

Preliminary Planning Proposal Planning Report



257 Hermitage Road, Pokolbin

Amendment of Minimum Subdivision Lot Size

Submitted to Singleton Council On Behalf of Belford Land Corporation

December 2014 • 14421

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Executive Summary

This Preliminary Planning Proposal is submitted to Singleton Council (Council) to request that the *Singleton Local Environmental Plan 2013* be amended to permit a minimum subdivision lot size of 10Ha to be averaged across the Site at 257 Hermitage Road, Pokolbin.

The document is divided into three sections:

- Part A Background, the Site, Local Context and Current Planning Controls;
- Part B Response to the Hermitage Road Planning Study and Council Issues; and
- Part C Preliminary Planning Proposal

Background

A Planning Proposal for the subject Site, prepared by Hunter Valley Planning, was submitted to Council in March 2012. The original proposal sought to facilitate primary production and tourism in conjunction with rural dwellings. The proposal included a specific subdivision layout for approximately 50 allotments on the Site ranging in size from 4Ha up to 12Ha.

In response to the Planning Proposal (and two other Planning Proposals), Singleton Council resolved to prepare a review of the planning controls for the Hermitage Road district to provide a strategic land use context for the Planning Proposals and broadly review the minimum lot size controls in the area in light of the significant amount of development occurring on lots smaller than 40Ha.

The Hermitage Road Planning Study was adopted in September 2014. It recommended that Council maintain the 40Ha minimum lot size for the study area. However it also recommended that the Planning Proposal, if revised and resubmitted, be required to address a number of specific issues.

This revised Preliminary Planning Proposal has considered and addressed the issues raised by the Hermitage Road Planning Study, as well as a number of additional issues raised by Council. The revisions to the proposal include increasing the minimum lot size requirements for the Site the total number of lots permitted in a subdivision under the revised proposal is 30, representing a reduction in the number of lots by 20 and an increase in the average lot size from 6.1Ha to 10Ha. The revisions are supported by additional technical studies required by Council.

Need for the Planning Proposal

He need to reduce the minimum lot size average for the Site from 40Ha down to 10Ha is required to facilitate a subdivision pattern commensurate with the majority of the surrounding land holdings in the Hermitage Road vineyard area. The reduced lot sizes will allow for a range of small lot agricultural uses, particularly viticulture as well as associated tourist development and ancillary dwellings in a unique rural/viticultural setting.

The proposed 10Ha minimum lot size average seeks to expand and complement the existing subdivision pattern in the Hermitage Road vineyard district and facilitate the type and scale of viticulture, horticulture and associated tourist development that underpins this unique part of the Hunter Valley Wine Region.

Objectives

The core objectives of this Preliminary Planning Proposal are summarised as follows:

- Create an appropriate minimum lot size for the Site that will facilitate viticulture, horticulture and associated tourism related land uses.
- Facilitate future development on the Site that will contribute to the viticulture critical industry cluster in the region.
- Facilitate future land uses that will be consistent with the existing wine tourism character of the area including vineyards, cellar door and "farm gate" businesses, tourist accommodation and restaurants and cafes.
- Facilitate a land use pattern that will align with the recommendation of the Hermitage Road Planning Study to rezone the area to RU4 Primary Production Small Lots.
- Create future opportunities for tourist facilities such as walking and bike tracks and bridle trails to provide linkages to the Huntlee New Town and associated recreation and conservation areas.
- Create a lot averaging scheme for the Site that will facilitate the retention of important bushland and riparian within single allotments.

Key Planning Issues

Land Fragmentation

While it is noted that a reduced minimum lot size on the Site will diversify the land ownership and development pattern, the 10Ha minimum subdivision lot size will appeal to a market that is suited to intensive viticulture and horticulture production and will therefore not have a detrimental impact on the agricultural capability or production of the land. An appropriate business model and operational example of this market demand for lot sizes commensurate to that of the proposal is shown on the opposite side of Old North Road.

Compatibility with Existing Land Uses

The proposed reduction in minimum lots size will facilitate lots of a size and land use consistent with the adjoining land south of Old North Road. It is therefore expected that a similar range of land use activities will develop on the Site and therefore land use conflicts should not occur with the implementation of current development standards for in Singleton DCP.

Impacts on the Viticulture Critical Industry Cluster

The proposed land use pattern accommodates lots of generally 10Ha in area that will facilitate viticulture, cellar door premises and small scale visitor accommodation. These activities are currently occurring on similar sized lots on land adjoining the Site. Such activities are a key component of the overall viticulture critical industry cluster and the proposed change in lot size is expected to strengthen and expand the cluster.

Bushfire Threat

A Bushfire Threat Assessment for the Site has been prepared to consider and assess the bushfire hazard and associated potential threats relevant to the proposal, and to outline the minimum mitigative measures which would be required for future development in accordance with the provisions of the *Planning for Bush Fire Protection, 2006.*

Landscape and Visual Character

The proposed change to the minimum subdivision lot size will facilitate a type and scale of land use commensurate with adjoining areas to the south of the Site and be consistent with the viticultural nature and land use character of the Hermitage Road vineyard area.

Soil and Land Capability

A soil, land and agricultural resource assessment was undertaken for the Site. The assessment concluded that the Site is suitable for the proposed small lot

agricultural activities that will be facilitated, particularly viticulture. The Site has low levels of salinity and does not show evidence of soil contamination.

Threatened Species

The Site is 82% cleared. Notwithstanding this, an ecological constraints and opportunities assessment has been undertaken for the Site and concludes that notwithstanding the presence of two Endangered Ecological Communities, on the Site, future subdivision can be designed to manage impacts on threatened species, populations and ecological communities and their habitats.

Cultural Heritage

A heritage due diligence assessment was undertaken for the Site to identify whether or not Aboriginal objects are, or are likely to be present on the Site. The assessment identified that the Site contains one registered Aboriginal site (a scatter). A field survey failed to find evidence of the Site which is located on the north-west boundary associated with a creek line. The assessment finds that an Aboriginal Heritage Impact Assessment is not required for the proposal.

Services

The Site is currently not serviced for water and sewer. The proposal will facilitate rural small lots that will be of sufficient size to dispose of sewage through on-site septic systems. Potable water will be soured through rainwater catchment and storage. The Site has access to electricity. The Site also has access to the Pokolbin Irrigation District (PID) line.

Conclusion

The preliminary investigations support the proposed changes to the existing planning controls to facilitate a lot size of 10Ha averaged across the Site. It is recommended that gateway determination is granted to allow further studies to be commenced (if required) and a final planning proposal to be exhibited for public comment.

Part A – Background, the Site, Local Context and Current Planning Controls

1.0 Introduction

This Preliminary Planning Proposal is submitted to Singleton Council (Council) to request that the *Singleton Local Environmental Plan 2013* be amended to permit a minimum subdivision lot size of 10Ha to be averaged across the Site at 257 Hermitage Road, Pokolbin.

JBA has prepared this report on Behalf of Belford Land Corporation, the owners of the Site.

This Preliminary Planning Proposal has been prepared for the purpose of Section 55 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and the guideline prepared by the Department of Planning dated July 2009 entitled *"A guide to preparing Planning Proposals"*. In particular, this Planning Proposal addresses the following specific matters in the guideline:

- Objectives and intended outcomes;
- Explanation of provisions;
- Justification;
- Need for the Planning Proposal;
- Relationship to strategic planning framework;
- Environmental, social and economic impact; and
- State and Commonwealth interests.

This Planning Proposal updates and revises the previous Planning Proposal prepared for the Site dated March 2012. The revised proposal incorporates the findings of the Hermitage Road Planning Study prepared by Singleton Council, and in particular, addresses the key specific recommendations raised in that report in respect of the previous Planning Proposal.

In addressing the outstanding issues, this Preliminary Planning Proposal demonstrates that the change to the land use zoning and minimum lot size in this location has strategic planning merit, and is consistent with facilitating small lot agriculture on the Site under the RU4 zoning recommended for the Site in the Hermitage Road Planning Study.

We request that Council forward the Preliminary Planning Proposal to the Minister for Planning for a 'gateway determination' in accordance with section 56 of the EP&A Act.

1.1 Background

A Planning Proposal for the subject Site, prepared by Hunter Valley Planning, was submitted to Council in March 2012. The original proposal sought to facilitate primary production and tourism in conjunction with rural dwellings. The proposal included a specific subdivision layout for approximately 50 allotments on the Site ranging in size from 4Ha up to 12Ha.

At the time the Planning Proposal was submitted to Council, another two Planning Proposals were also submitted by other land owners in the locality, both seeking to permit residential occupation/development on lots smaller than the permitted lot size under the *Singleton LEP 2013*. In response to the three Planning Proposals, Council resolved to prepare a review of the planning controls for the Hermitage Road district to provide a strategic land use context for the Planning Proposals and broadly review the minimum lot size controls in the area in light of the significant amount of development occurring on lots smaller than 40Ha.

The Draft Hermitage Road Planning Study was prepared in March 2014, publicly exhibited in June and July 2014 and was subsequently adopted by Council in September 2014. The Planning Study recommends that Council maintain the 40Ha minimum lot size for the study area. The study recommends that, if resubmitted, each of the Planning Proposals be required to address specific requirements, as outlined in **Section 6**.

During the exhibition period of the Draft Planning Study, the Belford Land Group lodged a submission raising a number of key issues and concerns with regard to the draft findings and recommendations. The Submission (**Appendix A**) included the following concerns:

- The study failed to provide a vision for the future of the Hermitage Road / North Pokolbin study area to guide and inform the Planning Study;
- The study failed to include a detailed analysis of existing land uses that occur within the study area including characteristics such as the mix of land uses and agricultural activities in the locality and the impact of existing subdivision patterns in facilitating the land use character of the area;
- The study failed to acknowledge nor appreciate the difference in type and scale between the small scale vineyard and tourism operations in the Hermitage Road area and the larger commercial scale operations in vineyard areas to the south;
- The study's planning analysis of the locality was based on a regional and local strategic context that was out of date and failed to properly recognise the significant impact that the new Hunter Expressway and the Huntlee New Town will have on land use and tourism in the locality;
- The study failed to recognise the enhanced role the locality will have as the northern gateway to the vineyards with the opening of the Hunter Expressway;
- The Study failed to consider the potential for the creation of recreational and tourist linkages between the locality and the Huntlee New Town; and
- There was no analysis of the viticulture industry in the study area including consideration of scale, business models and cost structures for these operations;

On the 17th June 2014 Singleton Council issued a letter to Belford Land Corporation advising of Council's resolution at its meeting of 16th June which included:

- 1. The draft Hermitage Road Planning Study prepared by Peter Andrews and Associates Design, dated 25 March 2014, be placed on public exhibition and submissions be invited from members of the public for a period of not less than 28 days.
- 2. The proponents of the three Planning Proposals affecting
 - a. The Hermitage Lot 5 DP 823737 Old North Road Pokolbin;
 b. Hunter Resort Lot 31 DP857280 Mistletoe Lake Pokolbin;
 - and c. Bentwood Estate – Lot 1 DP 270482 Broke Road Pokolbin

be invited to submit formal planning proposals addressing all requirements as detailed in this report and the requirements of the Department of Planning Guidelines for the preparation of Planning Proposals. Should this invitation be declined in writing or written notification of acceptance of this invitation not be received by Council within 28 days of this invitation being sent to the proponents, then the planning proposal shall proceed no further.

A response letter was prepared by JBA on behalf of Belford Land Corporation, on the 8th July 2014 accepting Council's invitation to submit a revised formal

Planning Proposal consistent with the above resolution. The various findings and outcomes of the Hermitage Road Planning Study have been addressed in detail within the following sections of this report.

Council adopted the Hermitage Road Planning Study on 1 September 2014. The Resolution adopted by Council was as follows:

- 1. Council adopt the Hermitage Road Planning Study, March 2014, prepared by Peter Andrews and Associates, as exhibited.
- 2. Subject to available funds Council carry out the recommendations of the study as follows:
 - a. Commission a suitably qualified organisation or person to study and map the agricultural and viticultural capability of the study area, or formulate other means of determining the most effective planning framework for managing land use and the density of development, including subdivision standards, in the Hermitage Road district.
 - b. Review and examine options for adjustments of planning controls (LEP) and development guidelines (DCP) based on the study referred to in recommendation 1 and recommendation 2 a.
- 3. In the review of planning controls and guidelines for the Hermitage Road area, Council have regard to the outcomes of the Branxton Sub-Regional Land Use Strategy and actual impacts (increase traffic) of the opening of the Hunter Expressway (M31) as recorded by Council or Roads and Maritime Services.
- 4. Council write to the proponents of the three planning proposals requesting that the revised proposals be submitted to Council no later than 19 December 2014 or at another date authorised in writing by the Director Planning and Sustainable Environment.
- 5. Request NSW Department of Planning & Environment to endorse the Study.

The adopted study recommended that the RU1 Primary Production Zone in the locality (including the Site) be reviewed with a view to rezoning the area RU4 Primary Production Small Lots. The Study however also recommended that the minimum lot size for subdivision remain at 40Ha. Notwithstanding this, the adopted study included a set of recommendations that a revised Planning Proposal for the Site would be required to address for a revised minimum lot size below 40Ha to be considered. These matters are addressed in **Section 6** of this report and demonstrate that the revised Planning Proposal is consistent with the Hermitage Road Planning Study.

1.2 Key Changes to the Planning Proposal

As a result of the previous Planning Proposal prepared for the Site and the key findings and recommendations outlined in the Hermitage Road Planning Study, a number of key changes and additional expert studies have been prepared to accompany this Planning Proposal. The changes made to the Planning Proposal are a direct response to the issues raised by Council and in the Hermitage Road Planning Study. The Key changes to the Planning Proposal are outlined below:

- Establish a average allotment size across the Site of 10Ha. This will reduce the total number of lots from 50 to 30 across the Site and improve the viability of the lots for intensive agriculture and associated farm gate and tourism activities;
- The preparation of a Soil, Land and Agricultural Resource Assessment to clearly demonstrate the capability of the Site to accommodate intensive agricultural production including viticulture, olive groves and other small scale horticulture. The assessment also confirms the Site's ability to accommodate

on-site waste water management and any potential for soil contamination on the Site (Appendix C);

- The preparation of a Constraints and Opportunities Assessment for threatened species (Appendix G);
- The preparation of a Bushfire Threat Assessment (Appendix E);
- Further justification and analysis of the potential future land uses and how these land uses will complement and expand on the Hermitage Road vineyard cluster and re-enforce the locality's important role as the northern gateway to the vineyards; and
- Preparation of an indicative subdivision layout to demonstrate that the proposed lot size is capable of providing vehicular access in accordance with the Planning for Bushfire Protection Guidelines. The indicative subdivision pattern also demonstrates that the proposed lot size on the Site provides land use pattern that is commensurate with the visual character of the surrounding land (Appendix B).

1.3 The Planning Process

The intent of this submission is to provide Council, as the Relevant Planning Authority (RPA) with sufficient information to form a view regarding the strategic merit of the Preliminary Planning Proposal and to refer the matter to the NSW Department of Planning and Environment's LEP Gateway Review Panel.

