

Planning proposal
Additional Permitted Uses at
56-76 Mandalong Road Morisset
Draft Amendment to Lake Macquarie Local Environment Plan 2014

Summary	Details
Local Government Area:	Lake Macquarie City Council (LMCC)
Name of draft LEP:	Draft Amendment to Lake Macquarie Local Environmental Plan (LMLEP) 2014 – 56, 66 and 76 Mandalong Road, Morisset
Subject land:	56 Mandalong Road, Morisset (Lot 2 DP 529914) 66 Mandalong Road, Morisset (Lot 11 DP 777034) 76 Mandalong Road, Morisset (Lot 12 DP 777034)
Land Owner:	Treetops Scenic Pty Ltd F3 Super Centre Pty Limited David Philip Waldon
Proponent:	Winarch Capital Pty Ltd
Planning portal reference:	PP-2021-4570
Council reference:	RZ/6/2021-EXTERNAL
Date:	13 October 2022
Version:	Public Exhibition
Author:	Karin Holen Coon – Strategic Planner
Gateway Determination Date:	18 November 2021
Attachments:	<ul style="list-style-type: none"> 1 Economic Impact Assessment (Deep End Services 2021) 2 Traffic Impact Assessment (TTPA 2021) 3 Morisset Transport Scoping Study (Bitzios 2022) 4 Preliminary Contamination Assessment (EP Risk 2021) 5 Bushfire Assessment Report (MJD Environmental 2021)

Version	Author	Date	Details
1	Tom Boyle	Sep 2021	Pre-Gateway Council endorsement for Gateway Determination
2	Tom Boyle	Feb 2022	Post-Gateway version
3	Karin Coon	Oct 2022	Public Exhibition

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INTRODUCTION

This planning proposal seeks to allow additional permitted uses at 56-76 Mandalong Rd, Morisset. The subject site is located approximately 1 km west of the commercial core of Morisset Economic Centre. The site is situated on the periphery of an Urban Intensification Area and borders a future growth investigation area identified in Council's Local Strategic Planning Statement.



Figure 1 Air photo showing location of the subject land in relation to Morisset town centre and M1

Primary access to the site is proposed for the intersection of Gimberts Road and Old Mandalong Road, accessed via the Gateway Boulevard/Mandalong Road roundabout. A left-in left-out access provides secondary access to the development from Mandalong Road in the south eastern corner of the site.

Mandalong Road is part of Main Road 217 (MR217), a classified State road carrying approximately 14,500 vehicles per day. MR217 connects western Lake Macquarie to the M1 Pacific Motorway, approximately 400m from the site. The NSW Government has recently committed funding to upgrade Mandalong Road, including the Wyee Rd/Freemans Drive and Gateway Boulevard intersections.

Most of the site is zoned B7 Business Park and complements the established B7 Business Park and IN2 Industrial zoned land south of Mandalong Road, nearing full development of available lots. The rear of the site is zoned C2 Environmental Conservation. (See Map 3 – Current land use zones, page 27).

Due to its proximity to the M1 Motorway and Morisset centre, the site and land immediately north west are identified in the Morisset Structure Plan 2008 to be zoned from RU6 Transition to B7 Business Park and IN2 Light Industrial.

The site has an existing development consent (DA/1960/2011) for the development of Bulky Goods Premises with associated works on Lot 11 and 12, DP 777034 (66-76 Mandalong Road) and consent to clear and prepare the site for development (DA/1338/2021).

Winarch Capital Pty Ltd (the proponent) have developed a concept master plan to guide the development of the site into a 'destination' retail park with 26,000 sqm of floorspace, a mix of complementary large format retailers including hardware, homewares, food outlets and a high-quality children's play area (Figure 2).



Figure 2: Site Concept master plan

The proposal complements three development applications (DA) that have been lodged and are currently under assessment by Council. The applications are lodged separately to satisfy the commercial and future tenure arrangements for individual operators within the site.

Table 1 Current development applications on the subject land under assessment by Council

Application	Short description
Hardware and Building Supplies, Garden Centre (DA/3155/2021)	Construction of building 5 with car parking and landscaping.
Subdivision, internal roads and buildings (DA/3175/2021)	Commercial development and community title subdivision. Construction of buildings 2, 3 and 4 with car parking, internal roads and landscaping.
Bulky Goods premises (DA/1960/2011/C)	Modification of existing approval. Updated building design (building 1), car parking, additional take away food premises

Part 1 – Objectives and intended outcomes

Objective

To amend the *Lake Macquarie Local Environmental Plan 2014* (LMLEP 2014) to permit 'shops', inclusive of a 'neighbourhood supermarket' (maximum floor area 1800m²) and retail shops (maximum floor area 1800m²), and 'restaurants or cafes' (maximum floor area 500m²) as Additional Permitted Uses (APUs) at the site. These uses are currently prohibited uses within the B7 Business Park zone.

Intended outcomes

- Permit additional uses on site to support a proposed specialised retail premises (hardware and home goods)
- Diversify the range of uses in a location that supports the growth of Morisset as a regional strategic centre.

Part 2 – Explanation of provisions

The amendment proposes the following changes to LMLEP 2014:

Amendment Applies to	Explanation of Provisions
Schedule 1 - Morisset Area 3 Map	<p>Amending <i>LMLEP 2014 Schedule 1</i> to insert Additional Permitted Use (APU) <i>Morisset Area 3</i> to include the entire B7 Business Park zoned land at the subject land.</p> <p>The APUs are to permit 'shops' (total gross floor area 3,600m²), inclusive of a 'neighbourhood supermarket' (maximum floor area 1800m²) and retail shops (maximum floor area 1800m²) and 'restaurants or cafes' (maximum gross floor area 500m²).</p> <p>Schedule 1 will stipulate maximum gross floor areas for each APU, as specified, to limit impacts on nearby centres.</p> <p><u>Employment zones reform</u></p> <p>The NSW Government is introducing new zones under its employment zones reform. Council currently proposes the B7 Business park zone at the subject site will be converted to E3 Productivity Support, consistent with advice from the Department of Planning and Environment (DPE) for the State. Within the E3 zone, shops and food and drink premises will remain prohibited, so APUs are still required. DPE indicates the new employment zones will be in place within individual LEPs by 1 December 2022 when the Business and Industrial zones will be repealed.</p>

No changes are proposed to the height of building map or lot size map.

