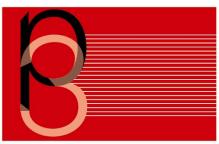
# Ella Bay A Master Planned Integrated Tourism Community Initial Advice Statement



Prestige Property Partnership

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## **Executive Summary**

Ella Bay is a proposal to transform a 450 hectare operating cattle station into a fully master planned, integrated tourism community over a ten year period. The development will incorporate 800 residences with direct golf course access, ocean or lagoon views, four five-star resorts with prime ocean frontage and beach access, two retail precincts, two 'signature' championship 18-hole golf courses, and associated public infrastructure, including a public swimming lagoon. All infrastructure will be delivered in a manner which sets new standards in sustainable development; designed to promote self sufficiency, particularly in relation to energy, water and sewerage management.

Ella Bay is located in the Johnstone Shire, 88km south of Cairns and 9km north of Innisfail.

The proponent is P3 Prestige Property Partnership (P3), the joint venture between one of Australia's leading engineering and construction contractors, the John Holland Group, Warren William Witt.

The Ella Bay project offers significant economic benefits for the region and Australia, including:

- a total development value of \$1.81 billion over ten years;
- 8,050 person years of direct employment during construction, peaking at 1,800 jobs in year 7;
- wages and salaries of \$322 million for the construction workforce;
- once fully operational, 655 jobs for the operation of the new resorts, golf courses, retail and associated facilities, with salaries and wages of \$20 million per annum;
- an additional 4,060 people permanently living in the Shire, a 21% increase in population in the area, equivalent to 2% growth per annum;
- a sixfold increase in expenditure by visitors to \$168 million per annum;
- an average of 1,150 visitors staying at the resorts at any one time, adding 420,000 guest nights stayed in the Shire;
- community benefits including greater training and job opportunities for local people in the region, particularly the young;
- a major boost to the critical mass of the Shire in terms of tourism infrastructure and commercial accommodation, filling a void currently in the market;
- a new source of tourist attractions in the region;
- an increase in the Johnstone Shire rates base by approximately \$10 million per annum as well as significant contributions to council in fees and development charges;
- over \$92 million paid in State Government taxes and \$226 million in Federal taxed over a ten year period;
- during construction, multiplier effects including an average of 460 support jobs offsite, plus 520 jobs arising from consumption induced expenditure; and



• once fully operational, multiplier effects including 160 support jobs offsite, plus a further 180 jobs from consumption induced expenditure.

Not only will the Ella Bay Development boost business confidence in the Johnstone Shire, but the positive impact it will provide to the North Queensland tourism industry will ensure that both national and international visitors will increase substantially in the region.



## 1.0 Introduction

## 1.1 Purpose

Given the size, location and unique natural environment that borders the Ella Bay site, the purpose of this Initial Advice Statement is to provide all necessary information to the public and advisory agents at Local, State and Federal levels, as stated under the State Development and Public Works Organisation Act 1971 (SDPWOA).

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#### 1.2 Proponent

The proponent of the Ella Bay project is P3 Prestige Property Partnership (P3).

P3 is the trading style of a Joint Venture, between John Holland Services (JHS) and Warren William Witt (WWW). The Ella Bay Trust is a 50/50 partnership between JHS and WWW and is the beneficial owner of the assets held by the trustee company, Ella Bay Developments Pty Ltd.

#### - John Holland Group

The John Holland Group is one of Australia's leading project developer, engineering and construction contractors. Wholly owned by Leighton Holdings Limited, John Holland has completed or is completing projects in excess of \$1 billion, including the Lane Cove Tunnel in Sydney, and the Darwin to Alice Springs Railway. As at October 2004, John Holland had \$3.2 billion work in hand and employed more than 2,300 employees.

#### Warren William Witt

Warren has been working in the development field in Queensland since 1977. Mr Witt has completed numerous residential and property developments throughout Queensland, ranging from one million up to a value of \$115 million.

P3 was formed a little over two years ago. Its first project "Pandanus" on the Sunshine Coast features 35 exclusive luxury residential apartments in the heart of Mooloolaba. More recently, P3 has moved its focus to north Queensland and within the Johnstone Shire at Mission Beach, P3 has managed the approval process for a 144 lot residential subdivision and a 135 unit beach front tourist resort.

At Ella Bay, P3 is currently developing the site adjacent to the proposed Ella Bay community development. Construction on this 65 hectare site, which has approvals for 70 villas and a, 30 unit beach resort, is scheduled to commence in December 2005.



## 2.0 The Project

## 2.1 Location

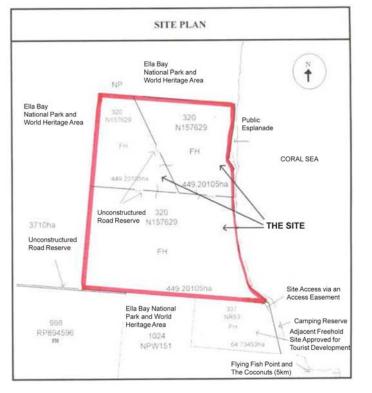
The site is situated in the Johnstone Shire, in an undeveloped area known as Ella Bay. It is located 3 kilometres north of the townships of Flying Fish Point and The Coconuts, 9 kilometres north of the administrative centre of the Shire, Innisfail, and 88 km south of Cairns, as per the map below.



The site is held in freehold title. P3 has a conditional contract to purchase the site subject to achieving planning approval. The current (1997) and the draft Planning Schemes for Johnstone Shire designate the land, in part, Rural and, in part, Rural Conservation.



It is described as Lot 320 on N 157629, Parish of Glady, County of Nares (See map below). It is generally rectangular in shape and has an area of approximately 450 hectares. Two gazetted, but unconstructed, road reserves transect the site. An esplanade is located along the foreshore of the site which enjoys extensive beach frontage of 2.5 km to the Coral Sea.