It is important to note that at this stage, both Council and the LEP Gateway Review Panel are only required to determine whether the Preliminary Planning Proposal has *strategic merit* and is worthy of further detailed assessment. An LEP Gateway determination will allow for further detailed site investigation, additional technical studies and further concept planning for the Site to occur.

The detailed site investigations will inform the finalisation of the Planning Proposal to allow it to be placed on public exhibition for community consultation, following which it will be fully assessed by Singleton Council with further input from Department of Planning and Environment and other government agencies including the NSW Roads and Maritime Service and the Department of Infrastructure and Regional Development (Cwth).

Notwithstanding this, this Planning Proposal does specifically address the issues raised in the Hermitage Road Planning Study, as detailed within **Section 6.1**.

The steps involved in the LEP Rezoning Process are illustrated in Figure 1 below.



Figure 1 – LEP Amendment Process Source: JBA

2.0 Site Analysis

2.1 Site Location and Local Context

The Site is located at 257 Hermitage Road, Pokolbin within the Singleton Local Government Area (LGA). The Site is 306.34Ha in area and has frontage to Hermitage Road to the north and Old North Road to the east. A small portion of the Site is located on the northern side of Hermitage Road. The Site is elongated in shape being approximately 4.km in length and between 500m and 1km in width.

To the immediate west and south east, adjoining land use and development is characterised by small lot intensive viticulture / horticulture and associated small scale tourist accommodation and ancillary dwellings. To the east and north are areas of more extensive dryland agriculture, principally livestock grazing with significant areas of remnant vegetation.

The Site is located approximately 2km from the Hunter Expressway intersection at Belford and is approximately 14km from Singleton, 18km from Cessnock and 7.5km from Branxton / Huntlee.



The Site

Figure 2 – The Site – Local Context *Source: Nearmaps 2014*

2.2 Land Ownership and Legal Description

The Site is legally described as Lot 5 in DP 823737. The Site is owned by the Belford Land Corporation.

2.3 Existing Development

2.3.1 Existing Use

The Site is currently underutilised and is intermittently been used for pastoral grazing. There are no dwellings located on the Site however there is an existing farm shed located in the north-west portion of the Site with driveway access to Hermitage Road. The Site has existing boundary fences and a number of small dams generally located around the creeks on the Site. The Site has one vehicular access driveway from Hermitage Road and two vehicular access gates along Old North Road. A temporary farm road exists throughout the length of the Site however there are no significant or sealed roadways within the Site.

Photos of the Site are provided below at Figures 3 to 6.



Figure 3 – The Site, facing south from Hermitage Road Source: Belford Land Corporation



Figure 4 – The Site, facing south east from Old North Road Source: Belford Land Corporation



Figure 5 – The Site, facing north from Old North Road *Source: JBA*



Figure 6 – The Site, Old North Road interface *Source: JBA*

2.3.2 Physical Context

The Site displays many undulating hills with a gully depressions running through the northern part of the Site to the north west and through the southern part of the Site to the south. The central part of the Site drains east. The highest point, located in the south eastern section of the Site adjacent to Old North Road, is known as Thistle Hill and is at 143m AHD.

The Site's topography and drainage pattern is shown in Figure 7.

2.3.3 Environmental Factors

Vegetation

The Site has generally been cleared of native vegetation with remnant patches of vegetation consisting of open forest communities commensurate with Central Hunter Ironbark–Spotted Gum–Grey Box Forest and riparian areas of Swamp Oak Forest and River Oak Forest. A small patch of Hunter Lowland Redgum Forest occurs along a watercourse along the north-west boundary of the Site. The largest areas of remnant vegetation are in the south east section of the Site and along water courses in the north west section of the Site.

The Central Hunter Ironbark – Spotted Gum – Grey Box Forest and Hunter Lowland Redgum Forest are both classified as Endangered Ecological Communities (EEC's) and are described in detail in **Section 10.9**.

Approximately 82% of the Site is cleared grazing land. Figure 8 below shows the vegetation communities on the Site.



Figure 7 – Site topography and drainage *Source: RPS*



Figure 8 – Site vegetation *Source: RPS*

Visual Context

The Site has varying visibility from surrounding areas. The visibility of large areas of the central and southern parts of the Site is obscured by a ridgeline that runs along the western (Old North Road) boundary of the Site. This ridge includes the high point of Thistle Hill (143m). A prominent external view into the Site is available from Hermitage Road along the northern boundary at the "gateway" to the Site.

The Site has excellent internal views from more elevated areas in the west towards the east and north.

2.3.4 Services

The Site is not serviced by a reticulated town water supply or sewerage service however existing electricity and telecommunications infrastructure is available on the Site. The Site has frontage and access to the PID, which runs along Old North Road. The provision of services is discussed in **Section 10.10**.

3.0 Surrounding Land Use Context

3.1 Hermitage Road Vineyard District

The Site lies within the Hermitage Road vineyard area and forms the northern section of the Pokolbin Vineyard District which, along with the Lovedale Vineyard District underpins the Hunter Valley Wine Region. The Hunter Valley is one of the most significant wine producing regions in Australia and provides significant agricultural and economic activity through vineyards, wine production and associated tourism development including accommodation, restaurants and recreation.

Within the Hunter Valley Wine Region context, the Hermitage Road area (particularly the northern end near the Site) has developed as a small scale "boutique" wine area with a different character and scale to other parts of the region. The vineyards in the Hermitage Road area are generally small in scale (10Ha) with the vineyard forming part of a diversified business entity that may also include tourist accommodation, horticultural production and restaurants / cafes. The vineyards in this locality generally only engage in the growing of the grapes and either sell their harvested grapes to the larger wine producers in the region, or contract out their wine production. This contrasts with the wine industry further south in the Cessnock LGA which is generally characterised by larger scale, stand-alone commercial vineyards and wine production operations supported by significant tourist infrastructure including resorts, conference centres and golf courses.

The small-scale "boutique" nature of the Hermitage Road vineyard area has enabled it to create point of difference to the larger commercial operations to the south. Vineyards in the area produce smaller volumes of wine which are generally not available for sale widely outside of selected restaurants and local cellar door premises. This point of difference provides an extra dimension to the overall tourist experience in the Hunter Valley with the small-scale vineyards and cellar doors attracting tourists seeking to taste and purchase wine not readily available outside the area.

A land use audit of properties in the Hermitage Road area was prepared by Hunter Valley Planning in 2012 and accompanied the previous Planning Proposal for the Site. This survey was updated by JBA in October 2014 and is included at **Appendix D**. The audit demonstrates the small scale of the viticulture industry in the Hermitage Road area with large number of vineyards with less than 5 hectares under vines. Many of these same vineyards also have associated tourist facilities including small scale accommodation and cellar door facilities.

With the completion of the Hunter Expressway, travel times between the Hermitage Road area and the major tourist markets of Sydney, the Central Coast and Newcastle have been significantly reduced. Prior to the opening of the new expressway, access to the Hermitage Road area from Sydney would have been via Cessnock and Wine Country Drive. Hermitage Road was therefore viewed as being at the far end of the vineyards and more remote in terms of day trips or weekend stays. With the opening of the new expressway, the Hermitage Road district is now faster and easier to access via the Hunter Expressway at Belford. Comparative travel time to this section of the Pokolbin vineyards is now more comparable to the southern Cessnock section of Pokolbin.

3.2 Surrounding Land Uses

A summary of the land uses surrounding the Site is provided below.

Wine and Horticulture

The land uses surrounding the Site comprise a significant number of small scale viticultural operations as well as other intensive horticulture uses such as olive groves and small scale orchards. Generally the wine related development in the locality of the Site includes small scale vineyards of approximately 10Ha in area, complimented with ancillary wine tourism development including cellar door operations or tourist accommodation cabins. Wine tourism development is a major factor in sustaining the ongoing economic viability of the area.

Tourism

A number of tourist accommodation developments populate the Hermitage Road vineyard area adjacent to the Site. The tourist development in the area is generally wine related tourism with accommodation comprising bed and breakfast style cabins and small scale boutique accommodation cabins.

Residential

While the land uses surrounding the Site generally comprise viticulture and wine related tourism, most properties include a residential dwelling, reflecting the smaller scale style viticulture in the area where the vineyard owner is resident.

Agriculture

To the north and east of the Site are number of pastoral/agricultural land holdings that comprise low scale livestock grazing. As previously mentioned, the Site is currently used for the intermittent grazing of livestock.

Retail and Services

The closest major centre to the Site is Singleton, which is identified as a Major Town in the *Upper Hunter Strategic Regional Land Use Strategy*. The Major Regional Centre of Cessnock is also located in close proximity to the Site, as identified under the *Lower Hunter Regional Strategy*. Both centres provide regionally significant retail and services precincts and are located within 20km of the Site. The future development of the Huntlee New Town will provide a regionally significant Town Centre and Commercial precinct including a major supermarket facility within 7.5km of the Site.

Photos of the surrounding development are provided at Figures 9, 10 and 11.



Figure 9 – Adjacent vineyard, Old North Road Source: JBA



Figure 10 – Adjacent tourist accommodation, Old North Road Source: JBA



Figure 11 – Adjacent olive Grove – Old North Road Source: JBA

3.3 Huntlee New Town Development

The Site is located approximately 7.5km to the west of the future Huntlee New Town. The future development of Huntlee will accommodate approximately 21,000 residents and will include a major retail centre, schools and significant community and business facilities. The growth of Huntlee is anticipated to continue for the next 20 years with the Entry Village/Stage 1 residential development currently under construction. The close proximity of the Site to a regional centre will provide increased services to the Site and create a significant increase in the facilities available to tourists in the area including recreation and conservation areas.

The proximity of Huntlee to the Site and Hermitage Road vineyard district provides significant opportunities for improved linkages with the new urban area through the provision of walking and bike trails. Huntlee also provides a significant new population source for day visitors and customers to vineyard, farm gate and tourist operations

Singleton and Cessnock Councils have recognised the impact and growth of the Hunter Expressway will have on development at Branxton and have commissioned a strategic land use study to guide the land uses and growth in the area surrounding the Site. The strategy will be known as the Branxton Subregional Land use Strategy.

4.0 Current Planning Controls

The Site is subject to the local planning controls outlined in the *Singleton Local Environmental Plan 2013*.

4.1 Zoning and Permissible Land Uses

The land is predominantly zoned *RU1 Primary Production* with the portion of the Site located on the northern side of Hermitage Road zoned *RU4 Primary Production Small Lots*. It is noted that while the Site is predominantly zoned RU1 with a small portion on the north side of Hermitage Road zoned RU4. The *Hermitage Road Planning Study* recommends a review of the RU1 zone and proposes that the RU4 zone permits land uses that are more compatible with the surrounding area, refer to Section 5 for further detail. A zoning map of the Site is shown below in Figure 12.



The Site

Figure 12 – Zoning map Source: Singleton LEP 2013

As can be seen in **Figure 12** above, the Site is contiguous with the RU4 Zone and forms a logical extension to the current zoning arrangement.

The zone objectives and land use information is for both zones are outlined below in **Table 1**.

Table	1	-	Land	use	zones
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RU1 Primary Production	RU4 Primary Production Small Lots
Zone Objectives	
 To encourage sustainable primary industry production by maintaining and enhancing the natural resource base. 	 To enable sustainable primary industry and other compatible land uses. To encourage and promote diversity and employment opportunities in
 To encourage diversity in primary 	relation to primary industry
industry enterprises and systems	enterprises, particularly those that

RU1 Primary Production	RU4 Primary Production Small Lots
appropriate for the area.	require smaller lots or that are more intensive in nature.
 To minimise the fragmentation and 	intensive in nature.
alienation of resource lands.	 To minimise conflict between land
 To minimise conflict between land 	uses within this zone and land uses
uses within this zone and land uses	within adjoining zones.
within adjoining zones	 To recognise Hunter Valley Wine
	Country and the adjoining environs of
	Broke-Fordwich as a major viticultural
	and tourist destination by providing additional opportunities for compatible
	tourist uses.
Permitted with Consent	
Agriculture; Airstrips; Animal boarding or	Airstrips; Animal boarding or training
training establishments; Bed and	establishments; Aquaculture; Building
breakfast accommodation; Boat launching ramps; Boat sheds; Building identification	identification signs; Business identification signs; Cellar door premises; Community
signs; Business identification signs;	facilities; Dual occupancies; Dwelling
Camping grounds; Caravan parks; Cellar	houses; Environmental facilities;
door premises; Cemeteries; Community	Environmental protection works; Farm
facilities; Crematoria; Dual occupancies;	buildings; Flood mitigation works;
Dwelling houses; Environmental facilities;	Forestry; Function centres; Helipads;
Environmental protection works;	Home-based child care; Home businesses;
Extractive industries; Farm buildings;	Home industries; Information and
Farm stay accommodation; Flood	education facilities; Plant nurseries;
mitigation works; Hazardous industries; Heavy industrial storage establishments;	Recreation areas; Recreation facilities (outdoor); Restaurants or cafes; Roads;
Helipads; Highway service centres; Home-	Roadside stalls; Rural industries;
based child care; Home businesses; Home	
industries; Information and education	accommodation; Turf farming; Viticulture;
facilities; Intensive livestock agriculture;	Water supply systems
Jetties; Moorings; Offensive industries;	
Open cut mining; Places of public	
worship; Plant nurseries; Recreation	
areas; Recreation facilities (outdoor);	
Roads; Roadside stalls; Rural industries;	
Rural workers' dwellings; Service stations; Sewerage systems; Truck depots; Turf	
farming; Veterinary hospitals; Water	
supply systems	
Prohibited	
Any development not specified in item 2	Backpackers' accommodation; Intensive
or 3	livestock agriculture; Livestock processing
	industries; Sawmill or log processing
	industries; Serviced apartments; Stock
	and sale yards; Any other development not specified in item 2 or 3

As can be seen from the above table, the zone objectives and permissible land uses for the RU4 Zone are tailored towards encouraging a greater diversity of agricultural and associated tourism uses on smaller lots where more intensive agricultural activities can viably take place. A specific objective of the RU4 zone is to recognise the importance of the Hunter Valley Wine Country through facilitating complementary tourist land uses as well as minimising the potential for land use conflicts. The Hermitage Road Planning Study also acknowledged this and found that certain land uses permissible in the RU1 Zone had the potential to create land use conflicts with the viticulture industry in the locality and recommended that the RU1 zone be reviewed with a view to rezoning the RU1 land (including the Site) to RU4 to further safeguard the vineyard areas and enable them to grow.

4.2 Minimum Subdivision Lot Size

The minimum lot size that applies to the Site is 40Ha, as shown in **Figure 13** below. Clause 4.1 of the Singleton LEP provides that the size of a lot resulting from a subdivision is not to be less than the minimum size shown on the lot size map. The subdivision objectives are provided below:

- (a) to protect the productive capacity of agricultural land by minimising potential land use conflicts,
- (b) to maintain viable farm sizes to promote agricultural production,
- (c) to ensure that subdivision does not unreasonably impact on the natural and environmental values of the area and will not lead to the fragmentation of natural areas,
- (d) to encourage social and economic diversity by providing a range of lot sizes in residential areas.

