

PUBLIC EXHIBITION



PLANNING PROPOSAL

Planning Proposal to Enable a Kaufland Supermarket - 393 Pacific Highway, Belmont North



Exhibition Dates:

Thursday 12 December 2019 - Monday 20 January 2020

Submissions to be addressed to:

The CEO
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Planning Proposal to Enable a Kaufland Supermarket - 393 Pacific Highway, Belmont North

Exhibition Version - Digital

Local Government Area	Lake Macquarie City
Name of Draft LEP:	Draft Lake Macquarie Local Environmental Plan 2014 – Belmont North
Subject Land:	Lot 101 in DP 1021186, 393 Pacific Highway, Belmont North
Owner:	BWP Management Ltd
Applicant:	BWP Management Ltd
Council Folder Number:	RZ/1/2019
Figures:	Figure 1: Coastal Wetland and Coastal Wetland Buffer Map Figure 2: Bushfire Prone Land Buffer Map Figure 3: Flooding Map
Attachments:	Attachment 1: Locality Map Attachment 2: Aerial Photograph Attachment 3: Existing Zoning <i>LMLEP 2014</i> Attachment 4: Existing Additional Permitted Uses' Attachment 5: Proposed Additional Permitted Use Attachment 6: Concept Plan Attachment 7: Overland Flow Report Attachment 8: Transport Impact Assessment Attachment 9: Economic Impact Assessment Attachment 10: Peer Review of Economic Impact Assessment
Prepared by:	Adam Ovenden – Senior Strategic Planner Economic Focus

Part 1 – Objective of the Planning Proposal

This Planning Proposal applies to Lot 101 in DP 1021186, 393 Pacific Highway, Belmont North (the subject site). The subject site is approximately four hectares of B4 Mixed Use and B7 Business Park zoned land with direct access to the Pacific Highway.

The proposal seeks to amend *Lake Macquarie Local Environmental Plan 2014 (LMLEP 2014)* to insert Additional Permitted Uses of a *Shop* and *Food and Drink Premise* within Schedule 1 for the B7 Business Park zoned area of the subject site. The proposal also seeks to include a floor space limitation of 435m² for the use of the site as a *Food and Drink Premise* in Part 7 Additional Local Provisions of *LMLEP 2014*.

The objective of this proposal is to facilitate the development of a Kaufland supermarket and associated food and drink premises through a concurrent development application.

Part 2 – Explanation of the Provisions

The amendment proposes the following changes to *LMLEP 2014*:

Schedule 1 - Additional Permitted Uses	Permit development for the purposes of <i>Shop</i> and <i>Food and Drink Premise</i> on the B7 Business Park zoned area of Lot 101 in DP 1021186, 393 Pacific Highway, Belmont North
Part 7 – Additional Local Provisions	Limit development for the purpose of a <i>Food and Drink Premise</i> to a maximum floor area of 435m ² on the B7 Business Park zoned area of Lot 101 in DP 1021186, 393 Pacific Highway, Belmont North

Part 3 – Justification for the Provisions

A. NEED FOR THE PLANNING PROPOSAL

1. Is the planning proposal a result of any strategic study or report?

This Planning Proposal is not the result of a strategic study or report.

The site is currently zoned a mixture of B4 Mixed Use and B7 Business Park under *LMLEP 2014* and has been occupied by a Bunnings Warehouse since 2001. Bunnings recently have made a commercial decision to relocate their operations to a nearby B7 Business Park zoned precinct at Bennetts Green.

The purpose of the Planning Proposal is to facilitate the development of a Kaufland supermarket and associated retail outlets through a concurrent development application. The proposal will retain significant local employment opportunities within a key employment precinct within the growth corridor between Belmont and Charlestown.

The proposed use of the site as a supermarket and associated retail is defined as *Shops* and *Food and Drink Premises* under *LMLEP 2014*. Whilst these uses are permissible within the B4 zoned component of the site adjacent to the Pacific Highway, they are both prohibited within the B7 zoned area.

2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

In order to achieve the indented outcome the following options were considered:

Option 1 – Encourage the Proposed Supermarket Elsewhere

The first option considered as part of this Planning Proposal was to consider encouraging the use on alternative sites within the City. Traditionally, supermarkets have been encouraged within economic and local centres. A review of available and developable land within nearby areas, where *Shops* and *Food and Drink Premises are permissible* failed to identify suitable alternative sites.

Furthermore, the proposed development is expected to have a significantly larger market catchment serving the needs of residents across eastern Lake Macquarie and beyond. As such, the site area required to accommodate the building footprint and associated car parking would not support Council's objective of creating fine grain, compact, and walkable economic centres.

