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Michael Lennon
Chair – State Planning Commission
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Dear Michael

Revised Planning and Design Code – Submission on behalf of Costa Group – 22 Pope Road, Monarto South

Introduction and Previous Submission

URPS acts on behalf of Costa Group (Costa) and made submission to the Commission in response to the draft Phase 3 Planning and Design Code (Code) in February 2020. The properties in question are collectively identified as 22 Pope Road, Monarto South:

- Allotment 3 in D24029 (CT:6106/980)
- Allotment 4 in D24029 (CT:5843/352)
- Allotment 101 in D54555 (CT:5822/788)

Key items identified in the previous submission for consideration of the Commission included:

- Retention of the 1km land use buffer around the site to discourage the development of sensitive land uses within proximity of the composting facility which would compromise the ongoing operation of the facility
- Carry forward of the existing Concept Plan which clearly identifies the buffer area
- Identification of all sensitive uses proposed within 1km of the mushroom farm as Restricted forms of development
- Insertion of the Significant Industry Interface Overlay and Limited Dwelling Overlay to apply within a 1km radius of the Costa Group properties
- Consideration of rezoning the sites from the Rural Zone to the Rural Intensive Enterprise Zone
- Suggested improvements to zone policies contained under the 'Rural Industry' subheading.

A copy of the previous submission is enclosed for your information.

Revised P&D Code

The revised Code has done little to recognise the significance of the Monarto South mushroom facility, nor the potential impacts on sensitive land uses from the operation of this lawfully established land use. Updates to the Code have not resulted in the facilitation of a policy setting which provides protection to the substantial investment made by the Costa Group at the site.

Interface Management Overlay

Whilst noting that the revised Code has acknowledged the need for protection of the site via the inclusion of the *Interface Management Overlay*, there remains a range of matters of serious concern to the Costa Group with this policy approach.

In considering the limited content contained within this Overlay and its relationship with the broader policy content within the Rural Zone, it is considered that the strength of the allied zone policy to prevent the inappropriate proliferation of dwellings is insufficient. As a result, there is a real chance that the current approach would compromise activities on the sites. In our opinion, the most efficient manner to address this policy deficiency is as follows:

1. Rezone the land Rural Intensive Enterprise Zone
2. Replace the Interface Management Overlay with the Significant Interface Management Overlay
3. Progress a Dedicated Policy Approach that restricts dwellings, comprising either:
 - a. A dedicated Subzone; or
 - b. A dedicated Concept Plan

Zoning

There remains a question as to the most appropriate zoning for the sites, and the Commission is again requested to consider zoning the sites **Rural Intensive Enterprise Zone**. This zone is considered a better fit for the well-established activities occurring on the sites, namely the intensive production, processing, washing and packing of produce and associated storage, warehousing and distribution activities.

Further, the RIEZ supports the more localised development of activities and excludes development of a broader rural nature which are not necessarily compatible with or envisaged on the Costa Group land.

Significant Interface Management Overlay

Upon review of both the *Interface Management Overlay* (IMO) and the *Significant Interface Management Overlay* (SIMO), we respectfully request the Commission consider application of the SIMO in-lieu of the IMO. The application of the SIMO not only aligns more closely with the current policy setting which identifies dwellings as non-complying when within the 1km buffer, but also elevates the primacy of protecting the existing Costa Group facility from inappropriate intrusion to the forefront. This approach would:

- provide investment and development certainty to the Costa Group
- provide development certainty to adjoining landowners affected by the SIMO and zoned Rural

- provide a clear policy pathway and remove ambiguity for the relevant authority.

Dedicated Policy Approach

In addition to the above policy amendments, there is a need for a further line of defence to both align the Code with the current Development Plan and to continue to provide the necessary level of protection to both the Costa operations from the intrusion of sensitive land uses, and to sensitive land uses from the normal day-to-day operations of the mushroom production facility. Namely, a dedicated approach must be taken to identify sensitive uses (particularly dwellings) as Restricted where sited within 1km of the Costa mushroom facility sites.

Upon review of the mechanisms afforded under the Code for this purpose, there are two possible pathways:

Dedicated Subzone

URPS requests the Commission consider the insertion of a dedicated 'Buffer Subzone' which would apply to all land within a 1km radius of the sites. This Buffer Subzone would be a subset of the Rural Zone and result in the identification of dwellings as Restricted.

Associated amendments to Rural Zone Table 4 – Restricted Development Classification would be required to list a "dwelling" as restricted development.

Dedicated Concept Plan

Alternatively, should the Commission not be of the mind to consider a dedicated Subzone, an alternative approach would be to introduce a 'Monarto Mushroom Production Concept Plan' which specifically identifies the Costa Group sites and a 1km sensitive land use buffer. Again, amendments to Rural Zone Table 4 – Restricted Development Classification would be required to list a "dwelling" as restricted development.