It should be noted that the minimum lot size applying to the RU1 Primary Production zone is the same as the RU4 Primary Production Small Lots zone. Both have a 40Ha minimum lot size for subdivision, notwithstanding that the RU4 zone objectives seek to encourage more intensive forms of agriculture and complementary tourist uses. In this regard the current minimum lot size controls in the Hermitage Road area would not appear to be inconsistent with the RU4 zone objectives.

Clause 4.1C of the LEP permits lot averaging through the creation of lots of any size granted the land to be subdivided will be used for residential purposes and the average area of the lots resulting from the subdivision is not less than the amount shown on the Lot Size Map. Further to this, the consent authority must be satisfied that the development retains and is complementary to the environmental attributes of the land and its surrounds. The land to which this clause applies must be identified as 'Lot average' on the lot size map. The Site is not currently identified for lot averaging under the *Singleton LEP 2013*.



Figure 13 – Minimum lot size map Source: Singleton LEP

4.3 Development within a Designated Buffer Area

The Site lies within the Singleton Military Buffer Area and as such is subject to the provisions of Clause 7.4: Development within a Designated buffer Area. The buffer area controls have regard to the protection of the operational environment of the Military Area particularly in regards to noise mitigation. Pursuant to Clause 7.4, consent must not be granted unless the Consent authority has considered the following:

- (a) the impact that any noise and other emissions associated with existing land uses may have on the proposed development,
- (b) any proposed measures incorporated into the development that limit the impact of such noise and other emissions associated with the existing land use,
- (c) any opportunities to relocate the proposed development outside the land to which this clause applies,
- (d) whether the proposed development is likely to adversely affect the operational environment of any existing development on the land to which this clause applies.

The Site's location within the buffer area is provided below in **Figure 14**. This issue is addressed in detail in **Section 7**.



Figure 14 – Singleton Military Area buffer zone *Source: Singleton LEP*

Part B – Response to Hermitage Road Planning Study and Council Issues

5.0 Hermitage Road Planning Study

5.1 Draft Study Overview and Findings

The draft Hermitage Road Planning Study was prepared in March 2014, publicly exhibited in June and July 2014. The purpose of the Planning Study was to review the Council planning controls in the Hermitage Road Area which was defined as the area bounded by the Singleton Military Area to the west, the Cessnock Local Government Area to the South, and the Huntlee New Town Centre Site to the north east and the Northern Railway Line to the north. The Study area is shown in **Figure 15** below.



Figure 15 – Hermitage Road Planning Study, identified study area Source: Hermitage Road Planning Study

In particular, the purpose of the study was to review the area's minimum lot size controls in view of the development that had occurred in the locality on lots that were smaller than the current 40Ha minimum lot size. The study also was to provide a strategic context for three Planning Proposals that had been received by Council in the locality. The previous Planning Proposal for the Hermitage Road Site was one of the proposals being considered by Council at that time.

The key finding of the draft study was that Council maintain the 40Ha minimum lot size that applies to the Study Area. The study found:

 The Hermitage Road area is identified as a critical industry cluster for Viticulture and is also mapped as strategic Agricultural Lands for Viticulture. Tourist development contributes to the significant economic benefit of the region to the LGA, however is considered to be ancillary to the viticultural industry;

- The wine tourism industry relies on a critical mass of industries and associated facilities in the locality. Rural residential development does not contribute to the wine tourism development of the region as the owners are generally interested in a lifestyle option and not the agricultural production of land;
- Retain the 40Ha minimum lot size for non-agricultural land uses including dwellings and tourist and visitor accommodation to retain the viticultural integrity of the district;
- the mapping of the viticultural capacity including soil mapping and scenic and landscape value be undertaken. This would take into consideration the soil capability for viticultural and other complementary uses and current viticultural land uses as well as historical viticultural areas;
- The RU1 Zone permits land uses that may have a detrimental impact on the viticulture and tourism in the region. A Review of the RU1 Zone and the range of permissible uses in the area is recommended;
- A review of the Singleton Land Use Strategy 2008 and a monitor of the supply and demand of rural residential land should be prepared to assisting meeting future demand for residential development;
- The preparation of the Branxton Sub-Regional Land-Use Study and subsequent recommendations may have an impact on development in the region, specifically on the provision and types of housing. The land use study should be included in the review of the Singleton Land Use Strategy; and
- The preparation of a chapter within the Singleton DCP that is dedicated to the Vineyards district. The Chapter would outline specific controls for this area for protection of the viticulture industry and may identify community infrastructure such as bicycle/walking tracks, information/directory boards, information centres.

With regard to land use zoning, the Planning Study recommended that the RU1 zoning of the Site and surrounding land should be reviewed and indicated that the RU4 Primary Production Small Lots zone provides a more appropriate range of land uses for the area. The Study identified that the range of permitted land use under the RU1 Zone may pose a threat to the integrity of the viticulture industry cluster and as such the RU4 zone may be a more appropriate zone for the study area. The recommended RU4 zone facilitates land uses that are more consistent with the character of development in the area including restaurants and cafes.

On the 17th June 2014 Singleton Council issued a letter to Belford Land Corporation advising of Council's resolution at its meeting of 16th June which included:

- 1. The draft Hermitage Road Planning Study prepared by Peter Andrews and Associates Design, dated 25 March 2014, be placed on public exhibition and submissions be invited from members of the public for a period of not less than 28 days.
- 2. The proponents of the three Planning Proposals affecting
 - a. The Hermitage Lot 5 DP 823737 Old North Road Pokolbin;
 - b. Hunter Resort Lot 31 DP857280 Mistletoe Lake Pokolbin; and
 - c. Bentwood Estate Lot 1 DP 270482 Broke Road Pokolbin

be invited to submit formal planning proposals addressing all requirements as detailed in this report and the requirements of the Department of Planning Guidelines for the preparation of Planning Proposals. Should this invitation be declined in writing or written notification of acceptance of this invitation not be received by Council within 28 days of this invitation being sent to the proponents, then the planning proposal shall proceed no further.

A response letter was prepared by JBA on behalf of Belford Land Corporation, on the 8th July 2014 accepting Council's invitation to submit a revised formal Planning Proposal consistent with the above resolution. The letter accompanied a submission on the draft Land Use Study. The issues raised in the submission are outlined in **Section 5.2** below.

5.2 Belford Land Group Submission

During the exhibition period of the Draft Planning Study, the Belford Land Group lodged a submission raising a number of key issues and concerns with regard to the draft findings and recommendations. The Submission (**Appendix A**) included the following concerns:

- The study failed to provide a vision for the future of the Hermitage Road / North Pokolbin study area to guide and inform the Planning Study;
- The study failed to include a detailed analysis of existing land uses that occur within the study area including characteristics such as the mix of land uses and agricultural activities in the locality and the impact of existing subdivision patterns in facilitating the land use character of the area;
- The study failed to acknowledge nor appreciate the difference in type and scale between the small scale vineyard and tourism operations in the Hermitage Road area and the larger commercial scale operations in vineyard areas to the south;
- The study's planning analysis of the locality was based on a regional and local strategic context that was out of date and failed to properly recognise the significant impact that the new Hunter Expressway and the and the Huntlee New Town will have on land use and tourism in the locality;
- The study failed to recognise the enhanced role the locality will have as the northern gateway to the vineyards with the opening of the Hunter Expressway;
- The Study failed to consider the potential for the creation of recreational and tourist linkages between the locality and the Huntlee New Town; and
- There was no analysis of the viticulture industry in the study area including consideration of scale, business models and cost structures for these operations.

A key concern of the Belford land Group was that the draft study failed to recognise the unique character of the Hermitage Road area in the context of the overall Hunter Valley Wine Region. The draft study viewed the viability of viticulture in the area through the prism of the stand-alone commercial vineyard. It failed to recognise that the Hermitage Road area is characterised by small-scale "boutique" vineyards that operate a more diverse business model that includes other income sources including other salaried or retirement income, complementary tourist development and other intensive agricultural enterprises. The establishment and success of this sector of the wine and tourism industry is the result of the availability of the smaller 10Ha lots in the area.

5.3 Adopted Hermitage Road Planning Study

Council adopted the Hermitage Road Planning Study on 1 September 2014 without any changes. The Resolution adopted by Council was as follows:

1. Council adopt the Hermitage Road Planning Study, March 2014, prepared by Peter Andrews and Associates, as exhibited.

- 2. Subject to available funds Council carry out the recommendations of the study as follows:
 - a. Commission a suitably qualified organisation or person to study and map the agricultural and viticultural capability of the study area, or formulate other means of determining the most effective planning framework for managing land use and the density of development, including subdivision standards, in the Hermitage Road district.
 - b. Review and examine options for adjustments of planning controls (LEP) and development guidelines (DCP) based on the study referred to in recommendation 1 and recommendation 2 a.
- 3. In the review of planning controls and guidelines for the Hermitage Road area, Council have regard to the outcomes of the Branxton Sub-Regional Land Use Strategy and actual impacts (increase traffic) of the opening of the Hunter Expressway (M31) as recorded by Council or Roads and Maritime Services.
- 4. Council write to the proponents of the three planning proposals requesting that the revised proposals be submitted to Council no later than 19 December 2014 or at another date authorised in writing by the Director Planning and Sustainable Environment.
- 5. Request NSW Department of Planning & Environment to endorse the Study.

The adopted Hermitage Road Planning Study, acknowledges that the Planning Proposals that has been submitted to Council should have the opportunity to be revised to take into account the findings and recommendations of the study. In this regard, the study included a number of specific issues that each planning proposal is required to address before Council is able to reconsider them. Council resolved to invite the respective land owners for the proposals, including the Belford Land Group to submit revised proposals for their Site addressing the key issues. The Belford land Group's response to the key issues is in **Section 6**.

6.0 Key Issues Identified in the Hermitage Road Planning Study

The Planning Study provides that the original Planning Proposal for the Site did not proceed to Gateway Determination as a number of issues were not addressed. The Planning Study identifies that the resubmission of the Hermitage Road Planning Proposal is to address the issues identified. It should be noted that several issues raised by Council related to the former proposed Rural Residential land use and are now not relevant to this revised proposal. This Planning Proposal has been amended specifically to address these issues, as outlined below:

6.1 Inconsistencies with the Ministerial Directions, relevant SEPPs, the Singleton LEP, the SLUS, The Strategic Regional Land Use Plan for the Upper Hunter and the Lower Hunter Settlement Strategy.

The Planning Proposal is consistent with the above listed Ministerial Directions, relevant Legislation, Plans and strategies, as outlined below:

6.1.1 Ministerial Directions

The following Section117 Directions are relevant to the Planning Proposal and addressed further below:

- a) 1.2 Rural Zones;
- b) 1.3 Mining, Petroleum Production and Extractive Industries;
- c) 1.5 Rural Lands;
- d) 3.4 Integrating Land Use and Transport;
- e) 4.4 Planning for Bushfire Protection;
- f) 5.1 Implementation of Regional Strategies; and
- g) 6.1 Approval and Referral Requirements.

Section 117 Direction - 1.2 Rural Zones

This S117 Direction for Rural Zones not apply to the Planning Proposal as it is not seeking to rezone land from a rural zone to a residential, business, industrial, village or tourist zone.

Section 117 Direction - 1.3 Mining Petroleum Production and Extractive Industries

The S117 Direction for Mining Petroleum Production and extractive industries applies when a relevant planning authority prepares a planning proposal that would have the effect of:

- (a) prohibiting the mining of coal or other minerals, production of petroleum, or winning or obtaining of extractive materials, or
- (b) restricting the potential development of resources of coal, other minerals, petroleum or extractive materials which are of State or regional significance by permitting a land use that is likely to be incompatible with such development.
The land use zoning of the Site and therefore permissible land uses will not change. The Site does not lie within an area identified in the *Singleton Land Use Strategy* as having a coal lease or any existing resources within the Site. Further to this, the Site is identified under the *Upper Hunter Regional Strategic Land Use Plan* as a Critical Industry Cluster.

Section 117 Direction - 1.5 Rural Lands

The S117 Direction for Rural Lands applies when a relevant planning authority prepares a Planning Proposal that changes the existing minimum lot size on land with a rural zone and therefore applies to this proposal. The Planning Proposal must therefore be consistent with *State Environmental Planning Policy (Rural Lands) 2008.* An assessment of the Planning Proposal against the provisions of the Rural Land SEPP is in **Section 6.1.2** below.

Section 117 Direction - 2.3 Heritage Conservation

The S117 Direction for Heritage Conservation requires that a Planning Proposal include provisions that facilitate the conservation of:

- (b) Aboriginal objects or Aboriginal Places that are protected under the National Parks and Wildlife Act 1974, and
- (c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey prepared by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.

A *Heritage Due Diligence Assessment* was prepared by RPS for the Planning Proposal (**Appendix F**). The Assessment included a search of the AHIMS database for the Site and 1 one kilometre radius surrounding the Site. One Aboriginal site was identified on the north west boundary. The Site is an isolated scatter, however no artefacts were observed at the Site during the inspection. The Site is unlikely to be impacted as a result of the Planning Proposal as it located adjacent to a drainage line.

A visual assessment and pedestrian survey of the Site was also undertaken. No Aboriginal objects or places were identified within the project area. This Planning Proposal includes a number of recommendations.

Section 117 Direction - 4.4 Planning for Bushfire Protection

The S117 Direction for Planning for Bushfire Protection applies where a relevant planning authority prepares a Planning Proposal that will affect, or is in proximity to land mapped a bushfire prone land.

It should be noted that this Planning Proposal does not change the zoning of the land nor propose development. It seeks to amend the minimum lot size for subdivision only. Future development on the Site, including subdivision, will be subject to future development applications. Notwithstanding this The Site contains land that is mapped as bushfire prone land. A *Bushfire Threat Assessment* for the Site has been prepared by RPS (**Appendix E**) to consider and assess the bushfire hazard and associated potential threats relevant to the proposal, and to outline the minimum mitigative measures which would be required for future development in accordance with the provisions of the *Planning for Bush Fire Protection , 2006*.

This issue is addressed in more detail in Section 10.5.

Section 117 Direction - 5.1 Implementation of Regional Strategies

The Site is not currently subject to any of the Regional Strategies listed in the Direction.

Section 117 Direction - 6.1 Approval and Referral Requirements

The Planning Proposal does not include any provisions or proposed works that will require concurrence or approval from State Agencies.

6.1.2 Relevant SEPPS

The Planning proposal is consistent with the State Policies that apply to the Site including:

State Environmental Planning Policy No. 55 - Remediation of Land

A Phase 1 soil contamination assessment of the Site has been prepared (Appendix C) which confirms that there is negligible potential for contamination on the Site as a result of previous agricultural uses. This issue is addressed further in Section 10.8.

State Environmental Planning Policy (Rural Lands) 2008

1. Rural Planning Principles

The Planning Proposal is consistent with the Rural Planning Principles, as outlined in the SEPP, as demonstrated below:

(a) the promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas,

The Planning Proposal will facilitate a higher and better use for the Site by facilitating intensive agricultural production through viticulture and horticulture activities. The proposed 10ha allotment size will facilitate viticulture and Wine tourism development that strengthens the Critical Industry Cluster in the Pokolbin Wine region. The proposal will utilise the unique viticultural capabilities of the soils on the Site and will increase the agricultural intensity of the land, hence increasing the sustainable and economic activities on the Site. This intensity of land use has been clearly demonstrated on 10Ha lots adjacent to the Site to the west on Old North Road and Hermitage Road.

