

ITEM 3

DRAFT PLANNING PROPOSAL FORMER PORT KEMBLA PUBLIC SCHOOL SITE LOT 1
DP811699 MILITARY ROAD PORT KEMBLA

A Draft Planning Proposal request has been submitted for the former Port Kembla Public School site on Military Road, Port Kembla, which seeks to rezone the subject land for medium density residential use. If the Planning Proposal is supported, the residential development of the site has the potential to add to residential housing supply and mix within Port Kembla and assist in providing local economic demand within the Port Kembla Town Centre.

This report presents the preliminary assessment of the proposal and recommends that Council resolve to prepare a draft Planning Proposal for the land to enable residential development. It is recommended that an Urban Design Review process be used to guide the future built form and required amendments to the Planning Controls.

RECOMMENDATION

- 1 A draft Planning Proposal be prepared to amend the Wollongong Local Environmental Plan 2009 for Lot 1 DP811699 Military Road, Port Kembla (the former Port Kembla Public School site) to enable medium density residential development.
- 2 The draft Planning Proposal be referred to the NSW Department of Planning and Environment for a conditional Gateway determination and the following additional information be requested to be prepared:
 - a An acoustic (noise) report considering the current and future noise generation from the adjacent Port and industrial lands and traffic along Military Road;
 - b A traffic and transport study, to consider potential traffic generation and active transport options;
 - c An urban design review process; and
 - d A preliminary Aboriginal Archaeological Assessment, preliminary Archaeological Assessment and Heritage Interpretation Plan.
- 3 The proposed future built form of the site be guided by the Urban Design Review process involving the site owner and consultants, a representative of Council's Design Review Panel, NSW Ports, the NSW Department of Planning and Environment and a representative of the Port Kembla Chamber of Commerce.
- 4 Following the Urban Design Review process and completion of the requested studies, a further report be submitted to Council outlining the proposed amendments to the Wollongong Local Environmental Plan 2009, in the form of zoning, floor space ratio, maximum building height and minimum lot size. The proposed amendments should also identify the site as a key site on the Key Site Map and propose the deletion of the site specific provision, Clause 7.17 Former Port Kembla Public School.
- 5 If endorsed, a revised Gateway determination be sought and if approved, the draft Planning Proposal be exhibited for a minimum period of 28 days.
- 6 Council advise the NSW Department of Planning and Environment that it is willing to accept Plan making delegation, should the NSW Department of Planning and Environment agree.
- 7 A site specific Development Control Plan chapter be prepared by the proponent in accordance with the "Key Site" designation based on the Urban Design Review process and exhibited with the draft Planning Proposal.

REPORT AUTHORISATIONS

Report of: Renee Campbell, Manager Environmental Strategy and Planning

Authorised by: Andrew Carfield, Director Planning and Environment - Future City and Neighbourhoods

ATTACHMENTS

- 1 Location Map
- 2 Current Zoning Map
- 3 Submitted Concept Plan

BACKGROUND

The site

The site is known as Lot 1 DP 811699 Military Road, Port Kembla (Attachment 1) and was occupied by the Port Kembla Public School from 1917 until 1999. The site is bounded by Military Road, Marne Street, Reservoir Street and Electrolytic Street. The site has an area of 2.195 hectares and is somewhat trapezoidal in shape. The site has a width of 97m and a length of 301m along Military Road and 143m along Reservoir Street.

The site slopes to both the north and the south, from a crest that runs from near Third Avenue to Marne Street / Reservoir Street. The elevation at the crest is some 33m above sea level, sloping down to 28m at Marne Street / Military Road and to 26m at Electrolytic Street. At 33m above sea level, the site is awarded with views in all directions. To the west, the site looks over Port Kembla and Warrawong to the escarpment. It captures views of the ocean to the east; and south, the site looks towards Hill 60. With no development on the subject site, views to the ocean are captured from Church Street.

Background

In 2000, the site was bought by Port Kembla Copper (PKC), due to health concerns, and the Public School relocated to Gloucester Boulevard. At that time, the site land was rezoned from 2(b) Medium Density Residential, to 3(a) General Business by the former Wollongong Local Environmental Plan 1990, (Amendment No. 184). The school buildings were heritage listed as being of local heritage significance.