Summary and Conclusion

Costa Group has invested significant capital in its Monarto mushroom farm, including \$80 million to double the site's production capacity and create an additional 200 FTE jobs. It did so in the belief that appropriate planning protection would remain in place with respect to a 1km buffer zone around the site, ensuring its long-term viability and security. It is therefore crucial that tight and enforceable planning controls that provides certainty and longevity to all parties continue. The changes recommended herein are consistent with what has been in place since the original construction of the site some 20 years ago and will provide the necessary protection for the site.

Should you have any questions please don't hesitate to contact me on [REDACTED].

Yours sincerely



Andrew Chown, RPIA
Senior Associate

Enc Previous P&D Code Submission

CC: Nicolle Sincock, Director, Department for Trade and Investment

Ref: 19ADL-0503

4 February 2020

Anita Allen
Manager Planning Reform
Department of Planning, Transport and Infrastructure

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Dear Anita

Draft Planning and Design Code – Phase 3 Submission on behalf of Costa Group

Introduction

URPS acts on behalf of Costa Group (Costa).

Costa is Australia's largest horticultural company with significant investments in South Australia. In 2013/21014, Costa acquired the Adelaide Mushrooms site at Monarto for approximately \$90 million. It recently followed that acquisition with a further \$80 million investment at the site that doubled the capacity of the mushroom farm and will increase the number of people employed from 225 to 425.

The Monarto site has particular characteristics including a well-established composting facility (now significantly improved), significant land area that promotes medium to long term expansion and importantly a 1 km buffer around the facility that discouraged the development of sensitive land uses, such as dwellings. The retention of this buffer area (including associated "restricted development" designation of sensitive land uses), via planning policy is critical to Costa and was a key factor influencing Costa's decision to invest \$80 million in doubling the site's production capacity.

In October, Costa hosted the Primary Industries and Regions South Australia (PIRSA) Executive team at the site. The PIRSA Chief Executive wrote to Costa indicating how impressive the new mushroom grow rooms is together with the significant business operating efficiencies and the state-of-the-art technologies installed at the site.

The mushroom farm incorporates a substantial composting activity (organic waste processing) to create the growing medium and large grow rooms together with important packing and dispatch activities.

Given Costa's substantial investment in the site, it has concerns with the proposed changes being introduced through the Planning and Design Code. The changes are not a like-for-like transition as intended through the reform process. The changes threaten the long-term viability of the site as it permits sensitive land uses being constructed in close proximity to the subject land.

Current Murray Bridge Council Development Plan

The current Murray Bridge Council Development Plan formally recognises the location and significance of the mushroom farm. The site is located in the Primary Production Zone and the Central Policy Area 3.

The Development Plan references the site in the Central Policy Area 3 Objective 2 and within the Desired Character. It acknowledges that the site should be protected from sensitive land uses:

Central Policy Area 3

Objective 2 Protection of the existing mushroom farm and motor sport facility at Monarto by inappropriate encroachment of sensitive uses such as urban development. (underlining added)

Desired Character

...The most sensitive of all the Primary Production Zone policy areas, this area contains a diverse range of general farming, intensive animal keeping, mushroom farming, composting and freeway activities. Protection of the existing agricultural uses within the area is important if the environmental quality and agricultural viability of the area is to be maintained.

...The motor sport facility and the mushroom farms will be protected from inappropriate encroachment of sensitive land uses such as urban development which are susceptible to the negative impacts of noise, odour and waste. (underlining added)

The Development Plan incorporates a Concept Plan that illustrates a 1 kilometre buffer zone around the perimeter of the mushroom farm site and nearby motor sports facilities which are located north of the mushroom farm.

The Concept Plan is referenced in Development Plan provisions and states:

Central Policy Area 3

Principle 6 Dwellings, (except for a caretaker/manager residence in association with or ancillary to an existing intensive animal keeping facility) or other sensitive uses should not be erected within 1000 metres of the boundaries of the properties shown on Concept Plan Map MuBr/4 - Motor Sport Facility and Organic Composting Buffer Zone (Murray Bridge - Primary Production), and identified in the table below:

Current land use	Lot No.	Plan No.	Section No.	Hundred	Certificate of Title
Mushroom farm	101	DP 54555	Part 215	Mobilong	5822/788
	3	DP 24029	Part 215	Mobilong	5843/351
	4	DP 24029	Part 215	Mobilong	5843/352
Motor sport facility	-	-	Sec 524	Mobilong	5197/704
	100	DP 69354	Part 525	Mobilong	5978/331
	101	DP 69354	Part 525	Mobilong	5975/332
	5	DP 12099	Part 526	Mobilong	5819/652
	4	DP 12099	Part 526	Mobilong	5471/658
	1	FP 15377	Part 527	Mobilong	5472/112
	2	FP 15377	Part 527	Mobilong	5824/622

Further reinforcement of this provision is provided in the Zone's non-complying list where dwellings are expressly identified as non-complying where proposed within 1,000 metres of the above sites and as illustrated in the Concept Plan (except for caretaker's/manager's residences ancillary to an adjacent poultry farm).

