

## The Inskip Peninsula – Land Handout and Master Plan (2)

### History

#### 1. Issuing of Development Leases

There were two companies mining sand around Rainbow Beach and Fraser Island in the 1980's: Murphysores and Mineral Deposits. Mineral Deposits operated a dry mill that processed and concentrated the sand just north of Rainbow Beach on what is now generally referred to as the Old Mill Site. When the Federal Government banned exports of mineral sands from Fraser Island, sandmining stopped in the area as there wasn't sufficient volume to make it economic. The sandminers received a lot of verbal support from the Bjelke Petersen government but this was extended when he issued Development Leases over parts of the Inskip Peninsula.

The leases were supposed to be in exchange for mining leases that were surrendered. The mining leases over Fraser Island and Inskip had no value as sandmining was not economic. At the time of issuing the leases it was widely assumed that the Bjelke Petersen government was looking after its mates. I am currently seeking details of any valuation process undertaken by the government at that time

Mineral Deposits had two Development Leases issued. One was over the Old Mill Site. The other was over an area at Bullock Point. Mineral Deposits hired a company called Reduct Pty Ltd with a Mr Roger duBlet as Principal. He put forward plans to locate over 60,000 people on the Peninsula with marinas and golf courses and pumping and reshaping Pelican Bay.

The processing of sand at the old mill site separated the sand into its different fractions. The valuable bits were sold and the residue stockpiled. So there is in excess of 100,000 t of ilmenite on site. (*Memorandum to Minister for Mines and Energy – around 1990*) It is slightly radioactive as it is contaminated with zircon, which contains uranium. Its radiation is around 60 uR/hr. There was also concentrated monazite and this was a problem as it is a radioactive ore of thorium. Individuals reported that the monazite was buried on site. Roger duBlet told me that they had “reshaped the frontal dunes” Zircon, which is radioactive, was also buried on site (*Memorandum to Minister for Mines and Energy.*) The official survey of the site gave a conditional clearance for total occupation with the proviso that any movement of sand must be followed by a survey for radioactivity. The level adopted as an acceptable dose (60 uR/hr) at that time, was shortly after reduced to about a third of that level – expressed as 1mSv per annum. Mineral Deposits had fulfilled the requirement to remediate to 60 uR/hr on the surface as part of the lease but they had a lease which “could be remediated to below the proposed new level only with considerable difficulty and cost” (*Memorandum*) In addition the restriction on checking after any excavation would remain.

The area is immediately north of Rainbow Beach.

The lease owned by Murphysores was bought by a Swiss company, Rainbow Shores.

2. Nature of leases : plan to submitted to Council and Gov with 12 month for approval by both  
(by 1/11/1985)

: separate section requires developer to obtain rezoning etc.

: developer to pay Gov 17.5% of developed land value.

: no compensation beyond lease expiry date (1/11/2014) (*Development Lease 21/11 title Reference 17568227*)

3. Goss government bought back development leases on the Old Mill Site and land at Bullock Point. Both leases were unsuitable for development and the Old Mill Site would be an asset for the town.

4. Goss government split a single lease held by Rainbow Shores into two sections. The southern part to be largely residential and the northern lease to be a resort type of development. Rainbow Shores Stage 1 was approved on the basis that it was the high density section and it was split from the “resort “ area by a 1.5 Km Green Belt. (*Goss government map*)

5 Rainbow Shores Stage 1 rezoning approved. It appears that no plan was submitted by the deadline (1/11/85) and that only the application for rezoning for 4200 people was submitted. This rezoning was approved by the Council and not rejected by the government. It was a concentrated urban development with 6 storey buildings. Sub division and buildings were approved in an Erosion Prone Area (*Letter from EPA to Rainbow Shores Pty Ltd 6 August 1998*)

6. Rainbow Shores applied for rezoning of the northern lease that had been designed for low key, open space resort use and submitted a plan 6,500 people in August 2004.

