

# Additional Information

## **Special Meeting**

**Monday, 8 November 2021**



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## Related Report / Additional Information Request

Meeting:	Special Meeting	Date:	8 November 2021
Requesting Councillor:	Various		
Item:	4.1 Sunshine Coast Airport Master Plan – Proposed Planning Regime		
Circulation	5 November 2021		
Approving GE:	Director, Major Projects & Strategic Property		

In response to questions raised by Councillors, please note the following additional information for your consideration.

### Question:

Noting the conflict identified for Council in deciding development applications relating to the Sunshine Coast Airport, what is the difference between master planning process and the expansion project versus development applications and planning scheme changes now? Was the Expansion Project a development that required approval from Council and if so, how was the conflict managed then?

### Response:

The expansion project did not require Council's planning approval as the nature of the works involved in the project were consistent with the "Air services" definition set down in the *Sunshine Coast Planning Scheme 2014*. Air services are "Accepted Development" in the Community Facilities Zone that covers the airport land and therefore no development application was necessary.

However, the expansion project was the subject of a determination by the Coordinator General, with the Environmental Impact Statement for this project having been approved by the Coordinator-General on 19 May 2016 – well before the commercial lease agreement for the Sunshine Coast Airport was entered into with Palisade Investment Partners. The Coordinator-General manages the assessment and approval of infrastructure projects under the *State Development and Public Works Organisation Act 1971*.

The Sunshine Coast Airport Master Plan was prepared to satisfy a condition of the lease and did not constitute an application under the *Planning Act 2016*.

### Question:

What is the process for declaring and managing a Priority Development Area (PDA)?

### Response:

The processes for declaring and managing a Priority Development Area (PDA) are set down in the *Economic Development Act 2012*.

A range of factors are considered by the Minister for Economic Development Queensland (MEDQ) when deciding whether a PDA should be declared, including:

- Will the outcome support economic growth?
- Is there a need for accelerated development?



- Would the processes set down in the *Planning Act 2016* be an impediment to realising the accelerated development outcomes?
- Will it unlock under-utilised and surplus government owned land?
- Will it drive development for community purposes?

For a PDA to be declared, MEDQ must make an interim land use plan (ILUP) to regulate development in the PDA. The ILUP may remain in place for no less than one year, but no longer than two years from the date of the declaration of the PDA.

As soon as possible after the PDA is declared, MEDQ must make a development scheme for the PDA. A development scheme is the regulatory instrument that enables the planning, promotion, coordination and control of development in a PDA. The process of making a development scheme includes:

- the preparation of the proposed development scheme
- the public notification of the proposed development schemes for a minimum period of 30 business days
- the consideration of all submissions received during the submission period
- the amendment, as necessary, of the content of the development scheme in light of submissions received
- the preparation and publication of a report about the submissions received and amendments made to the development scheme
- arranging for the gazettal of the development scheme.

**Question:**

If a PDA is declared for the Airport site, does this mean the PDA remains in place for ever, or could it be transferred back to Council at a later date?

**Response:**

The *Economic Development Act 2012* (the Act) provides for the revocation or reduction of a PDA.

The revocation process is undertaken by the Minister for Economic Development Queensland (MEDQ) in accordance with the process set down in the Act.

MEDQ may only revoke a PDA if an instrument has been made to amend Council's planning scheme to incorporate the land in the PDA. MEDQ can elect to either prepare that instrument or request Council to prepare the instrument.

**Question:**

In relation to the Master Plan as completed under contract requirements, at what level were precincts assessed for suitability against community impacts e.g. traffic impacts and also environmental impacts e.g. flooding, fill requirements, native animals on site, nature corridors, vegetation?

**Response:**

The current Sunshine Coast Airport Master Plan 2040 has no statutory effect and does not purport to be the type of detailed land use plan supported by appropriate technical studies that would provide a suitable basis for the content of a planning instrument. The Master Plan is not a Land Use Planning Document under the *Planning Act 2016* and therefore, was not assessed by Council's technical land use planning specialists.

As indicated above, the Sunshine Coast Airport Master Plan 2040 was prepared to satisfy a condition of the lease and did not constitute an application under the *Planning Act 2016*.



**Question:**

How much weight will the current Master Plan (which was the subject of community consultation) have on the final content of the Interim Land Use Plan and the final Development Scheme? Will the declaration of a PDA likely result in changes to proposed land uses that will find their way into the proposed development scheme?