In 2010, the site was rezoned to B4 Mixed Use as part of the introduction of Wollongong Local Environmental Plan 2009 (Attachment 2). This was partially in response to the over-supply of commercial land in Port Kembla (although retail development was still permitted) and to facilitate a mixed use development proposal that involved residential development and artists' studios. A site specific Clause 7.17 Former Port Kembla Public School enabled a limited amount of tourist and visitor accommodation to no more than 10 bedrooms (proposed artist accommodation in the school building).

Under the B4 Mixed Use zoning, a range of residential and commercial uses is permitted with consent. One of the B4 zone objectives is "to integrate suitable business, office, residential, retail and other development in accessible locations, so as to maximise public transport patronage and encourage walking and cycling". Development in the B4 zone also requires ground floor retail, which has limited development potential.

Under Wollongong LEP 2009 the site currently has a maximum floor space ratio of 0.5:1, a maximum building height of 9m and minimum lot size of 1,999m². The site also retains its heritage listing.

The school building was destroyed by fire in January 2013 along Military Road. The site is currently vacant, although the foundations of the school building remain.

The site is adjacent to a cluster of heritage items along Military Road including:

- Former Port Kembla Fire Station at 59 Military Road;
- St Stephen's Anglican Church of Australia including Rectory and Hall at 99 Military Road; and
- House and shop at 111 Military Road.

The location and local history would also create potential for Aboriginal and non-Aboriginal artefacts on this site.

A few years ago, PKC ceased operation of the Copper Smelter and the company had no further need to retain the land. In 2015, PKC sold the site and it was purchased by the current owner, on whose behalf the request for a Planning Proposal has been lodged.

Context

The site is located to the south of the former Port Kembla Copper (PKC) site (zoned IN3 Heavy Industrial), and to the east of the Port Kembla Town Centre (zoned B2 Local Centre). To the south and east of the site is low density residential development (zoned R2 Low Density Residential). There is a strip of RE2 Private Recreation zoned land separating (buffering) the Residential R2 land along Marne Street, from the Heavy Industry zoned land.

The site is located within approximately eight kilometres of Wollongong City Centre and is accessible to Wollongong by bus (at Military Road frontage), train (850m to station) and private vehicle. In addition, it is located within five minutes' walk of the coastline and the public park at the eastern end of Electrolytic Street (zoned R2 Low Density Residential) and King George V oval to the south. It is less than five minutes' walk from the site to the Port Kembla Town Centre.

Port of Port Kembla

The Port of Port Kembla is State Significant infrastructure. In 2006-2007, Council completed the Port Kembla Land Use Strategy with the intention of it strategically guiding the zoning and planning controls for the Port. The controls evolved into State Environmental Planning Policy (Three Ports) 2013. The aims of this Policy include the protection and efficient development of land at Port Kembla and to ensure that surrounding land is maintained for port-related and industrial uses. Under the Policy, the Port land is zoned IN3 Heavy Industry, and SP1 Special Activities - Port. In 2012 the State Government leased the Port to NSW Ports for 99 years.

The site adjoins the Three Ports SEPP area. Specifically the site is located adjacent to the former Port Kembla Copper (PKC) site which is currently being used for the storage of motor vehicles.

The Illawarra Shoalhaven Regional Plan 2015, objectives include: growing the capacity of the Port of Port Kembla as an international trade gateway – including to protect the port and the freight network from potential encroachment by the expansion of residential areas; creating a robust, diversified economy, including access to high quality jobs; increasing housing density around centres that have access to jobs and transport and are appealing to residents; locating new growth to build the environmental performance of our urban areas and; delivering greater housing choice to suit the changing population needs.