It is considered that the subject site is an appropriate strategic location for the proposed use as the site is:

- Located within an Urban Renewal Corridor under the Hunter Regional Plan, Newcastle Metropolitan Plan, and Imagine Lake Mac;
- Partially zoned B4 Business Park where the proposed uses are permissible. The uses are also permitted within the remaining 3.7 hectares within the Belmont North Business Precinct;
- Located 1km from the Belmont Economic Centre;
- On the main north / south movement corridor on the eastern side of Lake Macquarie with strong public transport links; and
- Located in a residential area with over 3,200 persons living within a 10 minute walkable catchment. This walkable catchment population is higher than the economic centres of Cardiff, Glendale, Mount Hutton, Morisset, and Toronto.

Option 2 – Rezone site to B4 Mixed Use

Rezoning the B7 Business Use component of the site to B4 Mixed Use would facilitate the proposed supermarket (*Shop*) and associated retail (*Food and Drink Premise*) with consent. The site adjoins 3.7 hectares of land zoned B4 Mixed Use, and the rezoning would be a logical extension of that land use.

However, the subject land is below the 1:100 flood level. As the B4 Mixed Use zone permits multiple residential uses with consent, this is considered an inappropriate use of the land.

Option 3 – Additional Permitted Use

The third option considered was to amend Schedule 1 of *LMLEP 2014* and insert *Shops* and *Food and Drink Premise* as an Additional Permitted Use and assess the development application for the supermarket and associated retail concurrently. This will ensure that the LEP amendment will only proceed if the proposed development meets council's requirements as part of the development assessment process.

Option 3 is considered the most efficient means of achieving the objectives of the Planning Proposal.

B. RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK

1. **Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?**

Hunter Regional Plan 2036

The proposed amendment to *LMLEP 2014* and the concurrent development application are consistent and supportive of the relevant Goals and Directions within the Hunter Regional Plan 2036. The subject site is located within the Urban Renewal Corridor identified within the Plan stretching from Belmont to Charlestown.

The proposal is consistent with the following directions:

Direction 23: Grow centres and renewal corridors

As identified above, the subject site is located within the Charlestown to Belmont Urban Renewal Corridor, about 1km from the Belmont Economic Centre. Once constructed, the proposed development will support approximately 150 direct ongoing jobs.

Direction 24: Protect the economic functions of employment land

The proposed LEP amendment and concurrent development application will retain and enhance the economic and employment function of existing activates within the site and precinct. The proposal and subsequent redevelopment of the site has the potential to stimulate and enhance economic and employment activities within the adjoining employment land.

Greater Newcastle Metropolitan Plan 2036

The proposed LEP amendment is generally consistent with the vision and strategies within the Greater Newcastle Metropolitan Plan 2036 (the Metro Plan). The subject site is located within the Metro Core that contains nearly two-thirds of Greater Newcastle's homes and jobs.

The Planning Proposal is consistent with Action 7.1 in the Metro Plan which calls on Council's to:

- Build capacity for new economy jobs in areas well serviced by public transport and close to established centres by:
 - Enabling a greater range of employment generating uses in appropriate industrial and business areas, and
- Ensure an adequate supply of employment land, including industrial zoned land, to cater for demand of urban services in accessible locations.

The subject site is located within the Urban Renewal Corridor between Belmont and Charlestown and is close to the established Belmont economic centre. The site is on the main north-south public transport corridor with two bus stops on both sides of the highway, close to the site.

2. Is the planning proposal consistent with the local council's Community Strategic plan or other local strategic plan?

Community Strategic Plan 2017-2027

The proposal is considered consistent with the Community Strategic Plan by providing economic activity and employment opportunities in an area serviced by good mobility and accessibility.

Imagine Lake Mac

The proposed amendment aligns with the aspiration within Imagine Lake Mac to create a City that attracts investment, creates jobs, and fosters innovation. The site is located within the Belmont North Business-Industrial Precinct that seeks to provide a range of flexible spaces for a variety of employment uses while ensuring the conservation and enhancement of the adjoining Belmont Wetlands. The proposed amendment is considered to be consistent and supportive of the aspirations within Imagine Lake Mac.

3. Is the planning proposal consistent with applicable state environmental planning policies?

An assessment has been undertaken to determine the level of consistency the proposal has with relevant State Environmental Planning Policies (SEPPs). The assessment is provided below.

SEPP	Relevance	Comment
SEPP 55 – Remediation of Land	Establishes planning controls and provisions for the remediation of contaminated land.	<p>A Site Audit Statement (November 2000) has previously been issued for the site under the <i>Contaminated Land Management Act 1997</i> and <i>Contaminated Land Management Regulation 1998</i>. The site Audit Statement confirms that the site is suitable for commercial uses.</p> <p>The Site Audit Statement identifies an on-site containment cell in the north-eastern corner of the site. The cell contains asbestos contaminated soil.</p> <p>The impacts on the cell and other containment issues will be assessed as part of the concurrent development application.</p>
SEPP - Coastal Management 2016	This SEPP ensures that development in the NSW coastal zone is appropriate and suitably located to ensure that there is a consistent and strategic approach to coastal planning and management.	<p>Land directly to the east of the site is identified as 'coastal wetlands' for the purpose of the Coastal Management SEPP. The eastern portion of the site is identified with the 'proximity area for coastal wetlands'.</p> <p>The impacts of the proposal on the adjacent sensitive receiving environment will be assessed in detail as part of the concurrent development application.</p>
SEPP (Infrastructure) 2007	The objective of the SEPP is to facilitate the coordination of essential infrastructure	<p>The site is located in an existing urban area and is serviced by essential infrastructure.</p> <p>The proposal meets the definition of traffic generating development requirement referral to Roads and Maritime Service (Transport NSW). Consultation will occur with the RMS should the proposal proceed through the Gateway process.</p>