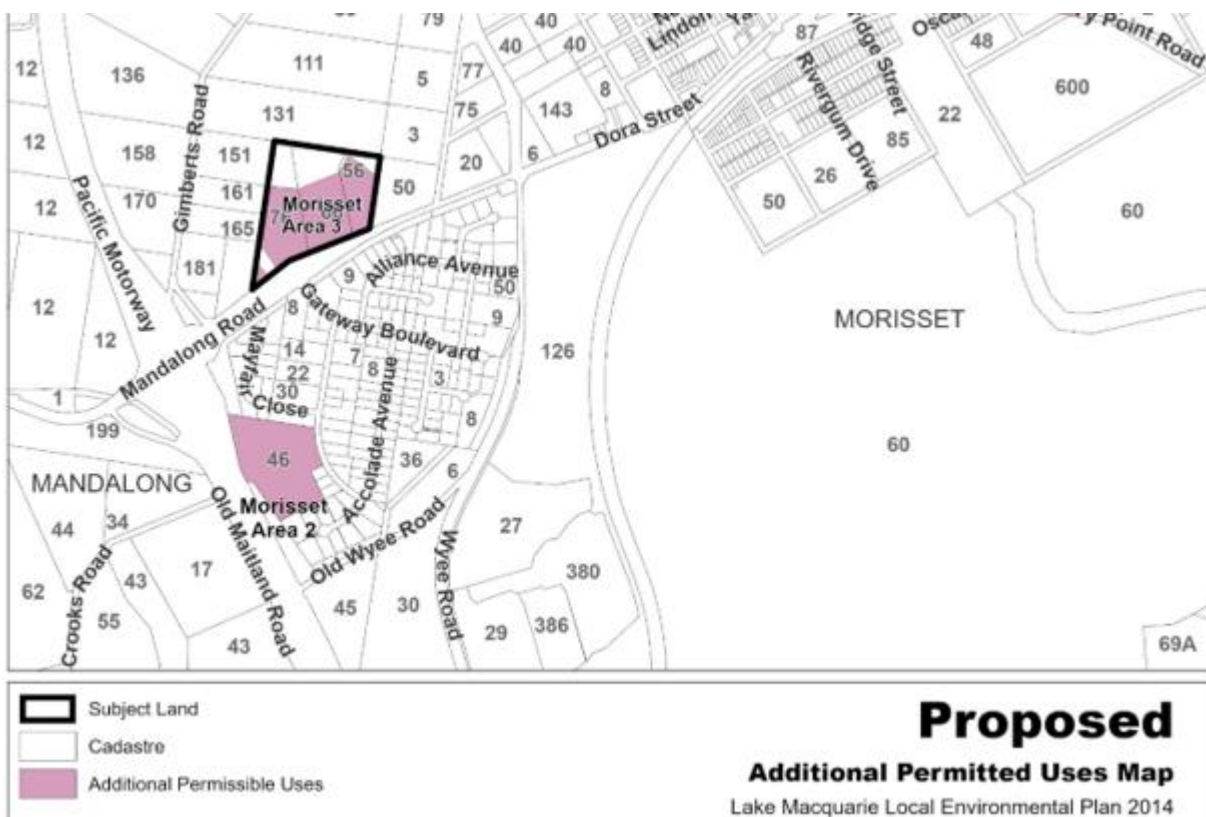
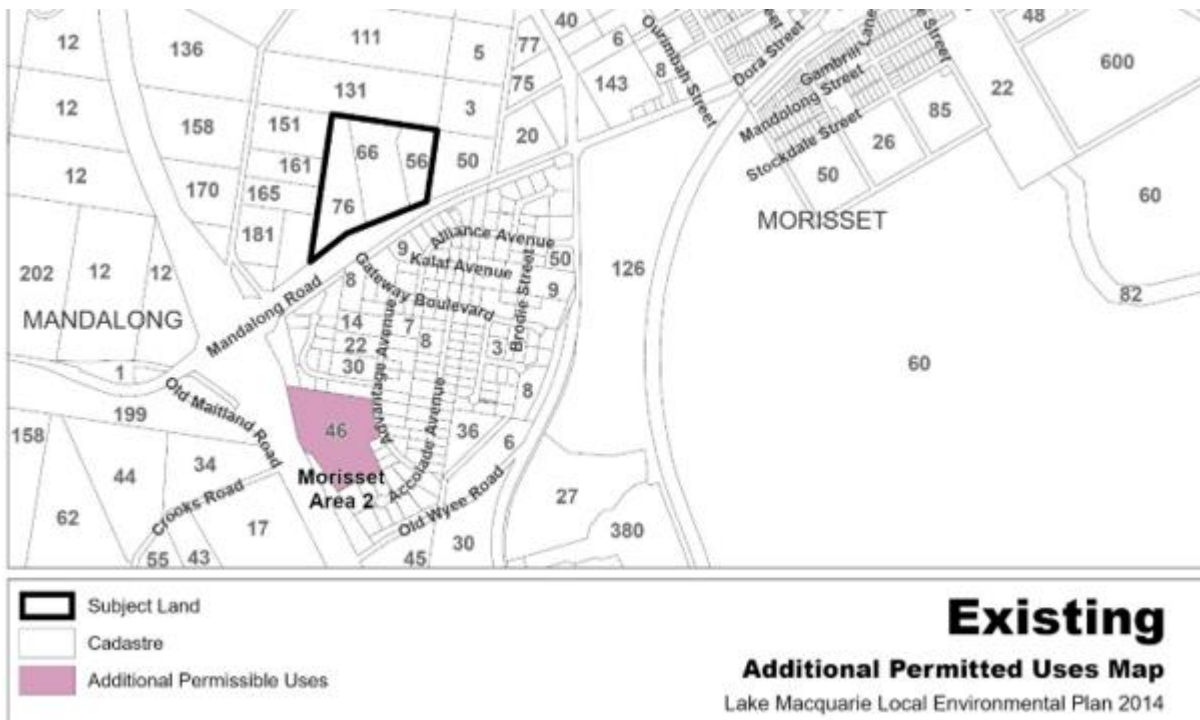


Figure 3 Shows existing situation and proposed additional permitted uses map

Part 3 – Justification of strategic and site-specific merit

No.	Question	Considerations
Section A – need for the planning proposal		
1	Is the planning proposal a result of an endorsed LSPS, strategic study or report?	<p>No. The proposal is proponent initiated. While not the direct result of any specific strategic study or report, the proposed amendment contributes to the strategic objectives of the Local Strategic Planning Statement (LSPS) to increase local employment and access to retail services. The proposal also in part responds to significant private investment by the proponent elsewhere in Morisset not envisaged by strategic plans (former Country Club Cedar Mill entertainment and lifestyle venue proposal at 126 Dora Street Morisset, Lot 1 DP 1265834).</p> <p>The intent of the proposed APUs is to complement the specialised retail premises, permissible within the zone. The site is identified in Council's LSPS as an area of employment land expansion. This objective is further reflected in the Morisset Structure Plan adopted by Council in 2008.</p>
2.	Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?	<p>Insertion of <i>Morisset Area 3</i> in <i>LMLEP 2014</i> Schedule 1 is the preferred mechanism. Using APUs and retaining the B7 zone enables greater flexibility to realise objectives and intended land uses of the B7 zone in future, should the need arise. The Concept master plan includes buildings compatible for such uses (Figure 2).</p> <p>Rezoning part of the site to B2 Local Centre or B3 Commercial Core would allow for unrestricted floorspace of uses not envisaged for this site, some distance from the town centre and residential population. This is inconsistent with Ministerial directions for Integrating Land Use and Transport. To limit impact, rezoning would require site specific constraints (maximum floor area provisions), inconsistent with Ministerial directions for Site Specific Provisions.</p> <p>Remaining land within the town centre suitable for the proposed APUs is zoned B4 Mixed Use, ideally to be developed as mixed-use. This would require the proponent to preferably investigate a residential component. Advice from the proponent is that this option is not commercially viable and would not support the proposed specialised retail premises currently permissible with the B7 zone at the subject site.</p> <p>Council concur there is merit in this assessment. Development within the B4 mixed use zoned land without a residential component would be inconsistent with the growth and housing density and diversity objectives for Morisset centre.</p>

No.	Question	Considerations
Section A – need for the planning proposal		
3	Will the planning proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plans or strategies)?	<p>The proposal has strategic merit and will give effect to the Hunter Regional Plan 2036 and the Greater Newcastle Regional Plan. The proposal also responds to local private investment in Morisset not previously envisaged by strategic plans (former Country Club Cedar Mill entertainment and lifestyle venue proposal at 126 Dora Street Morisset, Lot 1 DP 1265834).</p> <p>Hunter Regional Plan 2036 (HRP 2036)</p> <p>The proposal is partly consistent in that it contributes to the growth of Morisset and surrounds as a strategic centre and provides new local employment opportunities in an area undergoing economic transition.</p> <p>Morisset is identified as a strategic centre, part of the Newcastle - Lake Macquarie Western Corridor and the emerging corridor centred on Cooranbong, Morisset and Wyee. Strategic centres will be the focus for population and economic growth over the next 20 years that can capitalise on their proximity to an inter–regional road connection.</p> <p>The planning proposal will specifically contribute to the following directions of the HRP:</p> <ul style="list-style-type: none"> • <i>Direction 23: Revitalise existing communities</i> <p>The proposal contributes to the growth of the existing Morisset area and surrounds, an area currently experiencing economic transition and diversification from carbon-intensive energy and mining employment. The proposed APUs will create 185 ongoing FTE jobs, both direct and indirect. The inclusion of the APU at the site will further enhance and stimulate the development of adjoining business and employment zoned land in the immediate locality, which has not been developed, despite being zoned.</p> <ul style="list-style-type: none"> • <i>Direction 23: Grow centres and renewal corridors</i> <p>The proposal seeks to contribute to the growth of Morisset strategic centre and surrounds, within the Lake Macquarie south west growth area.</p> <ul style="list-style-type: none"> • <i>Direction 24: Protect the economic functions of employment land</i> <p>The proposal will provide future local employment within Morisset and help active the broader Gimberts Road IN2/B7 employment area via road network improvements at Mandalong Road. Use of APUs will provide flexibility for the site to enable conversion to B7 Business Park uses, should the need arise in future.</p>

No.	Question	Considerations
Section A – need for the planning proposal		

Draft Hunter Regional Plan 2041 (draft HRP 2041)

The draft HRP 2041 builds on the current plan and resets the regional planning priorities to ensure it continues to respond to the region's needs for the next 20 years. The draft HRP 2041 responds to the new ways people live and work in light of the COVID-19 pandemic by adopting a place-based approach to create a sustainable '15-minute region' of connected neighbourhoods where people's everyday needs can be met close to home with a short walk, bike ride or a car trip in rural areas. The close access to jobs and services will encourage exercise, public transport use and reduce dependency on cars.