(a) This rezoning was opposed by the people of Rainbow Beach (record number of objections), opposed by the council and the government. “This proposed development does not have whole-of Government or Gympie Regional Council support”, (*briefing note, Deputy Coordinator General to Coordinator-General, June 08*)

(b) The site was zoned as “Rural” and Council states “ Council envisages a low density, low key, low rise style of ecotourism resort/residential development(s) with significant retention of private and public open space ” (*briefing note to Minister for Local Government, Planning and Women 18/10/05*) The Environmental Protection Agency gives 31 reasons why the development should not proceed in a draft document. (*Draft Summary from Mark McNamara to Mark Evans, 24 Jan 07, email*)

(c) A Ministerial Briefing Note 18/10/05 makes points that:

The proposal is inconsistent with the Town Plan

The proposal would change the nature of Rainbow Beach

Questions if Rainbow Shores should have priority over other development options

Questions if the proposal is consistent with the State Coastal Management Plan

States that Rainbow Shores has not been able to show that demand for water can be met from alternative water sources (*briefing note to Minister for Local Government, Planning and Women 18/10/05*)

Everyone, apart from Rainbow Shores, seems to agree that the proposal for 6500 people on that bit of land is not suitable. It was meant to be a resort when it was divided from the southern lease and this is reflected in the Council planning.

7. The Queensland government accept that a development of 6,500 people is OK to calculate the that the value of the Development Lease held by Rainbow Shores is either \$100million or \$150 million. (*email from David Sleeman , Natural Resources and Water, to Brian Vandersee and Chris Robson, 12 June 07*)

8. The Queensland Government set out to draw up an “Inskip Peninsula State Master Plan”

.9. The Terms of Reference for this Master Plan seek a consultant to assist. Included is the Guiding principle, “ The proposed Rainbow Shores development parcels are as far as possible to be “like for like” in comparison to the current Rainbow Shores development lease based on its Master Plan 2006.” (*Terms of Reference, Inskip Peninsula State Land Master Plan*) They take the rejected over development proposed by Rainbow Shores and rejected by everyone else and make it the basis for issuing new land

10. The Gympie Regional Council was refused elected representation on the Working Group and

was only allowed officials such as the engineer or planner. No representative of the people most affected, the locals of Rainbow Beach, is allowed. No consultation by either the government or the consultant with the people.

11. Rainbow Shores drew up a new Development Concept 2008. It appears that this gives Rainbow Shores 200 Ha. It includes some Stage 2 land. The Green Belt, land on the western side of the road and the Old Mill Site. There is also a golf course on the western side. FOI documents show that the land being considered for the land swap is very similar to Rainbow Shores Development Concept

12. The Master Plan will give Rainbow Shores Development Approvals or at least give them a lease with "Approved Development Outcomes". It is planned to reach an agreement with Rainbow Shores about these Approved Development Outcomes before the Draft Master Plan is released. (*Brief for meeting with Rainbow Shores on 27 June 2008 for the Coordinator-General and the Director-General, Department of the Premier and Cabinet*) This will completely cut out input from the community: no effective input into the Master Plan, no rezoning, no objections, no lobbying our council, no possibility of appeal to the Land and Environment Court on the most important matters.

## **What is wrong**

### **A. Secrecy**

Firstly it is secret process with consultation only with the proponent.. It is planned to issue a Draft Master Plan and give everyone a month to respond. Even then the new lease or associated documents will contain "Agreed Development Outcomes" which will guarantee development rights to Rainbow Shores. Objecting to the major item in the Draft Master Plan will be pointless. And we all know that once a government put out a plan, they will defend it and try to stop change. All this time we have been told that the rezoning proposal is still going through the system. It has been dead at least since October 05. Rainbow Shores has had over 3 years to consult and get their view across. Everyone else get a month and it doesn't matter what they say about the major item.

The process being undertaken could be considered as a way of getting around the valid objections of residents, council and the Queensland government. It is difficult to understand why the Queensland government is seeking to get around its own objections to facilitate a developer's wish for a large scale development site. The objections to the first site also apply to the new area.