4. Is the planning proposal consistent with applicable Ministerial Directions?

An assessment has been undertaken to determine the level of consistency the proposal has with relevant Ministerial Directions. The assessment is provided below:

Ministerial Direction	Relevance	Implications
1.1 - Business and Industrial Zones	Aims to encourage employment growth in suitable locations, protect employment land in business and industrial zones, and support the viability of identified strategic centres	The proposed amendment to <i>LMLEP 2014</i> will assist in maintaining existing employment and economic activities on the site and the adjacent B4 zoned land. The proposed amendment is considered to be consistent with this Direction.
1.2 - Rural Zones	Aims to protect the agricultural production value of rural land	N/A
1.3 – Mining, Petroleum and Extractive Industries	The direction requires consultation with the Director-General of the Department of Primary Industries where a draft LEP will restrict extractive resource operations	N/A
1.4 - Oyster Aquaculture	Aims to ensure that Priority Oyster Aquaculture Areas	N/A
1.5 - Rural Lands	Aims to protect the agricultural production value of rural land	N/A
2.1 – Environmental Protection Zones	The direction requires that a draft LEP contain provisions to facilitate the protection of environmentally sensitive land	N/A

Ministerial Direction	Relevance	Implications
2.2 - Coastal Management	This direction seeks to give effect to the objects of the <i>Coastal Management Act 2016</i>	<p>The adjacent land to the east of the site is identified as a 'coastal wetlands' under the <i>SEPP (Coastal Management) 2018</i>. Approx. 13,500m² along the eastern boundary is identified within the 'proximity area for coastal wetlands'.</p> <p>Under the <i>SEPP</i>, consent must not be granted for land within the 'proximity area for coastal wetlands' unless the consent authority is satisfied that the proposed development will not significantly impact on the biophysical, hydrological or ecological integrated of the adjacent coastal wetland, or the quantity and quality of surface and ground water flows to and from the adjacent coastal wetland.</p> <p>The impact of the proposed development on the adjacent coastal wetland will be assessed in detail as part of the concurrent development application.</p>
2.3 – Heritage Conservation	The direction requires that a draft LEP include provisions to facilitate the protection and conservation of aboriginal and European heritage items	N/A
2.4 – Recreation Vehicle Areas	The direction restricts a draft LEP from enabling land to be developed for a recreation vehicle area	N/A
3.1- Residential Zones	The direction requires a draft LEP to include provisions that facilitate housing choice, efficient use of infrastructure, and reduce land consumption on the urban fringe	N/A

Ministerial Direction	Relevance	Implications
3.2 – Caravan Parks and Manufactured Home Estates	The direction requires a draft LEP to maintain provisions and land use zones that allow the establishment of Caravan Parks and Manufactured Home Estates	N/A
3.3 – Home Occupations	The direction requires that a draft LEP include provisions to ensure that Home Occupations are permissible without consent	N/A
3.4 – Integrating Land Use and Transport	The direction requires consistency with State policy in terms of positioning of urban land use zones	The site is accessible by the regional road network from the Pacific Highway. Bus stops along the Pacific Highway provide services to Belmont, Newcastle, Charlestown, Swansea, Warners Bay and Mount Hutton. The development of the site for a supermarket would therefore capitalise on established movement infrastructure and public transport routes.
4.1 Acid Sulfate Soils	Aim to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulfate soils	The proposal is consistent with this Direction. The site is identified as ASS Class 3 and 5. Consideration will be given to ASS during any remediation and redevelopment as part of the concurrent development application.
4.2 – Mine Subsidence and Unstable Land	The direction requires consultation with the Subsidence Advisory NSW where a draft LEP is proposed for land within a mine subsidence district	The site is identified as being within a proclaimed Mine Subsidence District. The assessment of impacts and concurrence from the Subsidence Advisory will be sought as part of the concurrent development application.