PROPOSAL

The proponent has lodged a Planning Proposal request proposing that the site be rezoned from B4 Mixed Use to R3 Medium Density Residential and RE2 Private Recreation. In conjunction with the rezoning, the Proposal seeks to change the floor space ratio controls from 0.5:1 to 0.75:1, and reduce the minimum lot size from 1,999sqm to 299sqm (within the proposed R3 zoned area). An indicative site development scheme (Concept Plan) illustrating some 110 dwellings (Attachment 3) was provided with the Planning Proposal, comprising:

- Small lot housing fronting Marne Street to the south (1-2 storeys),
- Medium density housing products such as townhouses and terraces (2-3 storeys) through the middle of the site, some with basement parking and some with individual garages at ground level.
- Pedestrian access ways (or laneways) as through-links from Military Road and Reservoir Street. Controlled access points for vehicular movements are identified from Marne, Reservoir and Electrolytic Streets to and from the overall site.
- Three storey residential flat buildings at the northern end of the site, closer to nearby commercial and industry land uses.
- A 'green zone' is proposed along the northern boundary (Electrolytic Street) as a buffer from nearby industry land and activities.

The indicative site development scheme shows approximately 110 dwellings and illustrates one scenario of how the future development of this property could be developed in accordance with the proposed new zoning, residential land use and development controls. Future detailed design (post-Planning Proposal)

will determine the final form and design of buildings, road layouts and public spaces, and a Development Application lodged and assessed.

The following studies have been submitted by the Proponent in support of the Planning Proposal request:

- Planning Proposal amendment to Wollongong Local Environmental Plan 2009, proposed Rezoning of Land for Residential Purposes and Former Port Kembla Public School Site Lot 1 Military Road Port Kembla (September 2016) MMJ Wollongong;
- Detailed Site Investigation (December 2013) Golder Associates;
- Report On Data Re-assessment For Rezoning (September 2016) Douglas Partners;
- Report On Conceptual Remediation Action Plan (September 2016) Douglas Partners;
- Green and Golden Bell Frog Due Diligence Assessment (May 2015) Biosis; and
- Urban Design Report (June 2016) DWA.

In addition to the above, the Port Kembla Port Corporation's report the Port Kembla Outer Harbour Noise Impact report (2010) has also been considered in the assessment.

ASSESSMENT OF ISSUES

Rezoning / land use determining issues

The site

As noted the site has an area of 2.195ha, is trapezoidal in shape and is gently sloping. The site is orientated south-east to north-west. The site does not contain Endangered Ecological Communities and is not flood prone.

Contamination

A key issue is whether the site is suitable for residential development. The former school closed and was relocated due to its proximity to the former PKC smelter and stack. Advice from the EPA reiterates that Council is responsible to consider contamination issues under SEPP 55 as part of the Planning Proposal request.

Three reports addressing contamination issues were submitted with the rezoning request:

1. Detailed Site Investigation (December 2013) Golder Associates

Golder Associates reviewed previous site investigation studies (1996-2012) and collected and analysed soil samples from 30 locations on site and two locations off-site. Golder also installed four shallow water monitoring wells and sampled groundwater from two existing deep monitoring wells.

Golder Associates found:

- Coal washery reject in one-third of locations;
- Asbestos was identified at seven locations situated in the northern and central portions of the site. One sample had a concentration of non-friable asbestos above the investigation value for residential B and commercial / industrial D land use scenarios;
- The concentrations of chemicals of interest were not greater than the limits of reporting and/or health investigation levels adopted for mixed business and medium density residential use;
- The concentrations of three samples of arsenic, 22 samples of copper and seven samples of zinc exceeded the adopted ecological investigation levels;
- The concentrations of total recoverable hydrocarbons at two sample sites were greater than the residential ecological screening levels;
- The concentration of chemical in groundwater samples were within investigation levels, except:
 - § Cooper and zinc, which were greater than adopted marine ecosystem criteria; and
 - § Chromium, copper, lead, nickel and zinc, which were greater than adopted freshwater ecosystem criteria.

Golder Associates concluded that the contamination could be managed by on-site retention (eg burial under roads) and implementation of an Environmental Management Plan.

2. Report On Conceptual Remediation Action Plan (December 2015 and revised September 2016) Douglas Partners

The Remediation Action Plan (RAP) sets out the conceptual methodology by which the site could be remediated in an acceptable manner, with minimal environmental impact, to a condition suitable for the proposed medium density residential land use. The report notes that further data assessment following finalisation of the proposed development design may be required. Further, a detailed asbestos investigation is required prior to remediation.

