



PLANNING PROPOSAL

*Amendment to the
Cessnock Local Environment Plan 2011*

Jack Nicklaus Golf Course of Australia Rothbury

**Lot 11 DP 1187663 and Lots 2-4, DP 869651
Wine Country Drive, Rothbury**

Version 3.0

February 2014

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PART 1

1.0 **OBJECTIVES and BACKGROUND**

1.1 Objectives

The Objective of the Planning Proposal is to amend Cessnock Local Environmental Plan 2011 (CLEP 2011) in order to accommodate an integrated sustainable tourist development over Lot 11 DP 1187663 and Lots 2 to 4 DP 869651, Wine Country Drive, Rothbury. The land has an area of approximately 250 hectares.

1.2 Background

At Council's Ordinary Meeting held on 15 February 2012, Council resolved to prepare a draft Local Environmental Plan over Lot 11 DP 1187663 and Lots 2 to 4 DP 869651 (formerly Lots 1 to 4 DP 869651), Wine Country Drive, Rothbury for the "Jack Nicklaus Golf Course of Australia - Pokolbin" which was previously known as the "Jack Nicklaus Golf Club Resort" and referred to as such in this Planning Proposal.

The proposal is for an "integrated tourist development, a form of development where all of the components of the development are interdependent on each other and none of them can, or should, exist alone. This form of integrated tourist development is new to the Lower Hunter Region and will include the following components:

- Eighteen (18) hole signature golf course built to international standards and associated clubhouse that will meet the stringent code of the Australian Open, and will provide the facilities for the Jack Nicklaus Golf Academy servicing South East Asia;
- A five (5) star fifty (50) room hotel, of the Golden Bear Lodge or Hilton hotels calibre;
- Short stay tourist villas (250);
- Public function, retail and food outlet centre with the capacity for state-of-the-art conferencing, telecommunications, tourism programs, and interpretive centre for the locality's natural and cultural heritage, and history of the wine industry;
- Sports, recreation and health spa resort, including swimming, tennis and gymnasium;
- Sustainable golf course management, landscaping, bush regeneration, and environmental

stewardship precincts. The site design will also enhance the public amenity of natural features adjoining Black Creek;

- Three hundred (300) long stay / permanent residences in three (3) specialised precincts, managed under Community Title regulations. It is expected that investors will purchase 40% of the residences for use as holiday housing under management of the hotelier, 20% are expected to be purchased by investors and rented to long stay residents and 40% are expected to be relatively affluent owner-occupiers.

The total development will be under a Community Title scheme with the buildings and all landscaping throughout the development conforming to a set style and quality of design, integrated into and intimately associated with the golf course. Although the residential component forms an integral part of the overall tourist facility providing, in part, an alternate tourist facility, the Department of Planning and Infrastructure (DoPI) has requested that it be considered in the worst-case scenario. That is, that all of the 300 residences become permanent residences.

The location of the Jack Nicklaus Golf Course of Australia Planning Proposal is near "The Vintage" golf and residential development, located at the gateway of Cessnock's Vineyard District.

As stated in the Director City Planning Report No 50/2008;

"Considering its proposed proximity to the Vineyards District, this (the F3 extension) will place considerable focus on the Branxton to Cessnock roadway as the gateway location to the internationally renowned Vineyards District. This will mean that the Golden Bear and Vintage Balance Lands sites will play a critical role in establishing the detail of the approach and gateway entry to the Vineyards District."

Council resolved at its 15th February 2012 meeting that the golf course development has significant merit with respect to the development of tourism opportunities within the Cessnock Local Government Area (LGA) because;