(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,

The proposal will facilitate the orderly development of the Site for intensive agricultural uses and will facilitate future subdivision that is capable of utilising the agricultural capabilities of the land for intensive agriculture. The proposal is commensurate with the agricultural uses associated with the identified critical industry cluster in the area, and will strengthen the unique Pokolbin Wine Region through facilitating small lot viticultural and horticultural pursuits. The proposal reinforces the lot size character on adjacent land in the northern end of the Pokolbin Wine Region to facilitate small scale intensive viticulture and wine tourism development.

 (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,

The Proposal will facilitate viticulture, wine production and tourism in the area to provide significant social and economic benefits to the region and locality. The proposal will facilitate the appropriate development of the Site and will encourage agricultural uses that have been identified as being suitable to the agricultural capabilities of the land.

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

The Proposal will facilitate increased agricultural productivity and associated tourism in the locality. The Site has been assessed as being relatively unconstrained with regard to biodiversity and cultural heritage. The proposed lot size averaging on the Site will enable future subdivision of the Site to facilitate the retention of the remnant areas of bushland. The proposal is not anticipated to have any adverse social impacts on the community, rather it will provide for additional family based viticulture and tourism based activities further strengthening the local 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 proposal will facilitate the retention of the existing bushland and EEC's on the Site through the provision of lot size averaging. As shown in the indicative subdivision layout pan (**Appendix B** and **Figure 20**), the lot sizes are able to accommodate the areas of vegetation within an existing lot and reduce vegetation clearing within lots and along lot boundaries. The proposal will facilitate development that will enhance water retention and conservation on the Site. The indicative subdivision plan demonstrates that suitable vehicular access can be provided to lots that does not involve the crossing of significant waterways.

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

While the future development of the Site is envisaged to have a strong reliance on the commercial viticultural and horticultural production from the land, the proposal will facilitate ancillary residential development that will provide opportunities for rural lifestyle. The proposal will facilitate the economic advantages of the wine tourism industry without any anticipated adverse social impacts, providing a significant benefit to the rural community.

(g) the consideration of impacts on services and infrastructure and appropriate location when providing for rural housing,

As outlined in **Section 10.10**, the future subdivision of the Site is not expected to have a significant impact on essential services for any future development. The Site has good access to the local road network, and has access to electricity. Future development on the Site will not require access to Councils water and sewerage networks but will harvest rainwater in tanks and provide for wastewater disposal via primary septic tank treatment and absorption trench. A *Soil Land and Agricultural Resource Assessment* prepared by SLR found that the soil types across the Site are suitable for wastewater disposal.

With regard to local services, the Site is located within close proximity to the Branxton-Huntlee urban area. The construction of the Huntlee New Town has commenced and the development will over time provide for additional retail, education, health, recreation and community services.

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

As outlined in **Section 6.1**, the proposal is consistent with the relevant State, regional and local strategic plans and strategies.

2. Rural Subdivision Principles

The proposal's consistency with the Rural Subdivision Principles outlined in Part 3(8) the Rural Lands SEPP are as follows:

(a) the minimisation of rural land fragmentation,

The proposal will diversify the land ownership pattern on the Site however; it will increase the agricultural productivity of the Site through facilitating small lots to encourage an extension of the intensive small scale viticulture currently being carried out on 10Ha lots adjacent to the Site. The proposed 10Ha lot size is consistent with the surrounding lot size patterns and will encourage development of a similar character. The proposal will encourage the development of ancillary wine tourism uses that will strengthen and enhance the Critical Industry Cluster, hence strengthening the agricultural character of the area.

(b) the minimisation of rural land use conflicts, particularly between residential land uses and other rural land uses,

The proposal will facilitate land uses that are permitted in the RU1 Zone and align with the Hermitage Road Planning Study's recommendation to review the zones with the possible implementation of the RU4 zone on the Site. The proposal will facilitate land uses that are commensurate with the existing character of the area and as such are not considered likely to create any land use conflicts. The Singleton Development Control Plan 2014 provides controls that seek to control the building setbacks provided on rural land as well as specific setbacks required for viticulture. Future development on the land will be required to comply with these controls

(c) the consideration of the nature of existing agricultural holdings and the existing and planned future supply of rural residential land when considering lot sizes for rural lands,

Although the minimum permitted lot size on the Site is 40Ha, the predominant lot sizes surrounding the Site are 10Ha. The proposed change to the minimum lot size will be consistent with the prevailing nature of adjacent agricultural holdings in the Hermitage Road locality. The proposed 10Ha lot size is proposed to facilitate small lot agricultural activities that have thrived on the adjoining 10Ha subdivisions but failed to materialise on the Site to date.

The Planning Proposal's key objective is to facilitate subdivision for the purposes of small lot agriculture. The revised Planning proposal has increased the average lot size to reduce the commercial attractiveness of rural residential development. The future subdivision of the Site will now provide a maximum of 30 lots (reduced from 50 lots) and as such will have no significant impact on the residential density of the area.

(d) the consideration of the natural and physical constraints and opportunities of land,

A number of technical studies have been undertaken for the Site as part of the Planning Proposal. These include an assessment of vegetation communities and threatened species, cultural heritage, bushfire threat and soil, land and agricultural resource assessment. These studies are discussed in greater detail in **Section 10**.

The proposed lot averaging provisions will facilitate future subdivision that enables future lots to respond to the Site's constraints and opportunities to minimise vegetation clearing, interference with watercourses and maximise the potential for small lot agricultural activities.

(e) ensuring that planning for dwelling opportunities takes account of those constraints.

Applications for dwellings on the Site will be subject to future Development Applications and will be required to address this issue at that time. Notwithstanding this, the Site's key constraints have been identified and addressed in this Planning Proposal to enable the relevant planning authority to determine that future dwellings are able to be planned and built to take account of these constraints.

SEPP (Mining, Petroleum Production and Extractive Industries) 2007

The Site is identified in the Mining SEPP as a Critical Industry Cluster for Viticulture. Pursuant to this, any application for mining or petroleum development on the Site is required to demonstrate that there will not be a significant impact on the critical industry. Further to this the proposal does not seek to change the permitted land uses on the Site or permit a development that would prevent future mining, petroleum development or extractive industries on the Site.

SEPP Protection of Koala Habitat

The Planning Proposal is not seeking approval for the removal of any of the trees on the Site. Notwithstanding this, the Constraints and opportunities Assessment for the Site (**Appendix G**) confirms that there is no Core Koala Habitat present on the Site and no definitive sign of Koalas has been noted on the Site and no sightings for the species have been recorded within the Site's locality since 2006.

6.1.3 Singleton Local Environmental Plan 2013

The proposal seeks to amend the minimum subdivision lot size permitted under the Singleton LEP 2013 and implement a lot averaging scheme across the Site that is consistent with Clause 4.1C of the LEP. While the proposal seeks to amend the LEP, it is consistent with the relevant aims and objectives of the LEP and the zones, as outlined below:

(a) to provide a framework for regulating development within Singleton,

The proposal seeks to amend the LEP framework to permit a smaller minimum lot size of 10ha to be averaged across the Site. The proposal is consistent with the RU1 Zone objectives and range of permitted development. In addition to this the proposal will facilitate land uses that are consistent with the RU4 zone, including restaurants or cafes, as the RU4 zone is recommended for the Site under the Hermitage Road Planning Study.

(b) to promote the use of rural resources for agriculture and primary production, including forestry and open cut mining, and major infrastructure providers,

The proposal will facilitate the future development of the Site for intensive agricultural uses including viticulture and horticulture. The Soil and Agricultural Resource Assessment (**Appendix C**) provides that the Site soil conditions are capable of accommodating intensive agriculture. Further to this, the proposed smaller lots will facilitate the development of the Site for wine tourism related uses which will compliment and strengthen the agricultural production on the Site.

(c) to encourage the sustainable management, development and conservation of natural resources,

A number of technical studies have been undertaken for the Site as part of the Planning Proposal. These include an assessment of vegetation communities and threatened species, cultural heritage, bushfire threat and soil, land and agricultural resource assessment. These studies are discussed in greater detail in **Section 10**. The proposed lot averaging provisions will facilitate future subdivision that enables future lots to respond to the Site's constraints and opportunities to minimise vegetation clearing, interference with watercourses and maximise the potential for small lot agricultural activities.

(d) to protect and conserve the environmental and cultural heritage of Singleton,

A Heritage Due Diligence Assessment has been prepared for the Site by RPS and is provided at (**Appendix F**). The Assessment provides that an Aboriginal site was identified in the north western portion of the property however no artefacts were observed on the Site. The assessment provides that an Aboriginal Heritage Impact Permit (AHIP) is not required however future development of the Site should exercise caution in regards to Aboriginal archaeology.

The proposed change to the minimum lot size will facilitate a more intensive and use that is consistent with the type and scale of the adjacent Hermitage Road vineyard area and further expand and strengthen this unique and vital component of the Hunter valley Wine region.

(e) to ensure that a range of housing choice is provided for all residents of Singleton throughout all life stages,

The proposal will facilitate rural dwellings associated with small lot agriculture in a rural context that are able to benefit from the business opportunities presented from wine tourist development as well as intensive agriculture. The location of the Site within close proximity of Huntlee and surrounding centres will ensure that adequate services are available for all residents.

(f) to promote and coordinate the orderly and economic use and development of land in Singleton,

The proposal will facilitate the higher and better use of the side by permitting smaller lot sizes that are capable of accommodating more intensive agricultural development. The Soil, Land and Agricultural Assessment (**Appendix C**) conforms that the Site is appropriate for intensive agriculture and is easily capable of accommodating waste water disposal within the Site. The proposed lot sizes will not create any adverse bushfire impacts (refer **Appendix E**) and will enable the Site to achieve a better economic outcome for the region. The proposal will build on the existing intensive Hermitage Road component of the Pokolbin viticulture cluster at Pokolbin through replicating a similar subdivision pattern and facilitating the extension of the successful viticulture and tourism development cluster in the northern portion of the region.

(g) to provide adequate protection for, and minimise risk to, the community, as far as is practicable, from environmental hazards, including flooding and bush fire,

A Bushfire Threat Assessment has been prepared (Appendix E) which confirms that the proposal will not have any significant future adverse impacts on Bushfire safety. The Indicative lot layout (Appendix B and Figure 20) demonstrates that the future subdivision of the Site is able to accommodate average lot sizes of 10Ha without compromising bushfire safety.

The Site is located at the top of the catchment for the riparian systems that traverse it. Riparian streams within the Site are generally characterised as being of 1^{st} and 2^{nd} order. The Site is not identified as being flood liable

(h) to protect and enhance watercourses, riparian habitats and water quality in Singleton.

The proposed lot averaging for the Site will allow a future subdivision layout on the Site that will not fragment riparian corridors or watercourses. The proposed average 10Ha lot sizes will provide ample areas within each lot to accommodate future development without compromising watercourses or riparian habitats.

6.1.4 The Singleton Land Use Strategy (SLUS)

The SLUS provides that where the predominant land use is other than grazing and where lot sizes are less than this already, the 40Ha minimum should be retained. The SLUS however was adopted in 2008, and therefore does not consider the significant changes to the locality bought about by the opening of the Hunter Expressway nor the Huntlee New Town. The Strategy is now 6 years old and does not provide an accurate assessment of the significant change in the nature of the central Hunter Subregion. This fact is inherent in Council's decision to prepare planning and land use strategies for the Hermitage Road area and the Branxton-Huntlee area.

The Site is a significant land holding within the Pokolbin Critical Industry Cluster and therefore should not be considered as grazing or large lot agricultural land. Further to this, the strategy identifies that *tourism is increasingly significant in the Singleton LGA, with pressure for diversified tourism development particularly in vineyard areas including Hermitage Road.* The proposed reduction in the minimum lot size on the Site will allow a mix of uses including wine tourism that will strengthen the economic viability of the region.

The proposal is considered to be consistent with the SLUS aim to recommend actions for achieving the land use objectives of the Singleton community, consistent with the Council vision. The proposal will facilitate future development that is of a scale and intensity that is similar to that of the existing area.

6.1.5 Strategic Regional Land Use Plan for the Upper Hunter

The proposal is consistent with the Strategic Regional Land Use Plan for the Upper Hunter as it will facilitate development that will strengthen the Viticultural Critical Industry cluster, as identified in the plan. The proposed reduced minimum subdivision lot size will enable lots to be developed for small-scale wine tourism purposes and will therefore strengthen the viticulture in the area and provide a significant economic benefit to the region.

6.1.6 Lower Hunter Settlement Strategy 2006

It is noted that, with the exception of Huntlee, the Singleton LGA does not lie within the land that applies to the Lower Hunter Regional Strategy. Notwithstanding this, due to the Site's location on the boundary of the Singleton LGA, the strategy is considered as a relevant factor in influencing land uses and future development in the region. The primary objective of the Strategy is to provide land to accommodate future housing growth in the region. The strategy identifies the Pokolbin region as a specialised centre for vineyard and tourism precincts and highlights the economic importance of tourism on for the region. The proposal will facilitate lots that are attractive to intensive viticulture uses as well as ancillary wine tourism development and as such is consistent with the strategy.

The Strategy is proposed to be replaced by the Lower Hunter Regional Growth Plan. This plan is currently being prepared but has yet to be released.

6.2 Discuss how the proposal would not set a precedent for existing or future development.

The Site is located in a unique position as it forms a northern gateway to the Pokolbin Wine district and lies within the Viticulture Critical Industry Cluster. The Site is also specific as it is able to accommodate intensive agriculture including viticulture and other activities (refer **Appendix C**). The Site is considered to be an isolated opportunity for a smaller rural lot size and is strategically located in the Pokolbin region adjacent to small lot agricultural operations immediately west of Old North Road and is therefore a logical extension to this area. The adjacent Hermitage Road area is characterised by smaller 10Ha lots that has facilitated the development of a productive and diverse area of small scale viticulture and associated tourist uses that make the locality a unique component of the Hunter Valley Wine Region. This small lot model has set a precedent for adjoining rural areas of similar agricultural capability.

It is note anticipated that the proposal will form a precedent for the region because of its strategic and well justified location for subdivision with an average minimum lot size of 10Ha. RU1 Zoned areas further to the north and west face greater constraints associated with remnant vegetation.

The proposal is to be assessed on its planning merit as will any other similar application in the future.

6.3 That the proposal would not result in fragmentation or loss of agricultural production land.

As outlined in **Appendix C**, the Site is capable of accommodating intensive agriculture, including viticulture and horticulture. The Proposed reduced lot size on the Site will facilitate more intensive agricultural production with a higher portion of each Site used for intensive agriculture. The lots will allow for increased farming efficiency of the land with a range of agricultural uses on the Site potentially being viticulture, olive groves and small scale orchards.