The report states that the objectives of the final remediation and validation programme will be to:

- Render the site compatible for a proposed medium density residential land use;
- Maintain records of the remediation works undertaken and validate the success of the remediation works;
- Mitigate adverse impacts on surrounding land and waterways during the remediation works by the management of dust, water and noise emissions; and
- Maximise the protection of workers involved with remediation and earthworks.

The report reviewed the Golder Associates work and advice prepared by Senversa Pty Ltd "Management Options, Former Port Kembla Public School" (2015). Douglas Partners found that the site can be rendered suitable for the proposed medium density residential development subject to further data assessment following finalisation of the proposed development design, review of the conceptual remediation strategies and subsequent remediation of the identified contamination issues. A detailed asbestos assessment to delineate the actual extent of asbestos impacted material is considered prudent prior to any remediation. However, it is considered that there is sufficient information for the development of conceptual remediation strategies such as excavation for on-site management or off-site disposal, subject to appropriate ongoing management or appropriate waste classification (respectively).

3. Report On Data Re-assessment For Rezoning (September 2016) Douglas Partners

Douglas Partners reassessed the Golder Associates report data to establish the site contamination issues relevant to the proposed rezoning to a mixed residential use (including low to high density residential) and assess if the site can be made suitable for the most sensitive residential land use, being residential with gardens or accessible soil.

Douglas Partners found that the site could be rendered compatible for the proposed low to high density residential land use subject to further investigation, subsequent development of appropriate remediation strategies and subsequent completion of the appropriate remediation and validation in accordance with the finalised Remediation Action Plan. They recommended that the following further investigation be undertaken in order to finalise the remediation strategies;

- Vertical delineation and leachability assessment of the heavy metal impacted soils;
- Further investigation of the localised total recoverable hydrocarbons contamination in order to establish the source, its extent and the potential risk; and
- A detailed asbestos investigation.

Douglas Partners indicated that the further investigation could be undertaken once the land has been rezoned to mixed residential (ie as part of the development application process).

Douglas Partners indicated that potential management strategies for the heavy metal, total recoverable hydrocarbons and asbestos contamination could include off-site disposal, on-site treatment, off-site treatment or on-site containment.

Based on the submitted reports, it is concluded that the site is contaminated, although can be rehabilitated to enable residential development. A site auditor will be required to monitor the development.

Proximity to the Port

Another key issue is the proximity of the site to the Port of Port Kembla. The EPA and NSW Ports are concerned that future residential development on the site may lead to complaints that could limit 24 / 7 operations at the Port. The Port is a key economic driver for the State and region.

There is a question as to whether noise and amenity controls should be located at the source (within the Port) or at the receiver (within the surrounding development), or both. Control measures will be required at both the source and receiver. The proposed 10m green zone / landscape buffer is not considered to be an adequate control measure and further design work is required to ameliorate against Port generating noises. Noise issues are further discussed later in this report.

Proximity of Port Kembla Town Centre

The site is adjacent the southern end of the Port Kembla Town Centre, although separated by Military Road and an IN2 Light Industrial strip. Council's Port Kembla Town Centre studies prepared by GHD (2007) and Pracsys (2010) have suggested that Port Kembla has had an over-supply of retail-zoned land. The creation of additional retail space in the vicinity cannot be justified. The site does not support the Town Centre with its current zoning. Increased residential development in close proximity to the Port Kembla Town Centre will help support businesses within the Town Centre.

Flora and Fauna

The site has been cleared of native vegetation. The site does contain trees that were planted during its life as a Public school. Since the schools' closure, weeds have grown.

Council's preliminary assessment identified the need to assess the potential impacts of the Green and Golden Bell Frog. A Green and Golden Bell Frog assessment was undertaken by Biosis, in May 2015. Biosis found that the property itself has minimal habitat values for the Green and Golden Bell Frog and there should be no limitations for development and that no further assessments are required. However, they recommended among other things, that during future development, a qualified Ecologist should be contacted in the event that a Green and Golden Bell Frog is discovered on site. All safeguards identified by Biosis, can form part of the conditions attaching to a development consent for future development of the site.

