

Request for Initial Gateway Determination

Relevant Planning Authority Details

Mid-Western Regional Council

Contact Person: Liz Densley

0263 782850 elizabeth.densley@midwestern.nsw.gov.au

Planning Proposal Details

Complete Planning Proposal attached

Signed for and on behalf of the Relevant Planning Authority

Warwick Bennett
General Manager

Date:

Planning Proposal

Caerleon Residential Area Sale Yards Lane Mudgee

To amend Mid-Western Regional Interim Local Environmental Plan 2008 (Amendment No.4) and Draft Mid-Western Regional Local Environmental Plan 2012 (as exhibited) to rezone land from Investigation to Residential consistent with the adopted and endorsed Comprehensive Land Use Strategy.

Mid-Western Regional Council



May 2012

Contents

Overview	1
Subject Site.....	1
Legal Description	2
Site Constraints	3
Part 1 Objectives or Intended Outcomes	4
Objectives for the Site	4
Policy Context.....	4
Concept Plan	5
Part 2 Explanation of Provisions.....	8
Zoning	8
Mid-Western Regional Interim LEP 2008 (current LEP).....	8
Draft Mid-Western Regional LEP 2011 (forthcoming comprehensive LEP).....	8
Minimum lot size	9
Interim LEP 2008.....	10
Forthcoming Comprehensive LEP	11
Development Control Plan	11
Part 3 Justification	12
Section A – Need for the planning proposal.	12
Q1 Is the planning proposal the result of any strategic study or report?.....	12
State and Regional Policies	15
Q2 Is the planning proposal the best means of achieving the objectives or outcomes or is there a better way?	16
Q3. Is there a net community benefit?	18
Section B – Relationship to strategic planning framework.....	19
Q4: Is the planning proposal consistent with the application regional or sub-regional strategy?	19
Q5: Is the proposal consistent with Council’s Community Strategic Plan or other local strategic plan?	19
Q6: Is the planning proposal consistent with applicable state environmental planning policies?	19
Q7: Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)? ..	21
Section C – Environmental, social and economic impact	22

Q8: Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?.....	22
Q9: Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?	22
Q10: How has the planning proposal adequately addressed any social and economic effects?.....	23
Section D – State and Commonwealth interests.....	24
Q11: Is there adequate public infrastructure for the planning proposal?.....	24
Q12: What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?	24
Part 4 – Community Consultation	25

Overview

This planning proposal has been prepared by Mid-Western Regional Council in accordance with section 55 of the Environmental Planning and Assessment Act and the relevant Department of Planning and Infrastructure Guidelines. It is part of a larger concept plan prepared by Blaxland Property which addresses the proposed rezoning of a large area of land known as Caerleon, which has been identified in the Comprehensive Land Use Strategy for future urban expansion of the Mudgee township.

Rather than prepare a single, joint proposal, the precinct, which is physically divided by a railway corridor, has been divided into two with Blaxland Property who own 310 hectares west of the railway corridor undertaking a planning proposal for that site and Council undertaking a concurrent proposal for the 51 hectares of land on the eastern side. An overall concept plan has been prepared by Development Planning Strategies for Elton Consulting on behalf of Blaxland Property.

The planning proposal relates to an amendment to the Mid-Western Regional Interim LEP 2008 and Draft Mid-Western Regional Local Environmental Plan 2012 (whichever is in force at the time of notification) to rezone and from Investigation (Interim LEP or proposed RU1 Primary Production in the Draft LEP 2012) to R1 General Residential.

Mid-Western Regional Local Government Area is experiencing unprecedented growth in the resources industry through an increase in mining activity throughout the region. With this growth comes employment which is typically being sourced from outside the LGA. While the Comprehensive Land Use Strategy (CLUS) (Mudgee Town Structure Plan attached) makes provision for population growth, the Draft LEP 2012 does not propose to rezone additional land for general residential purposes.

Development of the Comprehensive LEP commenced in 2009 immediately following the gazettal of the Interim LEP 2008. The intention at that time was to review the rural land supply and incorporate the three LEPs (Rylstone, Merriwa and Mid-Western Interim) into a single LEP under the SI Framework. The planning for short term supply of residential land in Mudgee and Gulgong had (at that time) been included in the Interim LEP. A number of factors came into play and the Draft LEP was delayed however is now imminent. In that time, and somewhat accelerated over the past 12 months, has been the expansion of the resources sector and the subsequent depletion of “green field” development sites.

Further, the land supply issue is likely to feature in the Local Services Assessment commissioned by the Department of Planning to address the impacts of the resources sector and growth on services and facilities in the Region.

Subject Site

The subject site is located adjacent to the north western fringe of the existing urban area of Mudgee approximately 2km from the centre of town. The site has a total area of approximately 51.4 hectares which includes land owned by Council (the former saleyards and emergency services sites 8.89 ha) together with a large tract of agricultural land currently owned by Mr John Marskell (40.16 ha) and

another area of land immediately west of the railway corridor adjoining Fairydale Lane owned by Mr & Mrs Isbester (5.62 ha). Both of these landowners have been notified of Council's intention to initiate the rezoning of the land. The subject area is referred to in the concept plans as Precinct 1 and shown in Figure 1.

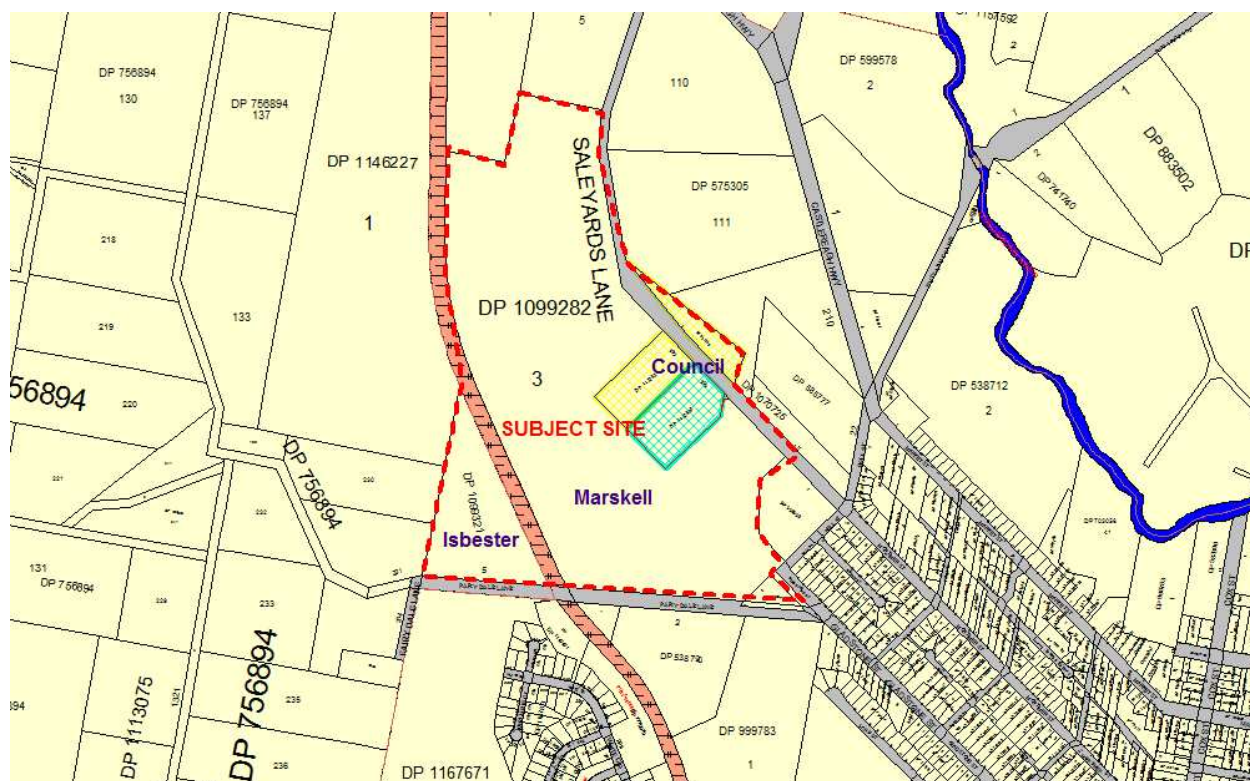


Figure 1 Subject Site

Legal Description

The subject land is in multiple ownership as described above and includes the following Lots:

- | | | |
|-----------|------------|---------------------|
| • Lot 399 | DP 1132580 | Council (Saleyards) |
| • Lot 532 | DP 1132581 | Council (Saleyards) |
| • Lot 2 | DP 534336 | Council (SES) |
| • Lot 3 | DP 1099282 | Marskell |
| • Lot 5 | DP 1099321 | Isbester |
| • Lot 3 | DP 720754 | Sanderson |

The planning proposal will provide for an additional 300 residential lots ranging in size from 450m² to 800m² for standard residential and 1500m² to 2 ha for larger residential lots.

Part 1 Objectives or Intended Outcomes

The Planning Proposal seeks to rezone land for residential purposes consistent with the Comprehensive Land Use Strategy in order facilitate the continued supply of affordable residential land. The Planning Proposal

Objectives for the Site

The amending LEP will provide a large contiguous tract of residential land immediately north west of the urban area of Mudgee consistent with the CLUS.

Specifically, and consistent with the planning proposal for Precinct 1, the Planning Proposal intends:

- *To rezone the land to allow for residential development, as illustrated in the Concept Plan, through the establishment of a residential land-use zone*
- *To allow for a variety of lot sizes, ranging from 450m² up to 2+ hectares across the land, in order to facilitate the creation of a sustainable and integrated community*
- *To establish a planning framework that sets a benchmark for high-quality residential development in the Mudgee area*
- *To facilitate orderly and co-ordinated supply of land to accommodate population growth in the LGA in accordance with the Mudgee Town Structure Plan.*

Policy Context

In identifying future opportunities for urban expansion of the Mudgee township, the Comprehensive Land Use Strategy addressed the suitability of sites both north, south and west of the town.

The northern edge and extending east of the built up area of town is constrained by the Cudegong River. Development has leapfrogged the floodplain, however, this is restricted to larger rural residential lots of 2 ha down to 4000 m² where town water and sewer has been made available.

Development of residential land has extended south as far as the current zone allows, however, the constraints here include drainage, encroachment onto better agricultural land and the visual intrusion that development is likely to have on the approach to Mudgee from Sydney. Further, there are approvals in place for a Seniors Housing development to the south of Mudgee which absorbed a significant amount of vacant land. In addition and perhaps more significantly, fragmented ownership pattern that has evolved through this area has reduced the potential or opportunity for a large green field development.

Conversely, the north western fringe of the urban area (Caerleon) was deemed to have less physical constraints together with few landowners. It was also serviceable in terms of the extension of water and adjacent to the new sewer augmentation scheme.

It is within this framework as established through the CLUS that this Planning Proposal seeks to rezone land from Investigation (RU1 in the Draft LEP) to General Residential.

Concept Plan

A concept plan has been prepared for both precinct 1 and the entire Caerleon locality (refer Figures 3 and 4). The concept plan outlines the broad structure for developing the land for residential purposes.