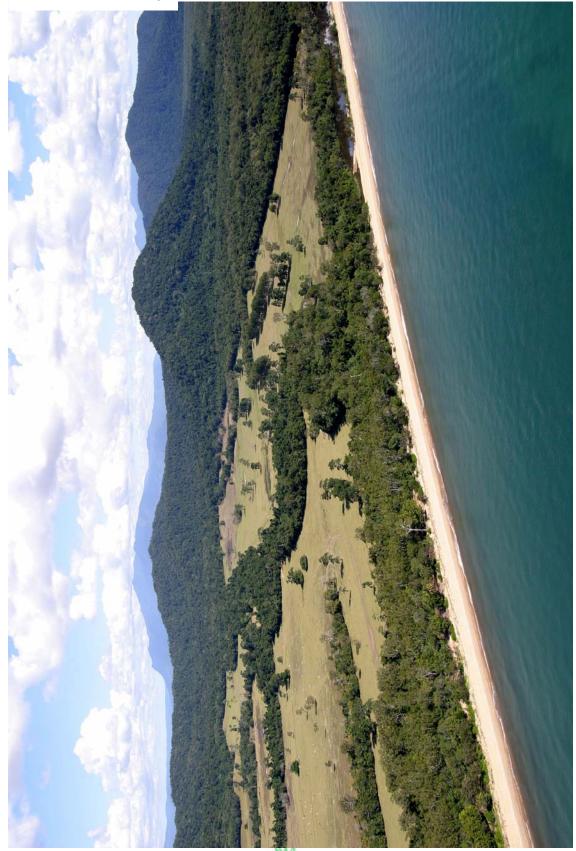
It is a large rural site (refer aerial photograph over page) much of which has been cleared for cattle grazing. A homestead and farm buildings are located in the south eastern part of the site. The cleared areas are relatively level with bands of vegetation transecting the site. The site rises gently to the west where it shares a common boundary with the World Heritage Listed Ella Bay National Park. The site is bounded by the Ella Bay National Park to the north, west and in part, to the south.

Along the beach frontage is a band of vegetation. It is unclear at this stage how much of this vegetation is located on the Esplanade and how much is located on the site. A wetland area is also located in the northern part of the site. The wetland area extends westward into the site and is located across the northern boundary of the site which also adjoins the Ella Bay National Park.

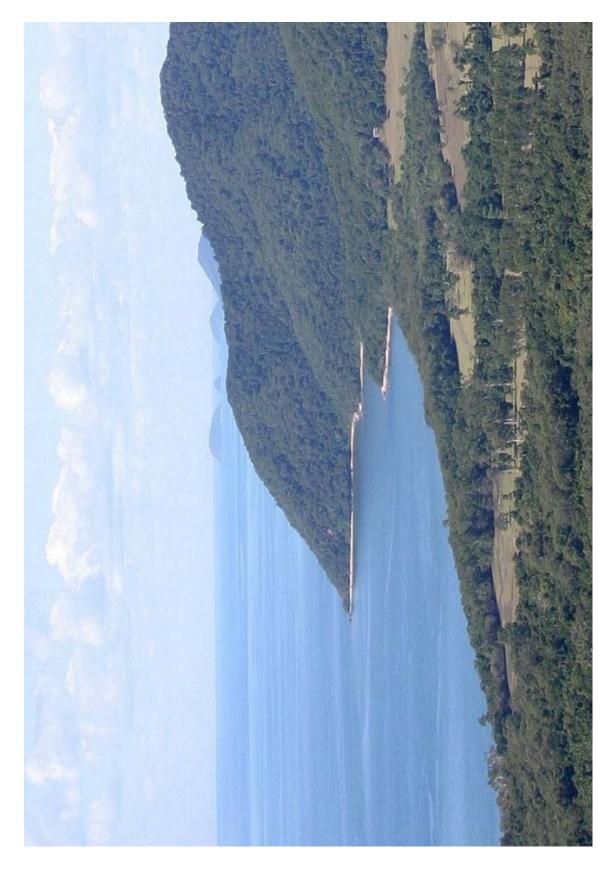
The site shares a common boundary of approximately 1 kilometre with freehold land to the south described as Lot 337 on NR 53 which has an area of approximately 65 hectares. This land is to be developed by P3 and is zoned for resort development, (30 Unit Eco-Tourist Resort and 70 Group Title Self Contained Villas), under a Special Facilities Zoning. P3 is scheduled to commence construction on this site in December 2005.



Aerial Views – Ella Bay









#### 2.2 Concept

The Ella Bay Development is a fully integrated master planned community which has the opportunity to set new benchmarks for sustainable development world wide.

To be delivered over a ten year period, the \$1.81 billion Ella Bay Development will incorporate:

• Residential

It is proposed that there will be a total of 800 residential lots within the development ranging between  $700m^2$  and  $1,000m^2$ . Given the natural sloping of the site, most lots will enjoy ocean views, with many having direct golf course frontage. Those without ocean views will have water frontage provided by either lakes or lagoons – all surrounded by parkland.

In keeping with P3's approach to leading sustainability, the built environment will ensure sustainability of housing is adopted throughout the development. The unique, natural environment of Ella Bay provides a motivating backdrop to theme a master planned community that sets new standards in sustainable use of energy and water resources while minimising environmental impacts.

To achieve this, P3 intends to put in place building covenants that follow the Smart Housing principles. These covenants will include requirements for greenhouseefficient hot water systems, energy efficient lighting, AAA-rated shower roses, and water pressure-limiting devices, as well as incentives for the installation of rainwater tanks and systems for the re-use of grey water.

The incorporation of sustainable housing principles will improve the marketability of both the residential and resort components and will fit well with the eco-tourism experience being offered.

• Resorts

There are four distinct resort precincts, all with beach access. The resorts are likely to be five-star and comprise self contained apartments ranging from one to three bedrooms, and each resort would average 200 apartments.

The target audience for these resorts will be predominantly the tourist market, however, some may have a mix of permanent 'lifestyle living' residents.

All buildings will be set back from the strip of coastal vegetation which will be retained to keep the natural beauty of the area.



It is anticipated that two of the resorts will include conference facilities and that the meetings and incentives market will be a significant proportion of the visitors staying at Ella Bay.

Golf Courses

There will be two 'signature' championship 18-hole golf courses as part of the development, designed by the likes of Greg Norman and Ian Baker-Finch. Each golf course will have a distinctive club house that is likely to incorporate a bar, restaurant and conference facilities.

At present, the closest golf course in the region is Paradise Palms which is over  $1\frac{1}{2}$  hours drive north (140 kilometres away).

The golf courses will be designed to maximise the environmental aspects of the development and will offer golf course frontage to many of the proposed residences.

• Retail Precincts

The Ella Bay Seaside Village will be developed to service the needs of the visiting and resident population. Two precincts will be developed to include a 'high street' that will comprise a small supermarket, cafés and restaurants, resort fashion stores as well as offices for professional services such as an accountant, real estate office and medical practitioners. A Marine Village, connected to the retail precinct will have further shopping and dining outlets.





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#### 2.3 Access

Ella Bay is an 80 minute drive from the Cairns International Airport, the sixth busiest airport in Australia for passenger traffic, and the primary means of access for international visitors to the region, second only behind Sydney in terms of inbound international tourist traffic.

Operating 24 hours a day, Cairns International Airport also has twice daily flights to and from most capital cities in Australia and 70 inbound scheduled international flights each week.

The following table identifies the weekly frequency of inbound flights from major overseas ports into Cairns.