Heritage

The site is heritage listed under the Wollongong Local Environmental Plan 2009. Although the former school building burnt down in 2013, potential for both Aboriginal and non-aboriginal archaeology remains on-site. In this regard, it is proposed to retain the heritage listing of the site as part of the Planning Proposal. The site is also a prominent location with potential to reflect its past social significance as a school. In relation to the site's heritage status it is considered that heritage interpretation could be utilised to reflect the historical significance of the site. A Heritage Interpretation Plan can be undertaken as part of the required studies should the Planning Proposal proceed past a Gateway determination.

Preliminary Heritage assessments for potential archaeology both Aboriginal and non-indigenous should also be prepared as part of the Gateway requirements.

The site is adjacent to three other heritage items, St Stephen's Anglican Church, former Fire Station and a dwelling house / shop on the corner of Third Avenue / Military Road.

The heritage value of the site and its context, sitting adjacent to a number of heritage items should inform future design. This can be detailed in a site specific DCP should the Planning Proposal proceed past a Gateway determination.

Noise

A noise or acoustic report was not submitted as part of the rezoning request.

In 2010 the Port Kembla Port Corporation (PKPC) prepared a noise impact study examining the impact of noise and vibration generated from the proposed Outer Harbour Development. The study did not consider the impacts from the Port on the site, but did consider the impacts on 2 Reservoir Street, which is immediately opposite the north-east corner of the subject site.

That study suggests that the noise damping provisions on the Outer Harbour land should be best practice and equivalent to those at the Port Waratah Steelworks (Hunter River, Newcastle). It indicates that there is some acoustic impact on the subject site, but that:

- The noise damping impact of the South Yard is significant;
- “PKPC’s commitment to use acoustically considerate equipment where possible and to consider the acoustic impact of operations at detailed design stage, is likely to result in lower noise levels at receivers than those predicted in this assessment”. PKPC will consider operational controls and additional mitigation where appropriate to further reduce the noise impact of operations; and
- “If the number and type of plant involved in construction varies significantly from that proposed, it is recommended that additional noise assessment be carried out...to gauge the likely impact at nearby receivers”.

Similarly, it is anticipated that an acoustic report will accompany any development application for the development of the adjacent Port Kembla Copper (PKC) site. If required, noise buffer and controls may be required to be constructed on PKC land, to mitigate impact on the land to the south.

It is also appropriate for noise attenuation measures to be required on the subject site, to mitigate the impact on future residents. The proposed 10m wide strip of RE2 Private Recreation land along the north-eastern site does not seem likely to achieve a significant improvement in noise and amenity. Noise attenuation will need to be achieved through building design and materials.

If the proposal is supported, it is recommended that an acoustic report be required as part of the Gateway determination and relevant design strategies to ameliorate against noise be integrated into a site specific DCP.

Proposed future use

The following table summarises potential broad zoning options, and their merits:

Zoning option	Advantages	Disadvantages
Rural	<ul style="list-style-type: none"> • Gentle slopes. 	<ul style="list-style-type: none"> • Contamination / cost of remediation; • Uneconomic use of land.
Residential	<ul style="list-style-type: none"> • Additional housing in close proximity to Port Kembla Town Centre; • 850m to Port Kembla Rail Station; • Large enough site, to provide a mix of housing products and densities; • Gentle slopes; • Current B4 zoning permits residential development (with ground floor retail). 	<ul style="list-style-type: none"> • Adjacent the Port – potential amenity impacts.
Business	<ul style="list-style-type: none"> • Current B4 zoning permits retail; • Gentle slopes. 	<ul style="list-style-type: none"> • Port Kembla has an over-supply of business zoned land. Retail development would further erode the viability of the Town Centre.
Industrial	<ul style="list-style-type: none"> • IN3 zoned land is located to the north (PKC site); • IN2 zoned land is located to the west on the other side of Military Road; • May act as a buffer between the Port and existing residential development; • Lower remediation costs; • Gentle slopes. 	<ul style="list-style-type: none"> • The site adjoins residential development to the west (part), south and east (part); • The community is unlikely to support Industrial development encroaching into a residential area.
Open Space	<ul style="list-style-type: none"> • Provides a buffer to the Port; • Dimensions large enough to support recreation; • North-south orientation; 	<ul style="list-style-type: none"> • Uneconomic use of land; • Site unlikely to be purchased by Council for public open space.

