

1.1.1 Planning Proposal Lots 16 & 17 DP 756897 Hill End Road Mudgee

REPORT BY THE DIRECTOR, DEVELOPMENT AND COMMUNITY SERVICES TO
7 AUGUST 2013 COUNCIL MEETING

Planning Proposal Lots 16 & 17 DP 756897 Hill End Road Mudgee
A0100056, LAN900015

RECOMMENDATION

That:

- 1. the report by the Director, Development and Community Services on the Planning Proposal Lots 16 & 17 DP 756897 Hill End Road Mudgee be received;**
- 2. Council prepare an amending Local Environmental Plan for Lots 16 & 17 DP 756897 Hill End Road Mudgee to provide for general industrial development with a minimum lot size of 3,000m²;**
- 3. the Planning Proposal under section 55 of the Environmental Planning and Assessment Act for Hill End Road Mudgee be forwarded to the Department of Planning and Infrastructure seeking a Gateway Determination;**
- 4. a further report be presented to Council upon the completion of the exhibition addressing any submissions.**

Executive summary

The purpose of this report is to allow Council to consider the preparation of an amending Local Environmental Plan (LEP) to rezone Lot 16 and 17 DP 756897 Hill End Road from RU1 – Primary Production zone to IN1 General Industrial. The total area subject to the rezoning is 19.24 ha. The planning proposal estimates a lot yield of 55 lots however the recommendation of this report would reduce the lot yield as it is recommended to increase minimum lot size to 3,000m².

The proposed zone of the subject site is consistent with the Comprehensive Land Use Strategy. (CLUS) Should Council support the planning proposal it will be forwarded to the Department of Planning and Infrastructure (DoPI) for a gateway determination. The gateway determination will stipulate if the rezoning should proceed, necessary referrals, any additional information required and exhibition requirements.

A full copy of the planning proposal prepared by Barnson on behalf of Adam Woods is attachment 1 to this report.

Detailed report

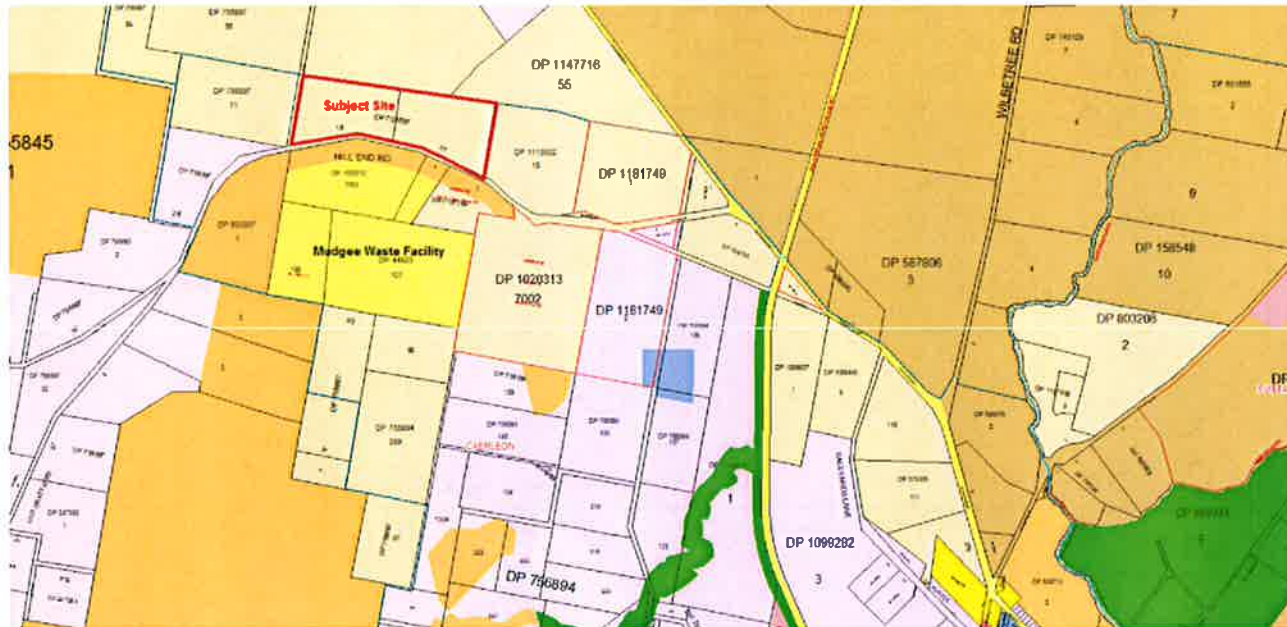
Subject Site

The subject land consists of two (2) lots being Lots 16 and 17 DP 756897 and is located on northern side Hill End Road approximately 1km west of the Castlereagh Highway, on the northern edge of the town of Mudgee.