Origin of International Flights	No. of Flights per Week
Tokyo, Japan	14
Nagoya, Japan	7
Kansai, Japan	7
Fukuoka, Japan	3
Chitose, Japan	2
Hong Kong	7
Singapore (with connections to Europe /	4
UK)	
Guam	3
New Zealand	3

There is an airfield located at Innisfail, just 9km south of Ella Bay. It is operated by Johnstone Shire Council and includes two runways – one grass and the other bitumen. Both are just over 1,300 metres in length and the bitumen runway can accommodate aircraft up to the size of a Dash 8, which carries 24 people.

P3 also proposes to construct a helipad within the development to cater for VIP transfers from Cairns International Airport direct to Ella Bay. The flying time from Cairns to Ella Bay by helicopter will vary depending upon the specifications of the machine, but on average would be around 25 minutes.



#### Road

Legal, but not practical, access to the site is provided by an unconstructed road reserve adjoining the site in the south western corner, and by the dedication of an Esplanade to the site frontage, which also provides no practical access, refer previous Site Plan.

Practical access is provided through the adjoining freehold land (Lot 337) to the south via an Access Easement which then connects to Ella Bay Road.

Ella Bay Road at present, is a narrow winding, scenic drive providing the only vehicular access into Ella Bay via Flying Fish Point, The Coconuts and Innisfail. One of the conditions of developing Lot 337 is the upgrading of Ella Bay Road.

P3 has investigated an alternative inland route via the Bruce Highway, Garradunga Road and Jubilee Road. This alternative access involved a tunnel costing between \$8 million and \$9 million. which is not considered unreasonable for a \$1.8 billion project.

At a preliminary meeting with EPA and WTMA, both expressed the opinion that approvals for the inland route would be unlikely, however WTMA in particular requested that all prudent and feasible alternatives be examined, including consideration of dropping the idea of the inland route and using the coastal road as a stand-alone option.

On first principles it would appear that the coastal option may have less environmental impacts than the inland option. WTMA will be providing advice in terms of the World Heritage Area and cassowary habit, and the proposed coastal road could be supported by the proponent because of the reduced impacts.



## 2.4 Staging / Timing

The Ella Bay Project incorporates three main stages. P3 has commenced the planning process, and it is estimated that two years will be required for planning and approvals to be obtained. The project is expected to commence in 2006/07 and estimated to take eight to ten years to complete.

#### Stage 1

Stage 1 will occur over three years. The first phase will include the commencement of the residential subdivision, with 137 lots planned over the three years. As these first lots are developed, the first of the golf courses will be built, along with its club house and associated facilities. The first part of the retail precinct will also come on stream during the second part of Stage 1.

#### Stage 2

The second stage will occur over two to three years. Ongoing development of the residential subdivision precincts will occur, with an additional 250 lots likely to be a mix of golf course frontage, ocean views and possibly the start of the lakeside and conservation reserve precincts.

The first of the beachfront resorts will commence in the first year of Stage 2. The two beach access resort precincts will be developed over the period. Extensions to the retail precinct will be constructed in line with the growth in residential and visitor populations.

#### Stage 3

The final stage will occur over three years, which will include the final stages of the residential subdivision precincts, with approximately 400 lots.

The second of the beachfront resorts will come on stream in Stage 3, along with the second golf course and the final extensions to the retail precincts.



# 3.0 Infrastructure

## 3.1 Water & Sewerage

Through integrated water resource management P3 will ensure that Ella Bay's water needs can be met without connecting to the reticulated water supply system or sewerage system.

The key will be effective use and reuse of all water on the site. All water that falls on-site (rooftops, paving and road runoff) will be collected via a series of rainwater tanks and vegetated swales and used for potable and non-potable purposes.

It is P3's proposal to incorporate within the development, an on-site waste water treatment plant built to EPA and Johnstone Shire Council specifications. The facility will have the capacity to handle sewage for 6,000 equivalent persons and will be constructed by P3. Once completed, the treatment plant, and the area of land it occupies, will be handed over to Johnstone Shire Council. This has been flagged with the Johnstone Shire Council. Sewage will be treated to tertiary level and will provide a source of recycled water, suitable for toilet flushing, gardens and irrigation of the golf courses.

## 3.2 Public Swimming Facility

A feature of the seaside village will be the creation of lagoon-style pool, open to the general public. It will have a fully landscaped perimeter, with an emphasis on the provision of shaded areas and will include barbeque facilities and children's playground.

The public lagoon will act as a further attraction for tourists to visit Ella Bay and will provide a safer, stinger free solution to swimming.

## 3.3 Walking, Hiking and Cycle Trails

P3 will create a network of walking, hiking and bicycle trails that meander through the golf courses and around the lagoons.

P3 will also liaise with the Environmental Protection Agency about providing the opportunity guided walks the adjacent rainforest. This would allow residents, visitors and members of the general public to explore the Ella Bay National Park in an environmentally controlled manner.

Similarly, in order to protect coastal vegetation, public access to the beach will be controlled by a series of tracks, created in liaison with the EPA.



### 3.4 Telecommunications

The telecommunications infrastructure at Ella Bay will include broad band as well as the installation of a mobile phone tower. In addition to providing mobile phone coverage for Ella Bay residents and visitors, it will benefit both Flying Fish Point and The Coconuts neither of which presently has coverage.

### 3.5 Energy Resources

P3 will provide a connection into the main grid as well as underground power throughout the development.

In addition, building covenants will make the installation of a grid-connected photovoltaic system mandatory for those building a home.



# 4.0 Planning Schemes and Policy Frameworks

## 4.1 Johnstone Shire Planning Scheme

The current (1997) and the draft Planning Schemes for Johnstone Shire designate the land, in part, Rural and, in part, Rural Conservation. This reflects the existing land use activity of cattle grazing and the environmentally significant wetland area in the northern part of the site.

In addition, various maps/plans in the Draft Planning Scheme have implications for the site. These are attached in Appendix 1 and include:

#### Map 1B – Zoning Map

- The site is zoned, in part Rural Zone (Rural Precinct) and in part Rural Zone (Rural Conservation Precinct)
- The site shares a common boundary with the Wet Tropics World Heritage Area
- Land surrounding the site is included in the Conservation Zone.

<u>Implications for the Project</u> – Detailed discussions and negotiations will be required between the proponent (P3), Johnstone Shire Council (JSC), Environmental Protection Agency (EPA), Department of Natural Resources and Mines (DNRM) and Department of Local Government and Planning (DLGP).

#### Map 5a – Soils Plan

- Part of the site is identified as Good Quality Agricultural Land.

<u>Implications for the Project</u> – Detailed discussions and negotiations will be required between the P3, JSC, DNRM, DLGP and Dept of Primary Industries and Fisheries (DPI).

#### Map 7c – Natural Areas Plan

- Part of the site is identified as Important Habitat
- Land surrounding the site is designated Conservation
- The foreshore of the site is identified as a Wildlife Crossing Point, north/south.

<u>Implications for the Project</u> – Detailed discussions and negotiations will be required between P3, JSC, DNRM and Wet Tropics Management Authority (WTMA).