Smaller lot sizes will allow for the increased productivity of agriculture on the Site rather than 40ha lots which will encourage grazing or broad scale viticulture farming that is not in demand or appropriate for the northern end of the Pokolbin region.

As demonstrated in the Land Use Audit (**Appendix D**) the areas of land used for viticulture on the properties surrounding the Site is generally between 3 and 4ha with vines predominantly grown on lots 10ha in size. The proposed lot size is consistent with the existing and successful agricultural uses in the locality. The proposal will therefore provide lots that are demonstrated to have a high level of agricultural productivity.

6.4 Assessment of the perceived shortfall of tourism accommodation

The SLUS identifies that there is a demand for a diverse range of tourist accommodation though out the area and on the Site. Wine tourism development including tourist accommodation, cellar door premises and cafés or restaurants play a significant role in the tourism economy of the area. The existing viticulture industry in the area creates a high demand for tourism which is reflected in the current development in the region which includes new tourist developments at 575 and 658 Hermitage Road.

The growth of the Northern Pokolbin Vineyard District due to the gateway created by the opening of the Hunter Expressway, will generate demand for the additional wine tourism related development in the locality. The reduced travel times to the region from Sydney and Newcastle as a result of the Expressway will increase the accessibility of the area for tourists seeking weekend accommodation and create a new gateway destination. These are all factors that will contribute to the growth and increase in demand of tourist accommodation on the Site. The Singleton Land Use Strategy identifies the demand for diversified tourism development specifically in the Hermitage Road precinct.

The Hunter Visitor Economy Draft Destination Management Plan, prepared by tourism Hunter in 2013 provides that tourism growth in the Hunter, at 1.4%, would provide demand for an additional 400 accommodation rooms between 2013 and 2020¹. In addition to this the Hunter Valley Wine Country Tourism Monitor 2012 Annual Report provides that the tourism sector providing small self-contained accommodation products have weekend occupancy rates of 61.57%, being substantially higher than the region average of 51.2%. The weekend occupancy rates are highly relevant to the proposed future development on the Site as the small scale tourist accommodation, particularly tourists from Sydney and Newcastle.

The Hunter Valley Wine Country Tourism Monitor 2012 Annual Report (produced in 2013), prepared by the University of Newcastle on behalf of Hunter Valley Wine Country Tourism and Cessnock Council, provides a detailed assessment of the tourism industry in the Hunter Valley Wine Country.



Small Self-Contained Accommodation: Midweek & Weekend Occupancy Rate by Month

Figure 16 – Small self-contained accommodation: Midweek and weekend occupancy rate by month

Source: Hunter Valley Wine Country Tourism Report 2012

Figure 17, below demonstrates the average monthly occupancy rates for small self contained accmodation units over the 2011 to 2012 period. The trend demonstrates an average overall occupancy rate (including weekends and weekdays) for the 9 month period (April to December) in 2011 to be 38.9% which inceased to 47.9% in the same period in 2012. This is a likely reflection of the broader growth in tourism in the Hunter, as outlined in the Draft Destination Management Plan, outlined above. The increase in occupancy rates over the two year peiorod demonstrates an increase in demand for tourist acocmodation in the Wine Country Region.

¹ Hunter Visitor Economy Draft Destination Management Plan 2013, prepared by Tourism Hunter. p49

Small Self-Contained: 2012 to 2011 Comparison of Average Monthly Occupancy Rate



Figure 17 – Comparison of monthly occupancy rates over 2011 and 2012 for self-contained accommodation

Source: Hunter Valley Wine Country Tourism Monitor 2012Rreport

6.5 Methodology on how the land would be developed for tourism only and not rural residential development for the outlined scenario.

The proposal has been revised to facilitate small lot agricultural uses on lots that average 10Ha across the Site. The proposal does not seek consent for rural residential development. Tourism is only one proposed activity on the Site. The primary activity is small lot agriculture with associated tourist uses. The lot size has been increased to an average of 10Ha, matching the adjacent subdivision to the west and south of the Old North Road. Additional uses on the Site may include farm gate type developments including cellar door premises, market stalls, a lavender farm, olive groves and other intensive horticulture.

The proposed lot size is consistent with the existing lot size and development patterns in the Hermitage Road vineyard district and specifically on adjoining land on the southern side of Old North Road. The proposed lot size has been developed to complement the size and layout of the existing lots and business model shown in the lots on the southern side of Old North Road.

6.6 Or alternatively, an assessment of the oversupply of rural residential land also taking into account the other Planning Proposals.

The Planning Proposal no longer seeks to facilitate rural residential development. The proposed average lot size has increased to an average 10Ha lots across the Site to provide for small lot agriculture which encourages intensive agricultural activities similar to the adjoining lots to the west and south of Old North Road.

The Singleton Land Use Strategy identifies smaller rural residential allotments as being approximately 8,000m² in area. As such lots with an average size of 100,000m² are not classified as rural residential.

6.7 How the proposal would not impact on important viticultural lands or the Singleton Military Area

The proposal seeks to reduce the minimum lot size to facilitate the intensification of viticultural uses and facilitate boutique scale operations. The proposal will result in a significant increase in the viticultural activities and wine related tourism uses on the Site and as such will have a beneficial impact on the surrounding viticultural lands.

As outlined in **Section 4.3**, the Site lies within the Singleton Military Buffer Area and as such is subject to Clause 7.4 of the Singleton LEP. Generally, the future development of the Site will be required to address the emission and noise issues associated with development in proximity to the Military Area. The existing range of land uses within the buffer area is not significantly adversely impacted by the operations of the Military area. While this proposal seeks to permit the intensification of the Site, the range of permissible land uses and development controls that apply to the Site will remain unchanged. As the intensification is not significant and the Site is located on the outer boundary of the buffer area, the proposal is not considered to have any significant impact on the operational environment of the Military area, satisfying the LEP objective.

6.8 How the proposal would not impact on the critical industry cluster

The proposal will facilitate lot sizes that are capable of accommodating intensive agriculture (refer **Appendix C**) and are of a size that will attract wine tourism development including cellar door premises, tourist cabins and boutique restaurants and cafes. The proposal seeks to expand and strengthen the critical industry cluster through facilitating opportunities for small-scale vineyards that characterise the Hermitage Road areas within the cluster.

The Hermitage Road Planning Study accurately identifies that the RU1 zone permits a range of land uses on the Site that may cause land use conflicts with the surrounding Critical Industry Cluster which includes intensive agricultural and tourism land uses. As such, the Planning Study recommends that the RU4 zone is introduced into the area (including the Site) to permit a range of development that is more consistent with the existing character of the area. In accordance with this recommendation, a smaller minimum lot size is required on the Site to prevent the potential for large scale agricultural land uses on the Site (that are accommodated within a 40Ha lot size) that will cause land use conflicts. The Site and the adjoining RU1 zoned land to the north are identified as being within the Viticulture Critical Industry cluster identified in the Upper Hunter Strategic Regional Land Use Plan.. As outlined in the Hermitage Road Planning Report, the RU1 zone permits uses including camping grounds, caravan parks, cemeteries, crematoria, extractive industries, hazardous industries, heavy industrial storage establishments, highway service centres, offensive industries, open cut mining, and service stations, all of which are not permitted in the adjoining RU4 zone and would all have an adverse impact on the viticulture and tourism in the area.

Even if the Site was to be rezoned to RU4 and the range of permitted development was consistent with that of the adjoining land, the current permitted 40Ha lot size on the Site would facilitate development of a scale that would adversely impact on the viticulture and boutique style of tourism development already in the area. The Hermitage Road Planning Study identifies that the 10Ha lots adjoining the Site were created under a different planning scheme and are no longer consistent with Council's strategic land use plan for the area, however the existing smaller lots provide successful agricultural production and tourist development area that is unique within the Critical Industry Cluster. The Site provides a significant opportunity facilitate development that will protect and strengthen the Critical Industry Cluster.

A detailed assessment of how the proposal will strengthen the critical industry cluster is provided in **Section 10.3**.

6.9 A landscape character and visual impact assessment

A visual impact assessment of the proposed average 10Ha lot size is provided at **Section 10.6**. The assessment confirms that the land use pattern facilitated by the proposed lot size will be consistent with the existing land use pattern in the Hermitage Road vineyard area and will create a visually inviting gateway to the Pokolbin Wine district to traffic from the Hunter Expressway.

6.10 How services could be provided for the proposal.

The provision of essential services for the Site to accommodate the future development envisaged under this proposal is outlined in **Section 10.10**. A Soil Land and Agricultural Resource Assessment (**Appendix C**) has been prepared for the Site that confirms that the soils on the Site are able to accommodate on-site waste water treatment and disposal for 10Ha lots. Potable water will be supplied to the Site by rainwater catchment which is consistent with the existing development in the area. Sealed vehicular access is provided to the Site as well as existing electricity. The development of the Huntlee New town will facilitate new schools and other community facilities in close proximity to the Site. Telecommunication facilities may easily be provided on the Site at a future time if required by the prospective future land owners.

7.0 Additional Issues Identified by Council

In its meeting of the 16thJune 2014, Singleton Council resolved to publically exhibit the Draft Hermitage Road Planning Study for a period of not less than 28 days. In the meeting minutes, 20 outstanding issues were identified that are to be addressed in the future submission of a Planning Proposal for the Site. Many of these issues replicated those identified in the Hermitage Road Planning Study; however some were additional and are outlined below:

1. Access to potable Water

Addressed in Sections 6.10 and 10.10.

2. An assessment in accordance with the RFS guidelines is required Addressed in Section 6.1.1 and 10.5.

3. Despite being adjacent to small lots (around 10Ha) subdivided and developed under a different planning regime, the case for the lot sizes and development envisaged has not been fully justified, in strategic terms (i.e. that a stand-alone rural residential development is proposed).

Notwithstanding that the adjacent small lots were subdivided and developed under a different planning regime, the lots, once created, facilitated the development of the small-scale viticulture industry in the Hermitage Road area forming Singleton LGA's most important vineyard area with the associated economic benefits for the LGA. Few of the lots in this subdivision pattern are used a rural-residential but rather have increased the agricultural production of the land concerned. The lack of recognition or investigation of the factors that contribute to the Hermitage Road area's success as a vineyard and tourist area was a key flaw in the Hermitage Road Planning Study. **Appendix D** includes a land use audit of the lots within the Hermitage Road vineyard area. The audit demonstrates that there is a clear case for the re-introduction of this size of landholding in the area to enable the Hermitage road vineyard area to further grow and develop and take advantage of the growth opportunities presented by the opening of the Hunter Expressway and the growth of Huntlee.

The Planning Proposal has been revised to increase the average lot size to 10Ha to improve the viability of the lots for small-scale intensive agricultural activities and reduce their attraction for rural residential development. The previous Planning Proposal proposed 50 lots on the Site with and average lot size of 6.1Ha. the revised proposal will provide for 30 lots with and average lot size of 10Ha. This is not considered to be of a density defined as a rural residential development. The proposal seeks to create a density consistent to the agricultural lots to the south and west of Old North Road.

4. Additional capacity to service the development with power, school buses and telecommunications has not been addressed. Addressed in Sections 6.10 and 10.10.

5. Whether the Site has material or extractive resources has not been demonstrated, noting a submission from the Department of Mineral Resources advised that the area has coal exploration value.

Although the Department of Mineral Resources has advised that the Site has coal exploration value, the Site is identified under the SEPP (Mining, Petroleum Production and Extractive Industries) 2007 as being a critical industry cluster for

viticulture and as such any application for mining and petroleum development is required to assess the impact of the proposal on the critical industry cluster. In addition to this the proposal does not seek to change the permitted land uses or propose any development that would restrict the future potential for the Site to be mined.

6. Compatibility with adjoining land uses has not been thoroughly assessed

The development envisaged for the Site under this proposal is for a mix of uses including residential, intensive agriculture and wine tourism. The proposed 10Ha minimum lot size to be averaged across the Site will facilitate the development of mixed use intensive agriculture, including viticulture and ancillary wine tourist development, which is consistent with the existing development in the Hermitage Road vineyard area. The proposed average 10Ha lots are a direct response to the viable business model demonstrated by the existing development in the locality of the Site.

Small scale viticulture and wine tourism development are a critical component and economic generator for the region. This fact was picked up on in the submission prepared by DenMar Estate which operates a vineyard and tourist facility on Hermitage Road. The submission includes the following statement:

Encouragement of desirable controlled development surely is a preferable approach to the anachronistic approach of maintain the status quo of a minimum lot size of 40hIndeed viability of the vineyard industry relies primarily on value adding and integration of other business components as part of the overall entity, i.e. wineries, cellar doors, tourist accommodation, restaurants etc.

The role of smaller viticulture operations in supporting the major wineries and wine producers is outlined below:

- Larger wineries are able to recoup cost costs invested into wine producing facilities by means of smaller growers paying to use the facilities to produce wine to then sell from a cellar door type business; and
- Larger wineries are able to purchase grapes from the smaller growers to provide a greater variety of grapes and obtain an additional supply of grapes and to supplement those grown on Site to diversify risk and reliance on a single vineyard/crop.

7. While the Site is largely cleared, no evidence is submitted to support the claim that the Site is free of threatened species or endangered ecological communities

A *Constraints and Opportunities Assessment* has been prepared by RPS (**Appendix G**) to address threatened species issues. The assessment includes Site surveys and identifies key ecological features of the Site. While 82% of the Site is currently cleared, the surveys identified the presence of two Endangered Ecological Communities; the Central Hunter Ironbark – Spotted Gum – Grey Box Forest and the Hunter Lowland Redgum Forest. The Site also has the potential to be potential habitat for a number of threatened species.

Notwithstanding this, the RPS assessment concludes that the proposed reduction in minimum lot size to 10Ha, there are opportunities for avoidance of many potential impacts through lot layout and design that would enable retention of the vegetated areas. This issue is addressed in detail in **Section 10.9**.

8. No information has been supplied to indicate the Site is free from contaminants

A Soil, Land and Agricultural Assessment of the Site has been prepared (Appendix C) which confirms that the Site has negligible potential for soil contamination as a result of the previous agricultural uses. This issue is addressed in Section 10.8.

9. No information has been supplied to indicate that the Site is saline, or whether the Site has capacity to accommodate on-site sewerage management, for the type of development proposed.

The Site Soil, Land and Agricultural Assessment (**Appendix C**) is discussed in detail at **Section 10.8** and confirms that the soil profile of the Site is capable of accommodating intensive agriculture such as viticulture or olive groves. The assessment provides that the areas of the Site with increased saline levels are only classifies as *slight to moderate* and are still acceptable for intensive agriculture.

The Assessment further provides that the Site is easily capable of accommodating on-site waste water treatment and disposal. The area required for irrigation for a five person household is generally $83m^2$ throughout the Site and is a maximum of $131m^2$, which can easily be accommodated and increased to cater for tourist development within a 10Ha lot. These issues are addressed in **Section 10.8**.

10. While the Site appears to have flood-free land available to accommodate envisaged development, information to verify this has not been submitted.

The Site is located at the top of the catchment for the riparian systems that traverse it. Riparian streams within the Site are generally characterised as being of 1^{st} and 2^{nd} order. The Site is not identified as being flood liable.

