

DANSON AND BLABY PTY. LTD.

177 WALNUT AVENUE, MILDURA VIC. 3500

A.C.N. 159 022 661 A.B.N. 16 159 022 661

(Incorporating The Practices of Thomson & Blaby Pty. Ltd., and Peter R. Danson)

Consulting Surveyors – Civil Design – Town Planning Consultants

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Planning Proposal – Additional Information

1. Justification in relation to Ministerial Directions (S. 117 Directions)

Section 117 of the Act enables the Minister to issue directions regarding the content of Local Environment Plans (LEP) and planning proposals that amend the LEP and the content of the proposal must achieve or give effect to particular principles, aims, objectives or policies set out in those directions and it must be technically competent and include an assessment of the likely impacts of the proposal.

The following identifies each of the key local planning directions which are relevant of the land and planning proposal and makes brief comments in regards to each of the directions.

Direction 1.2 Rural Zones

The objective of this direction is to protect the agricultural production value of rural land, and in this project, the application seeks to rezone the subject land as being suitable for Rural Residential land, from an RU1 – Primary Production Zone where the current minimum lot size shown as AI is 10,000 hectares to an R5 Large Lot Residential Zone under the Wentworth LEP 2011.

In this case the Planning Proposal is considered to inconsistent with this direction as the site is not included within any strategy or plan which proposes to rezone the land. However, the inconsistency is considered to be minor and this is justified by the detail in the economic analysis of small farming lots detailed on Pages 3 and 4 in this submission.

Direction 1.5 Rural Lands

The objectives of this direction are to protect the agricultural production value of rural land and to facilitate the orderly and economic development of rural lands for rural and related purposes.

As in the comments for Direction 1.2 (Rural Zones), this Planning Proposal is inconsistent with this direction as it applies to existing rural and environment protection zone boundaries as this site has not been included within any strategy or

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plan which proposes to rezone the land. However, the inconsistency is considered to be minor and this is justified by the detail in the economic analysis of small farming lots detailed on Pages 3 and 4 in this submission.

2. State Environmental Planning Policy (Rural Lands) 2008

The land is subject to SEPP (Rural Lands) 2008 and the aim of the policy is to facilitate the orderly and economic use and development of rural lands for rural and related purposes.

In response to the Gateway Determination the Department requested that in particular a response is sought for each principle described in Clause 7. As such, the responses to the Clause 7 Rural Planning Principles are as follows:

- a) The promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas.

The planning proposal is consistent with the Rural Planning Principles in that it has identified land that is adjacent to the existing large lot residential land that would minimise the fragmentation of agricultural land and also serve to minimise potential land use conflicts.

The area does not contain State Significant agricultural land and is not located within an area of regional farming significance and it is considered that the land is neither productive nor economically sustainable.

Part of the subject property is watered by furrow irrigation – an irrigation system where small channels run through the vineyard providing irrigation that can only be controlled slightly by the operator as the amount of water that each vine receives is sporadic.

As such, the property cannot be considered a sustainable economic activity as it requires significant capital investment to provide under vine irrigation infrastructure and additional pumping facilities before any investment is even made into other fruit varieties that could be planted on the land.

- b) Recognition of the importance of rural lands and agriculture and the changing nature of agriculture and of trends, demands and issues in agriculture in the area, region or State.

It is acknowledged that economic activities in rural areas make a significant contribution to the NSW economy and in 2006/07 it was estimated that agriculture contributed \$7.3 B to the economy of NSW. The value of the agricultural commodities produced and future planning for these areas is a key to the social, economic and environmental sustainability of rural areas. However, the Roberts

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families have been owners of Lot 73 since 1957 and the site is planted to wine grapes as shown in the view in Figure 2 of the Determination.

The plantings are a mixture of Gourdo and Shiraz grapes that are approximately 46 years old. However, Lot 56 in contrast is a considerably older holding with plantings being predominantly sultanas (dried fruit) that are more than 70 years old and near the end of their productive life and they have effectively been abandoned with some citrus planted on some of the that is only a few years old.

In studying Figure 2 shown in the Determination, however, to the north of the site is the Gol Gol Creek which makes the surrounding land in that direction inaccessible to future rural agricultural usage and all of the land to the east of the site is covered in native vegetation that cannot be used for extended horticultural plantings.

As such, in considering the planning for rural areas to recognise the trends and ongoing change to agriculture it is acknowledge that this property cannot be restructured to achieve productivity for future economic activities.

c) Recognition of the significance of rural land uses to the State and rural communities, including the social and economic benefits of rural land use and development.

Within the close horticultural districts to the Murray River for irrigation purposes, independent agricultural and rural planning advice for the proper management and development of rural area has concluded that horticultural land sizes need to be a larger size.