Ministerial Direction	Relevance	Implications
4.3 - Flood Prone Land	Aims to ensure that development of flood prone land is consistent with the NSW Government Flood Prone Land Policy and the Principles of the Floodplain Development Manual 2005 and to ensure that the provision of an LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land	<p>The site is identified as comprising flood prone land. The Overland Flow Report indicates that the pre and post development flood scenario assessment provides favourable results that there is unlikely to be no effect on downstream or adjacent properties.</p> <p>Further assessment, including the impacts on the adjacent Coastal Wetland to the east of the site will occur as part of the concurrent development application.</p>
4.4 – Planning for Bushfire Protection	The direction applies to land that has been identified as bushfire prone, and requires consultation with the NSW Rural Fire Service, as well as the establishment of Asset Protection Zones	The site is bushfire prone. Further assessment and consultation with the Rural Fire Service will be required as part of the concurrent development application.
5.10 – Implementation of Regional Plan	The direction seeks to give effect to the vision, land use strategy, policies, outcomes and actions contained in regional strategies	The proposal is consistent with the Hunter Regional Plan and the Newcastle Metropolitan Plan, as outlined in Section B of this document.
6.1 – Approval and Referral Requirements	The direction prevents a draft amendment from requiring concurrence from, or referral to, the Minister or a public authority	N/A
6.2 – Reserving Land for Public Purposes	The direction prevents a draft LEP from altering available land for public use	N/A
6.3 - Site Specific Provisions	Aims to reduce restrictive site-specific planning controls where a draft LEP amends another environmental planning	The proposal seeks to implement a site-specific planning control to limit the maximum floor area of <i>Food and Drink Premises</i> to 435m ² .

Ministerial Direction	Relevance	Implications
	instrument in order to allow a particular development proposal to proceed. Draft LEPs are encouraged to use existing zones rather than have site-specific exceptions	<p>Under the initial LEP amendment request submitted to Council it was considered that any <i>Food and Drink Premise</i> on the site would be an ancillary use to the proposed supermarket (<i>shop</i>). However, legal advice sought by the proponent indicates that ancillary use provisions may not be applicable. As such, it is considered appropriate to include a maximum floor area for any <i>Food and Drink Premise</i> development to ensure the economic value of the adjoining B4 Mixed Use is not undermined.</p> <p>In this instance, the site-specific planning control is considered an appropriate measure to restrict the floor space of any <i>Food and Drink Premise</i> on the site.</p>

C. ENVIRONMENTAL, SOCIAL AND ECONOMIC IMPACT

- 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?**

No. The subject site is currently utilised as a Bunnings Warehouse and associated car parking. A small number of established trees are located along the northern and eastern boundaries that are likely to be retained as part of the concurrent development application.

- 2. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?**

Coastal Wetlands

As discussed above, the adjacent land to the east of the site is considered to be a sensitive receiving environment and is classified as a 'coastal wetlands' under *SEPP (Coastal Management) 2018*.

The Overland Flow Report (Attachment 6) indicates that the pre and post development flood scenarios assessment provides favourable results which confirm that there will be no effect on downstream or adjacent properties, including the adjacent coastal wetland.

Under the *SEPP*, consent must not be granted for land within the 'proximity area for coastal wetlands' unless the consent authority is satisfied that the proposed development will not significantly impact on the biophysical, hydrological or ecological integrated of the adjacent coastal wetland, or the quantity and quality of surface and ground water flows to and from the adjacent coastal wetland.

The impact of the proposed development on the adjacent coastal wetland will be assessed in detail as part of the concurrent development application.



Figure 1: Coastal Wetland and Coastal Wetland Buffer Map

Bushfire

The site is identified as being within the bushfire prone land buffer. Consideration of a bushfire assessment will be undertaken as part of the concurrent development application in consultation with the Rural Fire Service.