Zoning option	Advantages	Disadvantages
	<ul style="list-style-type: none"> Site not developed for residential or commercial purposes; Lower remediation costs. 	
Environmental Protection	<ul style="list-style-type: none"> Site not developed; Provides a buffer to the Port; Lower remediation costs. 	<ul style="list-style-type: none"> No Endangered Ecological Communities or other attributes that warrant environmental protection zoning; Uneconomic use of land.

It is recommended that Council support the commencement of the Planning Proposal process to rezone the site to enable residential development. The form of residential development is discussed in the following section of the report.

In the vicinity of the subject site, there is increasing evidence of significant improvement in the quality of the housing stock; a new dwelling has been constructed immediately adjacent the site in Marne Street and there are large dwellings at the eastern end of Electrolytic Street.

Development / design issues:

Concept Plan

The proponent submitted an Urban Design Report which outlines the site's context, provides analysis of the site, and presents one site concept design (as detailed earlier).

It is considered that the concept design has a number of matters which require further consideration:

- Only presents one design massing without presenting design principles or relevant design criteria for high quality outcomes for the site;
- Should the site be developed as a whole or a series of streets;
- Building Height options;
- An adequate buffer to the Port;
- Density and design options – low, medium or high;
- Lack of character direction;
- Doesn't present information to explain building massing or Gross Floor Area calculations and how these relate to floor space ratio;
- Doesn't look at broader connections / open space, key crossing needs etc;
- Consideration of public space / private;
- Street grid alignment;
- Doesn't respond to the local housing market or economics, including housing affordability and adaptability.

It is considered that further urban design work including scenario modelling and testing is required to guide the future built form housing mix and required planning controls. It is proposed that an Urban Design Review process be undertaken involving the owner and their consultants, Council's Design Review Panel, NSW Ports, the NSW Department of Planning and Environment, and a representative of the Port Kembla Chamber of Commerce.

Wollongong LEP 2009 (Clause 7.18) allows for the designation of certain sites as "Key Sites". These are sites which are of their nature reasonably large and have the potential to revitalise town centres and provide both significant economic or social return and significant public domain benefit. The LEP clause provides that they can only be developed if they deliver the highest standard of Architectural and Urban Design. If Council identifies a site which has the qualities to become a Key Site the site can attract development bonuses and any development application in relation to it, must be referred to Council's Design Review Panel. It should be noted that, while the proponent does not specifically refer to the

potential of the subject site to be considered a “Key Site”, the proposal seeks the increase of both the permissible floor space and the permissible building height over the site.

The proposal was not accompanied by an economics’ report which consider Port Kembla’s housing supply and demand. Council’s Community Profile indicates that Port Kembla has a population of 5,234 persons, who occupy 2,139 dwellings the majority of which are single dwelling houses (74.8%). Port Kembla has a SEIFA Index of Disadvantage of 872.4 which is the fifth most disadvantaged community in the LGA. This is a combination of a higher unemployment rate (11.2%), lower average incomes, lower educational attainment and more workers in lower skilled jobs.

It is important that Council considers the proposed built form and housing mix as part of the proposal and how it may benefit Port Kembla. There may be opportunity to consider increasing the floor space ratio and height controls where there is a community benefit of providing some low income or social housing within the development. This could be achieved through inclusionary zoning, a Planning Agreement or a specific provision in the LEP. It is proposed that this issue be considered as part of the Urban Design Review.

The site is relatively large, sits on the highest point of the locality, with good visual exposure from most directions and lies in close proximity to the Port Kembla Town Centre. In addition, it has potential to integrate with both Council’s Port Kembla 2505 Study and the Port Kembla Town Centre Façade Program. The 2505 Study will explore such issues as: key links and connections across the suburb, opportunities for residential growth and views and vistas, while the objective of the Façade Program is to encourage more visitation and engagement in the town centre through the creation of lively interesting local streets.