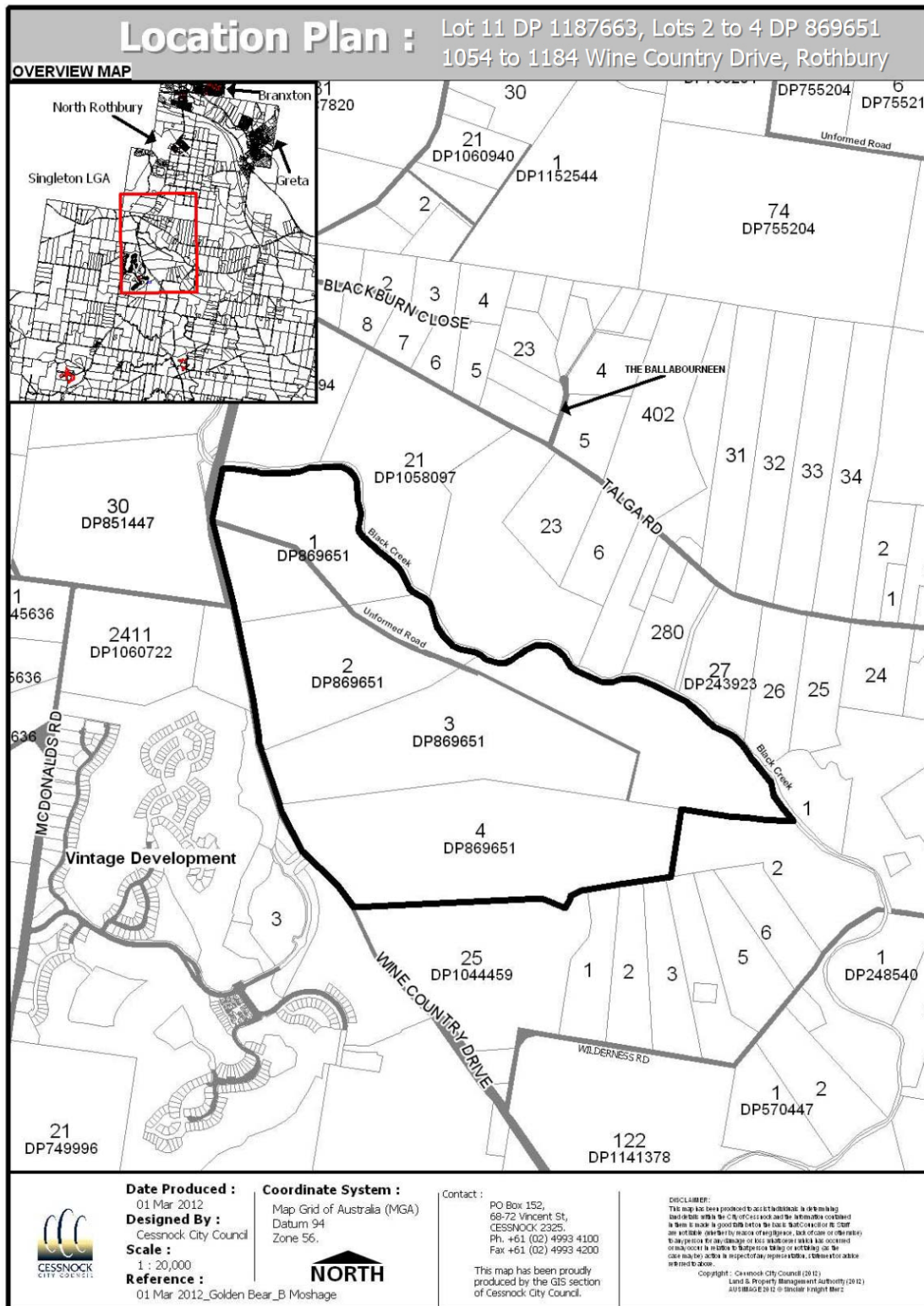
- a) The proposal is considered a positive tourism based use of the land on the edge of the Vineyards District that is not suitable for viticultural uses;*
- b) The proposal will broaden the tourism appeal of the LGA to a national and international market;*
- c) The proposal's co-location next to the existing 'Vintage' Golf development has strategic merit creating a golfing tourist destination with significant flow on benefits to the Vineyards District tourism market and the Cessnock LGA.*

and requested a favourable Gateway Determination on the Planning Proposal from the NSW Department of Planning and Infrastructure (DoPI).

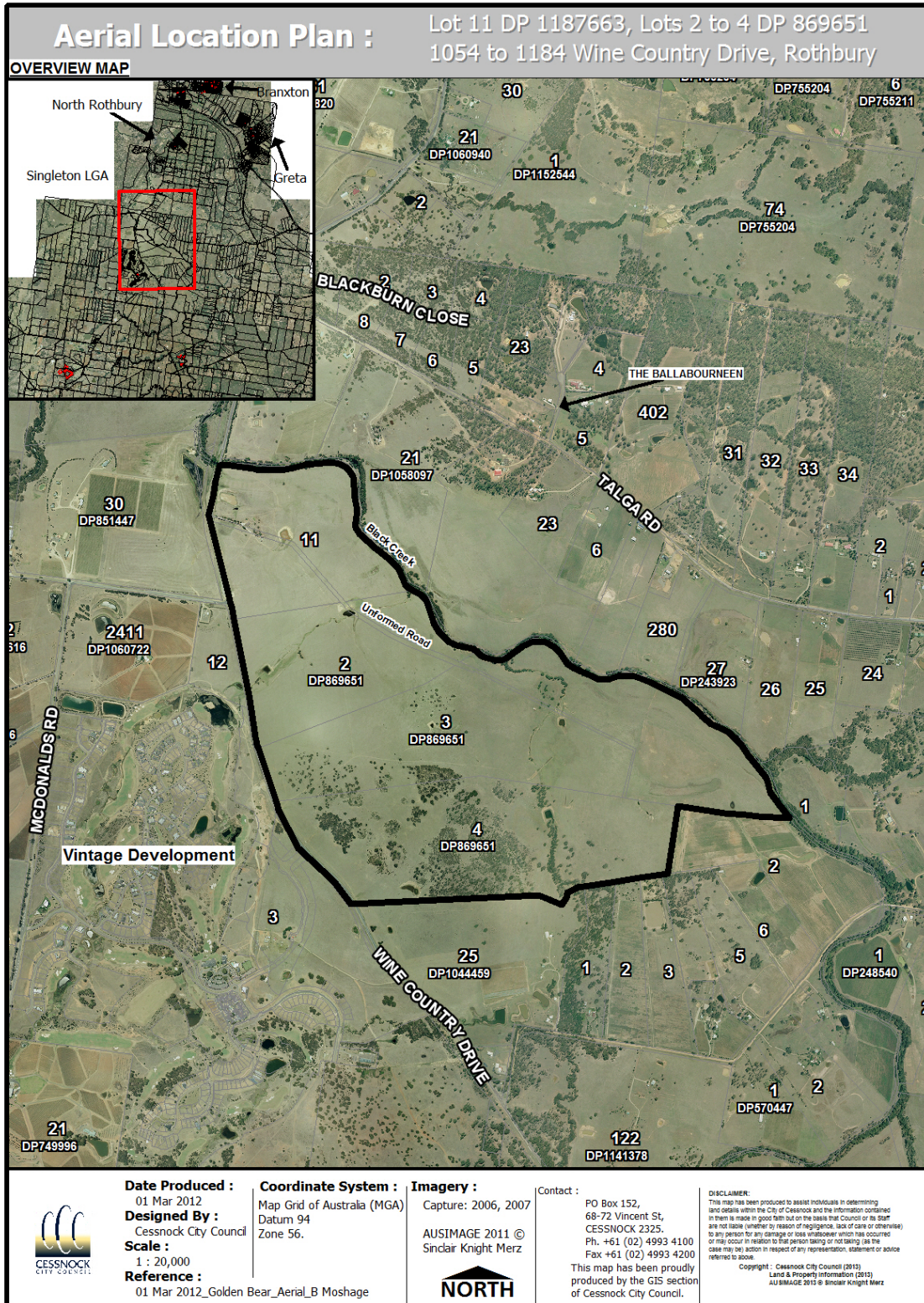
The Director General of the DoPI issued a Gateway Determination on the 1st August 2013, a copy of which is in **Appendix B**. This Planning Proposal addresses the Director General's