If a PDA arrangement was in place, how much could the existing Master Plan change?

**Response:**

The Master Plan 2040 was the subject of a community consultation process managed by Sunshine Coast Airport Pty Ltd, but was not endorsed by Council as a land use plan. The proposed land uses, and precinct planning, proposed in the Master Plan 2040 will need to be supported by detailed technical studies before being incorporated within a planning instrument (whether that be a ILUP or Development Scheme). If the technical studies cannot support the type or scale of land use proposed in the SCA Master Plan, then the final Development Scheme may be different to the Master Plan. This would need to be determined as part of the preparation of the Development Scheme. The Development Scheme is also subject to public notification requirements, so the final Development Scheme may be amended in response to community feedback.

**Question:**

Will current lease holders' arrangements change if the site is declared a Priority Development Area?

**Response:**

The declaration of the site as a Priority Development Area (PDA) has no impact on any of the existing lease arrangements for tenants of the Sunshine Coast Airport.

**Question:**

If a Priority Development Area was not declared, what are the alternative options?

**Response:**

The alternative options, along with an assessment of the utility of those options, are set out in Attachment 2 of the Report. The document is titled: "Sunshine Coast Airport – Planning Options". All other options, other than the declaration of the site as a Priority Development Area, contain risks in terms of timing, certainty, and transparency/conflicts of interest.

**Question:**

Is there an option to sell or give back our 5% interest share in the airport to remove the conflict of interest issue?

**Response:**

Council owns the land and has entered into a commercial lease agreement with Sunshine Coast Airport Pty Ltd for 99 years, for a return of 5% of gross revenue from airport operations.

Selling or giving back Council's 5% of gross revenue may be possible, although this would need to be the subject of a renegotiation of the existing commercial lease with Sunshine Coast Airport Pty Ltd.

However, this will not remove Council's conflict of interest.

Council will continue to have a conflict of interest because it owns the land. The land value will still be impacted by planning decisions made in relation to that land, even if Council's direct revenue is de-linked from gross profit.



Council will therefore, still have to manage the conflict between its role as the owner of the land and its role in the plan making process and as the development assessment manager under the *Planning Act 2012*.

Furthermore, the current commercial lease payment provides a mechanism for a direct return to the rate payer every year and Council would need to consider the implications of forsaking this revenue stream if it were to contemplate a renegotiation of this aspect of the Sunshine Coast Airport framework agreement. There are no plans to renegotiate this aspect of the framework agreement.

**Question:**

What consideration was made when Council signed the lease agreement with Palisades in regard to future development on airport land and how the approval process would be structured?

**Response:**

The transaction and associated documents placed responsibility for the preparation of a new Master Plan with the Airport Manager (Sunshine Coast Airport Pty Ltd). This was agreed on the basis the Airport Manager had taken ownership of the airport business and taken possession of the airport site through the lease and as such, was best placed to understand and advance development of the site.

The transaction documents made clear that giving effect to the Master Plan was to be at the cost of the Airport Manager. Further, the Airport Manager acknowledged that approval of the new Master Plan by Council in no way provided support, or any approval for, its contents and that it did not vary, modify or change the Sunshine Coast Planning Scheme 2014.

Council later approved the new Master Plan as having met the conditions of the Sunshine Coast Airport Framework Agreement.

Council did not surrender or seek to vary its responsibilities at that time for land use planning and development assessment matters in relation to the Airport site. Council therefore, retained responsibility to determine the most appropriate process for managing planning and development assessment matters in relation to that site, in accordance with the relevant legislative requirements.

It is also noted that the landscape in relation to conflicts of interest has significantly changed between 2016 and 2021.

**Question:**

Could you please address community concerns regarding if the airport land is to be declared a Priority Development Area that this would bring heavy trucks travelling through Coolum en route to the industrial area?

**Response:**

Sunshine Coast Airport Pty Ltd's intentions for the development of the Airport site would be the same under either the current planning scheme or as a Priority Development Area (PDA) – the process for enabling that development to occur would simply be facilitated more efficiently and effectively under the provisions of a PDA.

Moreover, the declaration of the Sunshine Coast Airport site as a PDA would not remove the requirement for the impacts of any proposed development to be assessed by the responsible planning authority.

A proposed development on the Airport site (whether it be considered under the provisions of a PDA Development Scheme or under the *Sunshine Coast Planning Scheme 2014*) would be assessed on the basis of detailed studies of the traffic impacts of the proposed development.