11. No information has been provided to indicate the land is free of cultural significance for Aboriginal

A *Heritage Due Diligence Assessment* was prepared by RPS for the Planning Proposal (**Appendix F**). The Assessment included a search of the AHIMS database for the Site and 1 one kilometre radius surrounding the Site. One Aboriginal site was identified on the north-west boundary. The Site is an isolated scatter, however no artefacts were observed at the Site during the inspection. The Site is unlikely to be impacted as a result of the Planning Proposal as it located adjacent to a drainage line.

A visual assessment and pedestrian survey of the Site was also undertaken. No Aboriginal objects or places were identified within the project area. This Planning Proposal includes a number of recommendations.

12. The impact on the supply of rural residential (or 'lifestyle') / tourism accommodation (as relevant) over the next 10 years has not been fully addressed, in the context of the Singleton Local Government Area and the Lower Hunter Vineyards district.

Addressed in Sections 6.4, 6.5 and 6.6

13. Options for tourist-oriented (and other forms of) development has not been considered.

The proposal seeks to permit lots that are of an adequate size to accommodate a range of complementary land uses including viticulture, horticulture and associated tourist oriented development including accommodation, cellar door sales and "farm gate" sales. The range of tourist accommodation that could be provided on the

Site includes small scale boutique tourist cabins or guest houses of not more than five rooms on each Site. The Planning Proposal itself does not seek to provide any development on the Site. This would be detailed and assessed in future development applications for subdivision and land uses. Notwithstanding this it is envisaged that the tourist development on the Site would be consistent with that of the surrounding land uses, as shown in the indicative layout in **Figure 18** below.

The Site (479 Hermitage Road) demonstrates a 10Ha Site incorporating a mix of uses including three guesthouse/cabin style rooms with a dwelling house and a vineyard. The style of tourist development on the Site is intended to be of a similar character that provides private boutique style separate cabins.



Indicative Site Layout

Figure 18 – Tourist Oriented Development Source: NearMap

14. Development permitted under current planning controls (LEP & DCP) has not been considered.

The development currently permitted on the Site under the Singleton LEP would comprise a minimum subdivision lot size of 40Ha, accommodating a maximum of 7 lots within the Site. The land uses permitted on the Site have been detailed in **Section 4** for the RU1 Primary Production Zone and the RU4 Primary Production Small Lots zone that is being considered for the Site in the Hermitage Road Planning Strategy.

The Singleton Development Control Plan 2014 provides controls that seek to control the building setbacks provided on rural land as well as specific setbacks required for viticulture. The primary setbacks have been addressed to demonstrate that future development on the proposed 10Ha average lot size is capable of complying with the DCP setback requirements. The relevant controls are outlined below.

Section 2.5 Lot shape and dimensions

 any lot resulting from the subdivision is of suitable size and shape to contain a building envelope that is appropriately located, complies with relevant building setbacks and can comply with hazard management and sewage disposal requirements, and

- *b)* the subdivision is appropriate having regard to the natural and physical constraints of the land, and
- c) the subdivision will not have a significant adverse impact on the environment.

Section 2.10 Building line

The building line in the RU1 and RU4 zone is to be 40m

Section 2.11 side and rear setbacks

The minimum setback of buildings from side and rear boundaries in the RU1 and RU4 zone is 10m.

Section 2.14 Density of short term accommodation in certain rural zones (including RU1 and RU4 zones)

- a) For bed and breakfast accommodation, eco-tourist facilities and farm stay accommodation, the density of all buildings on the lot would not exceed a maximum FSR of 0.05:1, and
- b) for hotel or motel accommodation the density of all buildings on the lot would not exceed a maximum FSR of 0.07:1, and
- c) the increased density will not have a detrimental effect on the amenity of neighbours, and
- *d)* the increased density will not adversely impact upon the visual amenity of the rural landscape, and
- e) a vegetation buffer not less than 30m in width is established between the buildings and the boundaries of the allotment and the vegetation buffer complies with the DCP minimum standards

Section 2.33 Viticulture buffers

- (3) Development consent should not be granted to erect a building for the purpose of residential accommodation or tourist and visitor accommodation less than 100m from existing or approved viticulture, unless the consent authority is satisfied that:
 - (a) the building is not within 50m of the vines, and

(b) the design of the building is appropriate, having regard to the impacts of noise and spray drift impacts likely to be generated by the viticultural operations, and

(c) an appropriate vegetation buffer, not less than 30m in width, is established in a suitable location between the building and the vines.

(4) Vines associated with viticulture on a lot must not be planted within 10m of the lot boundary.

Figure 19 below demonstrates an existing property of approximately 10Ha in size which is located opposite the Site on Old North Road. The Site is able to accommodate two forms of intensive agriculture, being viticulture and an olive grove, as well as a dwelling house and remnant bushland whilst complying with the DCP setbacks.



Indicative Site Layout

Figure 19 – DCP compliant layout for 10Ha lot size *Source: JBA*

15. The Upper Hunter Strategic Land Use Plan's (Department of Planning) designation of the district (including the Site) as Strategic Agricultural Land and as a Critical Industry Cluster has not been fully considered.

Addressed in Sections 6.8 and 10.3.

16. Whether the proposal would cause agriculturally productive land to be fragmented has not been fully examined, although current and past use of the Site bring the land's agricultural productivity into question, the proponent claims.

The Soil, Land and Agricultural Assessment (**Appendix C**) confirms that the Site is suitable for intensive agriculture including viticulture and olive groves. The proposed 10Ha average lot sizes are capable of accommodating intensive agricultural uses that will enable the higher productivity of the Site and a greater portion of Site utilisation, as shown above in **Figure 19** above.

In addition to the above, the reduced minimum allotment size on the Site will not prevent prospective land owners purchasing more than one allotment if there is a demand for larger allotments to accommodate large scale viticulture or grazing.

17. The cumulative impact or the specific impact of this proposal has not been fully considered with regard to training operations at the Singleton Military Area.

As identified in **Section 4.3** the sit lies within the eastern portion of the Singleton Military Area (SMA) buffer zone. The Singleton LEP provides that development within the zone is to consider the noise impacts of the Military area, the impact the development will have on the Military Area and if the development could be reasonably located to an area outside of the zone. An Acoustic Assessment Report for the Site has been prepared for by Hunter Acoustics and is provided at **Appendix H**. The assessment provides that the Site is not considered to be at risk of any significant impacts from the Military activities including explosive activities and aircraft fly-overs. The Assessment provides that prospective land owners on the Site should be made aware of the potential noise impacts however provides that there will be no adverse health impacts. The Assessment recommends the following construction standards for dwellings to ameliorate adverse noise impacts on the Site:

- 1. Building walls for any dwelling to be constructed with masonry materials such as brick veneer;
- 2. External Glazing for any dwellings on the Site is to be a minimum of 6.38mm laminated glass;
- 3. A notation should be made on the planning instrument that the area is subject to audible sound from explosive activities;
- 4. A further notation should be made that the area is subject to high sound level from low flying military aircraft. Contact details for the Military Base controller should be made readily available to any occupier in the area.

In accordance with the above listed recommendations, the Site is considered suitable for development and is not considered to create conflict that will cause the future development on the Site to have an adverse impact on the operation of the SMA. Further to this the proposal is appropriately located on the Site as it is within the Critical Industry cluster and creates a gateway entrance to the Pokolbin Wine region. The proposal will facilitate future development that is consistent with the existing development in the region and as such does not propose any additional land uses that will cause conflict with the SMA.

18. An assessment is required, of the proposal's impact on the scenic value of the Site (as the Site is located within a landscape character zone of moderate to high scenic value, as defined by the PAA draft Planning Study).

A landscape character and visual impact assessment of the proposal is provided at **Section 10.6**. The proposed 10Ha minimum average lot size will facilitate a land use pattern that is commensurate with the existing land use pattern of the area.

19. Minimum lot sizes have not been determined having regard to the Site's capacity, in respect of biodiversity values, availability of water and sewer infrastructure and NSW Government Guidelines for determining minimum lot sizes.

The planning proposal seeks to implement a lot averaging scheme on the Site to allow lots of different sizes that can respond to the Site topography and vegetation to ensure the retention of riparian corridors. The Soil, Land and Water Assessment (**Appendix C**) confirms that the proposed average 10Ha allotments are capable of accommodating intensive agricultural uses as well as on-site waste water irrigation.

The Office of Water provide that each of the proposed 10Ha allotments is eligible to create a dam with storage capacity of 0.7 Mega litres (ML) of water. A farm dam of this volume will easily surpass the requirements for irrigation on the Site.

A *Constraints and Opportunities Assessment* has been prepared by RPS (**Appendix G**) to address threatened species issues. The RPS assessment concludes that the proposed reduction in minimum lot size to 10Ha, there are opportunities for avoidance of many potential impacts through lot layout and design that would enable retention of the vegetated areas.

20. Further information on the proposed commercial/retail lots, including potential land uses, permissibility and how potential adverse impacts on similar land uses in close proximity would be avoided.

The proposal does not seek to make any changes to the land uses permitted on the Site. Notwithstanding this, the recommended RU4 zoning of the Site, as identified in the Hermitage Road Planning Study, would permit restaurants or cafes on the Site and information and education facilities. The proposed lot averaging scheme on the Site would have the potential to facilitate some smaller lots that may be suited to development for the purposes of a Tourist information centre or a restaurant that would provide a significant benefit and attraction for tourists in the area. Alternatively, these uses could be developed as part of agricultural activities such as vineyard cellar doors or "farm gate" sales. Development for a restaurant or Tourist information centre would be subject to a Development Application and would be required to assess any potential impacts on surrounding land uses.

Part C – Preliminary Planning Proposal

8.0 Preliminary Planning Proposal

This chapter of the report describes the Preliminary Planning Proposal and the principles that set the foundation for its structure. Further detail is provided throughout the environmental assessment in the following chapters.

8.1 Vision Statement

The vision for the Site is to become a northern gateway entrance to the Pokolbin wine district that provides a range of small scale intensive viticulture and horticulture uses as well as ancillary cellar door and "farm gate" premises and associated tourist uses. The opening of the Hunter Expressway makes the Site, and the northern portion of the Pokolbin wine region, more accessible for day and weekend trips from the metropolitan areas of Sydney and Newcastle. The wine tourism business in the area is anticipated to significantly grow with improved access to Sydney residents as well as to the population and services provided by the development of Huntlee.

Specifically the Site will accommodate a minimum lot size of 10Ha, commensurate to the majority of the surrounding land holdings in the Hermitage Road vineyard area. The lot sizes will allow for a range of small lot agricultural uses, particularly viticulture as well as associated tourist development and ancillary dwellings in a unique rural/viticultural setting. The development of the Site is anticipated to attract people seeking a rural/viticultural lifestyle without operating a large scale commercial wine producing business. The viticultural activities on the Site will likely utilise the wine making facilities of the larger wineries or contractors or sell the produce to strengthen the Industry Cluster. It is expected that, in the future, properties will include a range of ancillary activities including cellar door or wine tasting/restaurant facilities, and "farm gate" sales similar to the existing development in the region.

The Site is expected to strengthen the wine tourism cluster in the region and provide additional small scale viticultural uses that are critical in supporting the major wine producers in the area. The Site is also strategically located as the gateway to the Hermitage Road vineyard area. Future subdivision of the Site for small lot agriculture uses and associated cellar door "farm gate" activities has the potential to incorporate and promote broader tourism linkages including pedestrian, cycle and bridle trails that could in the future form the start of linkages between the Hermitage Road vineyard area and the developing Huntlee New Town with its associated population, retail and community services and conservation and recreation areas.

8.2 Description of Proposal

This Preliminary Planning Proposal seeks to change the minimum lot size for subdivision on the Site from 40ha to 10Ha, and apply a "lot Average' zone to the Site, pursuant to Clause 4.1C of the *Singleton LEP 2013*.

The proposal would result in the creation of a maximum of 30 lots on the Site.

An <u>indicative</u> subdivision layout is provided at **Appendix B** and is at **Figure 20**. The indicative lot layout demonstrates the implementation of the lot averaging provision to accommodate the existing vegetation in a single lot to ensure its conservation.

8.3 Land Uses

The proposal does not seek to make any changes to the range of permitted development on the Site under the RU1 Primary Production Zone. It is noted that

the Hermitage Road Planning Study recommends that the zoning of the Site is reviewed and the RU4 Primary Production Small Lots is considered as a zone that permits land uses that are more appropriate with the surrounding properties. This Planning Proposal will facilitate a lot size that is appropriate for the RU4 zone and permissible land uses.

8.4 Access and Transport

The proposal does not propose any amended transport arrangements or access provisions for the Site. The indicative subdivision layout demonstrates that appropriate access and internal roads can be provided to the Site to facilitate appropriate access and bushfire safety.



Figure 20 – Indicative subdivision layout *Source: JBA*

9.0 Objectives and Intended outcome

Objectives

The primary objective of the Planning Proposal is to establish a 10Ha minimum lot size to be averaged across the Site to facilitate the growth of the Pokolbin Wine tourism industry and encourage viticulture and other intensive agricultural activities to develop on the Site.

Employment and Economy

- Facilitate the future development of the Site for small scale viticulture that will supplement the business requirements of the larger wineries in the district.
- Create an appropriate minimum lot size for the Site that will facilitate viticulture, horticulture and associated tourism related land uses.
- Facilitate future development on the Site that will contribute to the key industry cluster in the region.

Land Uses

- Facilitate future land uses that will be consistent with the existing 'Wine tourism' character of the area including vineyards, cellar door and "farm gate" businesses, tourist accommodation and restaurants and cafes.
- Facilitate a land use pattern that will align with the recommendation of the Hermitage Road Planning Study to rezone the area to RU4 Primary Production Small Lots.

Tourism Infrastructure

- Create future opportunities for recreational linkages and tourist information signage throughout the Pokolbin Wine District, particularly along Hermitage Road;
- Create future opportunities for tourist facilities such as walking and bike tracks and bridle trails to provide linkages to the Huntlee New Town and associated recreation and conservation areas.

Sustainable Development

- Create a lot averaging scheme for the Site that will facilitate the retention of bushland and waterways within single allotments.
- Facilitate the future development of the Site for intensive agriculture including viticulture and olive groves.

Intended Outcome

The creation of a 10Ha minimum lot size to be averaged across the Site will allow a future subdivision that facilitates small scale intensive viticulture and horticulture and associated tourism development including cellar door and "farm gate" premises as well as tourist accommodation and restaurant facilities and ancillary residences.

A 10Ha minimum lot size on the Site will facilitate a 10ha land use pattern that aligns with the existing development on the southern side of Old North Road. The lot size will facilitate dwelling houses that are ancillary to the agricultural activities and small businesses that are critical to the industry cluster.