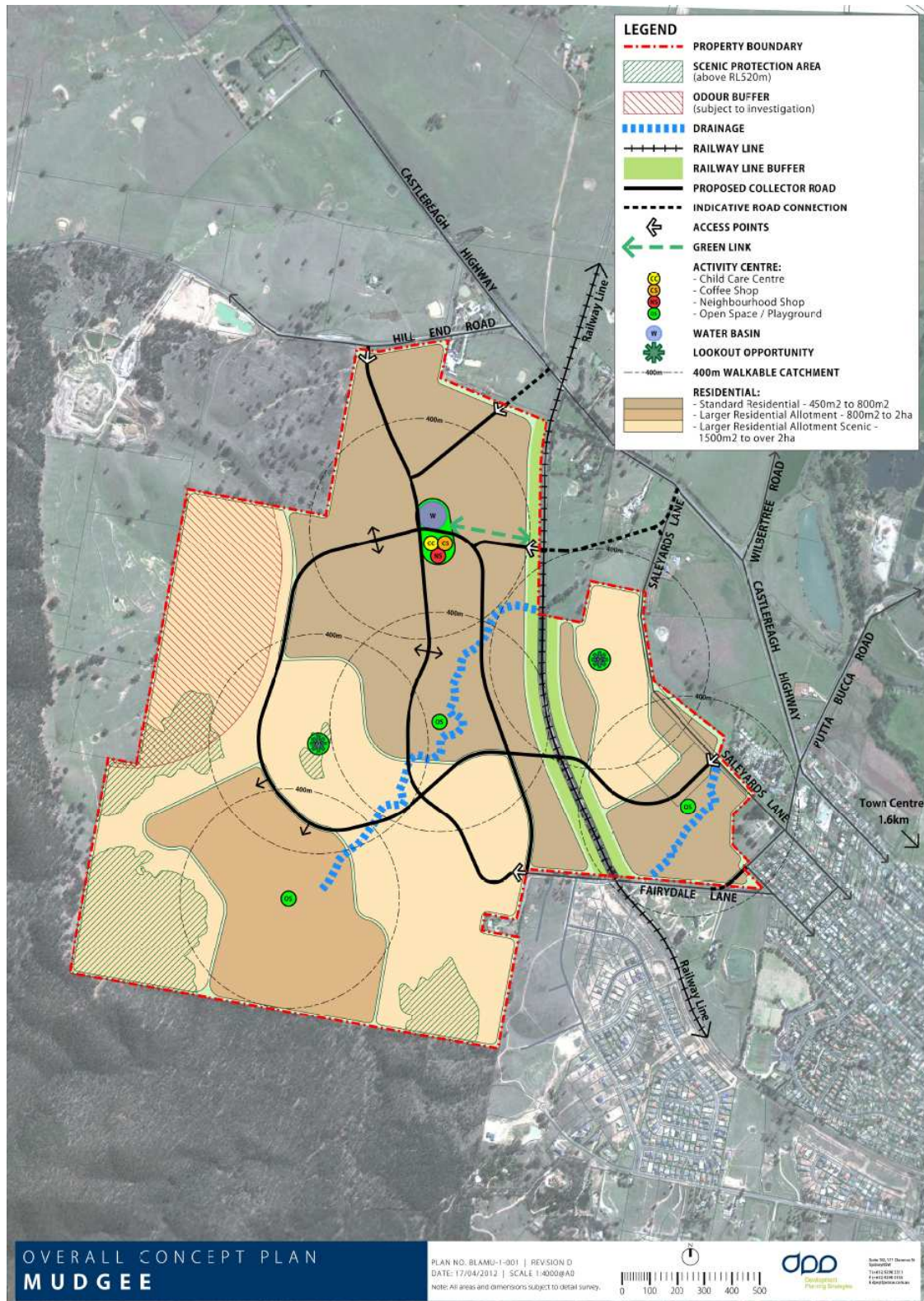


Figure 3 Overall Concept Plan

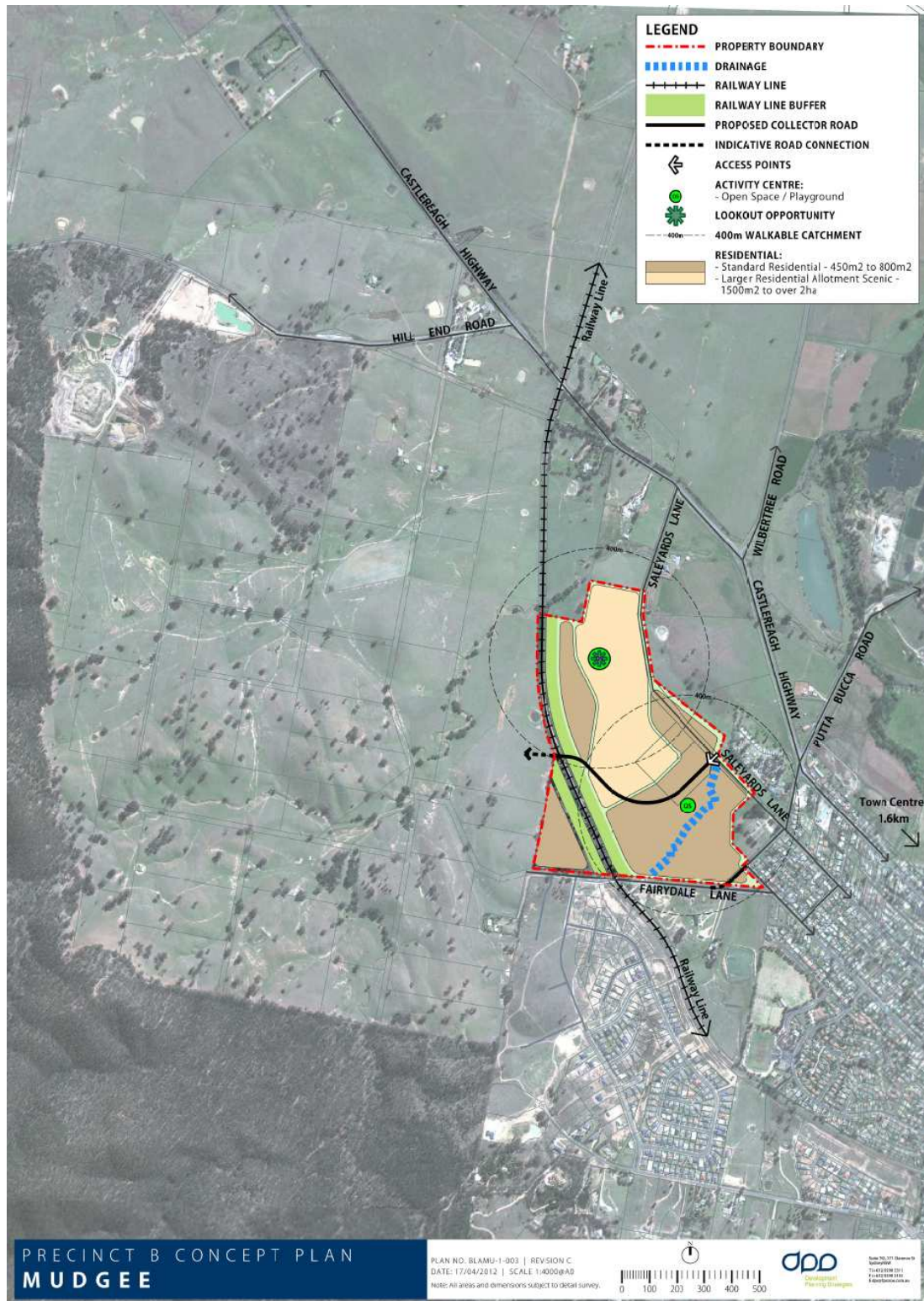


Figure 4 Precinct 1

Part 2 Explanation of Provisions

It is intended that the objectives and intended outcomes described in Part 1 will be achieved in the form of controls on development in an amending LEP. Depending on the timing of the forthcoming comprehensive LEP, the amending LEP will either amend the current *Mid-Western Regional Interim LEP 2008* or the comprehensive LEP (if gazetted).

The amending LEP will amend the maps and/or written controls relating to the zoning and minimum lot size of the subject land.

Zoning

The objective of the Planning Proposal is to provide for a variety of housing types that will meet the needs of a range of incomes, cater for the needs of new and existing residents and take advantage of this identified future urban development site.

As such, it is proposed that the following zones apply to the land:

Predominantly **Medium Density Residential** zone, and some areas of **Rural Residential** zone on steeper parts of the land (if incorporated into the current LEP)

Predominantly **R1 General Residential** zone, and some areas of **R5 Large Lot Residential** zone on steeper parts of the land (if incorporated into the forthcoming comprehensive LEP).

Mid-Western Regional Interim LEP 2008 (current LEP)

Two zones are proposed to apply to the subject land if the rezoning is incorporated in to the current LEP. They are:

Medium Density Residential zone – this zone would apply to the majority of the land identified for standard and smaller residential development, and would facilitate a variety of residential housing types

Rural Residential zone – this zone would apply to the steeper portions of land, which are identified for larger lot housing in the concept plan.

Each zone has a different corresponding minimum lot size (see Section 2.2).

Through the zone objectives for each zone, this zoning arrangement will ensure that development across the site responds to the characteristics of the land and contributes to the delivery of the vision for the subject land.

All other clauses within the Mid-Western Interim LEP 2008 will continue to apply.

Draft Mid-Western Regional LEP 2011 (forthcoming comprehensive LEP)

Two zones are proposed to apply to the subject land if the rezoning is incorporated in to the comprehensive LEP (as exhibited). These are the equivalent zones to the Interim LEP:

R1 General Residential zone – this zone would apply to all land identified for residential purposes and facilitates a variety of residential housing types. The R1 zone is the most appropriate zone for the majority of the land as it provides general controls that align with the objectives and vision for the subject land; that is, to provide for a variety of housing types within a range of densities, as well as related land-uses, to meet the day to day needs of residents. This zoning provides certainty to council and the community on the types of uses proposed in the Concept Plan will be developed.

R5 Large Lot Residential – this zone would apply to land on steeper parts of the site, in order to protect the rural and scenic character of the locality, minimise visual intrusion into the skyline, and allow larger lots to be located in appropriate areas. The R5 zone is the most appropriate zone as it allows the development of larger lots whilst ensuring areas with special aesthetic values, which are most sensitive, to be protected. Lot size provisions, as well as site-specific DCP controls, will restrict the siting of structure above the contour line, thus protecting the important scenic qualities of the landscape.

Minimum lot size

An objective of the Planning Proposal is to provide for a variety of housing types that will meet the needs of people in a range of incomes and cater for the range of housing needs of new and existing residents.

To create a diverse and vibrant community, the vision proposes a range of lots sizes, which will facilitate the development of a range of housing types. It is proposed that the following lot sizes apply to the land:

Lot size of **450m²** to **800m²** in the 'Standard Residential' area as shown in the Concept Plan

Lot size of **800m²** to **2 hectares** in the 'Larger Residential Allotment' area as shown in the Concept Plan

Greater variety in the type of housing will assist in achieving many of the objectives of the rezoning, including more affordable housing options close to Mudgee town centre.

Council will note that the lot size ranges below the 600m² minimum lot size currently applicable to single dwellings in a general residential zone. However, provisions are in place and currently being applied which allow a minimum lot size of 400m² for a single detached dwelling. These occur through the dual occupancy provisions which allow two houses to be built on a lot of 800m². The land is subdivided either as part of the same application or following the construction of the dwellings. In some instances, on corner lots or lots with a wide frontage this form of development can be reasonably accommodated with minimal if any impact on streetscape or amenity. The disadvantage is that it is an ad hoc approach and in some cases fails to meet the design expectations of the neighbours and wider community.