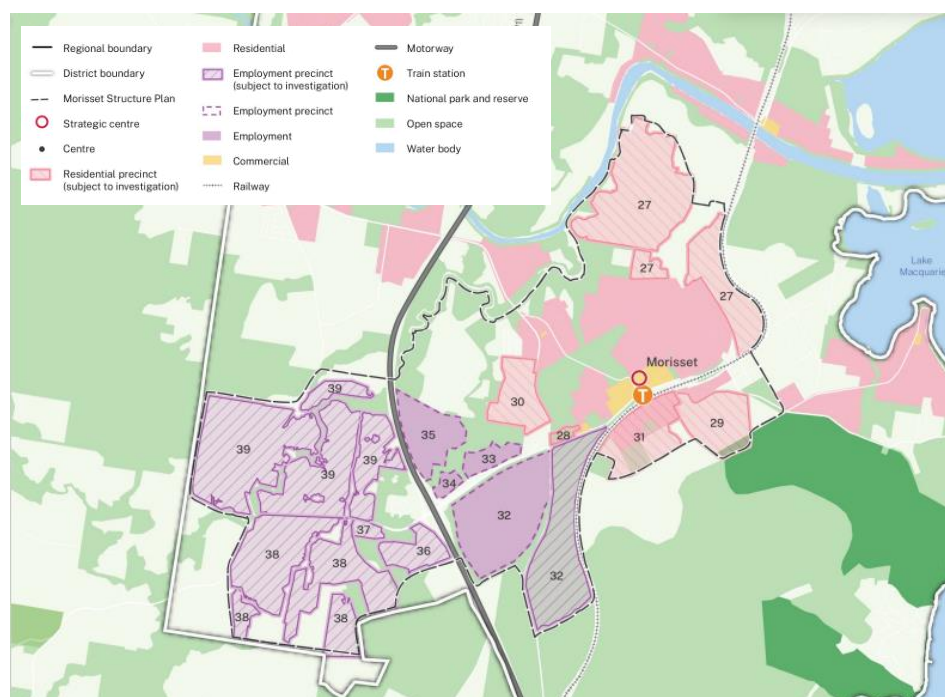


Figure 4 Morisset precincts for future jobs and homes

Morisset is identified as a Strategic centre and Regionally Significant Growth Area. The proposal supports the growth of and investment in Morisset area, and provides more job opportunities in a business development area. Although the proposal will enable uses that are preferably located in commercial centres, the economic impact assessment (attachment 1) found that the APUs on this site are unlikely to have a significant detrimental impact on the vitality and viability of the existing town centres nearby.

As the site is within short distance from existing and future residential areas, and along a bus route corridor, the proposal will provide more work opportunities accessible by walking, biking and public transport when Mandalong Rd is upgraded.

No.	Question	Considerations
Section A – need for the planning proposal		

Greater Newcastle Metropolitan Plan 2036 (GNMP 2036)

Morisset is identified as a strategic centre within the GNMP. The proposal contributes to two key outcomes:

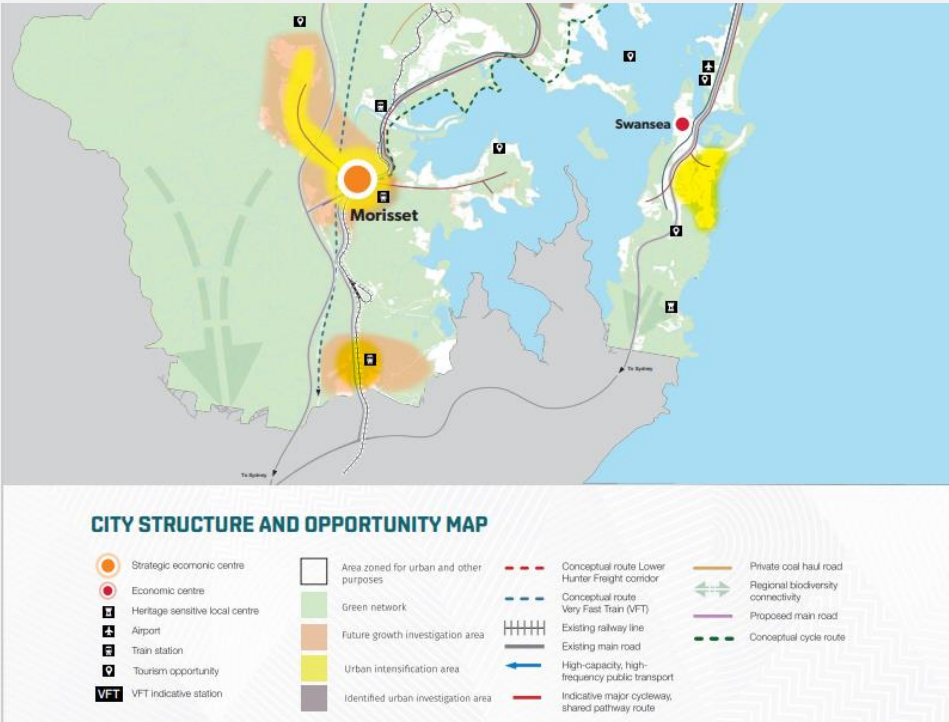
- *Outcome 1 – Create a skilled workforce and ready for the new economy*

The proposal creates new local employment opportunities in an area currently undergoing economic transition and diversification from carbon-intensive energy generation and mining. The proposal will expand employment uses on the site with minimal impact to nearby urban centres.

- *Outcome 4 – Improve connections to jobs, services and recreation*

The site is located in the south of the area described as the 'metro frame'. The planning proposal partly supports *Strategy 20: Integrate land use and transport planning*. The site is located on Mandalong Road (MR217) and 400m from the M1 Motorway. The site is zoned for employment uses in acknowledgement of its access and frontage to the State road network.

4 Is the planning proposal consistent with a council LSPS that has been endorsed by the Planning Secretary or GSC, or another endorsed local strategy or strategic plan	<p>Local Strategic Planning Statement (LSPS)</p> <p>The site is located on the periphery of the Morisset Urban Intensification Area. The land is also bounded by land earmarked as future growth investigation area. Overall, the proposal will give effect to Council's LSPS by supporting growth, investment and activity in Morisset.</p> <p>The proposal is delivers on <i>Planning Priority 3 – A city of prosperity that attracts investment, creates jobs and fosters innovation</i> and partly on <i>Planning Priority 4 – A city of close connections where people, goods and services move efficiently</i>.</p> <p>The LSPS identifies the South West Growth Area of Lake Macquarie as a location of significant population and employment growth. Morisset is a strategic economic centre within the South West Growth Area, with its surrounds earmarked as urban intensification and future growth investigation areas. Strategic economic centres are regionally significant centres providing a wide range of services, community facilities, retail, and employment to a wide spatial catchment.</p> <p>As part of its aspirations for the Morisset strategic economic centre, the LSPS identifies the expansion of the industrial employment area in order to capitalise on its access to the M1 Motorway. All three key areas within the Growth Area (Morisset, Cooranbong, and Wyee) are anticipated to accommodate further residential development.</p>
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No.	Question	Considerations
Section A – need for the planning proposal		
		<p>The inclusion of the APUs are intended to ensure the commercial viability of the specialised retail and provide employment and warehouse-style retail services to the local and wider catchments.</p>  <p>Figure 5 City structure and opportunity map from the Local Strategic Planning Statement shows Morisset including the subject site as a strategic economic centre and future growth area</p>

No.	Question	Considerations
Section B – relationship to the strategic planning framework		
5	Is the planning proposal consistent with any other applicable State and regional studies or strategies?	<p>The proposal is generally consistent with the following State and regional strategies:</p> <p>A 20-Year Economic Vision for Regional NSW (2021)</p> <p><i>The 20-Year Economic Vision for Regional NSW</i> is the NSW Government's plan to drive sustainable, long-term economic growth in regional NSW. The vision has a strong focus on encouraging business investments and creating jobs in regional NSW. Lake Macquarie is included in the 'metro satellite' group which are within close proximity to growing major cities and where population growth is expected. One of the focus areas for these regions is to attract businesses and investment.</p>

No.	Question	Considerations
Section B – relationship to the strategic planning framework		

The proposal will support the financing and development of a central business site in Morisset which is located according to regional and local strategies and plans for integrated land use and transport and is considered to be consistent with the aims of the plan.