#### Map 8a – Natural Hazards Plan

Part of the site to the north is identified as a Wetland.

<u>Implications for the Project</u> – Detailed discussions and negotiations will be required between P3, JSC, EPA, DNRM, DPI and WTMA.

#### Map 9a – Scenic Amenity Map

- Part of the site is identified as an Area of High Scenic Amenity
- The foreshore of the site is identified as a Scenic Foreshore.

<u>Implications for the Project</u> – Detailed discussions and negotiations will be required between P3, JSC, DNRM and EPA.

The project has the potential to create a master planned community which could ultimately have a population up to 5,000. Consequently, the current and the draft Planning Scheme do not contemplate a project of this scale anywhere within the Shire.

However, the draft Planning Scheme, which has been prepared under the Integrated Planning Act (IPA), must seek to achieve ecological sustainability in the Shire.

#### IPA defines Ecological Sustainability as:

"Ecological sustainability" is a balance that integrates-

- (a) protection of ecological processes and natural systems at local, regional, State and wider levels; and
- (b) economic development; and
- *(c) maintenance of the cultural, economic, physical and social wellbeing of people and communities.*

This project has the potential to be ecologically sustainable within the premise of the above definition.

Therefore, notwithstanding that the Johnstone Shire current and draft Planning Schemes do not contemplate a project of this scale, the planning intent for the Shire, which is to support the purpose of the IPA and the Desired Environmental Outcomes (DEOs) of the draft Planning Scheme, can be used as benchmark elements in the assessment for the project. (A copy of the DEOs included in the draft Planning Scheme, are attached at Appendix 2)

In addition, the Johnstone Shire Council has been briefed on the Ella bay project and in principle has indicated in its support. (Refer JSC letter also Appendix 2.)



## 4.2 State Planning Policies

In addition, the project is also required to be assessed against all relevant State Planning Policies:

- State Planning Policy 1/92 Development and the Conservation of Agricultural Land
- State Planning Policy 1/02 –Development in the Vicinity of Certain Airport and Aviation Facilities
- State Planning Policy 2/02 Planning and Managing Development Involving Acid Sulfate Soils
- State Planning Policy 1/03 Mitigating the Adverse Impacts of Flood, Bushfire and Landslide.

## 4.3 State Coastal Plan and Wet Tropical Coast Regional Coastal Management Plan

The State Coastal Plan (SCP) and the Wet Tropical Coast Regional Coastal Management Plan (WTCRCMP) are also particularly relevant to this site and have the potential to have significant impacts on the project. Under the WTCRCMP the site has the following designations:

- Ella Bay Key Coastal Site
- Coastal Management District
- Erosion Prone Area
- Scenic Landscape Quality Very High and High
- Significant Coastal Wetland Ella Bay Swamp (Wetland)
- Freshwater Wetlands and Coastal Waters
- Endangered Regional Ecosystems
- Protected Areas (the surrounding Ella Bay National Park).

A number of the key elements listed above are identified on the attached maps in Appendix 3.



#### 4.4 Vegetation Management Act

Further, under the Vegetation Management Act (VMA), under the regulatory control of DNRM all vegetation in Queensland has been mapped. The Regional Ecosystem Mapping for the site is attached at Appendix 4. The mapping identifies vegetation on the site in a number of categories, including:

- 2001 Remnant Endangered Regional Ecosystem Dominant and Sub-Dominant
- 2001 Remnant of Concern Regional Ecosystem Dominant
- 2001 Remnant Not of Concern Regional Ecosystem

A number of these categories have implications for future development of the site and as a result detailed discussions and negotiations will be required with DNRM.

Details of the vegetation types within the categories listed above are outlined below:

- 7.1.1 Not of Concern mangrove forest on coastal lowland, saline alluvial soils (Protected Under the Fisheries Act).
- 7.2.2 Endangered notophyll vine forest with acacia wattle emergents on moist to wet coastal lowlands or beach sands.
- 7.3.1 Endangered Sedgeland and grassland freshwater swamps of seasonally inundated coastal lowlands.
- 7.3.3 Endangered Alexandra Palm Swamp Vine Forest on very wet, poorly drained fertile lowlands (Essential Cassowary Habitat).
- 7.3.7 Endangered Coastal Floodplain forest Red/Blue Gum/Melaleuca Open Forest Complex on moist to very poorly drained lowlands.
- 7.3.8 Not of Concern (Biodiversity Status Endangered) Broad-leaf tea tree, woodland swamp complex on dry to very wet, poorly drained lowlands and tablelands.
- 7.3.10 Endangered complex mesophyll vine forest on very wet well drained fertile lowland alluvial soils.
- 7.3.17 Not of Concern complex mesophyll vine forest on very wet well drainage lowland and foothill piedmont fans (Essential Cassowary Habitat).
- 7.3.22 Of Concern (Biodiversity Status Endangered) mesophyll riparian vine forest on moist, well drained lowland alluvial levies (Essential Cassowary Habitat).



7.11.1 Not of Concern – mesophyll vine forest on very wet to wet metamorphic lowlands and foothills (Essential Cassowary Habitat).

In addition, an officer of EPA has advised that the Ella Bay area is identified as the Ella Bay Regional Landscape Linkage.



# 5.0 Development Approval Process

## 5.1 Summary Overview

The Table below outlines the extent of Agencies which may be involved in the approval process.

AGENCY	INTEREST
Local	
Johnstone Shire Council	<ul><li>Johnstone Shire Planning Scheme</li><li>Planning Scheme Policies</li></ul>
	<ul> <li>Local Laws</li> </ul>
<u>State</u>	
Environmental Protection Agency	<ul> <li>Environmental Protection Act</li> <li>Environmentally Relevant Activities</li> <li>Wet Tropical Coastal Regional Coastal Plan</li> <li>Harbours Act (works on tidal land)</li> <li>Qld Cultural Heritage Act</li> </ul>
Wet Tropics Management	<ul> <li>Wet Tropics Management Act</li> </ul>
Authority	<ul><li>Wet Tropics Plan</li><li>The Wet Tropics Conservation Strategy</li></ul>
	- The wet Hopics Conservation Strategy
Queensland Parks and Wildlife Service	<ul> <li>Ella Bay National Park</li> </ul>
Department of Primary Industries	<ul> <li>Fisheries Act (marine plants)</li> </ul>
and Fisheries	<ul> <li>Water Act (works in a watercourse)</li> </ul>
	<ul> <li>State Planning Policy 1/92 – Development and</li> </ul>
Department of Natural Resources	the Conservation of Agricultural Land <ul> <li>Water Act</li> </ul>
and Mines	<ul> <li>Land Act (tenure issues)</li> </ul>
	<ul> <li>State Planning Policy 2/02 – Planning and</li> </ul>
	Management
	<ul> <li>Development Involving Acid Sulfate Soils</li> </ul>
	<ul> <li>Vegetation Management Act</li> </ul>
Federal	
Dept. of Environment & Heritage	<ul> <li>Environment Protection and Biodiversity</li> </ul>
	Conservation Act



## 5.2 State /Local Level

The development approval process at State/Local Level is dependent upon whether:

- the project achieves Significant Project status under the SDPWOA; or
- is processed through the Integrated Development Assessment System (IDAS) under the Integrated Planning Act (IPA).