Smaller lots created as part of an ordered and planned subdivision can be suitably located adjacent to open space or community nodes and provide a better planned and greater diversity of housing choice. There is also a much higher degree of certainty for neighbouring landowners in terms of the expectation of the type of development likely to populate the street. In terms of the provision and ongoing maintenance of infrastructure, a planned increase in density will lead to long term savings as a result of the more efficient use of that infrastructure. In this instance the minimum lot size would still be 50m²

larger than the minimum currently created through subdivision of detached dual occupancy development.

In proposing the wider range of lot sizes the following design principles are to be applied as part of the Development Control Plan for the site:

- *Smaller lots are to be located in areas that offer a higher level of amenity.*
- *Lots should be situated on land that has a slope up to 5%.*
- *Lots should generally overlook or be in close proximity to open spaces, activity centres or areas containing quality landscapes.*
- *Lots should be orientated to enable good solar access for residential buildings.*
- *Residential streetscapes should not be dominated by garages.*
- *Smaller lots are to incorporate a mix of lot sizes and frontages.*
- *A minimum lot frontage of 15 m and minimum lot size of 450m².*

Depending on the timing of the LEP amendment, whether the amendments are incorporated in the current or forthcoming LEP, an alternative approach will be needed to achieve the proposed minimum lot sizes. The approach is outlined below:

Interim LEP 2008

Clause 19 'Minimum subdivision lot size' of the LEP sets the minimum lot size for land according to each zone. The current minimum lot sizes are:

Zone	Minimum allotment size
Medium Density Residential Zone	600m ²
Rural Residential Zone	2ha
Conservation	NA

In order to facilitate smaller lot sizes, it is proposed to amend Schedule 1 of the current LEP by identifying an additional permitted lot size (minimum 450m²) in the Medium Density Residential Zone for the subject land.

Flexibility for this particular site will ensure the smaller lot size is not applicable across the whole LGA, which provides Council the ability to control where smaller lot housing is development. It provides certainty to Council that smaller lot sizes will only be created where detailed site investigations and urban design analysis has been undertaken, such as the subject land.

The site-specific DCP developed for the site will control the design of smaller lot housing; ensuring development is well-designed and provides high levels of amenity for residents and neighbours.

Forthcoming Comprehensive LEP

It is proposed to amend the Minimum Lot Size Map by:

- Creating a minimum lot size of 450m²
- Applying the 450m² minimum lot size to that land identified for smaller lots
- Applying alternative minimum lot sizes for other parts of the land, as identified in the Concept Plan.

It is envisaged that the range of minimum lot sizes identified above will be applied to the Minimum Lot Size Map in the two different residential area locations within the site, once the areas are further refined and determined post-gateway.

The provisions of Clause 4.1B 'Minimum lot sizes for dual occupancy, multi dwelling housing and residential flat buildings' would continue to apply to those parts of the site with a minimum lot size of 600m² or greater.

Development Control Plan

A local provision will be inserted into the relevant planning instrument to address the requirements for the development of the land including the site specific capability studies.

The clause shall address the need for the developer to provide the following to satisfy Council prior to any subdivision approval being given:

- A salinity investigation addressing the suitability across the site for urban development
- Site contamination
- Assessment of remnant vegetation

Preparation of a Development Control Plan to ensure that the land is developed in a cost effective, orderly and logical manner. This should provide for:

- Subdivision layout and staging plan
- Water
- Sewer
- Stormwater an drainage
- Traffic and transport including road hierarchy and linkages to existing urban area
- Open space network and linkages including pedestrian and cycle movement

Part 3 Justification

Section A – Need for the planning proposal.

Q1 Is the planning proposal the result of any strategic study or report?

The planning proposal is strongly aligned with Council’s strategic priorities in the form of the Comprehensive Land Use Strategy, Mid-Western Region Community Plan Towards 2030 and Council’s Economic Development Strategy as discussed below.

Mid-Western Regional Draft Comprehensive Land Use Strategy

The Mid-Western Regional Council has prepared the *Mid-Western Regional Comprehensive Land Use Strategy*. The Strategy provides clear direction for future growth and land-use change in the area for the next 15 to 20 years.

The Strategy provides a context for future landuse and has informed the new comprehensive LEP for Mid-Western Regional Council that will consolidate the existing statutory planning framework and provide direction for targeted growth in specific areas.

One of the guiding principles for the Strategy in relation to urban land is to locate future residential / urban development in the most suitable areas within and adjacent to the main urban settlements. Mudgee is identified as one of the main urban settlements in the region – a District Centre – that provides a range of business, employment, retail, entertainment and recreational services. This “settlement hierarchy” aims to ensure a sustainable pattern of growth in the region and in doing so, sets a limit to Mudgee’s future growth. The limit for future growth around Mudgee includes land for future residential development to the north-west of the existing township of Mudgee, adjacent to the railway line. Future urban land release areas are identified in the north-west and south of Mudgee.

The subject site is located within the north-west future urban release / residential growth area (refer to Mudgee Town Structure Plan in Figure 5 below).