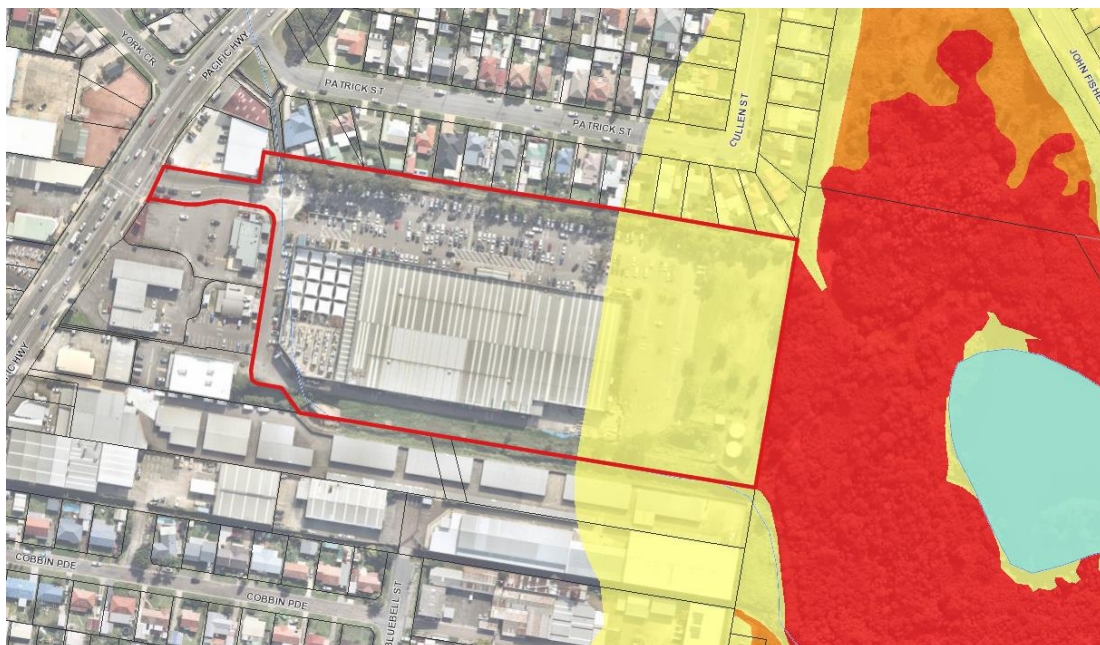


Figure 2: Bushfire Prone Land Buffer Map

Watercourse and Flooding

A tributary of Muraban Creek extends from the norther-western corner of site, along the western boundary (underground), and along the southern site boundary before entering the adjoining

Belmont Wetlands. Another creek line extends through the central section of the site underground in a north-south direction, connecting to the creek line that runs adjacent to the southern site boundary.

The site is identified as a Flood Control High Hazard (1 in 100 year) in Council's flood mapping. As discussed above, the Overland Flow Report submitted (Attachment 6) indicates that the pre and post development flood scenarios assessment provides favourable which confirm that there will be no effect on downstream or adjacent properties, including the adjacent coastal wetland. Further assessment of any potential flooding risk or implications will be assessed as part of the concurrent development application.

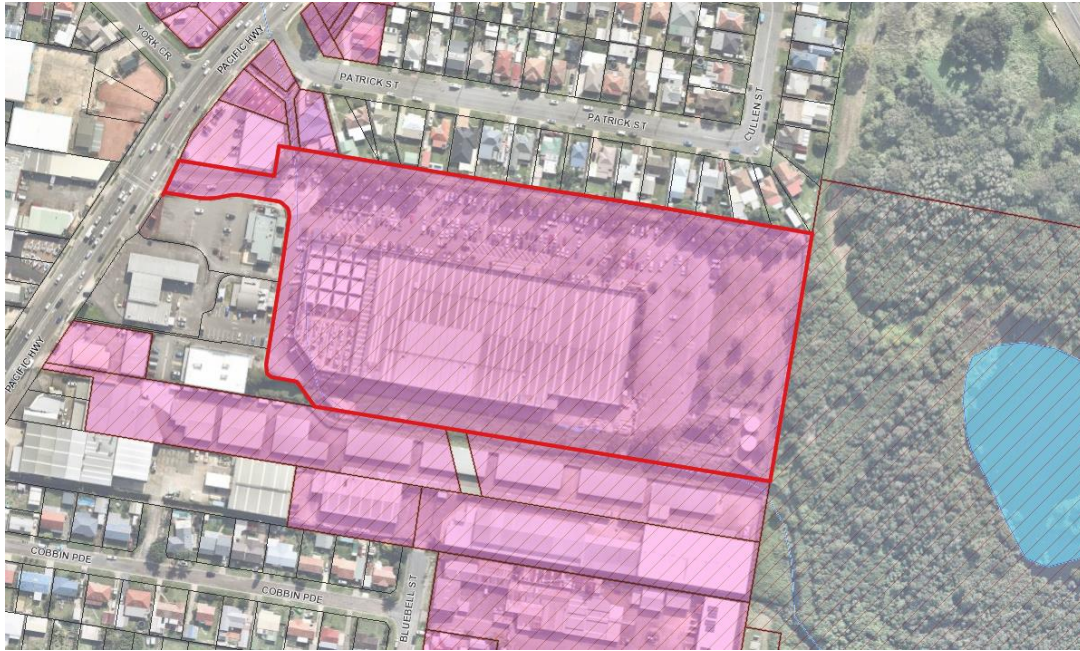


Figure 3: Flooding Map

Contamination

The site is identified as being previously contaminated. An on-site containment cell is located in the north-eastern corner of the site. The cell contains asbestos contaminated cell.

A Site Audit Statement (November 2000) has previously been issued for the site under the *Contaminated Land Management Act 1997* and *Contaminated Land Management Regulation 1998*. The site Audit Statement confirms that the site is suitable for commercial uses.

The impacts on the cell and other containment issues will be assessed as part of the concurrent development application.

Transport

A Transport Impact Assessment has been submitted in support of the application. The site has direct access from the Pacific Highway via a signalised intersection with pedestrian crossing priorities. Improvements to the pedestrian and cyclist access directly to the site will be considered in more detail as part of the development application.

The site is accessible via public transport with a bus stop within 100m of the site in both directions on the Pacific Highway.

Further details on the transport implications of the proposal is located within Attachment 7.

3. How has the planning proposal adequately addressed any social and economic effects?

Social Impacts

The proposed LEP amendment and subsequent development will facilitate the construction of a full-line supermarket and associated retail within a designated growth corridor. The proposed development and uses will generate much-needed local employment opportunities required to support the growing population. Further details on the social impact of the development will be assessed as part of the concurrent development application.