If the project achieves Significant Project Status, there is no Information and Referral Request Stage and no Notification Stage under IDAS.

In any event, whether an Environmental Impact Statement (EIS) is required under the SDPWOA or Referral Coordination (RC) is required under IPA, the involvement of State Agencies and the level of detail required to be submitted in support of the application will be similar.

## 5.3 Federal Level

In May 2005, a referral was made to the Department of the Environment and Heritage (DEH) for a decision on whether approval was required under Chapter 4 of the Environment and Biodiversity Conservation Act 1999 (EPBC Act)

The DEH responded in July 2005 that the action is a controlled action and therefore approval is needed under the Act before the action can proceed.

The Australian Government and Queensland Government have signed a bilateral agreement under Section 45 of the EPBC Act of certain State environmental assessment processes. The DEH has written to the Queensland Minister for the Environment to seek advice on whether the proposal will be assessed under the bilateral agreement and at the time of preparing this IAS the proponents were awaiting advice on how the assessment would be treated.



# 6.0 Environment & Other Issues

#### 6.1 Overview

There are significant environmental and other issues associated with the project. These issues represent both opportunities and constraints to the success of the project, however a preliminary walkabout on site by officers from the Department of Primary Industries and Fisheries, Environmental Protection Agency, Johnstone Shire Council and Wet Tropics Management Authority did not reveal any major issues that with proper planning, appropriate design and management, cannot be resolved. Opportunities are reflected in the unique locational and environmental values of the site and these very locational and environmental values result in a complex multi-layered approval process.

P3 also has a track record of working closely with EPA. On its Mission Beach development, a groundbreaking conservation covenant was entered into and is now referred to as the Oasis Precedent.

#### 6.2 Potential Issues and Solutions

The key issues are as follows:

• The adjoining common boundary and interface with the Ella Bay National Park and the Wet Tropics World Heritage Area and the adjacent Great Barrier Reef World Heritage Area.

Raises issues of scenic amenity, habitat connectivity and protection, in particular the southern cassowary, flora protection and conservation, access constraints, management of human impacts, tourism/visitor education and facilities and potential run-off/impacts on coastal systems.

• Current vehicular access arrangements are limited.

Necessitates the investigation of alternative vehicular routes, assessment of existing vehicular routes in light of road safety, community expectations and impacts.

• Site constraints, including fragile coastal systems and processes, wetlands and existing vegetation.

The need to identify the design parameters prescribed at local and State level which aim to ensure the protection of the significant environmental values of the site, and undertake detailed investigations into all environmental issues on site.

• Designation of cleared parts of the site as Good Quality Agricultural Land (GQAL).

Addressing issues raised in the relevant State Planning Policy in relation to GQAL which is reinforced by the Rural zoning of the land under the Johnstone Shire Planning Scheme.

• Visual amenity issues.

Visual amenity issues raised by the Wet Tropics Management Plan <u>and</u> the Wet Tropical Coast Regional Coastal Management Plan.

• Provision of basic services and infrastructure to this isolated location.

Investigating the opportunities for providing infrastructure and services to the site where minimal services exist and where the scale and type of project necessitates 'state of the art' infrastructure and service provision.

• Potential for contaminated land based on the cattle grazing activities occurring on the site.

Cattle dips trigger the Environmental Protection Act and investigations are required to determine if there are any cattle dips on the site and remediation measures required to facilitate development of the site for non rural purposes.

• Cultural heritage / native title issues.

Investigation of these issues both on site and adjacent to the site if alternative road access is proposed through State owned land.

• Provision of accommodation for initial influx of construction workers.

Whilst a proportion of the construction workforce will include existing Shire residents, and those that commute from neighbouring shires, about 40% of the workforce will move into the Shire temporarily which, without some forward planning, has the potential to displace those in the lower socio economic sector.

The project will ramp up slowly over the first three years, allowing time for the supply of accommodation to expand. In addition, it is anticipated that many of the lower socio economic residents will be employed in the unskilled jobs sector of the project's workforce.

A detailed assessment of all these issues will be required during the preparation of any EIS or any response to an Information Request under any Referral Co-ordination process.



# 7.0 Benefits

### 7.1 Overview

As part of the process of seeking significant projects status, P3 commissioned a report on the economic impact of the proposed Ella Bay development.

The analysis provides an indication of the significant impacts of the development both during construction and its subsequent operation, with particular focus on the contribution expected to be made by the project in the Johnstone Shire and Tropical North Queensland region.

Included here is a summary of the main findings and a copy of the full report is shown in Appendix 5.

#### 7.2 Employment

The Johnstone Shire has an estimated labour force of 10,031 as at September 2004, with an unemployment rate of 5.0%. Jobs created by the Ella Bay project will occur in two parts: construction jobs which will have a finite life and operational jobs that will be ongoing.

#### Construction Jobs - Finite

Ella Bay is estimated to result in a total of 8,050 person years of employment over the life of the project, peaking at 1,800 jobs in year 7.

In terms of wages and salaries, this represents \$322 million for the construction workforce over the life of the project.

**Operational Jobs - Ongoing** 

At full operation at the end of construction, a total of 655 new, permanent, ongoing jobs will be created.

Because of the relatively low pool of unemployed people in the Shire, it is assumed that 20% of the new positions will be filled from within the Shire's present workforce. A further assumption is that 15% of the new workforce would commute from outside the Shire with the balance of positions filled by new residents.

The workers in these operational jobs will earn approximately \$20 million in salaries and wages per annum.



## 7.3 Skills & Training

In its negotiations with international operators, P3 is acutely aware of the need to ensure the availability of a skilled workforce to work at the resorts, as well as the associated facilities such as the golf courses.

Initial discussions with the Innisfail campus of Tropical North Queensland Institute of TAFE indicates a keenness to partner with the Ella Bay project to boost the role of the TAFE in providing accredited training programs particularly for trades and hospitality workers.

The present campus facilities have sufficient building space to accommodate the extra demand, and personnel have confirmed facilities are presently under-utilised.

In addition, it is envisaged that the TAFE and Ella Bay construction and operational businesses will develop a formal arrangement that might include resort facilities being used for part of the hospitality training.

This will significantly expand the employment opportunities for the local population which at present is heavily reliant upon the declining banana and sugar cane industries. Having access to greater training opportunities, and subsequent jobs at the end of it, will lead to fewer young people migrating out of the region and this will improve the stability of the local population.