requirements (DGRs) and, as required, includes additional detailed studies.

1.3 Location Plan



1.4 Aerial Location Plan



PART 2

2.0 EXPLANATION of PROVISIONS

The proposed Objective will be achieved by introducing a new Zone, SP3 Tourism in Part 2 of the Cessnock Local Environmental Plan, 2011 (CLEP), changing the zone applying to the subject land from Zone RU4 Primary Production Small Lots to Zone SP3 Tourism, and inserting a site specific clause into Part 7 of the CLEP. The proposed amendments are as follows:

- a) Insert the SP3 Tourism into Part 2, Clause 2 of the CLEP; and
- b) Insert the following zone provisions into the Zone Table to Part 2 of the CLEP; and
- c) Map the subject land as an Urban Release Area.

2.1 Zone SP3 Tourism

1 Objectives of zone

- To provide for a variety of tourist-oriented development and related uses; and
- To allow for integrated tourist development.

2 Permitted with consent

Attached dwellings; business identification sign; building identification sign; cellar door premises; child care centres; dwelling houses; entertainment facilities; environmental facilities; environmental protection works; exhibition homes; flood mitigation works; food and drink premises; function centre; home business; home industry; home occupation; horticulture; information and education facility; kiosk; markets; neighbourhood shops; recreation facility (indoor); recreation facility (outdoor); registered club; roads; semi-detached dwellings; sewage treatment plant; tourist and visitor accommodation; viticulture; water recycling facility; water reticulation facility; water storage facility; water treatment facility.

3 Prohibited

Any other development not specified in item 2 or 3:

- d) Insert the following Clause at the end of Part 7 Additional Local Provisions of the

CLEP:

7.10 Integrated Tourist Development Wine Country Drive Pokolbin

- (1) This clause applies to land at Wine Country Drive, Pokolbin being Lots 1-4, DP 869651;
- (2) In this clause, ***integrated tourist development*** means a development that is undertaken on one parcel of land and provides major tourist facilities (that must include an 18-hole golf course and 300 tourist and visitor accommodation units) in combination with other uses permissible on the land;
- (3) Development consent must not be granted for development on land to which this clause applies unless the consent authority is satisfied that the development is integrated tourist development;
- (4) On the land to which this clause applies;
 - (a) The number of dwellings must not exceed 300;
 - (b) The number of tourist and visitor accommodation units must not exceed 300;
- (5) In this clause, any tourist or visitor accommodation room, capable of being occupied separately, is equivalent to one unit;
- (6) Despite clauses 4.1AA (3) and 4.2B (3), development consent may be granted for community title subdivision to create lots of any size.

2.2 Amendment to Clause 4.1AA (2) and Clause 4.2B (2)

- e) Insert at the end of Clause 4.1AA(2) the following matter:
 - (e) Zone SP3 Tourism;
- f) Insert at the end of Clause 4.2B(2) the following matter:
 - (e) Zone SP3 Tourism.

2.3 Map Amendments

- g) Amend the Land Zoning Map to show Lot 11 DP 1187663 and Lots 2-4 DP 869651 zoned as SP3 Tourism;
- h) Amend the Lot Size Map to show Lot 11 DP 1187663 and Lots 2-4 DP 869651 as having no minimum lot size but referring to Clause 4.1 in the CLEP 2011; and
- i) Amend the Urban Release Area Map to include Lot 11 DP 1187663 and Lots 2-4 DP

869651 and annotate as "Rothbury".

2.4 Zoning Matters

The intention of the proposed amendments to *Cessnock Local Environmental Plan 2011* is to allow for an integrated tourist activity, in the SP3 Tourism Zone and to introduce specific planning provisions relating to the subject land. The proposed SP3 Zone will support wine industry related tourism in a way that does not detract from the rural character of the Vineyards District.