Modelling was undertaken for three farm sizes based on the survey stratification by ABARES (Australian Bureau of Agricultural and Resource Economics and Sciences) and presented at the 2012 annual conference of the Australian Agricultural and Resource Economics Society.

The table below provides detail of that analysis:

Farm Size	Average Area	Crop Revenue (\$/hectare)	Variable costs (\$/hectare)
Small	6.0	\$ 14,382	\$ 18,915
Medium	13	\$ 12,537	\$ 13,150
Large	52	\$ 11,716	\$ 7,849

Source: ABARES

The total variable costs by farm size include hired labour, fertilisers, chemicals, fuel, oil and grease, repairs and maintenances, contracts, depreciation, family labour and other costs

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Wine grapes are a perennial crop with a life cycle of 20 to 30 years. It takes about three years for a new vineyard to yield the first commercial harvest and additional years to reach its maximum potential.

To establish a new vineyard, costs are incurred for purchasing land and water titles, for constructing irrigation systems, for trellising and other vine establishment costs, and for acquiring machinery and equipment.

Estimates of these costs for each farm size are as follows:

Farm Size	Average Area	Establishment Costs (\$/hectare)
Small	6.0	\$ 73,213
Medium	13	\$ 67,224
Large	52	\$ 60,648

Source: ABARES

Within the Sunraysia region there are hundreds of horticultural properties that are significantly less than the minimum size, and in the application Lot 56 is 9.51 ha. and Lot 73 10.52 ha. and this reflects the existing agricultural trends within the region.

Whilst the proper management and development of rural areas has significant social and economic benefits to local rural communities, the role of agriculture, including new and innovative forms, cannot necessarily facilitate the social and economic rejuvenation of the local communities because of the costing factors described by ABARES.

d) In planning for rural lands, to balance the social, economic and environmental interests of the community.

It is acknowledged that rural lands have a range of social, economic and environmental values including agriculture, extractive resources, water resources, environmental services (such as water quality management), tourism, housing, conservation, landscape values and sustaining rural communities.

At times these values may compete with each other, however sound strategic planning can avoid conflict. For instance introducing appropriate farm-based tourism uses to rural zones can permit tourism activity and the associated economic benefits while at the same time complement the existing agricultural activity.

The location of extensive horticultural areas throughout the Sunraysia region complements this principle, however, the subject land that is within the Gol Gol

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region is now isolated and will not be a necessity for ongoing farm based tourism. However, the application proposal will provide a good balance between the social, economic and environmental interests of the community.

e) The identification and protection of natural resources, having regard to maintaining biodiversity, the protection of native vegetation, the importance of water resources and avoiding constrained land.

The existing Wentworth Shire Rural Lands Strategy has identified key rural resources and environmentally sensitive lands within the rural landscape including the natural vegetation assets and significant water resources.

This proposal avoids those constrained areas and provides for the protection and ongoing management of land with important ecological values as the proposed dwelling locations and areas suitable for on-site effluent disposal are free of native vegetation.

This then achieves an appropriate balance between social, environment and economic interest of the community by providing opportunities for additional housing choices within an area that is not adversely affected by any significant restraints.

f) The provision of opportunities for rural lifestyle, settlement and housing that contribute to the social and economic welfare of rural communities.

This existing Rural Lands Strategy recognises that productive agricultural land use and continuing investment relies on protection of agricultural resources as well as provision of sensible rural settlement opportunities that do not jeopardise or conflict with rural land uses.

The proposal provides additional rural lifestyle opportunities in a locality where this is already the predominant land use and where active rural residential communities are present and minimises the fragmentation of agricultural land.

g) The consideration of impacts on services and infrastructure and appropriate location when providing for rural housing.

The proposal makes use of existing infrastructure and will have minimal demands for services because of its location. The costs and impacts to the community, Council and the State government for providing access to services and infrastructure will be minimal as they are already significantly in place as shown in the services plans that have been provided.

In addition, as described previously, the subject site is near existing community infrastructure and services at Gol Gol and the large centres in the Mildura (Victoria) area are readily accessible by road and public transport twice daily from a daily bus service to Mildura.

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School bus services also operate to Coomealla High School, Gol Gol Primary School, Mildura Secondary College, Mildura Senior College and St. Josephs College daily to and from Gol Gol region.

h) Ensuring consistency with any applicable regional strategy of the Department of Planning or any applicable local strategy endorsed by the Director-General.

There are no known applicable regional strategies applicable to this Project, however, the increase of the amount of R5 zoned land in the study area will reduce the demand for this form of land use in other less suitable locations.

The Rural-Residential lifestyle settlement that already significantly exists in the Gol Gol region will be complemented by the addition of the new lots that are proposed and the area is well serviced in terms of safe, suitable road access.