## 7.4 Resident Population

The Johnstone Shire has an estimated resident population of 19,500. The Shire's population growth has been quite static in recent years, rising by an average 100 people per year over the past ten years, that is at a rate of 0.4% per annum, though in the five years to 2001 the Shire's population actually decreased.

The combined effects of residents living at Ella Bay, Ella Bay workers and their families living in the Shire, and construction workers and their families will directly add some 4,060 people to the resident population by the tenth year, that is, increase it by 21% or by 2.0% per annum over ten years. This will give a much needed boost to a Shire that has suffered from little or no population growth in recent times.



### 7.5 Tourism Benefits

#### 7.5.1 Visitor Numbers

On Census night in 2001, there were a little over 2,000 visitors from outside the Shire recorded.

The Ella Bay resort facilities would accommodate an average of 1,150 visitors at any one time, peaking at 2,000 with full occupancy in the height of the tourist season. This equates to approximately 420,000 guest nights per annum, in the mid to top end of the market that simply does not exist currently in the Shire.

To put it into the regional context, around 14 million visitor nights are spent in the Tropical North Queensland region, which means that the additional nights spent at Ella Bay represent a 3% increase for the Tropical North Queensland region.

#### 7.5.2 Visitor Spending

In a study commissioned by Johnstone Shire Council in 2002, Cummings Economics estimated that total tourism spending for those staying in commercial accommodation in the Shire was \$25 million.

The Economic Impact Study indicates that tourist spending arising from visitors staying at the Ella Bay resort accommodation would total around \$168 million, representing a sixfold increase in visitor spending in the Shire.

#### 7.5.3 Accommodation Stock

The current commercial accommodation available in the Shire is dominated by hotels and motels with a low star rating, holiday flats, caravan parks, hostels and a small but growing number of B&Bs catering largely to the self drive and backpacker market.

The quality of accommodation in the North Mission Beach area is improving, however there is limited supply. The Ella Bay project would substantially add to the room stock as well as significantly improve the quality of the tourism product. This will increase the attractiveness of the Shire to a wider market, giving rise to opportunities to re-brand this sub-region.



#### 7.5.4 Support of Regional Tourism Products

The project will provide a focal point to showcase the natural values of the Johnstone Shire and will contribute to, and support, the consolidation of a range of existing tourism products in the local region.

Ella Bay sits within *The Great Green Way*, an area of outstanding natural beauty spanning from Townsville to Cairns. *The Great Green Way* was an initiative of the Development Bureau of Hinchinbrook, the Cardwell Shire and the Cassowary Coast Development Bureau and was funded by the Federal Department of Industry, Science and Tourism.

Upon completion, Ella Bay will not only provide a needed signature tourism destination within *The Great Green Way*, but will bring major operators into the region that will provide much needed marketing funds.

Ella Bay would directly contribute to the commercial viability of:

**Existing Tourist Attractions:** 

Australian Sugar Industry Museum **Fishing Tours** Garradunga Historical Pub Horse Riding Tours Hot Air Ballooning Island and Outer Barrier Reef Cruises Johnstone River Crocodile Farm Misty Mountains Wilderness Walking Trails Mungali Falls Organic Dairy and Dairy Products Murdering Point Winery, Silkwood Parasailing Paronella Park Sea Kayaking Skydiving Tully River White Water Rafting **Proposed Attractions:** The Frog Farm at Innisfail MaMu Canopy Walk at Crawford's Lookout



Ella Bay will also result in increased visitations to the natural attractions, hence increasing awareness of the natural beauty of the region. The natural attractions include:

Eubenangee Wetlands – a birdwatcher's paradise Josephine Falls The Boulders, Babinda Mt Bartle Frere – Queensland's highest mountain Licuala State Forest Millaa Falls and Lookout and Waterfall Circuit Drive Malanda and Millaa Millaa Crater Lakes District Tully Gorge

#### 7.5.5 Relieving Pressure on the Daintree

There has been much debate over the years amongst the tourism industry about the need to provide an alternative to the Daintree Rainforest experience. Over the past 20 years the Daintree has achieved an almost iconic status, to the point that visitation levels threaten to "kill the goose that laid the golden egg".

Little ground has been gained in shifting some of that demand to other rainforest experiences in the region, however MaMu Canopy Walk is one project that may provide such an alternative experience.

Located off the Palmerston Highway, preliminary assessment of the viability of the Canopy Walk suggests that 300,000 visitors could be expected in the first year of operation. With the current accommodation stock, however, Johnstone Shire is likely to gain little by this increased visitation, other than takings from entry to the MaMu Canopy Walk, some incidental spending and moderate flow through to visitation to nearby attractions such as Paronella Park.

In order to make significant inroads into this market, it will be necessary to improve and increase the accommodation available in the Shire, a role that the Ella Bay project is well placed to deliver.

#### 7.6 Taxation Contributions

#### 7.6.1 Local Government

Once fully completed, it is estimated that the general rates of Ella Bay will be in the order of \$10 million per annum, which compares to the general rates paid by its present owners as primary production land of \$12,000.

In addition to this, the one-off headworks benefits and financial contributions are estimated to be valued at \$20 million.



#### 7.6.2 State Government

Transfer and Mortgage Duties arising from the property transactions associated with Ella Bay are estimated at \$45 million over the first ten years. Land Tax will be in the order of \$5 million per annum once Ella Bay is fully developed and payroll tax from the larger employers involved during construction and operation is estimated at \$23 million during the first ten years.

In total, there will be over \$92 million paid to the State Government in various forms of duties and taxes over the first ten years of the project.

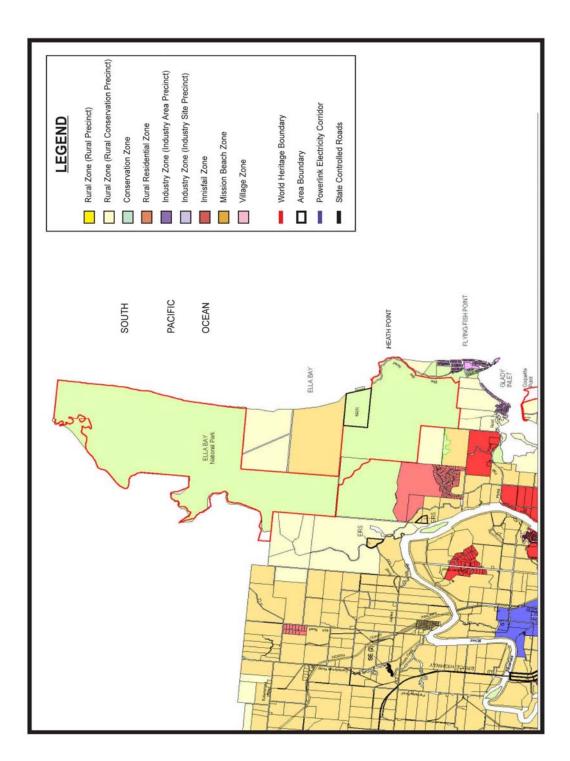
#### 7.6.3 Federal Government Taxes

Personal income tax is estimated to average of \$15 million per annum during the first ten years and ongoing personal income taxes arising from operational activity and consumption induced employment is estimated at \$5 million per annum.