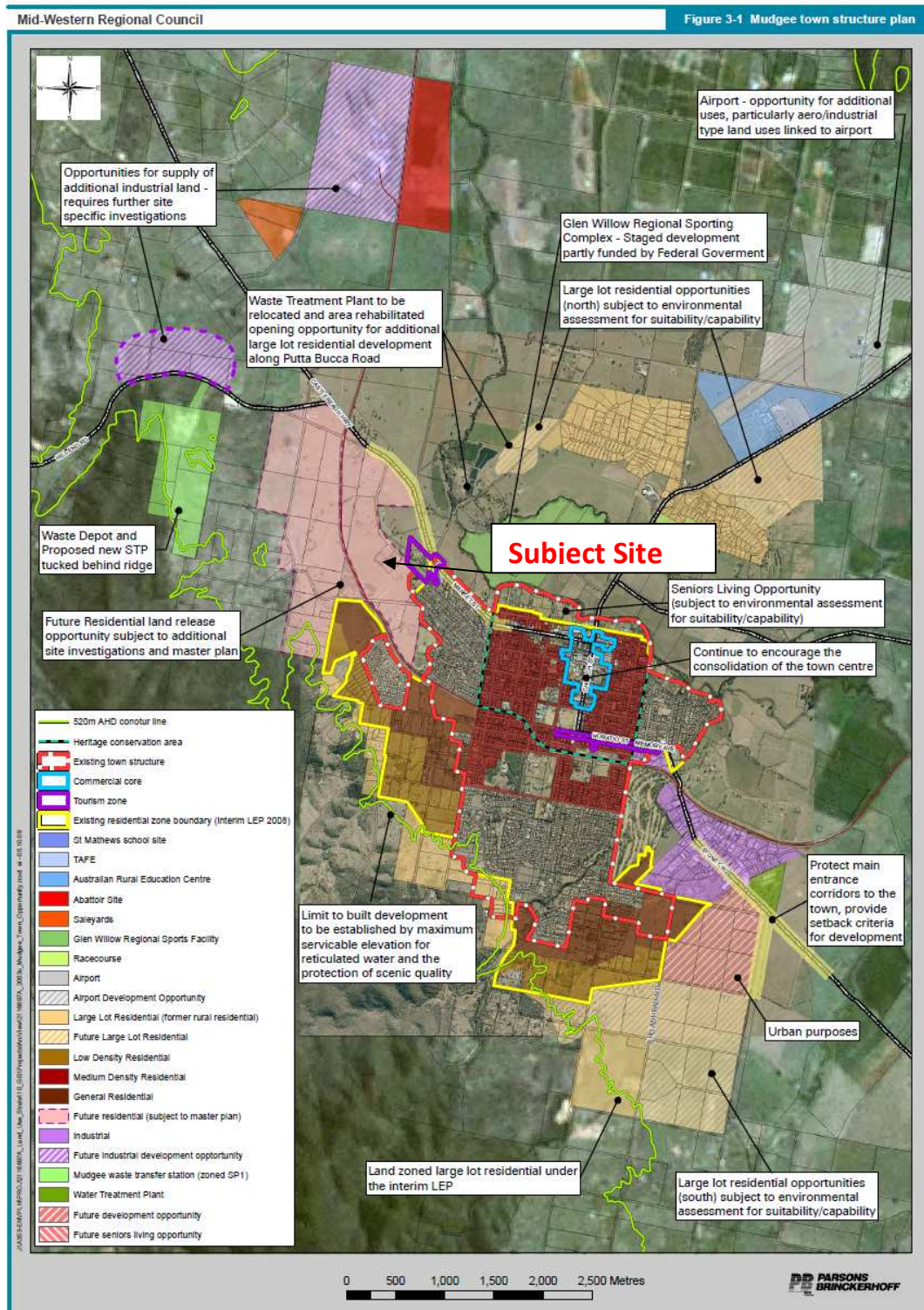


Figure 5 Mudgee Town Structure Plan

Draft Mid-Western Region Community Plan – Towards 2030

The ‘Towards 2030 Community Plan’ sets out where the Mid-Western community want to be in the year 2030. It is a future vision developed collaboratively between the community and Council and represents the aspirations of the people who live and work within the Mid-Western Region and strategies for achieving these goals.

The most relevant strategies of the Mid-Western Region Community Plan, and how the Planning Proposal achieves the strategies, are identified in the table below.

Theme/Goal	Strategy	Response
Vibrant towns and villages	Make available diverse, sustainable, adaptable and affordable housing options through effective land use planning	The Concept Plan provides for a diversity of lot sizes in order to explicitly achieve the aim of providing more diverse, sustainable and affordable housing options. Three types of residential areas are proposed within the Concept Plan, which accord with different allotment sizes. This variety of lot sizes will enable the delivery of housing such as terraces and single dwellings through to larger scenic lots.
		The provision of smaller lots in and around the activity centre will bring more residents closer to the activity centre. In turn, this contributes to the creation of a sustainable neighbourhood in terms of encouraging residents to walk and cycle to meet their daily needs. It also creates a safer and more socially sustainable neighbourhood by creating more activity and vibrancy, and a sense of place and community for future residents.
Meet the diverse needs of the community and create a sense of belonging	Provide equitable access to a range of places and spaces for all in the community	A range of community uses can be provided in the activity centres. Depending on the level of demand, these could include child care and/or a community hall. In turn, the creation of places for gathering and social interaction will help to develop a sense of belonging and place in the new community.
Protect and enhance our natural environment	Minimise the impact of mining and other development on the environment both natural and built environment	The Concept Plan / proposed rezoning will protect the scenic quality to the hilltops around the township by zoning the land above 520m as conservation.

Mid-Western Regional Economic Development Strategy

The Mid-Western Regional Economic Development Strategy outlines a shared vision and future economic direction for the region in the next 10 years. The strategy provides a broad framework for the

various lead agencies and stakeholders involved in economic development, to identify their roles and meaningfully engage in economic development initiatives for the region.

It is Council's vision that the region "is a progressive and prosperous community we proudly call home".

The key principles that influence economic development in the region in the future are:

1. **Employment** – the number of jobs and the level of participation in employment
2. **Education** – the quality and availability of education and supporting infrastructure and services
3. **Workforce Skills** – access to a skilled and flexible workforce with the competencies and capabilities to satisfy industry and business needs
4. **Business Development** – the attraction and retention of a diverse range of businesses who actively participate in business development initiatives and embrace creativity, innovation and entrepreneurship
5. **Investment** – a business and economic environment which attracts investment and targets new investment opportunities
6. **Infrastructure** – infrastructure that accommodates economic growth and meets the commercial, industrial and retail needs of the region
7. **Tourism** – diverse tourism offerings to attract visitors
8. **Marketing** – promoting the region as a great place to live, work and conduct business.

Whilst the proposed rezoning is focused on creating a new residential community, it is recognised that places of local employment are important in planning for future growth in the region.

Broadly, the new community is being planned as a benchmark for high-quality neighbourhood design. Provision of a high-quality residential neighbourhood that offers a range of housing types will help the region retain and attract new residents, including retain younger people in more affordable types of housing as well as people seeking a "tree change". In this regard, the proposed Concept Plan establishes a high design quality that could be marketed to the broader region, thus boosting the wider Mudgee area as an attractive place to live and work.

State and Regional Policies

Whilst there is no specific State or Regional Environmental Plan that addresses future development in Mudgee or that has relevance to the LGA, there are a number of significant challenges common to strategic planning in inland and regional areas of NSW. These are to:

- Support sustainable agriculture
- Conserve valuable environmental assets
- Foster new settlement and development in strategically suitable locations
- Encourage jobs and services
- Minimise land use conflict.

At a general policy level, the proposed rezoning is strongly focused on supporting and strengthening the existing urban township of Mudgee. The subject land is located on the fringe of the existing Township and benefits from direct and efficient access to the Mudgee town centre by car, bicycle or pedestrian movement.

Q2 Is the planning proposal the best means of achieving the objectives or outcomes or is there a better way?

The Planning Proposal is the best means of achieving the objectives for the site. The site is zoned Investigation under the *Mid-Western Interim Regional LEP 2008*, which does not permit the site to be developed for residential purposes. One of the aims of the current zone is to identify and protect land that has potential for future urban expansion. By rezoning the site to allow for residential development, in conjunction with a site-specific DCP, the Planning Proposal fulfils the intent of the site's current zone as well as Council's strategic planning framework.

DoP&I Circular No PS06/005 "*Local Environmental Plan Review Panel*" (6 February 2006) sets out a pro-forma evaluation criteria sheet to be used to determine whether to commence a rezoning process. Table 6 addresses the evaluation criteria.

DoP&I Criteria	Response
Will the LEP be compatible with agreed State and regional strategic direction for development in the area (e.g. land release, strategic corridors, development within 800m of a transit node)?	Yes The Planning Proposal is consistent with the local strategic policy direction, as the site is identified for future urban release and residential development.
Will the LEP implement studies and strategic work consistent with State and regional policies and Ministerial (s.117) directions?	Yes Refer to Table below.
Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/subregional strategy?	No
Will the LEP facilitate a permanent employment	The proposal will primarily provide for residential uses at the site with a small amount of local neighbourhood scale

generating activity or result in a loss of employment lands?	activities in the activity centre. The proposal will generate a small number of full-time jobs in this centre. The proposal has the potential to include 'work at home' units within the residential areas of the site. This activity centre will not compete with the Mudgee CBD, as it will provide for small-scale local convenience and local resident needs.
--	---

The proposal will not result in a loss of employment lands as the current zoning of the site is for Investigation uses and does not currently generate any employment.

Yes

Will the LEP be compatible/complementary with surrounding land uses?

The concept plan has been developed to account for the surrounding sensitive land-uses. The most sensitive surrounding land-use includes the land to the west, which contains a waste treatment facility and future sewerage treatment works. The LEP has accounted for this use by creating an appropriate buffer zone to ensure any detrimental impacts, such as odour, are mitigated.

The immediately surrounding area to the south west is a newly established residential area on the edge of the suburb of Mudgee. The LEP will be compatible with that land, as it provides for an extension of the residential zone. Appropriate road connects are provided to ensure good access and connectivity between the existing and future residential areas.

No

Is the LEP likely to create a precedent; or create or change the expectations of the landowner or other landholders?

This Planning Proposal relates specifically to land identified in a Land Use Strategy. The concept plan has been developed to acknowledge the adjacent lands to the west of the railway line, which are also identified for future urban release.