### **B. It's a rip off for Queensland and the people of Rainbow Beach**

Perhaps the worst thing is that the government and the people of Rainbow Beach and Queensland get a bad deal. The developer does very well. Just consider: an expiring lease, that the owner has not complied with, sets up for low key resort development. The developer responds with a proposal for completely inappropriate medium density residential development that everyone recognises as inappropriate. The developer then gets given development rights on \$100 - \$150 million worth of land because this was the value of his ridiculous development proposal as calculated by the Queensland Government had it been approved. The swap is unfairly generous to the developer as

- it provides more valuable land closer to services for an equivalent amount of less valuable land.
- it provides the land without the need to provide a hospital and high school site
- it provides for land for 6,500 people when the original site was for a smaller number
- it provides for a range of residential and commercial purposes when the original land was for a low key, low rise ecotourism project with lots of public and private open space.
- It provides land with "agreed development outcomes" which basically means that it dodges the zoning and public input process that revealed that the original proposal was fatally flawed and it removes the ability of the numerous objectors to appeal to an independent arbitor, the Land and Environment Court.

**C Community Change** Rainbow Beach will be changed. The main town will be on Inskip. It will be several times larger than Rainbow. No new development will be possible in Rainbow Beach. There won't be the water or the ability to get rid of waste sewage water. Most of the problems that the government, the council and the people of the area brought up about Stage 2 also apply to the new plan. The new plan covers about 80 Ha that was the old lease and another 120 Ha. It covers the Green Belt which is identical to the previous lease area. It is bizarre that the government is considering putting around 10,000 people on a low lying peninsula of sand. It is even more disturbing that the government is proposing to eliminate the planning requirements of consultation by community submissions followed by possible appeal to the Land and Environment Court. In addition the Rainbow Beach community lose the Old Mill Site which was bought back by the Goss government and should be of great benefit to the town.

**D Infrastructure** There will be great difficulty with infrastructure.

All the water from the Cooloola Coast comes from the Great Sandy Region sandmass. Today there would be no support for a proposal to pump water from the source of the Noosa River. Yet this is the source of the bulk of the water for the coast. Currently the water for Rainbow Beach comes from other parts of the sandmass but a development of the size proposed will need the Noosa water at Rainbow Beach. The government has wisely capped the amount and should be seeking to reduce it but this development would put great pressure on the water supply. There have been numerous successive studies of water needs and supply in a continuing attempt by the developer and elements in government to say that there is a solution. In a briefing note to the Minister for Environment, Local Government, Planning and Women of 18/10/2005 it is stated, "the proponent has not been able to demonstrate that the demand can be met from alternate water sources." Whatever other studies show, the pressure on water is extreme. This pressure is on both an annual basis and a daily basis. When the weather is dry more water is needed by both the community and the ecosystem. The Noosa system, the vegetation on the sandmass and the coastal interaction between the fresh and salt environment need water in the dry times and these are the very times that water is needed more by the large developments proposed. When it is wet, the ecosystems and the communities have less need for water. But when it is wet, we have another problem: disposing of waste from the sewerage treatment plant.

Currently a plant for 4000 people is being built at Rainbow Beach to treat sewage. This will deal with less than a quarter of the eventual population. There are limits on the amount of phosphorus and nitrogen that can be discharged into Tin Can Inlet which is a very sensitive part of the Great Sandy Region. The solution being proposed is to dispose of waste water by dual reticulation to houses and irrigating an adjacent golf course. It sounds ideal until reality intervenes.

It may work when it is dry. There are some doubts about the cumulative effect of watering and increasing growth and humus content which eventually changes the nutrient balance of the water table and subsequently the nutrient status of Tin Can Inlet. It is vital to understand that all this is on pure sand. The groundwater and the sea are closely linked. But there is no question that it won't work when it is wet. Much of the land being proposed for both development and the golf course is Melaleuca forest (paperbarks). It is wet. Normally the water table comes to the surface during wet periods. It is ridiculous to build on this land as it will require drains to move the water and this will take nutrients and some turbidity to the sea. (This happened in the first development at Rainbow Shores where water was over a metre deep and the developer had to plead with the government to be allowed to dig drains in contravention of the lease.) When it rains, the people in the development are not going to water their gardens as the water rises out of the ground and the golf course is not going to water a flooded course. The water will have to be discharged. The volume is too great for storage on a low sandy peninsula.