Future Transport Strategy (FTS)

The Future Transport Strategy (2022) outlines Transport for NSW's vision and sets the direction for the future of mobility in NSW. The Future Transport Strategy contains a range of strategic directions to deliver safe, healthy, sustainable, accessible and integrated passenger and freight journeys – moving people and goods. Most directly related to the planning proposal is the focus on an integrated transport, land use and infrastructure network and the role of transport infrastructure in enabling economic growth. It echoes principles in the draft Hunter Regional Plan 2041 with the 15-minute neighbourhood planning principle where people regularly choose to walk, cycle or take public transport to shops, services, schools or work.

Future development of the site will be required to contribute to the local transport infrastructure. The proposed specialised retail premises and associated land uses will require upgrades to the State and local road networks to meet additional trip demand. The site adjoins the existing Morisset business park/specialised retail/industrial estate south of Mandalong Road, and will help activate and improve access to employment zoned land north of the site, via Gimberts Road.

The site is located along an existing bus route and future active transport corridors (see section 8) and the proposal will create more jobs close to residential neighbourhoods, whilst the site's close proximity to M1 ensures efficient use of mostly existing road infrastructure for delivery of goods. The proposal is thus considered to be consistent with the aims of the plan.

6 Is the planning proposal consistent with applicable State Environmental Planning Policies (SEPPs)?	<p>The following State Environmental Planning Policies are applicable to the planning proposal:</p> <p>SEPP (Resilience and Hazards) 2021</p> <p><u>Chapter 4 Remediation of Land</u></p> <p>As part of the proposed development of the land and preparation of development applications for bulk earthworks, subdivision and the construction of buildings a Preliminary Site Investigation was carried out by EP Risk (May 2021) in accordance with the SEPP to assess the contamination status of the land.</p> <p>Based on the results of the site history review, the site inspection and analytical results, EP Risk concluded that the site is considered to present a</p>
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No.	Question	Considerations
Section B – relationship to the strategic planning framework		
		<p>low risk of contamination. The results of analytical testing have been reported at levels that would not preclude the proposed future use of the site as a general commercial land use, subject to completion of the recommended works, including the removal and disposal of anthropogenic waste, Emu picking of bonded (non-friable) ACM fragments and implementation of an unexpected finds protocol.</p> <p>The assessment of the land under chapter 4 and subsequent approval for development is expected to occur as part of development that will precede the development of the site for any of the APUs proposed.</p> <p>SEPP (Industry and Employment) 2021</p> <p><u>Chapter 3 Advertising and Signage</u></p> <p>Any signage to which the chapter applies will be proposed and assessed at DA stage.</p> <p>SEPP (Transport and Infrastructure) 2021</p> <p><u>Chapter 2 Infrastructure</u></p> <p>Due to the proximity of the site to a classified road, most development permissible under the current land use zone will require referral to Transport for New South Wales (TfNSW) as Traffic Generating Development under Schedule 3 of the policy. The proposed APUs will enable development for the purpose of shops with a total floor area of 3,600m², which will also qualify as Traffic Generating Development under Schedule 3 of the policy.</p> <p>A traffic impact analysis (attachment 2) has been prepared in connection with the separate development applications and including analysis of potential traffic impacts of the proposed APUs.</p> <p>The overall development currently proposed within the development applications will generate substantial increases to traffic. However, the APUs will not generate a substantially greater number of trips than some of the uses that are currently permitted within the B7 zone. As such, traffic assessment can be resolved through the development application process.</p> <p>SEPP (Biodiversity and Conservation) 2021</p> <p><u>Chapter 4 Koala Habitat Protection 2021</u></p> <p>This chapter applies to all land in the local government area. The City of Lake Macquarie falls within the Central Coast Koala management area. The chapter applies to the subject site as:</p> <ul style="list-style-type: none"> the land being located within the Lake Macquarie local government area, which is listed under the SEPP Clause 4.4 (1) and Schedule 2

No.	Question	Considerations
Section B – relationship to the strategic planning framework		
		<ul style="list-style-type: none"> • there being no approved Koala Plan of Management for the land • the land contains trees listed under Schedule 3 Koala Use Tree species • the land has an area of more than 1 ha <p>The proposed APUs pose no risk to koala habitat or koala populations. The site already permits development for the purposes of urban uses and employment, including offices and specialised retail. The addition of a neighbourhood supermarket, shops, restaurant and cafés will not alter the risk.</p> <p>A biodiversity development assessment report has been prepared as part of an accompanying development application to clear the site and undertake earthworks for development. The assessment determined the proposal is unlikely to impact koalas. The development is located within disturbed areas, and the area has major barriers to koala movement including major roads and large commercial areas. A large patch of higher-quality vegetation exists within the site, which is to be retained under the proposal.</p>
7	Is the planning proposal consistent with the applicable Ministerial Directions (section 9.1 Directions)?	<p>An assessment of the planning proposal and its consistency with the applicable Ministerial Directions is provided below:</p> <p>Focus area 1: Planning systems</p> <p><u>1.1 Implementation of Regional Plans</u></p> <p>Generally consistent. The proposal supports and is generally consistent with the relevant regional strategies, notably accommodating growth in employment and access to services within the Lake Macquarie South West Growth Area and Morisset surrounds. The planning proposal is consistent with this Direction.</p> <p><u>1.4 Site Specific Provisions</u></p> <p>Inconsistent. The objective of this direction is to discourage unnecessarily restrictive site-specific planning controls. The proposed amendment would allow the APUs to be carried out in the B7 Business Park zone and imposes additional development standards. However, the proposed provisions are of minor significance, with APUs restricted to the subject site with total gross floor area limits.</p> <p>Focus area 3: Biodiversity and Conservation</p> <p><u>3.1 Conservation Zones</u></p> <p>Consistent. The objective of this direction is to protect and conserve environmentally sensitive areas. The proposed amendment does not impact on the adjoining C2 Environmental Conservation zoned land within the site.</p>

No.	Question	Considerations
Section B – relationship to the strategic planning framework		

Focus area 4: Resilience and Hazards

4.1 Flooding

Consistent. Lot 11 and 12 are identified as high hazard flood control lots. The 1% Annual Exceedance Probability (AEP) flood extent occurs within the C2 Environmental Conservation zone of the site and a small portion of the western B7 zone. The accompanying Concept master plan for the site (to be considered with the affiliated development applications) identifies a detention basin for this area. The proposed APUs are not within the 1% AEP flood extent.

Minor flood issues on the site are anticipated to be resolved as part of concurrent development applications. Flood prone areas do not affect site access and the proposed APUs will not exacerbate flood affected land.

4.3 Planning for Bushfire Protection

Consistent. Parts of the site are identified as vegetation categories 1 and 2. The NSW Rural Fire Service has been consulted with in accordance with this Direction (see section 12, p 23).

The planning proposal does not specify the location of additional uses on the site or detailed road design. This is addressed by current and subsequent development applications where consent from RFS is required.

4.4 Remediation of Contaminated Land

Consistent. The land is not within an investigation area within the meaning of the Contaminated Land Management Act 1997. Council's initial contamination evaluation indicates the site may have been used for agricultural/grazing purposes. The proposal is not for residential purposes. The proponent's preliminary contamination report (attachment 4) for the affiliated development application DA/1338/2021 found the site to be of low contamination risk.