This non-complying list provides important security for the mushroom farm and this in turn will ensure its long-term viability. Costa has directly experienced the impacts of the loss of these kinds of buffer zones. A Costa site in Western Australia is facing significant encroachment pressure and is seriously complicating its long-term viability. Encroachment of sensitive land uses near a state significant mushroom farms is of significant concern.

Proposed Planning and Design Code

Under the draft Planning and Design Code, the mushroom farm will be placed within the Rural Zone. It will not be located in any subzone and will lose all protection currently provided through the concept plan and the Zone's non-complying list.

In order for the site to be transitioned in a like-for-like way, the following changes to the Code are requested:

Concept Plan

The concept plan should be brought across from the current Development Plan to clearly identify the buffer area:

- Concept plans from some Development Plans are proposed to be transitioned and these concept plans are still useful in development assessment under the Planning and Design Code.
- The Rural Zone already incorporates a provision that states that development should be undertaken in accordance with any concept plan (refer to Zone Performance Outcome 14.1).

Sensitive Uses - Restricted Development

Dwellings (and all sensitive uses) within 1,000 metres of the mushroom farm should be classified as "restricted" development.

Overlays

The Costa site and land within the buffer should have the benefit of the proposed "Significant Industry Interface" and "Limited Dwelling" Overlays. This will further discourage sensitive uses being established within the buffer area.

"Rural vs Rural Intensive Enterprise" Zone

The draft Code has recommended the incorporation of the Rural Zone. However, a more appropriate Code Zone is the Rural Intensive Enterprise Zone. The latter's Zone Policy Objective states *"The productive value of land for a range of intensive rural activities (such as intensive animal husbandry) and associated value adding processing, processing of animal and food products (including stock slaughter works), washing and packing of produce, bulk commodity storage, feed and hay processing, storage, warehousing and distribution activities is supported, protected and maintained. The proliferation of dwellings and other land uses that may be sensitive to those activities is avoided."*

The Code's Rural Intensive Enterprise Zone appears to better reflect the intensive nature of the Costa activities and the need to avoid threatening encroachment of sensitive land uses on intensive agricultural activities.

Performance Assessment Development Policies

Both the Rural and the Rural Intensive Enterprise Zone incorporate policies that in our opinion are not required and are not reflective of contemporary high-quality agri-business developments. Some of these provisions include the following:

- The policies state that *"Rural industries, storage and warehousing ... are directly related to and ancillary to a primary production use on the same or adjoining allotment"*. It is unreasonable for large agri-business to be expected to source all their production produce from the same allotment as the rural industry.
- The policies state that *"Industries, storage, warehousing ... are located on an allotment not less than 20 ha in area"*. In some cases, rural industries can be successfully located on allotments having an area of less than 20 ha. What are the planning purposes / objectives of limiting such development to 20 ha sites?
- The policies state that *"Industries, storage, warehousing ... have a total floor area not exceeding 250m²."* Many medium to large-scale rural industries will have a floor area of greater than 250m². If the proposed building is appropriately designed and located within a development, we argue that there is no need to limit a building to 250m².
- The policies state that *"Buildings and associated activities are setback at least 100m from all road and allotment boundaries and have building height not greater than 10m above natural ground level"*. 100 metre setbacks are excessive and, in some cases, building heights will need to be greater to facilitate the envisaged rural industries. We will be pleased to provide DPTI with examples of quality build form developments with significant less setback distances. Intensive agribusiness buildings can incorporate taller buildings and these can be sensitively designed and sited so that they do not have an unreasonable visual impact from road and allotment boundaries.

These policies should be suitably amended to ensure they are not a hinderance to future agribusiness.

Rural City of Murray Bridge Support

The Rural City of Murray Bridge administration supports the existing Development Plan concept plan and non-complying triggers being transferred to the Code. We understand that Council's Elected Members will be asked to ratify this position on 10 February 2020.

Summary and Conclusion

Costa has invested significant capital in its Monarto mushroom farm in the belief that appropriate planning protection would remain in place with respect to a 1km buffer zone around the site. Its long-term viability is dependent on the continuation of tight and enforceable planning controls that provides certainty and longevity to all parties. The current proposed changes are not a like-for-like transition and this will seriously jeopardise Costa's investment in the site and its preparedness to invest any further capital. The changes recommended herein are consistent with what has been in place since the original construction of the site some 20 years ago and will provide the necessary protection for the site.

Please call me if you have any questions on [REDACTED].

Yours sincerely

A handwritten signature in black ink, appearing to read 'Grazio Maiorano', with a long horizontal flourish extending to the right.

Grazio Maiorano RPIA (Fellow)

Director

CC Cameron Henderson, Minister for Planning's Office
Michael Sedgman - Chief Executive Officer - The Rural City of Murray Bridge