The subject land is vacant and cleared with both lots containing a dam. The site was formerly part of a larger rural holding which was primarily used as grazing land. The location of the site means

that future industrial development would be suitably located away from the new residential area Caerleon and would benefit from the buffer area that surrounds the existing Mudgee Waste Facility and new Mudgee Sewerage Treatment Plant.

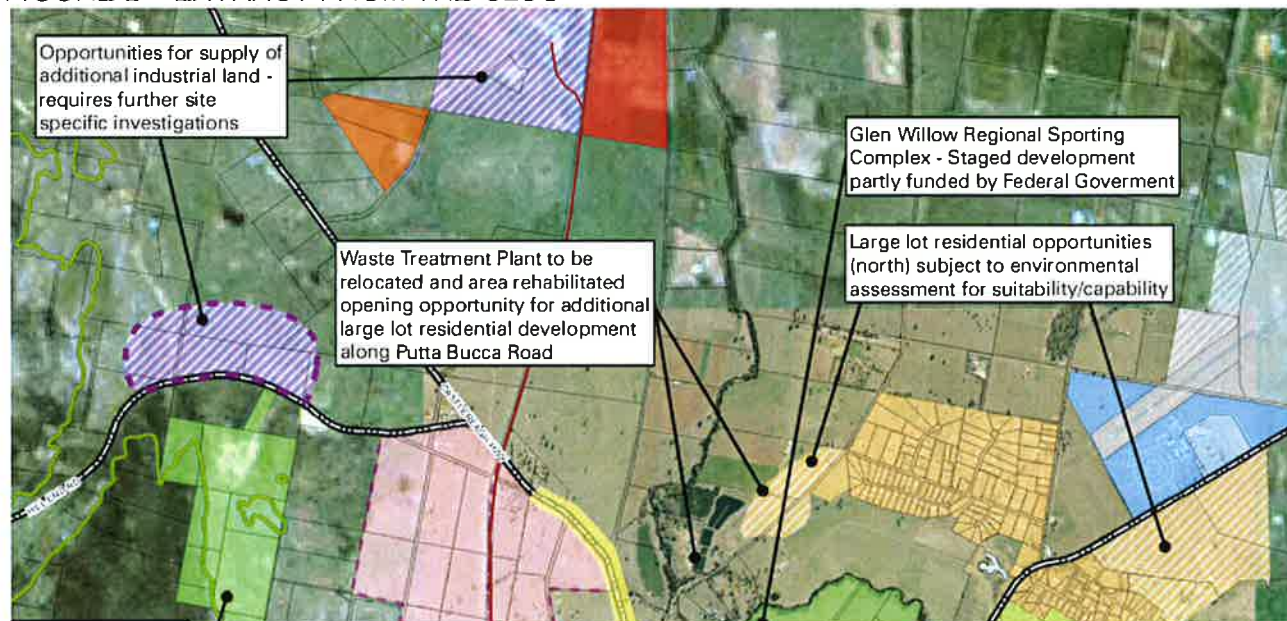
FIGURE 1 – SUBJECT SITE



Comprehensive Land Use Strategy

The rezoning is consistent with the CLUS which indicates that the land provides an additional opportunity for industrial land.

FIGURE 2 – EXTRACT FROM THE CLUS



The CLUS states:

A preliminary investigation identified the land to the north of the Mudgee Waste Transfer Station on Hill End Road as a suitable location for heavier industries. A land area of 54 hectares has been identified, which would yield 100-200 lots based on the current minimum subdivision requirement. This land is not currently serviced by water or sewer and its development will be at considerable expense to Council. It is likely that a new reservoir would be required to feed the site, plus a new sewerage pump station.

The land surrounding and including the former Abattoir site and sale yards is identified for industrial use in the longer term, although development in this area may be limited by the lack of water and sewerage infrastructure. Existing uses rely on groundwater and on-site wastewater disposal, which is not an ideal situation. There are also constraints in terms of flood liable land and neighbouring large lot residential development.