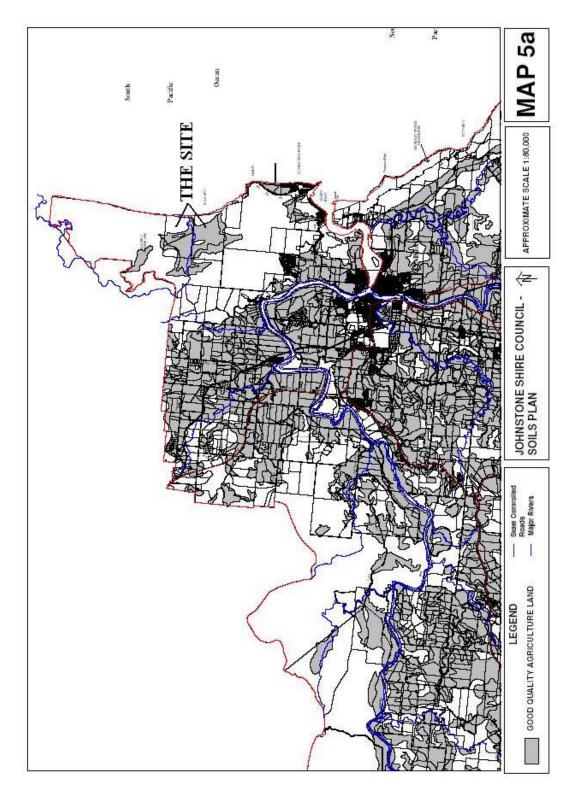
Company tax is estimated at \$34 million and GST at \$45 million over the ten year construction timeframe, giving a total of \$226 million in Federal taxes paid over ten years.

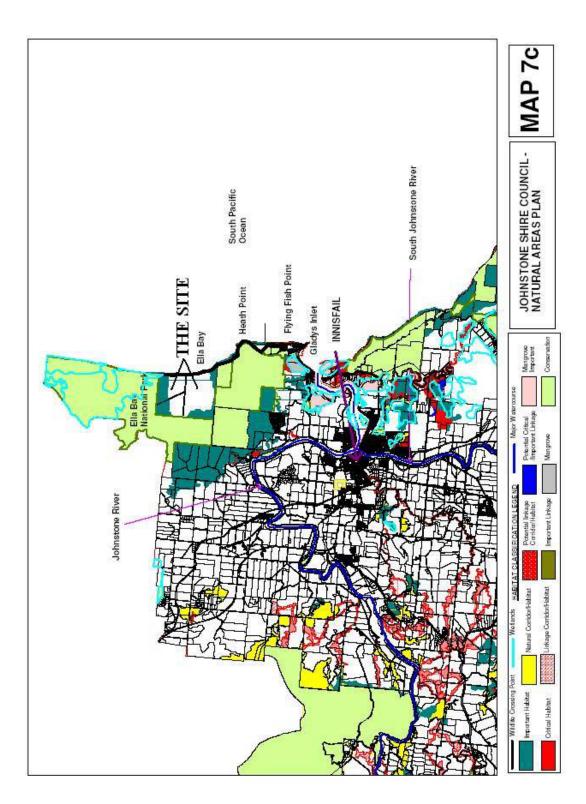


## APPENDIX 1 MAP 1B – ZONING MAP

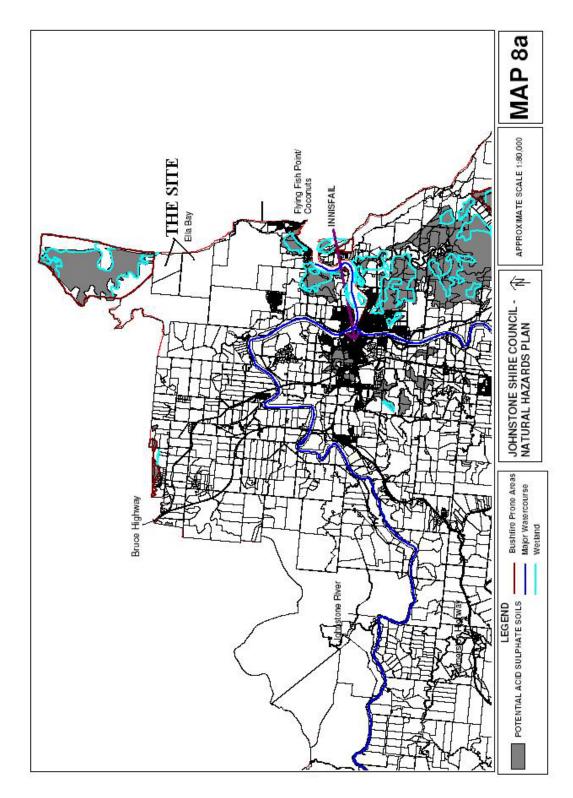


APPENDIX 1 MAP 5a

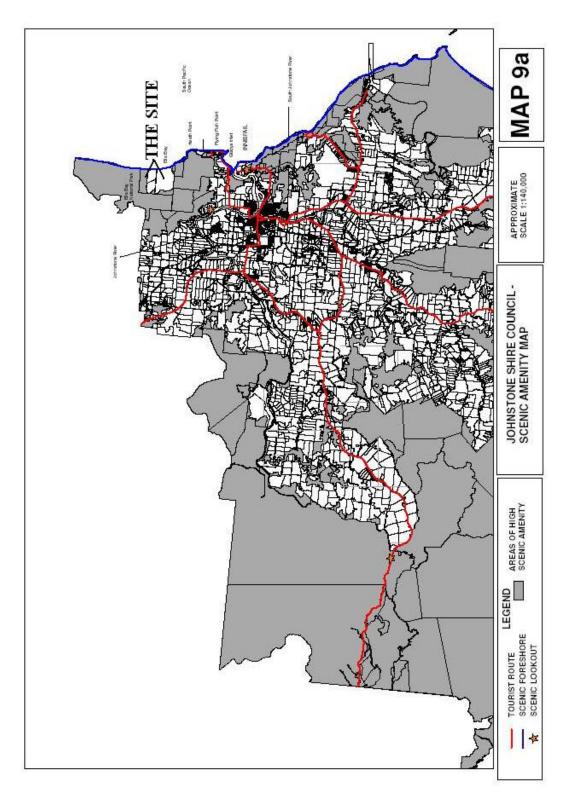




APPENDIX 1 MAP 7c – NATURAL AREAS PLAN



APPENDIX 1 MAP 8a – NATURAL HAZARDS PLAN



APPENDIX 1 MAP 9a – SCENIC AMENITY MAP

#### APPENDIX 2 DESIRED ENVIRONMENTAL OUTCOMES (DEOs)

 Draft Johnstone Shire Planning Scheme
 October 2003

 Part 3 – Desired Environmental Outcomes
 October 2003

#### 3.1 Introduction

This section of the Planning Scheme sets out the desired environmental outcomes which relate to the whole of the Shire. These outcomes assist in achieving ecological sustainability, which is the purpose of the *IPA*.