4.5 Acid Sulfate Soils

Consistent. The site is identified as Class 5 for acid sulfate soils. Acid sulfate soils are not typically found in Class 5 areas, which are located within 500m of Classes 1, 2, 3 or 4.

4.6 Mine Subsidence and Unstable Land

Consistent. The site is located within Lake Macquarie Mine Subsidence District and above the Centennial Coal long-wall subterranean mine. Subsidence NSW has been consulted in accordance with this Direction, see Section E – State and Commonwealth interests.

Section B – relationship to the strategic planning framework

Focus area 5: Transport and Infrastructure

5.1 Integrating Land Use and Transport

Part inconsistent, but justifiable.

The site is serviced by existing public infrastructure, including the local and State road network. Included within the development of the broader site is a new bus bay as per DA1960/2011/B to support future public transport opportunities.

Mandalong Road is serviced by the 163 Morisset to Cessnock bus route which passes twice daily in the morning and evening peak time. The site is currently not connected to the footpath/shared path network. Due to its approximate 1km distance from residential areas, the proposed APUs may result in an increase of vehicle trips. This may be partially offset due to its location from the M1, enabling people to access services when travelling to/from other destinations (e.g. work commute).



Figure 6 shows the site in relation to public transport; existing bus routes, stops and Morisset train station. Source: LakeMaps.

Council adopted *the Walking, Cycling and Better Streets Strategy* in 2021. The Strategy identifies an extension of the Morisset shared path network to the subject site. These improvements are expected to be delivered as part of near-term upgrades to Mandalong Road.

Section B – relationship to the strategic planning framework

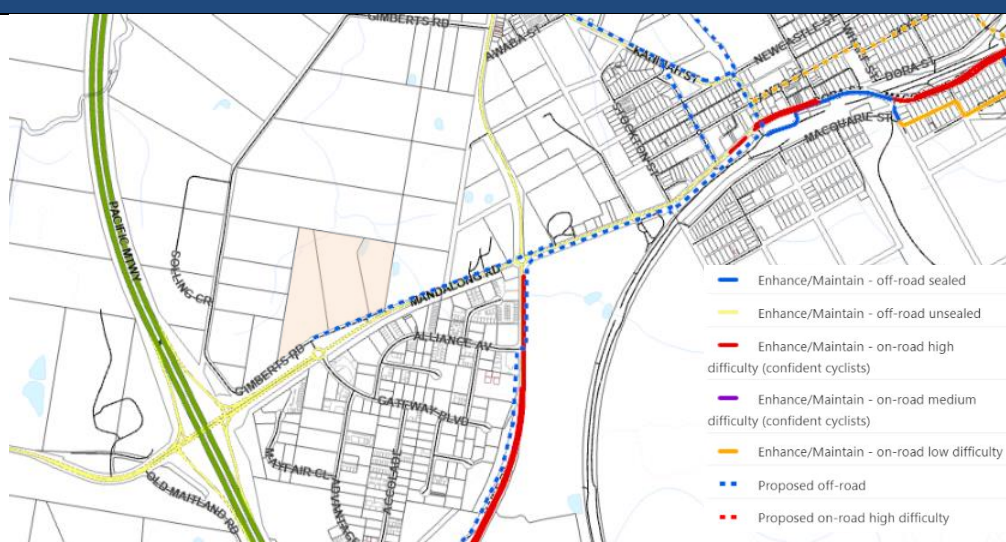


Figure 7 shows plans for the cycleway structure with a proposed cycleway link to Morisset centre. Source: LakeMaps.

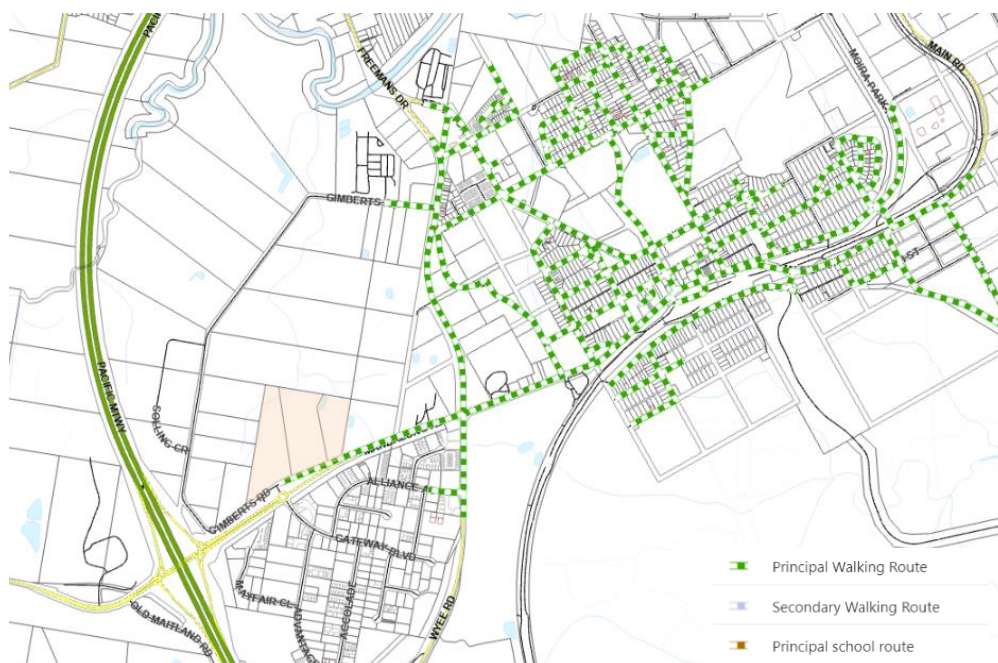


Figure 8 show the planned principal pedestrian network linking the site to Morisset centre and residential areas. Source: LakeMaps.

A traffic impact analysis (attachment 2) has been prepared for the planning proposal and affiliated development applications. This assessment included a “reasonable” allocation for traffic likely to be generated by the proposed APUs, in addition to traffic generated by the proposed specialised retail, hardware and building supplies and take away food premises.

The direction for Integrated Transport and Land use also cites the *Right*

No.	Question	Considerations
Section B – relationship to the strategic planning framework		

Place for Business Services Planning Policy, which states that a single retail property should not compromise established centres, and that it is important for decision-makers to be consistent and fair due to the competitive nature of the industry. The proponent's economic study (attachment 1) found impact to nearby centres to be "modest", and is of a similar impact to a recent study undertaken for APUs within a B7 Business Park zone in Belmont North, approved by the Minister (PP_2019_LAKEM_005_00).

Focus area 7: Industry and Employment

7.1 Business and Industrial Zones

Part inconsistent but justifiable. The proposed APUs reduce the availability of B7 Business Park zoned land within Morisset for its intended purposes. However, a portion of the proposed development (specialised retail premises) is consistent with the objectives and intended uses of the zone. There is reasonable justification for inclusion of 'shops' for warehouse style retail, a 'neighbourhood supermarket' and 'restaurants/cafes' to support the viability of the specialised retail and help activate adjacent IN2 Light Industrial and B7 zoned land currently undeveloped.

Council has recently completed an analysis of near-term demand for industrial zoned land within the local government area. This recommended identifying additional sites within Morisset and west of the M1 Motorway, consistent with the LSPS. Expansion of industrial/ business park land will offset minor losses at the subject site to the proposed APUs. Use of APUs and built form conducive to the B7 zone provides flexibility for future change of uses on the site, should the need arise.

The proponent's economic study (attachment 1) found impact to nearby centres to be "modest" and that these centres would continue to be viable into the future. This impact is equivalent to that of shops and food and drink premise APUs within a B7 Business Park zoned site in Belmont North, approved by the Minister in 2021 (PP_2019_LAKEM_005_00).

No.	Question	Considerations
Section C – environmental, social and environmental impact		
8	Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their	The proposed APUs pose no risk to critical habitat or threatened species, populations or ecological communities, or their habitats. The site already permits development for the purposes of urban uses and employment, including offices and specialised retail. The addition of a neighbourhood supermarket, shops, restaurant and cafés will not increase the likelihood of adverse ecological effects beyond the current level of risk.