2.5 Matters that Council considers should be addressed by the Studies

To assist Council, and in accordance with the Gateway Determination, the following studies have been undertaken and/or updated and are Appended to this Planning Proposal:

a) Contaminated Lands

Preliminary Contamination Assessment (Coffey - 8 March 2006) – **Appendix C**;

Update Letter of Advice (Coffey – 6 June 2013) – **Appendix C**;

b) Flora and Fauna

Flora and Fauna Assessment (RPS Group – April 2013) – **Appendix D**;

Correspondence from Office of Environment and Heritage (3 July 2013) – **Appendix D**;

c) Rothbury Offset Report

(RPS Group – June 2013) – **Appendix E**;

d) Aboriginal Archaeology

Preliminary Archaeological Investigations – (Burramoko Archaeological Services – 1998) – **Appendix F**;

Aboriginal Heritage Assessment (Myall Coast Archaeological Services – March 2013) – **Appendix G**;

Correspondence from Office of Environment and Heritage (3 July 2013) – **Appendix G**;

e) Agricultural Land Use

Agricultural Land Suitability Report (Peak Land Management – December 2004) –

Appendix H;

Updated Agricultural Land Assessment (Peak Land Management – May 2013) – **Appendix H**;

f) Water Management

Site Water Budget (Water Wise Consulting – May 2013) – **Appendix I**;

Correspondence from Hunter Water Corporation (22 March 2013) – **Appendix N**;

Pokolbin Private Irrigation District (23 August 2013) – **Appendix N**;

g) Social and Economic Impacts

Social and Economic Impact Assessment (Hill PDA – May 2013) – **Appendix J**;

h) Visual Impact

Visual Impact Assessment (Richard Lamb and Associates – November 2007) – **Appendix K**;
Update Letter of Advice (Richard Lamb and Associates – 3 June 2013) – **Appendix K**;

i) Bushfire Threat

Bushfire Threat Assessment (HDB Town Planning and Design – May 2013) – **Appendix L**;
Correspondence from Rural Fire Service (4 June 2013) – **Appendix L**;

j) Traffic and Infrastructure

Traffic Impact Assessment (Better Transport Futures – April 2013) – **Appendix M**.

2.6 Cessnock DCP 2010

As it is proposed that the subject site be identified as an Urban Release Area and In accordance with the requirements of Clause 6.3 of the CLEP 2011, a draft amendment to DCP 2010 will be prepared and approved prior to the issue of any development consent.

PART 3

3.0 JUSTIFICATION

In accordance with the Department of Planning's: "Guide to Preparing Planning Proposals". This section provides a response to the Department's guidelines.

- 3.1 Need for the Proposal
- 3.2 Relationship to Strategic Planning Framework
- 3.3 Environmental, Social, and Economic Impact
- 3.4 State and Commonwealth Interests

3.1 Need for the Proposal

3.1.1 Resulting from a Strategic Study or Report

This Planning Proposal does not result from a strategic study or report but from an application by the proponent lodged with council.

Council, at its meeting on the 15 February 2012 resolved to approve the planning proposal and requested a favourable Gateway Determination on the Planning Proposal from the DoPI.

DoPI issued the gateway determination on 1 August, 2012 stating that the planning proposal should proceed subject to addition information being presented in the public exhibition material.

While the proposal is for an integrated tourist facility it has a major component of 300 residences and it is primarily this component, which does not comply with the provisions of any strategic study or report.

It should be noted that the Lower Hunter Regional Strategy (LHRS) was published in 2006, and its preparation was based on older documents and statistics and is now under review. The Cessnock City Wide Settlement Strategy (CCWSS), adopted in 2010, sets out strategic directions and implements a number of the outcomes and actions arising from the Lower Hunter Regional Strategy 2006.

3.1.2 Is the Planning Proposal the best way of achieving the objectives or intended outcomes?

There are three approaches that could be applied to achieve the objectives of the Planning Proposal:

1. Apply an appropriate zone in which the desired uses are permissible (preferred);

2. Allow an additional land use or land uses defined in the standard instrument in the current RU4 zone (not supported by Council); or
3. Amend Schedule 1 of *Cessnock Local Environmental Plan 2011* (not supported by Department of Planning & Infrastructure, DoPI).

Cessnock Council resolved on 15 February 2011 to amend Schedule 1 of the LEP, however, following further advice from DoPI, the Council has subsequently resolved to introduce a new Zone SP3 Tourism in Part 2 of the LEP, to replace Zone RU4 Primary Production Small Lots (on the site), inserting a site-specific clause into Part 7 of the LEP (Option 1 above). This Planning Proposal asserts that this is the best way to achieve the permissibility of the proposed desirable uses that the current zoning prohibits.

3.1.3 Net Community Benefit

Hill PDA completed in August 2013 a Social and Economic Impact Assessment (**Appendix J**) which included a Net Community Benefit Test (NCBT) (**Appendix J ch 10**). This assessment provides an objective analysis of the social and economic impacts, completes a detailed cost benefit analysis, and then undertakes a net community benefit analysis in accordance with guidelines to assist Council and the Department in their consideration of the Planning Proposal.