Economic Impacts

An economic impact assessment was submitted a part of the initial planning request (Attachment 9). The analysis shows that there is sufficient latent demand capacity within the trade catchments to support the development. The economic impact assessment determined that the proposed development will not have an unreasonable detrimental economic impact on the commercial viability of any existing activity centre within the primary, and secondary trade catchments.

An independent peer review of the economic impact assessment (Attachment 10) was commission. The peer review confirmed the findings of the economic impact assessment. In particular, emphasis was placed on the net community benefit likely to occur due to the downward pressure on food and grocery prices for the surrounding community.

D. STATE AND COMMONWEALTH INTERESTS

1. Is there adequate public infrastructure for the planning proposal?

Yes. The subject land is currently serviced with all essential infrastructure and has direct access to the regional road network via the Pacific Highway.

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

It is anticipated consultation will be undertaken with the following agencies:


- Transport for NSW
- Subsidence Advisory NSW
- NSW Rural Fire Service

Part 4 – Project Timeline

Action	Timeframe
Gateway Determination	Nov 2019
Stakeholder Engagement	Dec 2019 – Jan 2020
Public Exhibition	Dec 2019 – Jan 2020
Consideration of Submissions	Feb 2020
Report to Council and Submission to DPIE	Apr 2020
Plan-Making Process Completion	June 2020