10.0 Key Planning Issues

10.1 Land Fragmentation

The impact of the reduced minimum lot size on land fragmentation and loss of agricultural production land is identified as an issue for the proposal in the Hermitage Road Planning Study. The study provides that the future subdivision of the Site into lots less than 40Ha will fragment the land and *reduce the significance of the viticultural cluster as vineyards and tourist accommodation will be depleted.* While it is noted that a reduced minimum lot size on the Site will diversify the land ownership and development pattern, the 10Ha minimum subdivision lot size will appeal to a market that is suited to intensive viticulture and horticulture production and will therefore not have a detrimental impact on the agricultural capability or production of the land. An appropriate business model and operational example of this market demand for lot sizes commensurate to that of the proposal is shown on the opposite side of Old North Road. The land use pattern accommodates lots of generally 10Ha in area (refer to Land Use Audit at **Appendix D**) accommodating viticulture, cellar door premises and small scale visitor accommodation.

Subdivision of Lot 5 to into similar sized lots would facilitate the same or complementary development and enable the Hermitage Road vineyard area to expand and strengthen. The contention that viticulture and tourism could still be established by a subdivision to create 40ha lots is disingenuous. As outlined above, the Hermitage Road vineyard area is characterised by small scale boutique vineyards that generally are part of a range of complementary economic uses on the Site. Large scale, stand-alone commercial vineyards are not a feature of the Hermitage Road area which is at the northern periphery of the Pokolbin vineyard area. If commercial scale vineyards were viable in this area, this land would have already been considered for this type of development in the past.

The Planning Study provides that the Singleton LEP 1996 was amended in 2012 to restrict the subdivision of lots below the minimum lot size for tourist and visitor accommodation as this created the fragmentation of rural lands and land use conflicts with additional dwelling houses. This amendment was transferred into the Singleton LEP 2013. While this provision will likely provide a level of restriction to land use conflicts and inappropriate densities, the development of tourist accommodation and wine related tourism uses on lots less than the LEP mapped minimum lot size is a significant and fundamental element of the viticulture critical Industry Cluster in the region.

The future subdivision and land uses on the Site are subject to development consent. Future development on the Site for tourist and visitor accommodation or rural residential development is subject to the relevant zone objectives and planning assessment. It is noted that Clause 4.1B of the Singleton LEP prevents development for the purposes of tourist and visitor accommodation from being below the minimum lot size.

As outlined above, a smaller minimum lot size on the Site would diversify land ownership and land uses, however the existing and successful land use pattern in the locality of the Site provides lots of approximately 10Ha which form the viticulture region and critical industry cluster. Therefore the Planning Study is misinformed in its conclusion that a diversified land ownership pattern will reduce the agricultural and viticultural capacity of the land.

10.2 Compatibility with Existing Land Uses

The Hermitage Road Planning Study contends that a reduced minimum permitted lot size on the Site will create a precedent for the rural residential development of the area and that a level of justification is required to demonstrate that the Site will be developed for tourism and viticultural uses.

The Planning Study provides that the people purchasing 'rural living' lots are seeking a lifestyle rather than productive attributes of the land. It is noted however that the development pattern on the southern side of Old North Road provides residential dwellings that are associated with viticulture uses and ancillary tourist development. Lot sizes of approximately 10Ha facilitate a business model that provides for intensive agriculture and ancillary tourist and "farm gate" uses including cellar door type premises and restaurants. This is an existing and viable business model that has successfully established itself in the Hermitage Road vineyard area and creates a point of difference in terms of its scale and character when compared to the other parts of the Hunter Valley Wine Region.

The Hermitage Road Planning Study does not provide a detailed analysis of the existing viticulture industry in the study area including consideration of the scale, business models and cost structures for the existing operators. A detailed Land Use Audit included at **Appendix D** which provides an analysis of the lots in the area of 10Ha or less in size. The audit analyses the type, range, intensity and productivity of the existing 10ha lots within the vicinity of the Site. The average area of intensive agricultural uses within each property that contains intensive agriculture is 3.89ha. In addition to this, 65.6% of the properties include vineyards or other intensive horticulture, tourist accommodation or other ancillary business uses. This provides compelling evidence that a 10Ha lot size in the locality is conducive to small lot agricultural pursuits rather than stand-alone rural residential development. It would also provide evidence that where lots have been purchased for "rural lifestyle" purposes, the occupants utilise the land for a range of agricultural and tourist uses.

Clause 4.1B(4)(a) of the LEP provides that consent must not be granted for land in the RU1 or RU4 zone unless the consent authority is satisfied that *the subdivision will not adversely affect the use of the surrounding land for agriculture.* As such it is not anticipated that any future application to subdivide the land will consist entirely of residential development.

The Hermitage Road Planning Study contends that rural residential development will not facilitate high quality agricultural or viticultural production, however the existing scenario in the locality provides that this statement is incorrect for lots of 10Ha in size.

The proposed reduction in minimum lots size will facilitate lots of a size and land use consistent with the adjoining land south of Old North Road. It is therefore expected that a similar range of land use activities will develop on the Site and therefore land use conflicts should not occur with the implementation of current development standards for in Singleton DCP.

10.3 Maintaining the Viticultural Industry Cluster

The Pokolbin region is identified as a Critical Industry Cluster in the Upper Hunter Regional Strategic Land Use Plan. Clause 4.1 of the singleton LEP Provides objectives for the minimum subdivision lot size, as outlined below:

- (a) to protect the productive capacity of agricultural land by minimising potential land use conflicts,
- (b) to maintain viable farm sizes to promote agricultural production,

- (c) to ensure that subdivision does not unreasonably impact on the natural and environmental values of the area and will not lead to the fragmentation of natural areas,
- (d) to encourage social and economic diversity by providing a range of lot sizes in residential areas

In accordance with the above objectives, it is anticipated that any future application for subdivision on the Site, in addressing these objectives would be required to demonstrate compliance with the viticulture cluster.

The existing land use character surrounding the Site demonstrates intensive agricultural uses and small scale wine tourism development. If vineyards and tourist developments of this scale were developed on 40ha lots, there would be significant underutilisation of the land as only a small proportion of the lot would be likely to be cultivated for vines or developed for tourism. Alternatively, should the area be subdivided into smaller lots, a larger number of boutique scale operators could occupy the land and utilise it more efficiently for viticulture increasing the yield of the land and tourism opportunities

The intensive and smaller scale viticultural production and small scale wine tourism developments in the northern portion of the Hermitage Road vineyard area play an important role in supporting the larger wine producers within the broader Pokolbin District, generally located in the Cessnock area to the south. Smaller wine producers in the area often contract the larger commercial vineyards to harvest and make their wines which are then sold on cellar door type premises on their Site. In addition to this the larger Wine producers often rely on the sale of produce from the smaller grape growers in the region to diversify the range of grapes and provide an additional supply to diversify the risk of harvesting from a single vineyard or group of vineyards.

10.4 Transport and Traffic

This proposal will permit the intensification of the Site and as such will generate an increased amount of traffic to the Site. The proposed minimum lot size of 10Ha would permit a maximum of 30 allotments on the Site, which is an increase of 23 lots from what is currently permissible with a 40Ha minimum lot size. The future subdivision and development of the Site will be required to demonstrate that there will not be any significant adverse traffic impacts. Notwithstanding this, the proposal is not anticipated to have any significant adverse impact on traffic conditions on the surrounding local roads, as outlined below:

- The Site has frontage to two roads allowing for traffic to disburse evenly and alleviate congestion;
- The maximum development potential for the Site is for 30 allotments. The capacity of the surrounding road network is expected to easily cope with the minor increase in traffic granted the low intensity of development in the area;
- The Site is located in close proximity to the Hunter Expressway which facilitates significant regional transport opportunities; and
- The existing road conditions in the area are operating significantly under their maximum capacity. The traffic generated from the Site will be easily absorbed into the local road network.

10.5 Bushfire Threat

A Bushfire threat Assessment has been prepared for the Site and surrounding land by RPS and is provided at **Appendix E**. The assessment has been prepared in accordance with the relevant Australian Standards (as outlined below) and the Planning for Bushfire Protection Guidelines 2006 (PBP). The assessment provides a number of recommendations for the future development on the Site, as outlined below:

- The Assessment provides that the maximum 25m Asset Protection Zone (APZ) setback from the nearest bushfire hazard will be required for future development on the Site depending on vegetation classification;
- The construction of future dwellings on the Site should have regard to the Bushfire Attack Levels (BAL) outlined in the BCA and the Australian Standard (AS3959 – 2009) construction of buildings in bushfire prone areas.
- Internal access roads are to be constructed in accordance with the PBP and are to comprise:
 - two-wheel drive all weather roads with the carriageway capacity of road surfaces and bridges being sufficient to carry fully loaded fire fighting vehicles being approximately 15 tonnes for areas with reticulated water and 28 tonnes for all other areas. Bridges must clearly indicate load rating;
 - no excessive traffic calming devices including speed humps and chicanes;
 - through sight roads, (dead ends may be allowed if they are not more than 200 metres in length);
 - road carriageways are to be between 6.5m and 8m wide
 - all stored water on the Site should be fitted with a suitable bush firefighting connection that provides a reserve water supply;
- consideration to future landscaping should have regard to species with a high moisture content and low flammability and species that do not drop a high amount of litter;

RPS provide that the indicative subdivision plan provided at **Appendix B** and **Figure 20**, has been designed with regard to the Site bushfire constraints and provides a road design that is appropriate for the Site.

10.6 Landscape Character and Visual Impact

The proposed 10Ha minimum subdivision lot size is anticipated to facilitate a land use pattern that is commensurate with the existing landscape character of the area. The Hermitage Road Planning Study identifies that the proposal is to provide a visual impact and landscape character assessment for the proposal which seeks to reduce the minimum subdivision lot size.

It is noted that this proposal only seeks to reduce the minimum lot size for the Site and any future development of the Site will be required to assess any additional impacts on view loss or landscape character.

The primary impact that the development will have on landscape character and visual impact is from the intensification of development on the Site. Currently the 40Ha minimum lot size will permit approximately seven separate allotments on the Site while the proposal will permit up to 30. The Hermitage Road Planning Study identifies the Site as being within the Landscape Character Zone 1(LCZ 1), as shown in **Figure 21** below. It is noted however that 40Ha lot sizes are currently permissible on the Site and therefore LCZ 4 is also an accurate reflection of the existing permissible landscape character for the Site.



Figure 21 – Landscape Character Zones Source: Hermitage Road Planning Study

The proposal seeks to implement a lot size and development character that is consistent with the Landscape Character Zone 3, as provided in the Hermitage Road Planning Study. The Planning Study provides that the Site is characterised by larger landholdings occupied by extensive cattle grazing. The Site however is located on the southern boundary of LCZ1 and borders the more intensive vineyard and tourist area of LCZ 3 on the southern side of Old North Road. The physical characteristics of the Site are the same as the land in LCZ 3 to the immediate south where the subdivision is characterised by intensive development on lots of approximately 10Ha in area. These lots are utilised for a range of significantly more intensive uses including vineyards, tourist accommodation and olive groves.

The existing vineyard and tourist development in the Hermitage Road area (immediately adjacent to the Site) has occurred historically where smaller lots have been facilitated, as smaller and more intensive lots fits with the business model of vineyard operators in this part of the Hunter Valley.

Figures 22 and **23** below show oblique aerial photos of the Site and the surrounding landscape patterns. As previously discussed the allotment and land use patterns on the southern side of Old North Road show a clustering of intensive

viticulture and wine tourism development. The future subdivision of the Site would reflect a similar landscape character and would strengthen the cluster of wine tourism development and viticulture in the region. The future subdivision of the Site would further strengthen Old North Road as the spine of the northern portion of the wine district that is characterised by smaller scale more intensive viticulture and tourist accommodation developments.



The Site

Figure 22 – Aerial photo of the Site, as viewed from the north Source: Belford Land Corporation



The Site

Figure 23 – Aerial photo of the Site, as viewed from the south Source: Belford Land Corporation

A 10Ha minimum lot size on the Site, reflecting an extension of the land use patterns on the southern side of Old North Road would not have a detrimental visual impact on the LCZ 1 land to the north of the Site as the existing land

topography, water courses and vegetation patterns develop a fragmented and inconsistent land use pattern that would not be significantly dissimilar to the proposed future land use patterns on the Site.

The proposed lot averaging scheme will allow the future subdivision of the Site to develop allotments that are consistent with the Site topography and vegetation patterns, as demonstrated in the indicative subdivision plan provided at **Appendix B**. The proposed minimum lot size will facilitate a future subdivision and development pattern that better reflects the viticultural nature and intensive land use character of the northern end of the Pokolbin wine region.

10.7 Impact on Adjoining Properties

The proposal is not anticipated to facilitate development that will have any detrimental impact on the adjoining properties. The development of the Site for intensive viticulture reiterates the land use character and level of amenity provided to the lots on the southern side of Old North Road. While the proposal will facilitate the intensification of the Site, the proposed density is commensurate with the intensity of the area, specifically the land on the opposite side of Old North Road. The scale of viticultural activities or commercial development on the Site will not be large enough to have any significant noise or agricultural impacts on the surrounding properties.

Further to the above, there are no proposed changes to the range of permissible land uses on the Site and as such it is not anticipated to be any significant changes in the. It is noted that the Hermitage Road Planning Study recommends that the RU1 zoning of the Site and surrounding land is reviewed with a view to introducing the RU4 Zone.

10.8 Land Capability and Contamination

A Soil Land and Agricultural Resource Assessment has been prepared by SLR Consulting Australia and is provided at **Appendix C**. The study addresses the following issues, as raised in the Hermitage Road Planning Study:

- An assessment of the Site's agricultural capability particularly in regards to viticulture or other intensive agricultural uses;
- Assessment of the soil salinity within the Site;
- Assessment of the Site's capacity to accommodate on-site sewerage management and disposal; and
- Assessment of any potential soil contamination from previous agricultural activities.

The Soil and Land Resource Assessment includes soil profile testing with six soil samples taken and assessed to determine the soil profile of the Site. The assessment finds that the dominant soil type on the Site is a Brown Sodosol with minor soil types being Red Kurosol and Brown Kurosol. The assessment provides that these soils have a moderately low level of inherent fertility, which is desired for viticultural uses.

10.8.1 Contamination

The contamination assessment of the Site included a detailed site inspection to determine the presence of the following potential contaminating activities as a result of previous agricultural land uses:

- Disused cattle or sheep dips;
- Disused intensive animal production areas such as piggeries, poultry farms or dairies;

- Chemical drum disposal areas;
- Disused fuel storage areas; and
- Dilapidated buildings or sheds.

The assessment provides that there is no indication of potential sources for contaminated soils on the Site. SLR provides that the potential for soil contamination on the Site is negligible.

10.8.2 Agricultural Capability

The assessment provides that the desired viticultural soil conditions are:

- Soil with good drainage and texture;
- Good water holding capacity at depth;
- Low to moderate inherent fertility; and
- Free rooting soil depth greater than 50cm.

All soils found within the Site possess suitable physical and chemical characteristics to facilitate the establishment of intensive agricultural production such as viticulture or olive groves. The assessment provides that agricultural Lime can be used on some areas of the Site where pH levels are below 5.5 and Gypsum can be used to ameliorate strongly sodic areas.