The NCBT considers the proposed development against the 'base case' of retaining the land in its current form and zone provisions, to determine the extent to which the proposed development would deliver an overall net community benefit. Through the identification of 10 key criteria and the application of a numerical weighting based on the relative importance of each criteria drawn from relevant government policies, Hill PDA have produced a summary table comparing the benefits of the two land use scenarios.

As evidenced by the results in the right hand column of the following summary (**Table 1**), the NCBT undertaken by the consultants found that the proposed development (Alternative 1) "*would deliver a strong positive impact on community welfare*" (p 102) when assessed against the relevant State and local Government policy aims, objectives and aspirations.

Assuming the development implements mitigation measures, the only potentially minor impacts occur during the construction phase with a slight increase in traffic movements. Otherwise, the proposed development would have only positive impacts.

In addition, Hill PDA found that;

"In increasing the attraction of the Hunter Region as a place to visit, the proposed development would make a positive contribution to the tourist industry given the likelihood of linked trips" (p 89).

Further, Hill PDA found that;

“...It is not expected to have any impact on house prices in other localities which are not associated with a golf course” (p90).

And

“...We do not believe that it would increase pressure on other lands within the Vineyards District for new development” (p 90).

Issue	Consideration	Impact Rating (without mitigation)	Impact Rating (with mitigation)
Provision of Employment	Would the proposed development support additional jobs on-site compared the base case?	Significant Positive	Significant Positive
	Would the proposed development support jobs in the wider area?	Significant Positive	None required
Support for Local Industries and Businesses	Would the proposed development support local industries and businesses including tourism and viticulture?	Significant Positive	Significant Positive
	Would the proposed development lead to the loss of agricultural or viticultural land?	Slight Negative	Slight Positive
	Would the proposed development support further investment locally?	Significant Positive	None required
House Price Inflation and Land Values	Would the proposed development lead to increased house prices locally?	Neutral	None required
	Would the proposed development lead to an increase in land values or encourage the development of other plots?	Neutral	None required
Impact on Government Finances	Would the proposed development lead to increased costs to local Government?	Slight Positive	None required
	Would the proposed development lead to increased costs to State Government?	Slight Positive	None required
Policy Impacts	Would the proposed development make a positive contribution towards planning policy objectives which relate to matters of economic impact?	Significant Positive	None required

Table 1: Summary of Economic Impact Ratings

Table 3 - Summary of Social Impact Ratings

Issue	Consideration	Impact Rating (without mitigation)	Impact Rating (with mitigation)
<i>Community severance/ cohesion</i>	Is there the potential for severance of communities or towns?	Slight Negative	Significant Positive
	Will the project change the way people use and access community facilities?	Neutral	None required
<i>Local character and amenity</i>	Will the project change the unique character of the place or community in which it is located?	Slight Negative	Slight Positive
	During construction, will the project change the amenity of residents, businesses or community facilities?	Moderate Negative	Slight Negative
	Will the project change the amenity for residents, businesses, or community facilities?	Slight Negative	Neutral
<i>Community Capital</i>	Will the project provide education and training opportunities for the local workforce?	Significant Positive	Significant Positive
<i>Access and connectivity</i>	During <u>construction</u> , will the project:		
	▪ generate large volumes of traffic?	Moderate Negative	Slight Negative
	▪ alter public transport services or facilities?	Neutral	None required
	▪ impact on traffic flow?	Neutral	None required
	Upon <u>completion</u> will the project impact:		
	▪ travel patterns?	Slight Negative	Significant Positive
	▪ Bicycle and pedestrian access?	Moderate Positive	Significant Positive
	▪ public transport services or facilities?	Moderate Negative	Significant Positive
	▪ parking?	Significant Positive	None required
	▪ property access?	Moderate Positive	Significant Positive
	▪ access for people with special needs?	Significant Positive	None required
<i>Community services</i>	Will the project impact (directly or indirectly) any community services such as hospitals, schools, recreational facilities, aged care, etc?	Slight Negative	None required
<i>Cultural values</i>	Does the project impact on any places of Aboriginal or non-Aboriginal heritage?	Moderate Positive	None required
Crime Impacts	Will the project increase the incidence of crime?	Moderate Positive	Significant Positive

Table 2: Summary of Social Impact Ratings

3.2 Relationship to Strategic Planning Framework (Section B)

3.2.1 Regional Strategies

Strategic Regional Land Use Plan Upper Hunter 2012

The Strategic Regional Land Use Plan Upper Hunter (SRLUPUH) is a primarily concerned with balancing agriculture and resource development (p7) and as a result has identified and mapped Strategic Agricultural Land and two Critical Infrastructure Clusters being the Equine cluster centred on Scone and the Viticulture cluster.

The SRLUPUH notes that;

“The wine industry enjoys a strong and expanding base in the Singleton and Muswellbrook LGA’s as a result of their suitability for wine making and the vineyard tourism market fuelled by the regions accessibility to Sydney. As the regions wineries are concentrated in an area that extends into the Cessnock LGA, this part of the Cessnock LGA has been included in the plan to ensure a holistic, strategic planning approach to this important industry”.(p13)

The SRLUPUH also states that as Cessnock LGA lies within the boundaries of the LHRS, broader land use issues for this part of the Cessnock LGA will be undertaken as part of the review of the LHRS (p13).