Attachment 1: Locality Map



 Subject Land

Locality

0 1
Kilometres



Projection GDA 1994
Zone 56



Base Map Credits: Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community

Date: 12/06/2019

Planning Proposal: RZ/1/2019

Attachment 2: Aerial Photograph



- Land Parcel
- Subject Land

Air Photo 2019 Aerial Photography

Nearmap Imagery 2019

0 100
Metres

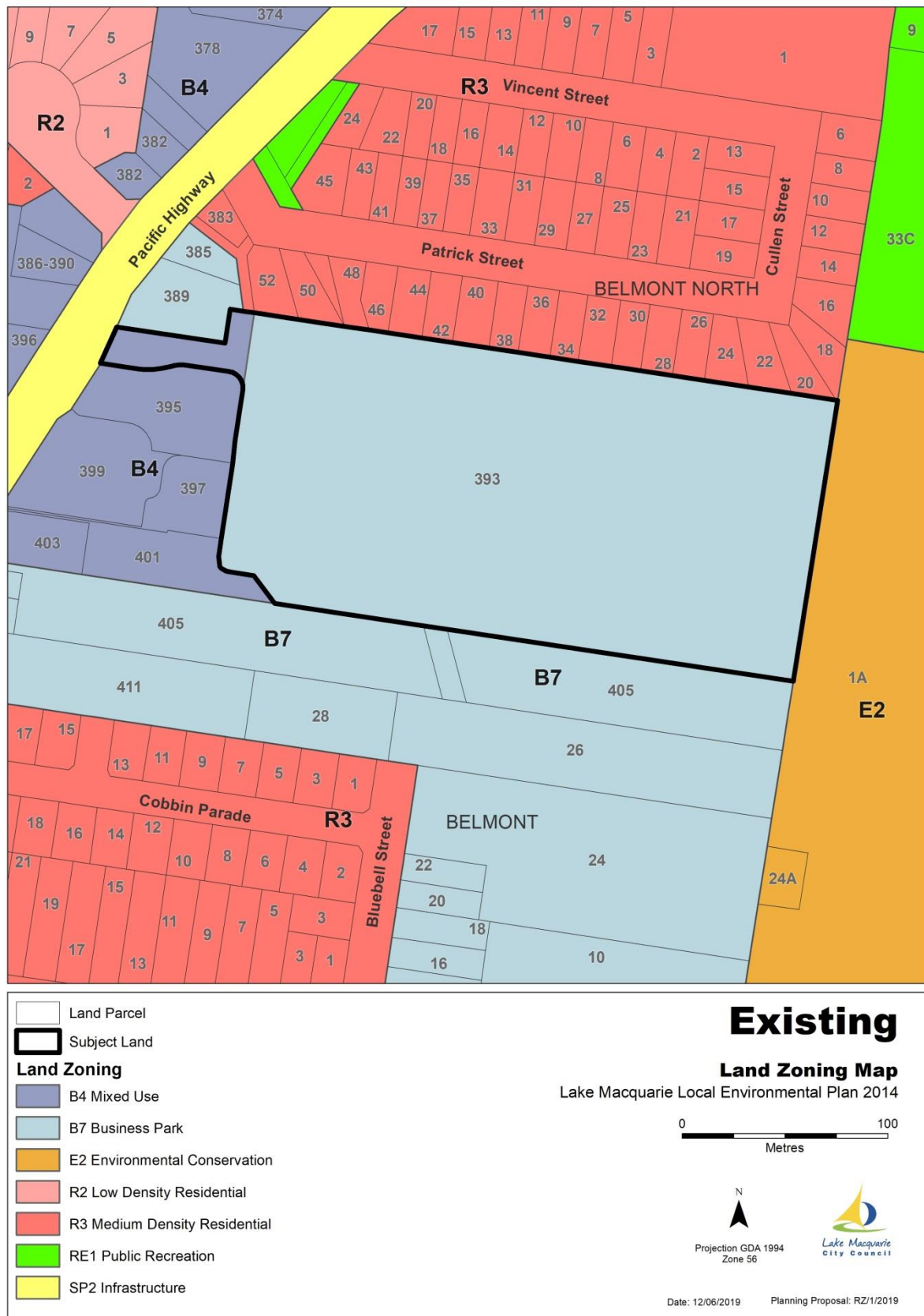
N
Projection GDA 1994
Zone 56



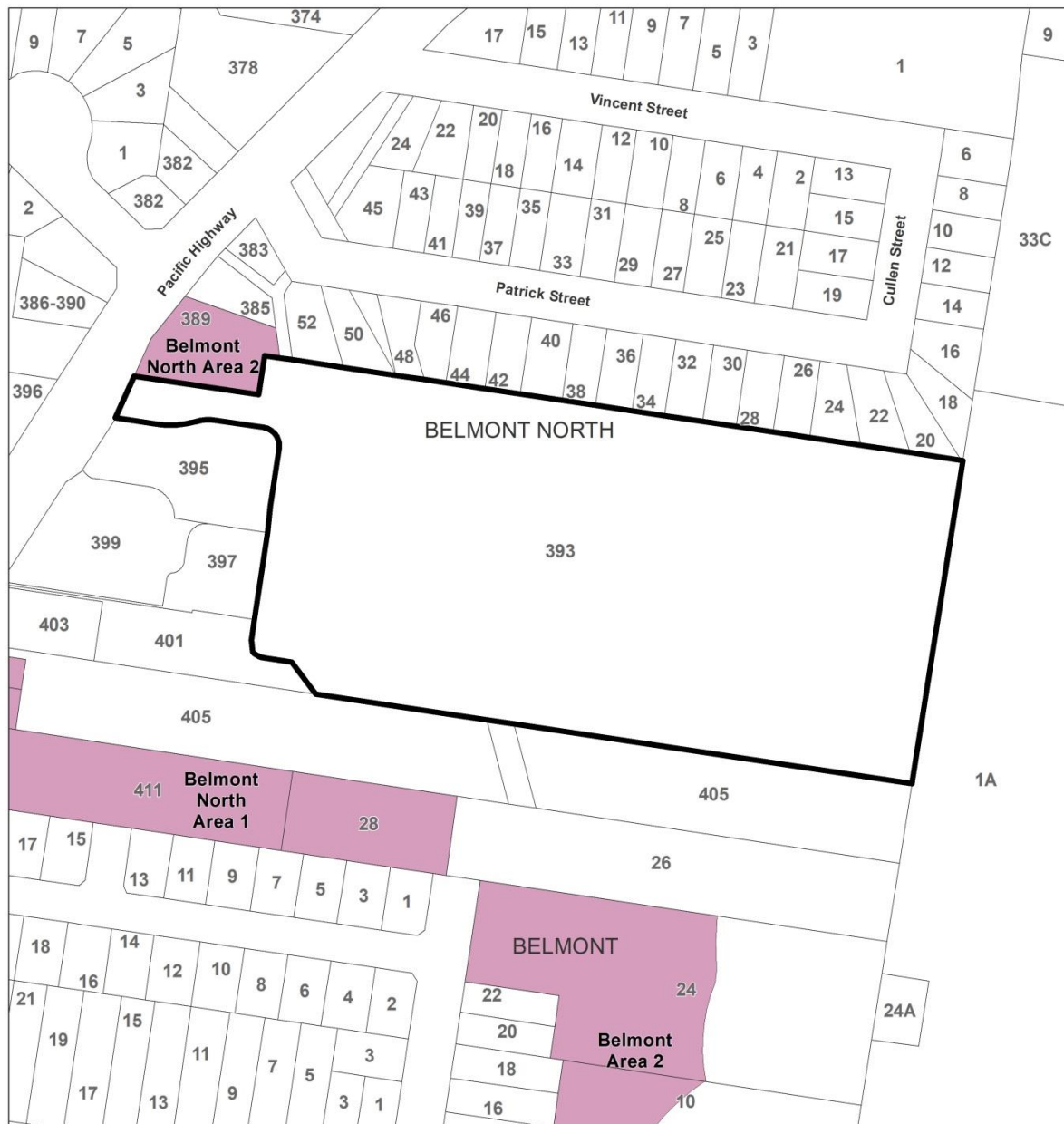
Date: 12/06/2019

Planning Proposal: RZ/1/2019

Attachment 3: Existing Zoning LMLEP 2014



Attachment 4: Existing Additional Permitted Uses' in Locality



-  Subject Land
-  Cadastre
-  Additional Permissible Uses

Existing Additional Permitted Uses Map

Lake Macquarie Local Environmental Plan 2014