Will the LEP deal with a deferred matter in an existing LEP?

No

Have the cumulative effects of other spot rezoning proposals in the locality been considered?	Yes
What was the outcome of these considerations?	There are no other spot rezonings of relevance to this proposal, however, this proposal is being undertaken in conjunction with a planning proposal for the balance of land known as Precinct 2.

Q3. Is there a net community benefit?

The Net Community Benefit Test (Appendix 1) has been used to assess the merits of the planning proposal using the questions set out in the draft Centres Policy, as recommended in Part 3 Section A of the *Guidelines for Preparing Planning Proposals*.

It is intended that the proposal will deliver a net community benefit, the extent to which will be determined through relevant technical studies.

Section B – Relationship to strategic planning framework

Q4: Is the planning proposal consistent with the application regional or sub-regional strategy?

There are no regional strategies in place.

Q5: Is the proposal consistent with Council's Community Strategic Plan or other local strategic plan?

Yes. Refer to Part 3.

Q6: Is the planning proposal consistent with applicable state environmental planning policies?

Yes. An analysis of the applicable State Environmental Planning Policies (SEPP's) is included in the following table. The proposal is either consistent with or not offensive to any applicable SEPP's.

SEPP	Consistency / Response
1 – DEVELOPMENT STANDARDS	Not relevant
4 – DEVELOPMENT WITHOUT CONSENT	Not relevant
6 – NUMBER OF STOREYS	Not relevant
10 – RETENTION OF LOW COST RENTAL ACCOMMODATION	Not relevant
14 – COASTAL WETLANDS	Not relevant
19 – BUSHLAND IN URBAN AREAS	Not relevant
21 – CARAVAN PARKS	Not relevant
22 – SHOPS AND COMMERCIAL PURPOSES	Not relevant
26 – LITTORAL RAINFORESTS	Not relevant
29 – WESTERN SYDNEY RECREATION AREA	Not relevant
30 – INTENSIVE AGRICULTURE	Not relevant
32 – URBAN CONSOLIDATION (Redevelopment of Urban Land)	Not relevant
33 – HAZARDOUS AND OFFENSIVE DEVELOPMENT	Not relevant
36 – MANUFACTURED HOME ESTATES	Not relevant

SEPP	Consistency / Response
39 – SPIT ISLAND BIRD HABITAT	Not relevant
41 – CASINO ENTERTAINMENT COMPLEX	Not relevant
44 – KOALA HABITAT PROTECTION	Not relevant
47 – MOORE PARK SHOWGROUND	Not relevant
50 – CANAL ESTATE DEVELOPMENT	Not relevant
52 – FARM DAMS AND OTHER WORKS IN LAND AND WATER MANAGEMENT PLAN AREAS	Not relevant
53 - METROPOLITAN RESIDENTIAL DEVELOPMENT	Not relevant
55 – REMEDIATION OF LAND	Not relevant
59 – CENTRAL WESTERN SYDNEY ECONOMIC AND EMPLOYMENT AREA	Not relevant
60 – EXEMPT AND COMPLYING DEVELOPMENT	Not relevant
62 – SUSTAINABLE AQUACULTURE	Not relevant
64 – ADVERTISING AND SIGNAGE	Not relevant
65 – DESIGN QUALITY OF RESIDENTIAL FLAT DEVELOPMENT	It is unlikely that residential flat buildings will be developed on the land.
70 – AFFORDABLE HOUSING	Not relevant
71 - COASTAL PROTECTION	Not relevant
BASIX 2004	Future residential development within the site will be required to adhere to BASIX.
EXEMPT AND COMPLYING DEVELOPMENT CODES 2008	Not relevant
HOUSING FOR SENIORS OR PEOPLE WITH A DISABILITY 2009	The development of range of housing types across the site, including adaptable and accessible housing, will assist in the delivery of housing for seniors and people with disabilities.
INFRASTRUCTURE 2007	This SEPP provides a consistent planning regime for infrastructure and the provision of services across NSW, along with providing for consultation with relevant public authorities during the assessment process. It includes provisions relating to traffic generating development (which includes the subdivision of land) and development adjacent to road corridors or reservations. The planning proposal will not contain provisions that will conflict or obstruct the application of the SEPP in this regard.
KOSCIUSZKO NATIONAL PARK - ALPINE RESORTS 2007	Not relevant

SEPP	Consistency / Response
MAJOR DEVELOPMENT 2005	Not relevant
SYDNEY REGION GROWTH CENTRES 2006	Not relevant
MINING, PETROLEUM PRODUCTION AND EXTRACTIVE INDUSTRIES 2007	Not relevant
TEMPORARY STRUCTURES AND PLACES OF PUBLIC ENTERTAINMENT 2007	Not relevant
RURAL LANDS 2008	The aim of this SEPP is to facilitate the orderly and economic use and development of rural lands for rural and related purposes. The subject land is earmarked by Council for urban release for residential purposes, given its strategic location close to the existing Mudgee CBD.
EXEMPT AND COMPLYING DEVELOPMENT CODES 2008	Not relevant
WESTERN SYDNEY EMPLOYMENT AREA 2009	Not relevant
WESTERN SYDNEY PARKLANDS 2009	Not relevant
AFFORDABLE RENTAL HOUSING	Through the provision of smaller lot housing and a range of lot sizes across the land, the future delivery of housing will cater to a range of income levels. Broadly, the supply of land for residential development is critical in addressing and preventing housing affordability issues from escalating.

There are no relevant Deemed SEPPs.

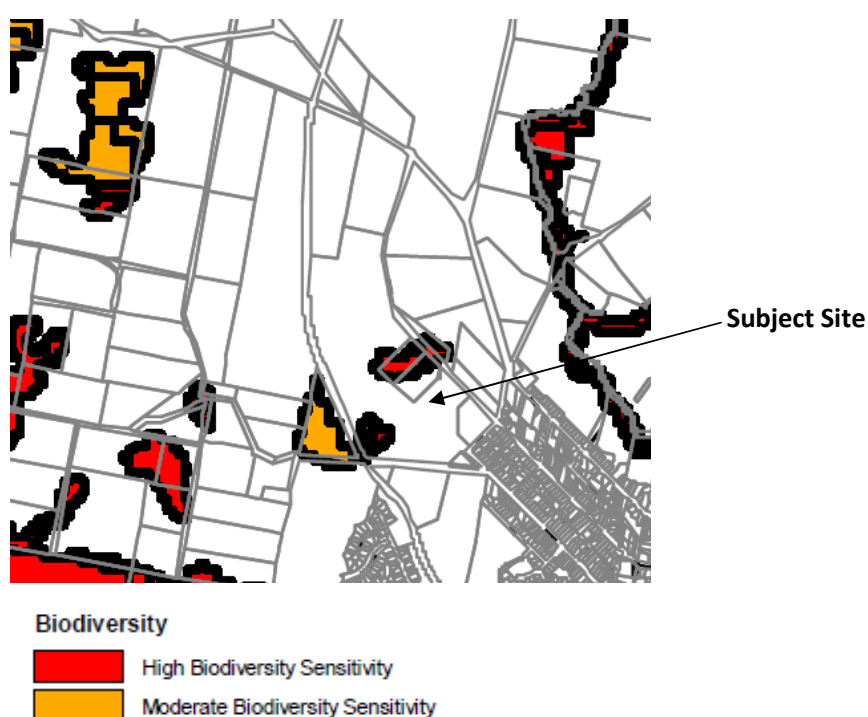
Q7: Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The relevant section 117 Directions are addressed in Appendix 2. The proposal is consistent with those 117 Directions that are relevant to the site.