Chapter Five of the SRLUPUH, ‘*Economic Development and Employment*’, recognises the importance of the tourism industry to the Upper Hunter economy. The report states that building on existing industries, such as tourism, will ensure the continued resilience of the economy in the Upper Hunter (p46).

In this regard, the proposed development will be building on the existing tourism industry by providing an integrated tourist facility catering for a different group of people not presently catered for within the extended viticultural cluster.

Chapter 6 ‘*Housing and Settlement*’ recognises that rural residential and lifestyle housing can contribute to the character, economy and social fabric of communities if it is appropriately located. However, if it is inappropriately located, it can lead to externalities such as land use conflict, alienation of agricultural lands, social isolation, adverse environmental impacts and an increase in the cost of providing local services.

The housing to be included as part of the proposal will be designed and marketed as a form of lifestyle housing to meet a niche market. It is not a standard residential development designed to meet local affordability or housing targets.

Lower Hunter Regional Strategy 2006

The Lower Hunter Regional Strategy (LHRS) released in 2006 and currently under review, sets the strategic Landuse planning framework to guide the sustainable growth of the Lower Hunter to 2020. It states that;

“Overall, the Lower Hunter Regional Strategy sets a clear and sustainable direction for growth that will continue to evolve to reflect long term trends and build on the Regions strengths. The Strategy will be continually monitored and comprehensively reviewed every five years”, (p 1).

The vision for the Lower Hunter is to be ‘one that is sustainable, affordable, prosperous and *liveable*’ (p9). This includes ensuring that there are diverse employment opportunities and that the Region’s quality lifestyle for both residents and visitors is strengthened.

It identifies a number of regional challenges including population and housing, economic and environment.

The LHRS defines the Pokolbin vineyard and tourism precincts as a ‘Specialised Centre’. The key function of a ‘Specialised Centre’ is to concentrate regionally significant economic activity and employment. An additional +1,600 jobs are targeted for Pokolbin Specialised Centre (which includes the subject site) over the period to 2031. It seeks to protect this area from residential encroachment, manage the competing opportunities of commercial vineyards versus tourism opportunities and support additional employment.

The proposed development will not restrict or compromise existing vineyards, as these are located well away from the development site and the subject site is completely unsuitable for grape production. It will complement the existing tourism activities of the area by providing a third, world championship golf course, and its associated tourist facilities, within the Vineyards district. This will create one of the few destinations around the world with such a combination further drawing demand from a wider national and international area. As such it will further stimulate significant demand for golf and associated tourism within the general vineyards area (Appendix J. p 53) and fits well into the LHRS employment growth model, especially tourism, where trades, professional employment, and service skills will be in demand over the entire course of the development, during construction and operations.

The residential component of the development will be an important component of the development providing accommodation of a style and standard not available elsewhere in the district and meeting a housing market that has not previously been considered, let alone catered for.

The LHRS contains sustainability criteria against which any new proposal containing residential development outside designated release areas should be assessed and this proposal satisfies the sustainability criteria. These criteria are; infrastructure provision, access, housing diversity, employment lands, avoidance of risk, natural resources, environmental protection and quality and equity in services and are set out in Section 3.2 of this report.

3.3 Sustainability Assessment against Lower Hunter Regional Strategy Criteria

Sustainability Criteria	Comment
1 - Infrastructure Provision <i>Mechanisms in place to ensure utilities, transport, open space and communication are provided in a timely and efficient way.</i>	The Land is not located within an established urban centre, however, in line with Council's aims, the development will ensure traffic and related matters are managed in an equitable manner for all road users, with a focus on safety and efficient use of available funds. The proposal will be developed under community title and all services will be owned and maintained by the community including roads, drainage, water, sewer, etc. In terms of demand for site services such as utilities and water, the proponent will meet provision of infrastructure and costs on site, Therefore, net community impact would be nil. There are no expected additional demands outside the site. The proposed development would be entirely self-funded and self-sustaining in terms of utility infrastructure provision, with no greater financial burden to Government (Hill PDA 2013, Appendix J). According to the report by Better Transport Futures 2013 (Appendix M), the traffic generated by the proposed development will not create a significant burden on existing transport infrastructure. There are no community services (including public open space) to be provided by Cessnock Council within the development. Residents will generate additional demand (albeit minor) for a range of community facilities in Cessnock or Huntlee New Town in the future. The 18 hole golf course, club house and 50 room hotel will be completed prior to the final occupation of dwellings. This will require fully serviced sites at the developers cost. A Voluntary Planning Agreement (VPA) will be entered into with council prior to the issue of any development consents to ensure that all relevant services are provided.