Desired environmental outcomes can be grouped into three broad headings based on the outcomes of ecological sustainability. These are:

- Ecological and natural systems;
- Economic development; and
- Community well being.

It is imperative to realise that there are close relationships between the desired environmental outcomes and collectively they will reinforce the Shire's unique character as well as its natural environment, economic and community well being. The desired environmental outcomes also recognise that two (2) world heritage areas are located in and adjoining the Shire.

#### 3.1.1 Ecological and natural systems

- Air quality is protected through the collective co-location of potential air pollution sources so that they do not adversely affect adjoining land uses, buffering between conflicting land uses, consolidation of the residential, rural residential and industrial areas and design of land uses.
- The ecological systems, environmental qualities and scenic landscape values are protected and enhanced through:
  - Retention and expansion of habitat corridors;
  - Management of coastal development;
  - Identifying land uses that are sympathetic to and do not adversely impact on the protection of ecological values and processes (terrestrial and aquatic).
- Development is managed to minimise land degradation through management of the risk and avoidance of high risk areas<sup>1</sup>.
- 4. The quality of the waters in the Shire is maintained or enhanced through best practice management of water.

#### 3.1.2 Economic development

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- 5. The economic base of the Shire is expanded through encouraging diversification and value adding to services, goods and produce; and the promotion of a hierarchy of centres for economic development, with Innisfail Business district being promoted as the regional centre for the Cassowary Coast<sup>2</sup>.
- 6. The natural resources (good quality agricultural land, fresh and marine waters, air, forests, extractive resources and native fauna and flora) of the shire are protected, managed sustainably and used efficiently.
- A quality, efficient and integrated passenger and freight transport system (cycling, walking facilities, public transport, roads, rail, port, air) is provided that supports the settlement patterns, minimises environmental impacts and meets the needs of urban and rural communities.

<sup>&</sup>lt;sup>1</sup> 'High risk areas' include areas with one or more of the following characteristics: flooding, greater that 15% slope, acid sulphate soils, areas prone to riverine or coastal erosion.

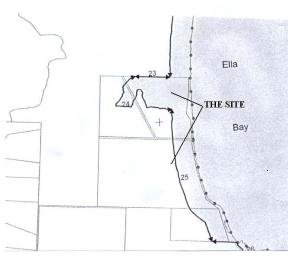
<sup>&</sup>lt;sup>2</sup> The "cassowary coast" includes the Cardwell and Johnstone Shires and Cairns City from Gordonvale south.

#### 3.1.3 Maintenance of community well being

- Land and infrastructure requirements for community needs and services such as housing, commercial services, health care, recreational facilities and open space for residents and visitors are identified and protected from incompatible development.
- Cost efficiencies and timely delivery of infrastructure is achieved through the Shire especially through the consolidation of existing urban, rural residential and village areas to make better use of existing physical and social infrastructure.
- 10. Areas of risk to public safety<sup>3</sup> are identified and managed to reduce the possible threat to the public, public infrastructure and environment.
- 11. The cultural resources are protected and enhanced by ensuring new or redevelopment in or adjacent to areas of cultural, architectural, historic or spiritual significance is sympathetic to and compatible with those values and assets.
- 12. The provision of an integrated public space network including parks, pedestrian and cyclist links is created to facilitate access, reduce the reliance on motor vehicles and designed to act as a deterrent to the committing of crime.
- 13. Innisfail central business precinct and Mission Beach and Village local business precincts are promoted as community focal points through the provision of new development or re-development that enhances the existing character and avoids the introduction of incompatible land uses.

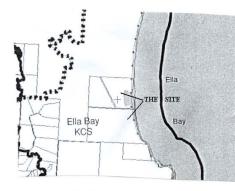
<sup>3</sup> 'Areas of risk to public safety' include areas with one or more of the following characteristics: subject to flooding, greater than 15% slope, acid sulphate soils, storm surge, bushfires, contamination, riverine and coastal erosion or areas that promote the opportunity to commit crime.

### APPENDIX 3 EXTRACTS FROM THE WET TROPICAL COAST REGIONAL COASTAL PLAN MAPPING

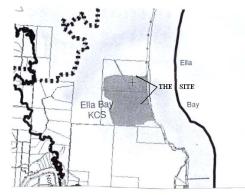


SELECTED EXTRACTS FROM THE WET TROPICAL COAST REGIONAL COASTAL PLAN

EXTENT OF THE COASTAL MANAGEMENT DISTRICT

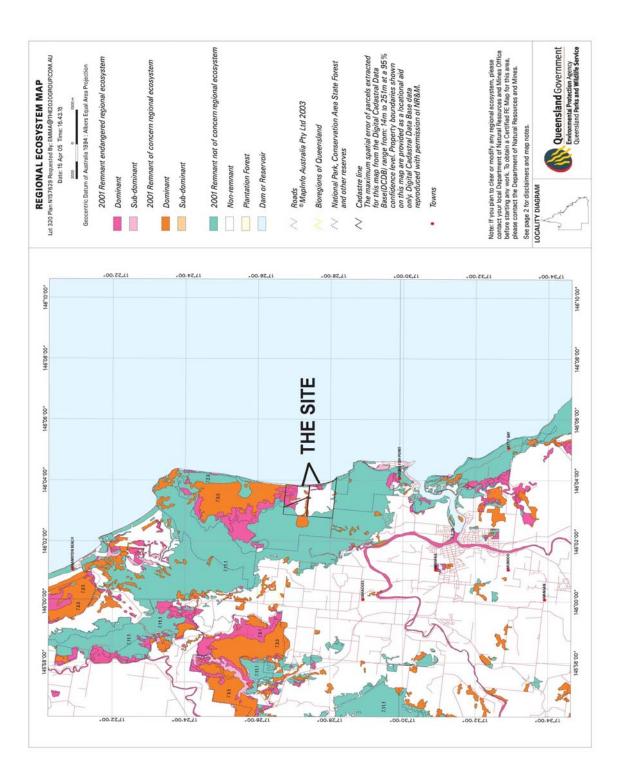


EXTENT OF THE EROSION PRONE AREA



EXTENT OF THE AREA DESIGNATED SCENIC LANDSCAPE QUALITY

#### APPENDIX 4 VMA MAPPING



## APPENDIX 4 VMA MAPPING