The road system both within the Rainbow Beach area and into it will come under enormous pressure. There will be great pressure to open Cooloola Way to general traffic from the south and this would cause damage to the Cooloola National Park.

## **E. Environmental Matters**

All these matters have already been argued and accepted. The EPA's Draft Report lists many of the problems and cites the exact reasons why the proposal for Rainbow Shores Stage 2 fails to meet the requirements of the State Coastal Management Plan. (*Draft Summary from Mark McNamara to Mark Evans, 24 Jan 07, email*) The new proposal is over very much the same area. The problems are the same. The new areas cover very much the same area of original bush as the first proposal.

There are vulnerable birds such as the Black-breasted Button-quail in the new area as there were in the original lease. The danger of water table pollution is higher on the new proposal and some of it is closer to TinCan Inlet.

The majority of the objections that came from the public and EPA are still valid

## **F. Native Title**

The original Rainbow Shores lease was issued in 1984 and does not appear to be affected by Native Title considerations. Much of the new area is subject to Native Title. It is a difficult and time consuming process to remove Native Title rights from this land and to give the land to a Swiss developer. There must also be questions about the justice of such an act.

## **The Myth**

This has been spread by some Queensland public servants, a couple of councillors and promoters of Rainbow Shores.

*That the developer has a right to develop Stage 2 and if the government stops him from doing what he wants he will go to the Land and Environment Court and get what he wants or a large compensation package.*

**Read the lease** "The lessee shall within twelve (12) months from the commencement of the lease lodge with the Minister and the Council of the Shire of Widgee an overall design plan..... and subject to the approval of such plan by both the Minister and the Council of the Shire of Widgee ....."

Both the Queensland Government and our council have every right to reject the proposal as it is bad planning and way beyond what may be appropriate. This rejection is not as a planning matter but as an important part of the lease which is the basis of the developer's rights. A rejection on this basis would not be subject to appeal in the Land and Environment Court.

A separate part of the lease agreement deals with getting necessary approvals including zoning. When CHIP obtained the draft EPA response we were certain that we could have got a rejection of that plan in the Land and Environment Court. Given the history of the site and the massive problems recognised by everyone, except the developer and their friends, no other result would be possible. Of course the State Government could call it in and they would then make the decision. What is the developer going to do? But of course the Queensland government does not need to do any of this. If their advice is that the lease is still valid to some extent, despite the failure of the developer to abide by its terms, they could simply say, "No. We reject this plan as this area was designed for a resort. We ask that you submit another plan that is of a much smaller scale and more appropriate." Of course our council could do the same. There is no comeback. No Land and Environment Court. No \$100 – 150 million land handout.

The developer's rights are set out in the lease.

## **Development on Inskip**

I have been told that it is the Bligh government's wish that Inskip have some more population centres. I can't understand this but if it is true, surely the fairest way is to ask for Expressions of Interest from developers and have them bid for the valuable rights. An open accountable process.

## **Forward**

It is extremely unfortunate when governments decide the future of an area without discussion with those most affected: the residents, businesses and organisations within the area. Such a procedure is unfair and it is inefficient as it disregards input from the people who know most about the area.

The processes of developing the Inskip State Land Master Plan should stop. Proper consultation should then take place with all stakeholders. Meetings, discussions, submissions and any other form of input should be organised. There is a good case for employing a professional to assist in this. The Master Plan should then be developed with continuing input from all concerned. When this process concludes a Draft Master Plan should be open to objection and comment before adoption. Not everyone will be happy as there are competing interests and points of view. But everyone should be consulted properly.

The Queensland Government should write to Rainbow Shores saying that, under the terms of the Development Lease, they reject the Development Plan outlined in the application for rezoning and asking Rainbow Shores to submit a more appropriate plan by three months time.

Appropriate consultations will take a while and this will provide time for Rainbow Shores to consider their position and submit a proposal more in keeping with the land and the purpose of the lease. By the end of the consultation a proper decision of the Rainbow Shores Stage 2 lease area can be made and this can then be incorporated into the Master Plan. If the decision was made for further residential/resort development on the peninsula, then there would be advertising for expressions of interest so that an open process was ensured. Of course Rainbow Shores could participate in this process.

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