Traffic Issues

The site is located on Military Road and is surrounded by roads.

A Traffic Study was not submitted with the Planning Proposal request and as the site has the potential to qualify as a “Key Site”, it is considered that a traffic study can be undertaken post Gateway determination, prior to exhibition of the proposal.

The Urban Design Review and Traffic Study should also consider whether the existing road network should be extended into the site (eg extend Church Street), whether Electrolytic Street should be widened, the appropriate access points as well as the effect of the increased development on the surrounding road network.

Any future Development Application for development of the subject site would need to be accompanied by detailed assessment of traffic impacts, car parking, site servicing / manoeuvring and waste collection.

Potential for Open Space/Recreational linkages

Between the Metal Manufacturers industrial site and the current Port Kembla Public School there is a strip of land zoned RE2 Private Recreation which both acts as a buffer between the heavy industry land and the R2 Low Density Residential land and provides a pedestrian and visual link between the coastline and the middle-western end of Electrolytic Street. The proposed RE2 Private Recreation zoned land proposed for the northern boundary of the subject site, has the potential to expand the existing recreational buffer strip, however, a wider buffer may be required.

Servicing

The site has been previously and will be able to be serviced by water, sewer, electricity and telecommunications, although some augmentation may be required to cater for the higher demand.

The site will be required to manage increased storm water runoff through on-site detention.

CONSULTATION AND COMMUNICATION

To assist Council’s assessment preliminary consultation occurred with the NSW EPA and NSW Ports, as key issues are potential contamination and matters of residential amenity given the proximity to the Port.

If the Planning Proposal request is supported, and a Gateway determination issued, community consultation will occur.

The EPA

The EPA submission acknowledges that there is currently no specific use planned for the adjoining PKC site, but that Ports and intermodal terminals require protection from urban encroachment and that new developments should be planned to avoid land use conflicts up front through spatial separation. The EPA raised concern that increasing residential densities at the site as proposed may be inconsistent with the strategic planning for this location.

The EPA notes Council's responsibilities for a land contamination assessment to be undertaken in accordance with SEPP 55.

Comment: As noted above, the Planning Proposal request was accompanied by a report on Conceptual Remediation Action Plan which found that the site can be "rendered compatible for the proposed residential development subject to detailed asbestos delineation, finalisation of the remedial strategy and appropriate remediation in accordance with the finalised strategy".

There are a range of existing residential dwellings with the same proximity to the Port as the subject site. Through appropriate site layout and building design and materials, appropriate measures can be put in place to alleviate the potential noise generated by the adjoining Port lands.

On this basis and in relation to the above study findings, it is considered acceptable and appropriate to proceed to Gateway determination of the proposal.

NSW Ports

The NSW Ports submission drew attention to the objectives of the IN3 Heavy Industry zone, as outlined in the Three Ports SEPP, principally: to provide areas for those industries that need to be separated from other land uses and; to minimise any adverse effect of heavy industry on other land uses. NSW Ports suggest that freight and logistics activities are likely to impact on noise levels and the general amenity of the surrounding areas to some extent.

The acoustic study commissioned by the (former) Port Kembla Port Corporation for the Outer Harbour proposal, confirmed that noise impacts would occur, but concluded that these did not fall outside acceptable exceedance levels, that the study was likely conservative and in any event, that noise levels could be managed with appropriate barriers constructed as necessary – and within the PKC land.

NSW Ports suggested that an area zoned IN2 Light Industry, would provide a more appropriate buffer between port-related industry and residents (than the narrow RE2 Private Recreation open space buffer indicated on the request for Planning Proposal concept drawings) indicating that the Proponent had not undertaken any studies to assess the potential impact of future development (of the PKC land) on the site.

NSW Ports also suggest that the proposal contravenes the priorities established in the Illawarra-Shoalhaven Regional Plan.