Generally the soil samples from the Site were non saline at soil depths of less than 50cm. Salinity levels increase across the Site to levels that are slight to moderate at depths greater than 50cm. Notwithstanding this, the top 50cm of soil is most important for intensive agricultural production including viticulture, this level of salinity is within the suitable levels for viticulture and Olive Grove production. In addition to this, the assessment provides that the topography of the Site and the soil types provide a low chance for increasing salinity levels on the Site.

10.8.3 Water and Irrigation

The Department of Primary Industries NSW Office of Water provide a service to determine the maximum dam capacity that can be constructed on a site without the requirement for a licence. The Office of Water provide that each of the proposed 10Ha allotments is eligible create a dam with storage capacity of 0.7 Mega litres (ML) of water. This is generally consistent with the size of the existing dams provided for viticultural production on the adjoining Site's in the area and may be used for low scale irrigation during times of low levels of rain. It is further noted that the Site has an existing connection to the Pokolbin Irrigation District (PID). The disposal of waste water and sewerage on the Site are considered to be easily accommodated with each of the proposed 10Ha lots, as outlined in detail at **Section 10.8**.

In accordance with the above findings, the Site is considered to have significant potential for intensive agricultural production including viticulture and olive groves. Similar to the adjoining properties and the greater Pokolbin Wine District, the Site contains soils appropriate for intensive viticultural production and is able to accommodate farm dams of an appropriate size to provide for sufficient water irrigation.

10.9 Biodiversity

A Site Constraints and Opportunities Assessment has been prepared by RPS and is provided at **Appendix G**. The assessment includes a desktop study of the Site as well as a site investigation to determine the type of flora and fauna species across the Site. The assessment provides the following site observations.

Sensitive Flora and Fauna on the Site

Flora

- Approximately 82% of the Site is cleared grazing land;
- Approximately 2.1Ha of Hunter Lowland Redgum Forest which is classified as an Endangered Ecological Community (EEC);
- Approximately 61.9Ha of Central Hunter Ironbark Spotted Gum Grey Box Forest which is classified as an Endangered Ecological Community (EEC);
- The likely occurrence of *Eucalyptus glaucina* (Slaty Red Gum) across the Site within vegetation communities and/or as paddock trees which is classified as a threatened species;

Fauna

- Potential habitat for a range of threatened fauna species, including the following:
 - Glossopsitta pusilla Little Lorikeet;
 - Neophema pulchella Turquoise Parrot;
 - Ninox connivens Barking Owl;
 - Anthochaera Phrygia Regent Honeyeater;
 - Melithreptus gularis gularis;
 - Black-chinned Honeyeater (eastern subsp.);
 - Pomatostomus temporalis Temporalis Grey-crowned Babbler;
 - Daphoenositta chrysoptera Varied Sittella;
 - Petroica boodang Scarlet Robin;
 - Petaurus australis Yellow-bellied Glider;
 - Pteropus poliocephalus Grey-headed Flying-fox; and
 - Scoteanax rueppellii Greater Broad-nosed Bat.
- The Site has connectivity between large patches of vegetation to the west and northeast through vegetation in the south of the Site.

Recommendations

The assessment provides that the proposed lot averaging scheme and the average 10Ha lot size to be applied across the Site will create opportunities for the avoidance of many potential impacts through the layout of a future subdivision. The assessment provides that vegetation can be retained in the northern and southern portions of the Site. The assessment provides a number of recommendations which may allow future subdivision to enhance natural values and increase potential habitats available for threatened flora and fauna species. The recommendations are outlined below:

- Implementation of weed control programs, particularly to target *Olea europea* subsp. *cuspidata* (African Olive), within the understorey of the River Oak and Swamp Oak forests;
- A targeted program to control Noisy Miner (*Manorina melanocephala*) populations and allow for other native bird species to utilise the area;
- Revegetation of the shrub layer throughout the vegetated areas of the Site; and

 Strengthening the link between surrounding areas of vegetation to the west and northeast by active planting or encouraging further regrowth in the south of the Site.

10.10 Provision of Essential Services

Clause 7.10 of the Singleton LEP provides that the Consent Authority may not grant consent to a development that does not provide or have adequate arrangements in place for the provision of essential services.

Sewage

The Soil Land and Agricultural Resource Assessment (**Appendix C**) includes an assessment of the capacity of the Site to accommodate on-site waste water management for each of the top two soil horizons (soil depth ranges between 15cm and 40cm). The assessment provides that waste water may be disposed of on the Site by primary septic tank treatment and absorption trench. The assessment also provides that the top two soil horizons are appropriate for waste water absorption.

Water

As previously stated, the Site is not serviced by Council operated reticulated water. As such the provision of drinking water to the Site will be provided by rain water tanks. The existing development in the Hermitage Road vineyard area is not serviced by reticulated water and utilises rain water.

Access

As previously stated the Site has two existing road frontages to Hermitage Road and Old North Road. As demonstrated in the indicative subdivision layout plan (**Appendix B** and **Figure 20**) the Site is able to accommodate internal vehicular access that is compliant with the *Planning for Bushfire protection Guidelines* and ensures vehicular access to all allotments.

Electricity

There is existing electricity infrastructure available to the Site. The Future development of the Site will provide connections to the exiting electricity lines.

10.11 Employment and Economic Issues

The proposal will facilitate the generation of additional jobs on the Site and allow for the growth of the agricultural and tourism sectors in the region. The Upper Hunter Regional Strategic Land Use Plan identifies the Pokolbin Region as significant tourism industry which provides a significant benefit to the local economy.

The land uses surrounding the Site comprise a range of wine tourism development including tourist accommodation, restaurants, cafes and cellar door premises. These land-uses are critical economic and employment generators for the area and provide a significant contribution to the local economy. Wine tourism provides a significant addition to the viticultural produce in the region and strengthens and diversifies the economic benefits of the wine production in the region.

The proposal will facilitate intensive agricultural production and wine tourism development on smaller lots that are capable of providing a mix of business income and employment. The existing development and agricultural production patterns to the south of Old North Road demonstrate a diverse range of businesses that utilise the tourism and agricultural advantages of the area. The proposal is anticipated to create a range of full time employment positions as well as seasonal jobs to cater for harvesting and wine production. The wine tourism

development potential for the future lots created under this proposal will facilitate full-time and part-time employment positions and viable small scale businesses. The proposal will facilitate the creation of a greater range and diversity in employment opportunities on the Site than is currently provided for in the lot size controls.

10.12 Cultural Heritage

A Heritage Due Diligence Assessment of the Site has been prepared by RPS and is provided at **Appendix F**. The assessment includes a desktop study and a site inspection to determine the whether an Aboriginal Heritage Impact Permit (AHIP) is required for the future development on the Site.

The Assessment provides that Aboriginal objects and sites were identified within a 1km buffer zone around the Site and a scatter was identified within the north-western portion of the property. The site inspection however confirmed that there were no artefacts located at the scatter site. Notwithstanding this the scatter site is still a registered site and therefore is protected under the *National Parks and Wildlife Act 1974.*

The assessment provides that the Site may have previously been a suitable place for resources for Aboriginal people due to the flora and fauna on the Site; however the previous agricultural land uses have likely affected any material evidence of Aboriginal occupation.

The assessment recommends that an Aboriginal Heritage Impact Permit (AHIP) is not required for the proposal however the future subdivision lot layout should seek to avoid the Aboriginal Scatter or an AHIP may be required. The Proposed average 10Ha lot sizes should comfortably accommodate a lot around the scatter that will not require its demolition.

The assessment provides a series of recommendations for the future development of the Site which, if adhered to are expected to mitigate any potential impacts on undiscovered Aboriginal objects.

11.0 Justification

The following section includes an assessment against Part 3 'Justification' of the requirements in *A Guide to preparing planning proposals* published by the Department of Planning and Infrastructure in October 2012.

11.1 Need for a Planning Proposal

11.1.1 Is the Planning Proposal a result of any strategic study or report?

This planning proposal is not the result of any specific strategic study or report but rather a consolidated response to the various planning and land use studies that have been prepared for the area. The Singleton Land Use Study (SLUS) identifies that a review of land use zones, which specifically includes those in the Hermitage Road and Broke Fordwich areas, is required to 'enable diversified tourism and accommodation'.

Further to the above, the Hermitage Road Planning Study identifies that the planning proposal may be resubmitted with a series of additional information and studies to inform Council's decision making. **Sections 6** and **7** of this Preliminary Planning Proposal addressed the various issues raised in the Hermitage Road Planning Study in a high level of detail. Further to this, Belford Land Corporation has engaged additional expert consultants to prepare studies regarding the agricultural capability of the Site and the existing site vegetation and the bushfire impacts. In addressing the additional information required, this Preliminary Planning Proposal is considered to be consistent with the Hermitage Road Planning Study's requirements for the proposal.

Together with the issues identified in this report and the consultant studies, there is a strong and compelling strategic planning case for the Preliminary Planning Proposal on a number of grounds including the following:

- The proposed minimum allotment size of 10Ha is commensurate to that of the surrounding area and is capable of accommodating intensive viticulture and horticulture production as well as associated tourism development such as cellar door premises, tourist and visitor accommodation and restaurants and cafes;
- The subdivision of the land into 10Ha allotments will diversify the ownership pattern of the Site however this will not create adverse impacts on land use fragmentation and the agricultural productivity of the land;
- The Pokolbin Wine District, particularly the northern portion, is dependent on smaller scale viticultural production and ancillary wine tourism development to complement and support the major wineries and wine producers located in the southern portion of the district;
- The opening of the Hunter Expressway will make the locality more accessible to Sydney and has elevated the Hermitage Road vineyard area as the northern gateway to the Pokolbin Wine Region;
- The Singleton Land use Strategy identifies that a review of the land uses zones in the Hermitage Road area is required to enable diversified tourism and accommodation. The need to review the zoning of the area is reiterated in the Hermitage Road Planning Study, however this is not transferred into the recommended lot size controls for the Site;
- The Site provides high quality soil conditions for intensive agricultural production including viticulture and olive groves;

- The proposed lot averaging scheme for the Site will enable the conservation and retention of the EEC's on the Site and will facilitate more broadly the retention of bushland in a future subdivision; and
- The Site is more than adequate to accommodate the required services and access arrangement s for any future development.

11.1.2 Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

This planning proposal is the best means of achieving the intended outcome of the development, which is to amend a development standard, being the minimum subdivision lot size. The proposal seeks to facilitate a reduced minimum lot size of 10Ha which is to be averaged across the Site, resulting in some larger lots and some smaller lots. The current minimum lot size of 40Ha does not permit the efficient subdivision of the Site for small lot primary production including viticulture and associated tourism. As such a Planning Proposal is required to achieve the intended outcome for the Site.

11.2 Relationship to Strategic Planning Framework

The relationship of the Preliminary Planning Proposal to the strategic planning framework applicable to the Site including Regional strategies, the applicable S117 Ministerial Directions, applicable State Environmental Planning Policies, and the Local Council's Strategic Plan have been addressed in **Section 6.1**.

11.3 Environmental, Social and Economic Impact

11.3.1 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?

The potential impacts of the Preliminary Planning Proposal on critical habitat or threatened species, populations or ecological communities or their habitats has been addressed in **Section 10.9**.

11.3.2 Are there any other likely environmental effects as a result of the Planning Proposal and how are they proposed to be managed?

No environmental impacts are likely as a result of the Planning Proposal other than those discussed in **Section 10**. These issues are not considered to have any significant environmental impacts and are supported by a number of specialist technical studies:

- Bushfire Threat Assessment;
- Ecological Constraints;
- Heritage;
- Soil Contamination;
- Soil, Land and Agricultural Resource Assessment

Acoustic Assessment.

The environmental issues associated with the detailed subdivision and future development of the area envisaged under this Planning Proposal would need to be addressed in the preparation of future Development Applications.

11.3.3 How has the Planning Proposal adequately addressed any social and economic effects?

The economic impacts of the proposal are discussed in Section **10.11**. Where necessary, detailed assessments of the economic, employment, social and cultural impacts of the future development may be addressed in the submission of future Development Applications.

11.4 State and Commonwealth Interests

11.4.1 Is there adequate public infrastructure for the Planning Proposal?

The provision of essential services, public infrastructure and transport arrangements for the Site is addressed in **Section 10.10**.

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

Consultation requirements will be specified by the LEP Gateway Review Panel, and the outcomes of these discussions will be detailed in the Final Planning Proposal. Relevant government stakeholders in the Planning Proposal proves include:

- Singleton Council;
- NSW Department of Planning and Environment;
- NSW Department of Primary Industries;
- NSW Department of Water;
- NSW Department of Trade and Investment Minerals Resource Branch; and
- Commonwealth Department of Defence.

11.5 Future Supporting Studies

The Preliminary Planning Proposal seeks an amendment to the Singleton LEP 2013 to permit a minimum lot size of 10Ha on the Site. A future subdivision and subsequent development, consistent with this outcome will require the submission of development applications in the future. These applications will be required to be supported by additional specialist studies depending on the type and scale and associated potential impacts of the development sought.

12.0 Conclusion

The purpose of the Planning Report is to support an amendment to *Singleton Local Environmental Plan 2013* to change the minimum lot size for subdivision on Lot 5 DP 823737 known as 257 Hermitage Road, Pokolbin from 40ha to 10Ha, and apply a "lot Average' zone to the Site, pursuant to Clause 4.1C of the *Singleton LEP 2013*.

This Planning Proposal updates and revises the previous Planning Proposal prepared for the Site dated March 2012. The revised proposal incorporates the findings of the Hermitage Road Planning Study prepared by Singleton Council, and in particular, addresses the key specific recommendations raised in that report in respect of the previous Planning Proposal.

In addressing the outstanding issues, this Preliminary Planning Proposal demonstrates that the change to the land use zoning and minimum lot size in this location has strategic planning merit, and is consistent with facilitating small lot agriculture on the Site under the RU4 zoning recommended for the Site in the Hermitage Rod Planning Study.

The proposed 10Ha minimum lot size seeks to expand and complement the existing subdivision pattern in the Hermitage Road vineyard district and facilitate the type and scale of viticulture, horticulture and associated tourist development that underpins this unique part of the Hunter valley Wine Region.

The key objectives of the Preliminary Planning Proposal are to:

- Create an appropriate minimum lot size for the Site that will facilitate viticulture, horticulture and associated tourism related land uses.
- Facilitate future development on the Site that will contribute to the viticulture critical industry cluster in the region.
- Facilitate future land uses that will be consistent with the existing wine tourism character of the area including vineyards, cellar door and "farm gate" businesses, tourist accommodation and restaurants and cafes.
- Facilitate a land use pattern that will align with the recommendation of the Hermitage Road Planning Study to rezone the area to RU4 Primary Production Small Lots.
- Create future opportunities for tourist facilities such as walking and bike tracks and bridle trails to provide linkages to the Huntlee New Town and associated recreation and conservation areas.
- Create a lot averaging scheme for the Site that will facilitate the retention of important bushland and riparian within single allotments.

This report has documented and assessed the capability of the land to accommodate a more intensive small lot subdivision pattern. Based on the information provided in the specialist assessments, we have concluded that there is clear strategic merit for the proposal to progress to detailed planning and assessment in a Final Planning Proposal. In light of the above we recommend that Council and the LEP Gateway Panel support the Preliminary Planning Proposal.