No.	Question	Considerations
Section C – environmental, social and environmental impact		
	habitats, will be adversely affected because of the proposal?	The statutory development assessment process requires the consideration of all physical constraints, including ecology. This will include biodiversity assessment in accordance with the Biodiversity Conservation Act 2016.

9 Are there any other likely environmental effects of the planning proposal and how are they proposed to be managed?

Traffic

The introduction of the APUs for a neighbourhood supermarket, shops and restaurant or café may have some level of additional traffic impact.

As part of the broader development of the site, two access points are proposed to improve traffic flow within and beyond the site. Primary access to the development is proposed for the intersection of Gimberts Road and Old Mandalong Road, accessed via the Gateway Boulevard/Mandalong Road roundabout. A left-in left-out access provides secondary access to the development from Mandalong Road in the south eastern corner of the site.



Figure 9 shows the location of proposed intersection upgrades in the area, including the two proposed access points to the site. Source: LakeMaps.

An assessment of the traffic impacts has been prepared for the development applications to develop the site as a specialised retail precinct. This assessment has included a reasonable allocation for traffic likely to be generated by the proposed APUs, in addition to the traffic generated by the proposed specialised retail, hardware and building supplies and garden centre and take away food premises.

No.	Question	Considerations
Section C – environmental, social and environmental impact		

The assessment concluded that the APUs will generate 759 vtpd and 1,108 vtpd in the PM peak and Saturday peak respectively. The Traffic Impact Assessment found that:

- the existing Mandalong Road/Gateway Boulevard/Gimberts Road roundabout will operate satisfactorily under the 2021 and 2032 background traffic demand
- the Gimberts Road approach (northern leg) of the roundabout will not accommodate the development and background traffic in 2021; the addition of a southbound through and left-turn slip lane on this leg will alleviate the capacity constraint
- the proposed left-in and left out access on the eastern part of the site will operate satisfactorily in 2021 and 2032
- the upgraded roundabout intersection will require a further addition of a left turn lane on the west approach Mandalong Road to accommodate the 2032 development traffic demand satisfactorily.

Detailed discussions concerning road design and traffic solutions related to the broader development of the site, including conditions of consent, is a part of the ongoing development applications on the site and future design for the upgrade of Mandalong Rd.

Upgrade of Mandalong Rd:

The NSW Government has committed funds to the upgrade of Mandalong Road with a dual carriageway link in between the Wyee Road and Gateway Boulevard intersections. Upgrades include signalisation of the intersections at Mandalong Road/Gateway Boulevard and Mandalong Road/Freemans Drive/Wyee Road. The project is still in an early development phase.

In 2022, Council commissioned a transport scoping study to inform broader planning activities for greater Morisset (attachment 3). The study found that, under a low growth scenario and with the above improvements to Mandalong Road, the road network could operate with sufficient capacity. The low growth scenario included the Life and Home proposal and additional permitted uses.

10	Has the planning proposal adequately addressed any social and economic effects?	<p>Social and economic impacts of the planning proposal have been documented within the proponent's economic study (attachment 1).</p> <p>The total catchment for the proposed development has an estimated population of 67,585 people, as of June 2020. By 2036, the catchment area is forecast to contain a population of 81,563 people, an increase of almost 20,000 over the next decade and half, with growth at an average rate of 1.6% per annum.</p>
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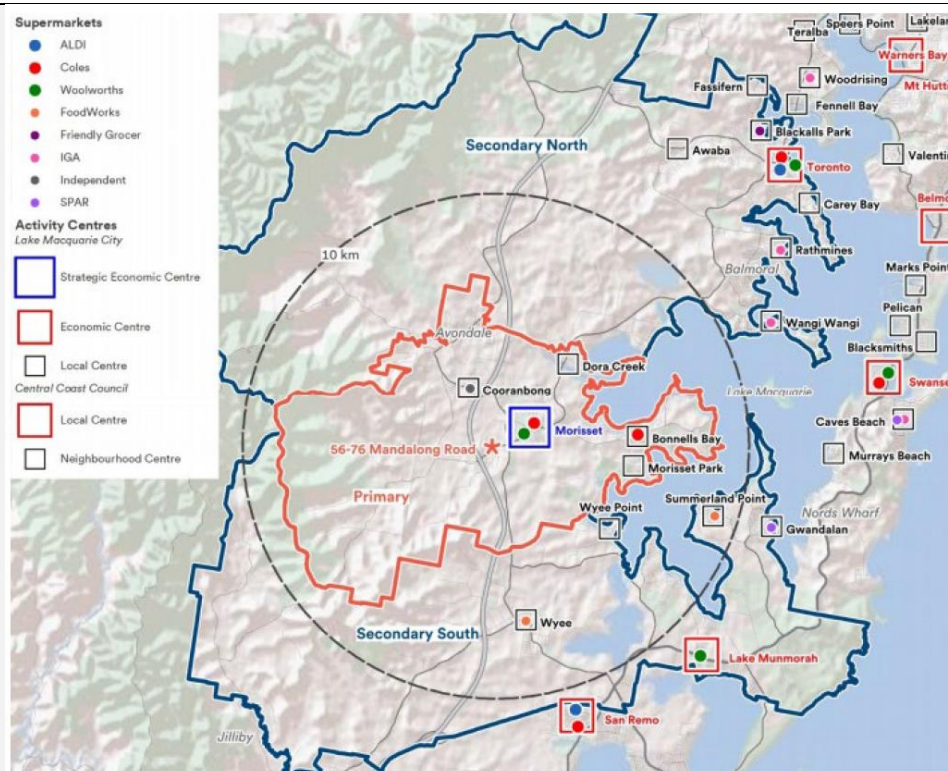


Figure 10: Economic catchment area (Source: Economic Impact Assessment, Deep End Services, March 2021)

The proposed APUs will draw sales from a number of supermarkets and other retailers throughout the region (including from beyond the catchment). The economic study estimates impact to nearby centres by way of future projected lost sales. The study estimates a -4.9 per cent reduction in forecasted sales for food and -3.3 per cent for non-food services, representing a -\$21.8 million loss to businesses within Morisset, Bonnells Bay and Cooranbong in the first trading year of 2024. This impact will diminish over time as population growth increases demand for services.

These impacts are considered to be modest, and all centres would continue to operate successfully after the introduction of the APUs within the site. These findings are similar to those for a proposed supermarket and food and drink premises APUs at a B7 Business Park zoned site in Belmont North, previously endorsed by Council and subsequently approved by the Minister in 2021 (PP_2019_LAKEM_005_00). This analysis employed the same methodology.

The proposed APUs are therefore not considered to have an unreasonable detrimental economic impact on the commercial viability of any existing activity centre.

The cost for the construction facilitated by the proposed APUs (the construction of a single level supermarket, and fit out of restaurants, cafés and shops), is estimated to be up to \$5 million. As a result, the construction phase is expected to generate jobs, with additional jobs expected to be

No.	Question	Considerations
Section C – environmental, social and environmental impact		
		<p>created throughout the wider economy, some of which would be retained locally through supply contracts, expenditure and wages.</p> <p>An estimated 105 ongoing FTE jobs will be directly created on-site as a result of the APUs, with approximately 185 jobs, both direct and indirect, created through multiplier effects.</p>
Section D – Infrastructure (Local, State and Commonwealth)		
11	Is there adequate public infrastructure for the planning proposal?	<p>The site is proposed to be developed into a specialised retail precinct. This will include the provision of utilities including sewer and water services, electrical, gas and communications infrastructure.</p> <p>The site is serviced by existing public infrastructure, including the local and regional road network, including the M1 Motorway. Included within the development of the broader site is a new bus bay in front of Unit 1 as per DA1960/2011/B to support future public transport opportunities.</p> <p>The proposed APUs will trigger road access upgrades and generate demand for active transport infrastructure to the site from Morisset train station and economic centre. Council's <i>Walking, Cycling and Better Streets Strategy</i> and accompanying planning maps identify a future shared path to the site via MR217. Shared path is expected to be delivered as part of upgrades to Mandalong Road (refer above), in line with Transport for NSW <i>Providing for Walking and Cycling in Transport Projects Policy</i>.</p>