Water

As part of the consideration for the development of the new residential area of Caerleon consideration has been given to the supply of water to the subject site. For this reason, the mains extending through Caerleon have been recognised as part of the distribution system and therefore the site can be connected to the reticulated water supply. Should Caerleon not proceed the burden of cost of extending the main to service the land would need to be investigated. In the case of Caerleon proceeding, the developer of the subject site would be responsible for the extension of services beyond the Caerleon as this extension would only service the subject land and therefore be considered part of the reticulation works rather than distribution works. Council is currently preparing a new Development Servicing Plan (DSP) that will determine new Section 64 charges for this area and the developer would be required to pay Section 64 contributions in accordance with the new plan.

Sewer

As with water, consideration has been given to servicing the subject land in the assessment of servicing Caerleon. The sewer service will be provided via a pump station located at Caerleon. To service the subject site will require an increase in the capacity of the pumps and the cost of increased size of the pumps would be covered by the Section 64 charges. The extension of the sewer lines to service the subject site would be covered by the developer as such an extension would only service the subject site. Should Caerleon not proceed the developer would be responsible for the cost of a pump station. It should also be noted that the developer would be required to pay Section 64 contributions in accordance with the new DSP .

The details regarding the servicing of the site for both water and sewer and the relevant charges would be determined as part of the development application for subdivision. At this stage it is sufficient to recognise that the subject land can be serviced although the cost to developer to service the land may increase substantially should Caerleon not proceed.

Demand/Supply

A land use survey and review of land ownership was undertaken on 26 July 2013. The survey revealed that currently within Mudgee there are 10 lots that are developed and still owned by the developer in the B5 Business Development Zone and the IN1 General Industrial zone. These lots are generally 2,000 to 3,000 m² in area. In addition, there is sufficient land already zoned for an additional 17 lots however there has been an indication from one of the land owners that they do not intend to subdivide thereby reducing the potential yield by 12 lots to 5 lots. In estimating the future potential lot yields the caravan park site and the lots fronting Lions Drive that are developed for residential purposes were not taken into account. Whilst this demonstrates that there is a small supply of industrial lots available it is considered that land for additional general industrial lots should be rezoned having regard to the lead time for the development of lots.

Due to the out of town location of the subject site it is considered that the minimum lot size should be increased to cater for larger industrial uses, with the sites in town to cater for uses that require smaller lots. On this basis it is recommended that the minimum lot size be designated at 3,000 m². The larger lot sizes will allow for the provision of larger areas on each site for truck manoeuvring whilst still accommodating large industrial sheds. Anecdotal evidence has suggested that the demand is higher for larger industrial lots. In addition, the location of the industrial area out of town will encourage users more aligned to general industrial use and therefore the need for larger lots rather than smaller contractors, storage sheds and bulky good retailers that will tend to locate within the town.

The subdivision of land for 38 heavy industrial lots approved at Ulan primarily caters for heavy industrial uses required to support the mining industry and does not compete with the subject land in terms of supply as they are addressing separate markets.

It should be noted that a detailed supply/ demand analysis would be required to rezone any further land for industrial purposes in the region should Council support the rezoning of this site.

Provisions

The intended outcome of the planning proposal is to enable industrial development of the subject site. The provisions will comprise of:

- An amendment to the Draft LEP2012 Land Zoning Map to apply an IN1 General Industrial zone to the site; and
- An amendment to the Minimum Lot Size Map to reflect a minimum lot size of 3000m².

The planning proposal includes a concept layout for subdivision. Support of the planning proposal to rezone the land should not be considered tacit approval of the subdivision layout. Indeed further investigation will be required regarding access to lots and it is considered likely that there will be a requirement for all lots to be accessed via an internal road rather than having direct access from Hill End Road. Should rear yards of industrial uses front Hill End it may be necessary for landscaping to be supplied to act as a visual buffer. In addition, an amendment will be necessary to cater for the increase in the minimum lot size. It is noted that the concept plan designates an area as "offset" which appears to be a dam and overland flow path. It is considered that the land is not an offset area as no demand or need for an offset has been identified. Further investigation will be required regarding the future use and ownership of this land.

Rezoning of the land to General Industrial is consistent with the CLUS. It is considered that the land is capable of supporting the proposed zoning and all outstanding issues are matters for consideration at the subdivision application stage.

Financial implications

The proponent has paid the appropriate fee for the rezoning application. As indicated earlier in this report cost relating to water and sewer contributions will be determined by a new Development Servicing Plan.

Strategic or policy implications

The proposal is consistent with the Comprehensive Land Use Strategy.



CATHERINE VAN LAEREN
DIRECTOR, DEVELOPMENT AND COMMUNITY SERVICES

26 July 2013

Attachment: 1. Planning Proposal prepared by Barnson on behalf of Adam Woods.

APPROVED FOR SUBMISSION:



WARWICK L BENNETT
GENERAL MANAGER