Section C – Environmental, social and economic impact

Q8: Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

Small pockets of land within the subject site are identified as having biodiversity values under Council's Draft LEP mapping (see Figure 6). Further ecological and biodiversity studies can be carried out as the planning proposal progresses through the Gateway Process should it be considered necessary, to understand the extent of the biodiversity value of the land, and ensure the planning proposal will not cause any detrimental impact on critical habitat or threatened species, populations or ecological communities.



Q9: Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

As set out in *A Guide to Preparing Planning Proposals*, the purpose of this question is to ascertain the likely environmental effects that may be relevant. It states that technical investigations to address an identified environmental issue should be undertaken following the initial Gateway determination.

Technical studies, together with community and public authority consultation, will investigate the potential for other likely environmental effects arising from the planning proposal and explore options for the mitigation and management of any environmental effects.

A review of biodiversity, site contamination and soil salinity should be undertaken prior to development of the site and can be done either post gateway or as a requirements through provisions in the amended instrument.

Q10: How has the planning proposal adequately addressed any social and economic effects?

The proposal will facilitate the development of much needed residential land. Mudgee is currently experiencing a housing crisis with upward pressure being placed on rent through demand for housing from those working in the mining industry. The Department of Planning and Infrastructure with Council have commissioned a Local Services Assessment to investigate the impact of the resources boom on the region. Although it is yet to be finalise, indications are that the planning proposal would be consistent with the outcomes of the assessment in terms of the need for additional residential land.

Section D – State and Commonwealth interests

Q11: Is there adequate public infrastructure for the planning proposal?

The assessment of public infrastructure is a relevant matter. At this stage the following infrastructure has been considered:

Utilities

Essential Energy has advised that there is capacity currently available for the proposal. Taking into account the planned future upgrade of the existing Water Supply System, there is capacity in system to provide potable water supply to cater to the proposal.

Further consultation will occur with telecommunication authorities to confirm the availability of utilities.

Sewer

A new Sewerage Augmentation system to service Mudgee township is currently under construction, consisting of a Sewage Treatment Plant, Pump Station and associated rising main. The plant is being sized to accommodate the planned growth in Mudgee therefore will have capacity to service the proposal.

Roads

There is currently good road access available in the surrounding road and traffic network to service the proposal. More detailed traffic investigations will be undertaken as the planning proposal progresses through the Gateway process.

Waste Management

The existing Waste Management Facility located west of the subject land will have capacity to service the proposal.

It is anticipated that enabling development on the subject land will increase demand on public infrastructure in the area. Consultation will be required on this matter with the appropriate public authorities who will be identified through the initial gateway determination.

Q12: What are the views of State and Commonwealth public authorities consulted in accordance with the gateway determination?

N/A at this stage

Part 4 – Community Consultation

The proposal deals with an issue that is currently generating significant community interest and it is considered appropriate to apply the recommended community consultation for ‘All other planning proposals’ which would include the following:

- An exhibition period of 28 days commencing on the date that a notice of exhibition is printed in the local news press
- Advertising in the local newspaper at the start of the exhibition period
- Advertising on Council’s website for the duration of the exhibition period

Consultation is proposed with the following Government Authorities:

- NSW Department of Planning and Infrastructure
- NSW Roads and Maritime Service (RMS – former RTA)
- Essential Energy
- NSW Office of Water
- NSW Office of Environment and Heritage
- NSW Rural Fire Service
- Australian Rail Track Corporation.

All of the Government authorities and agencies listed above were consulted recently in relation to Councils draft LEP and Land Use Strategy.

Appendix 1

Net Community Benefit Analysis

The following is based on the Evaluation Criteria provided in the NSW Department of Planning Draft Centres Policy, Planning for Retail and Commercial Development. The proposal is considered to be in the public interest and have a positive net community benefit.

- 1. Will the LEP be compatible with agreed State and regional strategic direction for development in the area (eg land release, strategic corridors, development within 800 metres of a transit node)?**

There are no applicable State or Regional strategic directions for development, however, the development is consistent with Council's own Land Use Strategy.

- 2. Is the LEP located in a global/regional city, strategic centre or corridor nominated within the Metropolitan Strategy or other regional/subregional strategy?**

No.

- 3. Is the LEP likely to create a precedent or create or change the expectations of the landowner or other landholders?**

No.

- 4. Have the cumulative effects of other spot rezoning proposals in the locality been considered?**

There are no other spot rezonings of relevance to this proposal, however, this proposal is being undertaken in conjunction with a planning proposal for the balance of land known as Precinct 2.

- 5. What was the outcome of these considerations?**

N/A

- 6. Will the LEP facilitate a permanent employment generating activity or result in a loss of employment lands?**

The proposal will neither facilitate a permanent employment generating activity nor result in the loss of employment lands.

7. Will the LEP impact upon the supply of residential land and therefore housing supply and affordability?

Yes. The housing market within the region is undergoing an increasing level of stress due to the high demand and ability to pay being generated from the mining sector. Core community workers (nurses, police, teachers) are competing for housing in an inflated rental market. Further, the tourism sector is also feeling the strain as a result of a decrease in the number of hotel/motel beds available for tourists as the mining workforce absorb these as a short term option for accommodation through permanent bookings.

The planning proposal seeks to provide for residential uses at the site so that a variety of densities and dwelling forms can be accommodated which meet the needs of a broad range of income bands.

The current land use zoning for the site is for “Investigation” of residential development at the site, recognising the overarching planning strategy that identifies the site for future urban release / residential development. Given the strategic location of the site in an identified urban release area in close proximity to Mudgee CBD, and given the design-philosophy for the land, it is considered that smaller lot sizes (down to 450m²) are appropriate for parts of the site. These higher densities create the opportunity for smaller housing types, more diverse housing types, and thus housing forms that will cater to lower income groups.

Use of the site for a range of residential densities and a variety of dwelling types will make much more effective use of this land, and will be critical in establishing a new, high-quality benchmark for residential development in the region.

8. Is the existing public infrastructure (roads, rail, utilities) capable of servicing the proposed site?

Yes.

Transport

The subject land is strategically located to enable connections to the existing road network surrounding the site, which is capable of servicing traffic movements to and from the subject land and Mudgee CBD, and beyond.

The transport network surrounding the subject land includes:

- Saleyards Lane directly adjoins the site to the east, providing a direct link to the town
- Fairy Dale Lane directly adjoin the site in the south-east corner, providing a direct link to Gladstone Street into the Mudgee CBD.

Access is provided from the subject land directly to these two roads.

In addition to this direct access, the concept plan provides for potential future road connections to the west of the site. As shown in the indicative overarching concept plan, two railway crossings could provide to access from the subject land to the larger release area on the western side. A third connection from the subject land across adjacent land to the northeast, has the potential to provide a direct link to the Castlereagh Highway.

City rail coach services provide connections between Mudgee, other regional centres across NSW and the Sydney CBD. There are currently 16 daily weekday pub services that run on the Mudgee West Bus Loop, between the Mudgee CBD along Gladstone Street to the north-west of the existing urban area. These bus services travel close to the subject site.

Sewerage

A new Sewerage Augmentation system to service Mudgee township is currently under construction and due for completion in early 2013. The new infrastructure includes a Sewage Treatment Plant, Pump Station and associated rising main. The plant is being sized to accommodate the planned growth in Mudgee therefore will have capacity to service the proposed development.

The new Sewage Treatment Plant is located west of subject land, meaning that a connection is relatively straight forward.

Water supply

Mudgee's Water Supply System currently provides potable water to Mudgee township. Recent studies undertaken by GHD for Mid-Western Regional Council identified improvements necessary to achieve target service levels which Council has started to implement. The study also identifies upgrade works necessary for future development in the Mudgee area.

With the planned future upgrades, the existing potable water supply will be able to sufficiently cater for the proposed residential community.

