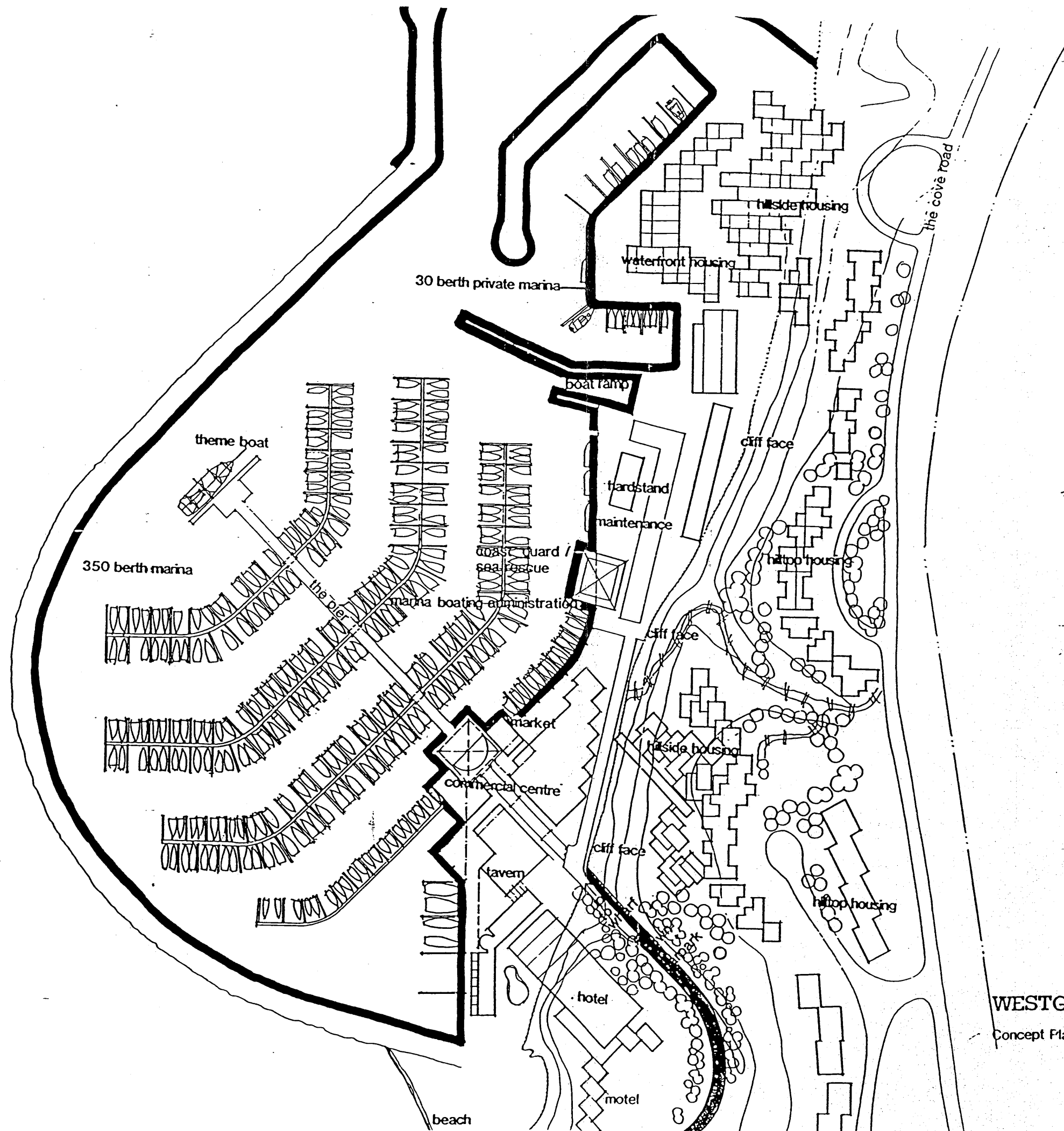
MINISTER FOR ENVIRONMENT AND PLANNING

30 18 /89

THE ANCHORAGE

Land Parcels Requiring
Rezoning 1: 10 000
Figure 3





WESTGOVE: THE ANCHORAGE

Concept Plan 1:1000.