Comment: The site adjoins, but is not within the Three Ports SEPP area. The Three Ports SEPP was proposed partially to prevent inappropriate development from encroaching into the Port area, to "ring fence" the Port. The Three Ports SEPP does not apply beyond the Port. It is agreed that future development within the Three Ports area may impact on the amenity of the surrounding area, and that the operations of the Port should not be limited by the surrounding development. For example, the Port operates 24 / 7 and a night curfew, similar to Sydney airport, would restrict its operations. Noise and amenity controls should be located at the source (within the Port) and at the receiver (within the surrounding development). The proposed Urban Design Review process includes a representative of NSW Ports to enable their concerns to be considered in the design outcome.

PLANNING AND POLICY IMPACT

Illawarra-Shoalhaven Regional Plan 2015

The Illawarra Shoalhaven Regional Plan 2015, contains objectives including growing the capacity of the Port of Port Kembla as an international trade gateway. The Regional Plan also includes objectives: creating a robust, diversified economy, including access to high quality jobs; increasing housing density around centres that have access to jobs and transport and are appealing to residents; locating new growth to build the environmental performance of our urban areas and; delivering greater housing choice to suit the changing population needs.

The Regional Plan invites development which: increases housing density around centres that have access to jobs and transport and are appealing to residents; locates new growth to build the environmental performance of our urban areas and; delivers greater housing choice to suit the changing population needs.

The physical evidence of new housing adjacent to the subject site indicates that new residents are now establishing or moving into, the immediate area and are building new homes. This could be because the area has proximity and easy access to both Wollongong City Centre and the coastline. Increasing the number of residents adjacent to a declining local shopping centre, has the potential to allow it to regain lost economic momentum and thereby, to offer lost and new services. New spending could have the effect of assisting shop owners in the maintenance of buildings, which serve an important heritage precinct.

Proximity to Port Kembla train station is appropriate for residential development.

Wollongong Housing Study (2005)

The Wollongong Housing Study (2005) found:

- West Dapto was the only area suitable for greenfield residential development;
- While Wollongong had an oversupply of low density housing, there were 40% too few medium density dwellings in the local government area;
- Demand for affordable housing was increasing; and
- In excess of 32,000 dwellings were required by 2031, with 31% of those to be townhouses and 19% to be medium / high density.

Wollongong Retail Centre Study (2004)

The Wollongong Retail Centre Study (2004) study confirmed that it is in the south-west corridor that much of the potential for new residential and employment growth is concentrated ie west of the highway at West Dapto and Kembla Grange. However, the study also found that the new container terminal at Port Kembla is expected to generate up to fifteen hundred jobs.

In relation to Port Kembla Town Centre, it found that 55% of the retail floor space was empty and that the centre had at best, "Local Centre" status. The study suggested that the future role of Port Kembla Shopping Centre was to meet the limited needs for convenience shopping and entertainment.

Council has also carried out studies into the revitalisation of Wentworth Street, Port Kembla as a main street. These have found that there is currently insufficient demand to support the current town centre.

Rezoning the subject site from mixed use to residential is therefore appropriate in this context, as it is not required for the future expansions of the town centre.

Community Strategic Plan

This report contributes to the delivery of Wollongong 2022 goals "We are a healthy community in a liveable city". It specifically delivers on the following:

Community Strategic Plan	Delivery Program 2012-2017	Annual Plan 2016-17
Strategy	5 Year Action	Annual Deliverables
5.1.5 The long term needs of the community, including our people and our places, are effectively planned for	5.1.5 Continue to undertake social, land use and environmental planning activities that assist in service planning	Assess rezoning submissions and progress supported Planning Proposals

FINANCIAL IMPLICATIONS

There are no financial implications arising from this Council report.

CONCLUSION

The draft Planning Proposal request has the potential to add to the residential housing mix within the suburb and assist in providing local economic demand within the Wentworth Street catchment. It is

considered that additional structures and inclusion of the site as a “Key Site” can be undertaken post ‘Gateway’ should Council resolve to proceed with a draft Planning Proposal.

It is recommended that Council proceed with a draft Planning Proposal for this site, including the addition of the site as a “Key Site” in Clause 7.18 and the Key Sites Map and deleting Clause 7.17 Former Port Kembla Public School.