Power supply

Essential Energy has advised that the existing electrical zone substation in Mudgee has Current Capacity of 30MVA and the current demand is presently around 24.5MVA (2011). Therefore there is capacity currently available for the proposal.

9. Is there good pedestrian and cycling access?

The existing railway adjacent to the eastern boundary of the subject site currently does not provide any rail services. However, it is possible that there may be a future need to utilise the railway. A buffer to the railway is provided, which can be used for a range of potential uses such as local roads, open space, drainage and pedestrian and cycling pathways.

Good opportunities for pedestrian and cyclist movement are provided with the proposed road links. In particular, the access point between the site to Fairydale Lane will provide a good opportunity for public pathways for walk and cycle connections.

10. Is public transport currently available or is there infrastructure capacity to support future public transport?

Public transport is limited to privately run bus services. These services can be extended to the site.

11. Will the proposal result in changes to the car distances travelled by customers, employees and suppliers? If so, what are the likely impacts in terms of greenhouse gas emissions, operating costs and road safety?

Yes.

The proposal will encourage reduced car use and travel distances through the following:

- Potential for 'home businesses' and consequent reduction in private vehicle use
- Providing a local activity centre within walking distance of a large proportion of residential dwellings, enabling residents to walk to the local neighbourhood shop to meet their daily needs
- Improving the permeability of the new residential area by creating pedestrian and cycle connection across the site and to Mudgee CBD (via Fairy Dale Lane)
- Provide direct walk and cycle access to the activity centre to encourage an active and healthy community
- Road network access managed by providing a number of access points to connect to surrounding streets
- Internal road layout that balances connectivity and access with amenity to create equal priority for all users.
- Close proximity of the site to the CBD will also facilitate greater use of cycleways.

This will help to reduce greenhouse gas emissions and improve road safety within the residential development and for the surrounding road network.

12. Are there significant Government investments in infrastructure or services in the area whose patronage will be affected by the proposal? If so, what is the expected impact?

No

13. Will the proposal impact on land that the Government has identified a need to protect (e.g. land with high biodiversity values) or have other environmental impacts? Is the land constrained by environmental factors such as flooding?

No.

14. Will the LEP be compatible/complementary with surrounding land uses? What is the impact on amenity in the location and wider community?

Yes.

The immediately surrounding area to the south west is a newly established residential area on the edge of the suburb of Mudgee. The LEP will be compatible with that land, as it provides for an extension of the residential zone. Appropriate road connects are provided to ensure good access and connectivity between the existing and future residential areas.

15. Will the public domain improve?

Not Applicable. The site is currently vacant farmland.

16. Will the proposal increase choice and competition by increasing the number of retail and commercial premises operating in the area?

Not Applicable

17. If a stand-alone proposal and not a centre, does the proposal have the potential to develop into a centre in the future?

Not Applicable

18. What are the public interest reasons for preparing the draft plan? What are the implications of not proceeding at that time?

The proposal serves the public interest through reducing the pressure on the existing housing stock.

A summary of net positive community benefits identified from the preliminary investigations include:

- The rezoning and future development of the subject site accords with agreed local strategic direction for future supply of residential land in the region
- The land presents a unique opportunity to increase the supply of housing within close proximity to an established urban area, including housing of different densities
- Diversity of lot sizes and housing types will bring forward variety to the Mudgee housing market, encourage more affordable housing, and assist in the costs of servicing the land
- The concept plan envisages a range of housing types that present an offering to people of different demographics, family structures and income levels
- The provision of walking and cycle access from the site to the existing Mudgee CBD will encourage a more active and healthy community in the area
- Important environmental lands are retained and protected for the community
- Many other significant public benefits may result from development enabled by this planning proposal including:
 - the opportunity to provide accommodation that meets the needs of current and future residents of Mudgee
 - the opportunity to facilitate new home businesses.
 - Creating new open space/lookout areas to the community

Appendix 2

S117 Ministerial Directions Analysis

Section 117 Direction		Applicable (PP)	Consistent	Remarks
1 Employment and Resources				
1.1	Business and Industrial Zones	Yes	N/A	
1.2	Rural Zones	Yes	N/A	
1.3	Mining, Petroleum Production and Extractive Industries	Yes		
1.4	Oyster Aquaculture	No	N/A	
1.5	Rural Lands	Yes	Yes	The proposal while include land that is proposed to be zoned rural under the Draft LEP. However, the site is identified in the Comprehensive Land Use Strategy on the Mudgee Town Structure Plan as the future urban growth area for Mudgee.
2 Environment and Heritage				
2.1	Environment Protection Zones	Yes	N/A	
2.2	Coastal Protection	No	N/A	
2.3	Heritage Conservation	Yes	N/A	There are no known Aboriginal items at the site identified within any planning instruments. However, an Aboriginal Heritage can be undertaken post-gateway as required to determine that there is no potential impact on items of heritage significance.
2.4	Recreation Vehicle Areas	Yes	N/A	
3 Housing, Infrastructure and Urban Development				
3.1	Residential Zones	Yes	N/A	This direction seeks 'To encourage a variety and choice of housing types to provide for existing and future housing needs; to make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services; and to minimise the impact of residential development on the environment and resource lands'.

				The planning proposal is consistent with this objective and will provide for a range of dwelling types that will support the supply of residential development in the Mudgee region.
3.2	Caravan Parks and Manufactured Home Estates	No	N/A	
3.3	Home Occupations	Yes	N/A	This direction seeks '<i>To encourage the carrying out of low-impact small businesses in dwelling houses</i>'. The planning proposal is consistent with this objective and will provide the opportunity for dwellings that can accommodate small businesses to encourage innovation and incubation of new enterprises on site.
3.4	Integrating Land Use and Transport	Yes	N/A	The planning proposal will be consistent with the Ministerial Direction. It will consider the aims, objectives and principles of <i>Improving Transport Choice – Guidelines for planning and development</i> (2001) and <i>The Right Place for Business and Services – Planning Policy</i> (2001)
3.5	Development Near Licensed Aerodromes	No	N/A	The land has previously been identified by council as land for future residential urban release, taking into account the location of Mudgee airport.
4 Hazard and Risk				
4.1	Acid Sulfate Soils	No	N/A	
4.2	Mine Subsidence and Unstable Land	No	N/A	
4.3	Flood Prone Land	No	N/A	
4.4	Planning for Bushfire Protection	Yes	TBA	Further assessment will be required in addition to consultation with the Commissioner of the NSW Rural Fire Service after the gateway determination and prior to community consultation.
5 Regional Planning				
5.1	Implementation of Regional	No	N/A	

	Strategies			
5.2	Sydney Drinking Water Catchments	No	N/A	
5.3	Farmland of State and Regional Significance on the NSW Far North Coast	No	N/A	
5.4	Commercial and Retail Development along the Pacific Highway, North Coast	No	N/A	
5.5	Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA)	revoked		
5.6	Sydney to Canberra Corridor (Revoked 10 July 2008. See amended Direction 5.1)			
5.7	Central Coast (Revoked 10 July 2008. See amended Direction 5.1)			
5.8	Second Sydney Airport: Badgerys Creek	No	N/A	
6 Local Plan Making				
6.1	Approval and Referral Requirements	Yes	Yes	Will be consistent with Ministerial Direction
6.2	Reserving Land for Public Purposes	No	N/A	
6.3	Site Specific Provisions	Yes	No	This direction applies when the PP will allow a particular development on a specific site. The planning proposal seeks to introduce a new definition by way of a local clause to deal not with a particular site specific development but a type of development not adequately defined in the SI and not provided for within the existing framework of the LEP.
7 Metropolitan Planning				
7.1	Implementation of the Metropolitan Strategy	No	N/A	