Sustainability Criteria	Comment
2 – Access <i>Accessible transport options for efficient and sustainable travel between homes, jobs, services and recreation to be existing or provided.</i>	The site is located on Wine Country Drive approximately 8km south of Branxton and 14km north of Cessnock. The site is serviced by a bus system running in a loop from Maitland, Cessnock, Branxton and back to Maitland. School bus services are the only other regular public transport servicing the area with multiple morning and afternoon runs to and from Branxton and Cessnock. If required these services will be able to enter the development to pick up passengers. It should be noted that this site sits only 2km south of the proposed Huntlee New Town project and the immediately adjacent to the Hunter Expressway, due to be opened in January 2014. It is anticipated that the purchasers and future occupants of the 300 residences will be high income-earners and will almost certainly rely on private vehicles for transport and have no interest in public transport for general use. There will be limited, private public transport options through tour buses and special arrangements for those tourists utilising the resort and these will be coordinated wherever possible with other tourist destinations within the Vineyards area. The area has limited pedestrian and cycle facilities in the vicinity of the subject site, reflective of the rural nature of the locality and the associated low demands. Given the relatively low traffic volumes, cyclists can be accommodated within the existing road pavement. However, an extensive cycle and pedestrian trail will be developed within the development itself for residents and tourist use.
3 - Housing Diversity <i>Provide a range of housing choices to ensure a broad population can be housed</i>	The proposed luxury development would increase the supply of housing choice in Cessnock. However, there is no intention that the development will meet the general housing needs of the Cessnock community although there is a small component of the community who may be interested in relocating to the site. The development will provide exclusive dwelling stock targeted at the high income-earners who have an interest in the Jack Nicklaus Golf Course of Australia golf facilities and resort, and the attraction of the vineyard tourist industry acting as a catalyst for generating demand. It is anticipated that the market would, in large part, comprise national and international buyers (both individuals and corporations) who would generally not be based locally, and it would largely cater for a temporary population. The residential product must be high quality and capable of allowing development to compete in a national and international market. On this basis, it would satisfy a market, which does not currently exist in the Cessnock LGA, and therefore the dwellings provided would be in addition to the housing targets set in planning policy. It would not be viable for low cost dwellings to be provided within an international standard resort.

Sustainability Criteria	Comment
4 - Employment Lands <i>Provide regional or local employment opportunities to support the Lower Hunter's expanding role in the wider regional and NSW economies.</i>	The total ongoing employment to be created by the golf course and associated facilities is estimated to be around 291 FTE jobs. The proposed uses would yield significant benefits to both the local and regional economies, with the total revenue forecast to be more than \$47M, value-adding more than \$19M in salaries to the economy. Beyond direct employment, the proposed development would support local industries and suppliers including the viticulture industry, wine making and other local producers and manufacturers. Given the high quality and international renown of local produce in the Hunter Valley, it would be likely that on-site restaurant and bars would seek to capitalise on this by offering a strong component of local produce on their menus. Indeed, it is likely that international guests especially, and visitors on site, would expect and demand such offerings. Visitors would also travel into the vineyards to experience what the district has to offer. On this basis, the proposed development would provide support for local growers and wineries and in doing so support employment and associated economic benefits off-site. Providing a further local source of employment would also assist in increasing the retention of working residents in the local area. In so doing the proposed development would assist in decreasing commute times relative to jobs provided outside of Cessnock LGA and in doing so reduce associated externalities including travel times, congestion, vehicle operating costs, pollution and cost of accidents.
5 - Avoidance of Risk <i>Land use conflicts and risk to human health and life, avoided</i>	The site is bounded by rural grazing land to the north and east, and rural smallholdings Lots to the south. The Vintage Golf Course, resort facilities and residential estate is located directly to the west, on the other side of Wine Country Drive, which runs generally north south. Significant buffers and vegetation screens to each boundary will ensure the development does not conflict visually with adjoining land uses (existing or future). The subject land is partially flood and bushfire prone. Proposed structures are excluded from the areas subject to flooding and mitigation measures to protect the development and its occupants are proposed in relation to the threat of bushfire. A Preliminary Soil Contamination Assessment was completed by Coffeys in 2006 (Update letter dated June 2013). No evidence of contamination was found however, it was identified that local soil contamination may be present around the dwelling sites and cattle sheds which are proposed within the golf course area, but will be subject to further investigation at Development Application stage.

Sustainability Criteria	Comment
6 - Natural Resources <i>Natural resource limits not exceeded, environmental footprint minimized.</i>	A total of 100 mega litre (mgl) water allocation is available from the Pokolbin Private Irrigation District (PID) for this property. A further 80 mgl is available for the PID and would meet the sites needs. Other options such as Water Sensitive Urban Design to conserve and manage runoff harvesting and sewer mining are a possibility. It is accepted that some additional water may be captured on site, however this is limited to the harvestable water rights which for a property of this size (241 hectares in extent) equates to 0.08 x 241 ha = 19.28mgls (methodology from DLWC, 1999). The Cessnock area is part of an embargoed water catchment area, with limits on ground and surface water extraction determined by the Office of Water. A Water Balance Report (May 2013) is included in the supporting documentation. This report confirms that the anticipated demand for water created by the proposed development can be easily accommodated with existing facilities and licenses without impacting on the health of the nearby waterways.
7 - Environmental Protection <i>Protect and enhance biodiversity, air quality, heritage, and waterway health.</i>	A Regional Conservation Plan does not affect the Land. Threatened species and an endangered ecological community have been identified on site (refer to Flora and Fauna Assessment (RPS 2013). The assessment makes recommendations in relation to the mitigation of any potential impacts and the protection and enhancement of the biodiversity values on the site. A Bio Banking Offset Report was also prepared and showed that with the proposed planting on site there would be a net benefit of 96 Ecosystem Credits, as per 3.3.1 over. This has been assessed by the Office of Environment and Heritage, (see Appendix D). It is considered that the Proposal will have neutral impact on air quality, with negative impacts of spraying and additional vehicle use cancelled out by landscaping and maintenance of vegetation on the land. A Preliminary Archaeological Assessment (Burramoko 1998) and the subsequent due diligence report (March 2013) confirm that the site contains artefacts scattered in exposed and disturbed areas, with the potential for deep undisturbed deposits on alluvial terraces. The recommendations of the report have been incorporated into the Concept Plan, and further investigations will be required according to recent OEH guidelines an assessment work to be submitted when the DA is lodged. This has been assessed by the Office of Environment and Heritage, (see Appendix D). A Water Balance Report (May 2013) is included in the supporting documentation. This report confirms that the anticipated demand for water created by the proposed development can be easily accommodated with existing facilities and licenses without impacting on the health of the nearby waterways. Architectural and landscaping will potentially take in the principles of Water Sensitive Urban Design, including stormwater and sewage harvesting. Hunter District Water Corporation have also advised that the site can be serviced.