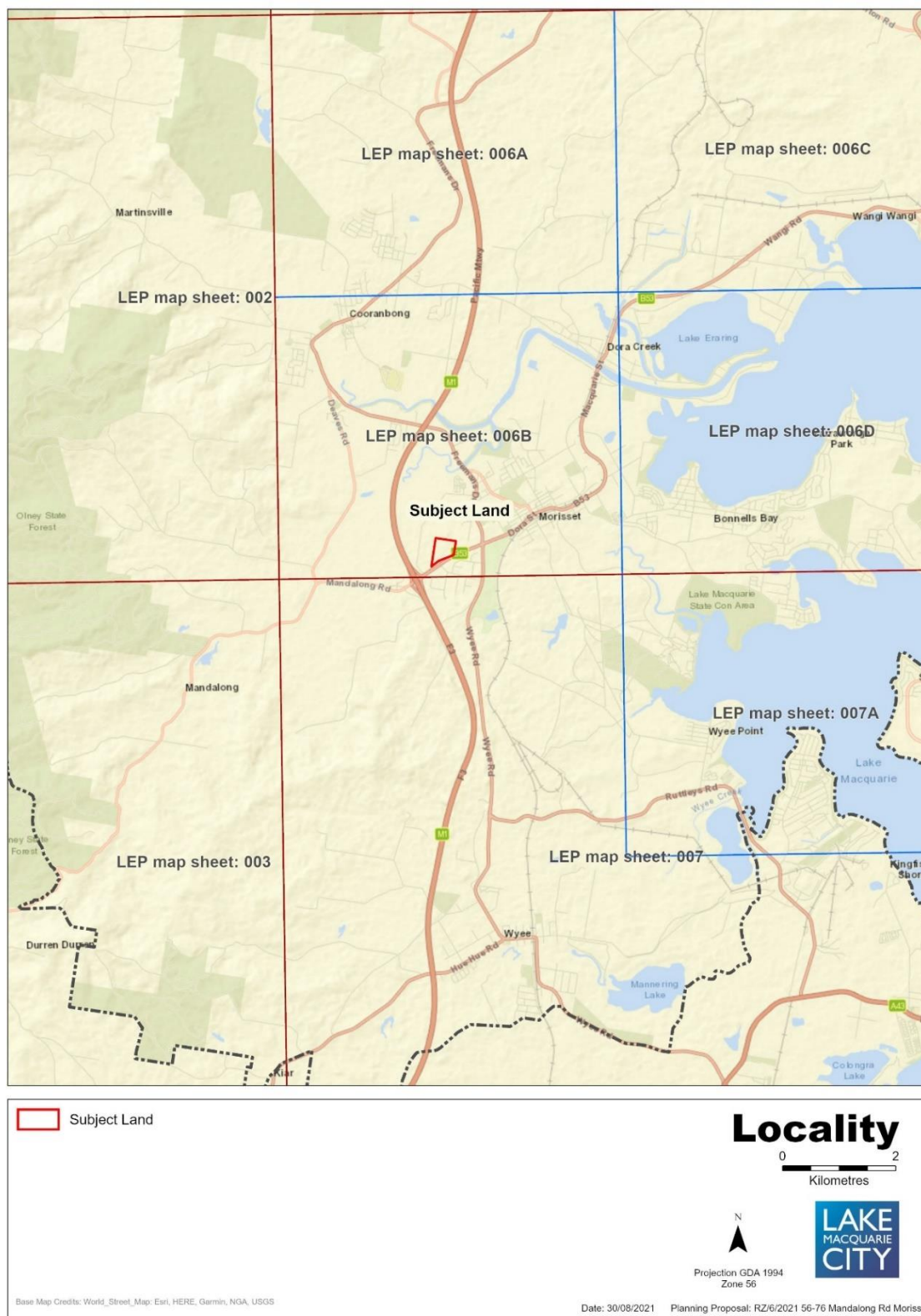
No.	Question	Considerations
Section E – State and Commonwealth interests		
12	What are the views of state and federal authorities and government agencies consulted in order to inform the Gateway determination?	<p>Preliminary consultation has occurred with State authorities according to the Gateway determination. Referrals were sent to the following agencies prior to the Public exhibition:</p> <ul style="list-style-type: none"> • Hunter Water Corporation • Subsidence Advisory NSW • Rural Fire Service • Transport for NSW

No.	Question	Considerations
Section E – State and Commonwealth interests		
		<p><u>Hunter Water Corporation</u></p> <p>Hunter Water has no objections to the proposed changes to the Additional Permitted Uses, and advice that future development within the subject sites will require Development Assessment Applications (section 50).</p> <p><u>Subsidence Advisory NSW</u></p> <p>The Subsidence Advisory confirmed that the land is located within a declared mine subsidence district (MSD), and within a current mining title. The site also overlies historical mine workings in Great Northern Seam. The Advisory informed that Development applications within MSD's require approval from Subsidence Advisory NSW (SA NSW). Applications consistent with planning controls applied to the site will be assessed in accordance with SA NSW's subdivision and development assessment policies.</p> <p>Conditional approval of future development may include a requirement for designed subsidence mitigation measures to accommodate subsidence risks caused by the identified historical mine workings or by planned future active mining activity. The assessment of subsidence risk will also consider existing mining approvals at site and the mine title holders advice regarding planned future mining activity. The title holder recently advised future subsidence impacts at the site are unlikely.</p> <p>Noting the above, SA NSW has no further comment on the proposal.</p> <p><u>Rural Fire Service (RFS)</u></p> <p>The planning proposal has been referred to the New South Wales Rural Fire Service (RFS). RFS advised a bush fire assessment report to be prepared and have been provided with a report prepared by the proponent for a development application at the same site (attachment 5).</p> <p>The proposed amendment to the Local Environment Plan does not specify where the additional permitted uses will be located on the site. This will be specified in future development applications. Given existing development consents on the site and that the site is already cleared, Council considers the additional proposed uses does not substantially alter fire hazard risk compared with uses that are already permissible on the site.</p> <p>Final advice by RFS is expected during the exhibition period.</p> <p><u>Transport for NSW (TfNSW)</u></p> <p>TfNSW key interests are the safety and efficiency of the transport network, the needs of our customers and the integration of land use and transport in accordance with Future Transport Strategy 2056.</p>

No.	Question	Considerations
Section E – State and Commonwealth interests		
		<p>Mandalong Road (MR217) is a classified State road, and Old Mandalong Road and Gimberts Road are local roads. Council is the roads authority for all public roads in the area (excluding the M1 Pacific Motorway) in accordance with Section 7 of the Roads Act 1993.</p> <p>TfNSW is involved in the discussions related to the upgrade of Mandalong Rd and the pending development applications at the same site. They are concerned about potential queuing issues related to the developments on Gateway Boulevard and Mandalong Road. They advise that a left turn slip lane from Gateway Boulevard onto Mandalong Rd can be an appropriate mitigation measure.</p> <p>TfNSW have requested a strategic design to be provided, however as the additional permitted uses will not substantially increase trips already permissible on the site, this matter is more relevantly assessed at the development application stage. This will also enable time for the preliminary planning and design of the Mandalong Rd upgrade to be further developed.</p> <p>Development applications on the site will be linked through conditions of consent, to ensure access and all other essential services are made available to the development site.</p>