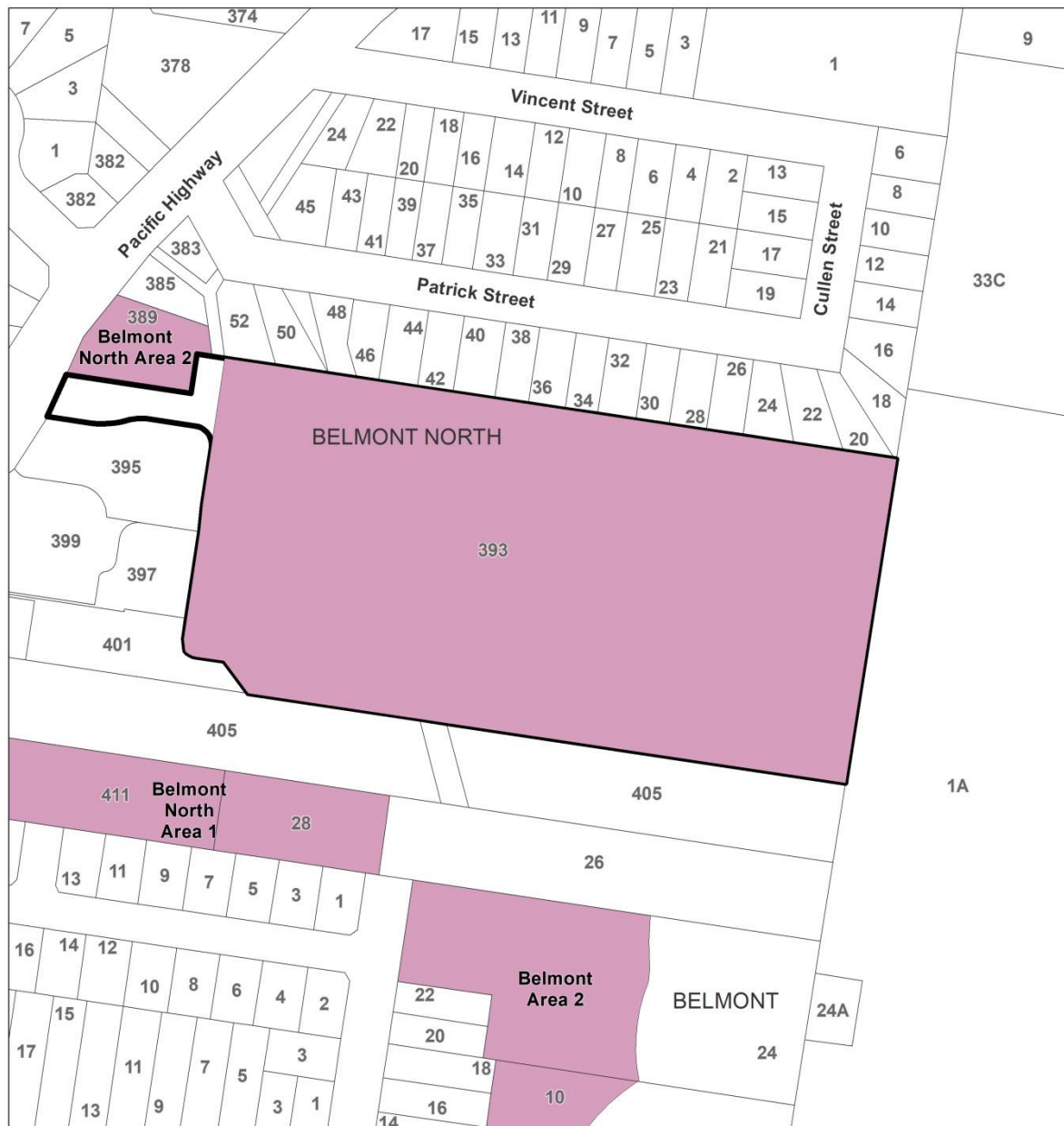
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Zone 56



Date: 12/06/2019 Planning Proposal: RZ/1/2019

Attachment 5: Proposed Additional Permitted Use



-  Subject Land
-  Cadastre
-  Additional Permissible Uses

Proposed **Additional Permitted Uses Map** Lake Macquarie Local Environmental Plan 2014

0 100
Metres

N
Projection GDA 1994
Zone 56



Date: 12/06/2019 Planning Proposal: RZ/1/2019

Attachment 6: Concept Plan

UNDER SEPARATE COVER

Attachment 7: Overland Flow Report

UNDER SEPARATE COVER

Attachment 8: Transport Impact Assessment

UNDER SEPARATE COVER

Attachment 9: Economic Impact Assessment

UNDER SEPARATE COVER

Attachment 10: Peer Review - Economic Impact Assessment
UNDER SEPARATE COVER