Part 4 – Mapping

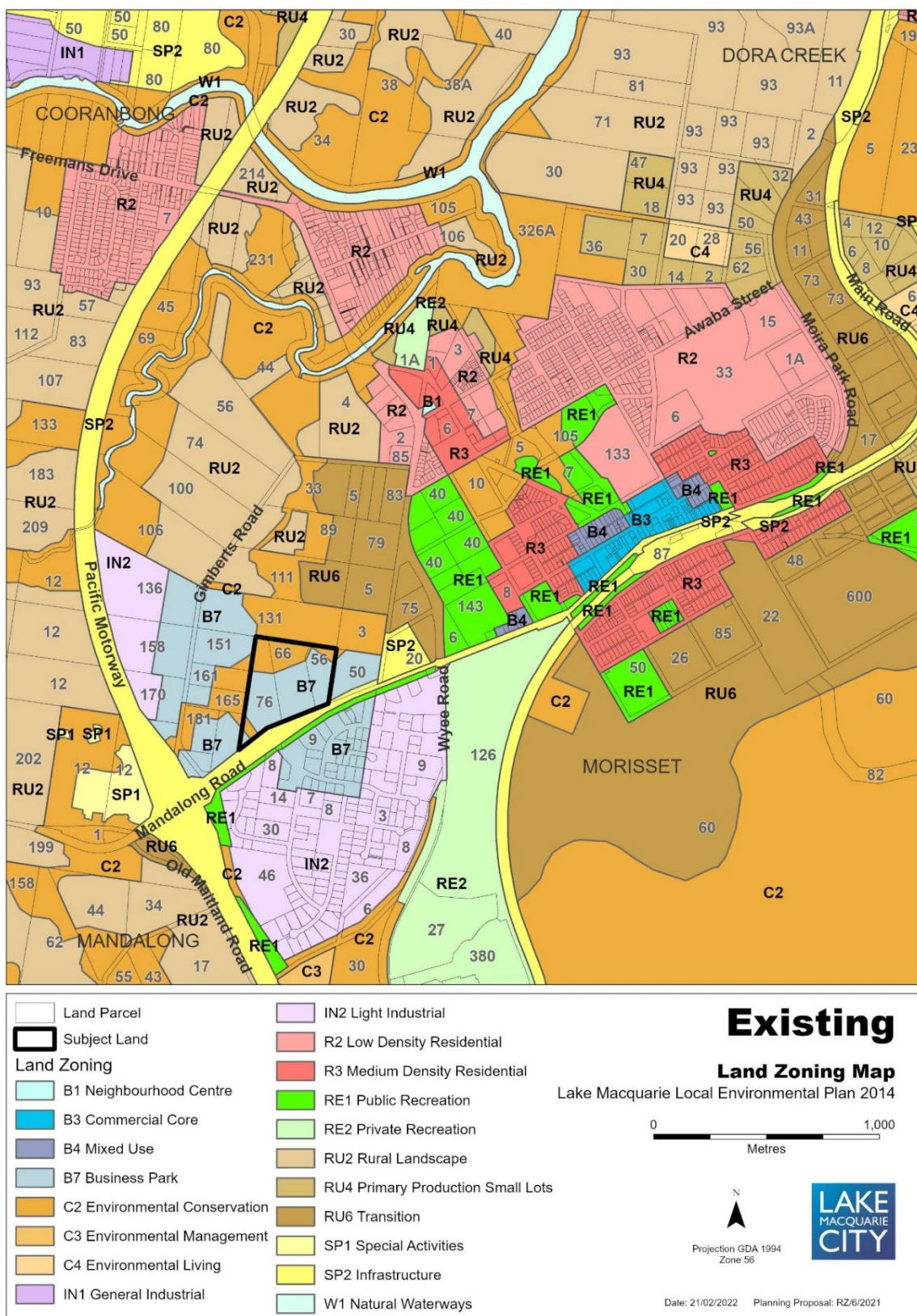
Map 1 – Locality



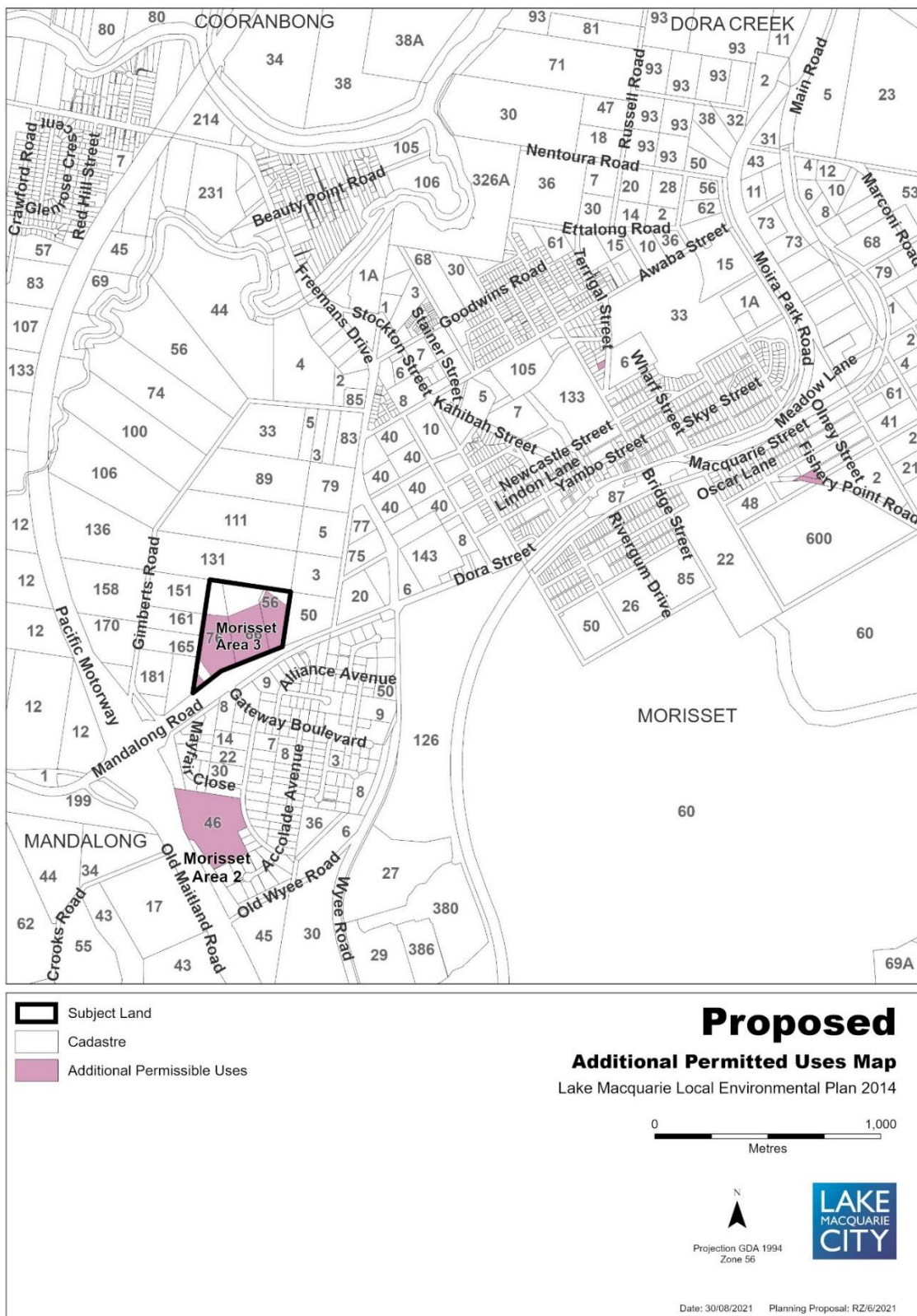
Map 2 - Aerial Photo



Map 3 – Current land use zones



Map 5 – Proposed Additional Permitted Uses



Part 5 – Community Consultation

The planning proposal will be exhibited in accordance with the Lake Macquarie Community Participation Plan and the Gateway determination. It is recommended that the planning proposal be exhibited for 28 days. Consultation with relevant government agencies has been performed according to the Gateway conditions (see p 22)

Part 6 – Project Timeline

Stage	Timeframe and / or date
Gateway determination	18 Nov 2021
Pre-exhibition – government agency consultation	Nov 2021 – July 2022
Pre-exhibition – additional evaluations and assessments	Nov 2021 – Sep 2022
Public exhibition period (28 days)	18 Oct 2022- 15 Nov 2023
Consideration of submissions	Nov-Dec 2022
Post-exhibition review of Planning Proposal and any additional studies	Nov-Dec 2022
Adoption by Council	13 Feb 2023
Finalisation	55 working days*

* benchmark timeframe for a standard planning proposal in the Local Environmental Plan Making Guideline (NSW Department of Planning, Industry and Environment 2022).

Finalisation of the Local Environment Plan (LEP) amendment includes final GIS mapping, legal drafting and the LEP being made (if the proposal is supported). The plan comes into force on the day the LEP is published on the NSW Legislation website, or a later date specified in the LEP.

The planning proposal will be followed by subsequent development applications for the construction, internal fit out and development of land for shops, supermarket or restaurant and cafés.