Sustainability Criteria	Comment
8 - Quality and Equity in Services <i>Quality health, education, legal, recreational, cultural and community development and other Government services are accessible.</i>	As part of the Voluntary Planning Assessment, the proponent developer would fund the extension of utilities to the land and augment these where necessary. The proposed development has access to retail, medical, health services at Cessnock (10 mins drive south) and Branxton (north) and further services be available in the proposed Huntlee New Town development (5 mins drive north).

Table 3: Sustainability Assessment

3.3.1 Council's Community Strategic Plan or other Local Strategic Plans

The Proposal is presented as a means of increasing and diversifying tourism. The proposal is consistent with the stated objectives of the Community Strategic Plan that *"there is a need to develop specific tourism strategies for niche markets"* to achieve an increase in tourism. The comprehensive Social and Economic Impact Assessment (Hill PDA 2013 **Appendix J**) discusses the substantial positive outcomes arising from the proposed development. The Agricultural Land Suitability Report (Peak Land Management, 2004 **Appendix H**) and the Updated Agricultural Land Assessment, (Peak Land Management, 2013 **Appendix H**) addresses the issue of loss of agricultural land.

Cessnock City Wide Settlement Strategy

According to Council's City Wide Settlement Strategy ('the Strategy') an additional +21,700 dwellings are targeted for Cessnock LGA to 2031, equivalent to approximately +870 dwellings per annum over the period of study (2007 – 2031). The 'Pokolbin vineyard and tourism precinct' is acknowledged in the Strategy as comprising a 'Specialised Centre' in the Lower Hunter commercial centres hierarchy with a target for +1,600 additional jobs by 2031. In relation to Tourism, the Strategy recognises that the Hunter Region "is one of the most important markets for national and international tourism in NSW" and is the most popular tourist destination outside of Sydney.

The vineyards in the Lower Hunter, and the adjoining areas of the Upper Hunter, are in turn the single most important tourist attraction in the Hunter Valley. Section 11.3.3 of the Strategy is entitled *"Permanent residential occupation as part of major tourist development"*. It recognises the need to protect highly valued agricultural lands such as the former Vineyards District from encroachment by residential uses. The Strategy thus distinguishes between this specialised centre and other centres in the LGA by not allocating any dwelling targets.

This development is an integrated tourist development of international focus and while it includes 300 dwellings, it remains focussed on tourism with an equivalent number of tourist accommodation units and is located so as not to impact adversely on the vineyards.

Vineyards District Community Visioning

A key theme in the vision statements and the draft actions produced through this exercise relates to maintaining the character of the area (viticulural and rural). There is support for a study of agricultural lands to identify and protect prime agricultural land, while allowing complementary land uses, such as accommodation and hospitality/retail, on non-prime agricultural land. Further, to allow sufficient housing and other short-term accommodation to keep the area vibrant, while maintaining the character of the area with development to be predominantly low density and small scale with some medium density development appropriate, and no impact on scenic vistas or rural atmosphere of the area.

As such, it was clearly acknowledged that tourist development is needed to support the survival and expansion of the viticulture industry in the region. In fact, the viticulture industry could not survive without tourism and an International Golf Resort is a significant opportunity to support the industry.

The Vineyards District Community Visioning provides some insight into current community thinking and issues in relation to the Vineyards District. The Vision statements for the Vineyards District were adopted by Council on 19 October 2011. The draft Objectives and Actions were placed on public exhibition until 3 February 2012.

3.3.2 State Environmental Planning Policies (SEPP)

There are no SEPP's to prohibit or restrict the proposed development as outlined in this Planning Proposal. Table 4 below is an assessment of relevant SEPP's against the Planning Proposal.

The recently released White Paper outlines changes to the planning scheme in New South Wales. This proposed new planning scheme is underpinned by a need to increase housing and employment opportunities in New South Wales.

This proposal has the potential to generate significant revenue into the local economy each year, provide a significant number of jobs and traineeships, attract international tourists to the region generating significant flow on effects for both the local community and the whole region and provide 300 higher end dwellings for a specific sector of the community not currently represented.

SEPP	Relevance	Consistency & Implications
SEPP 6 – Number of Storeys in a Building	Clarifies the reference to storey, floors and levels.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP 21 –Caravan Parks	The SEPP provides for development for caravan parks.	Not applicable.
SEPP 22 – Shops and commercial premises	The SEPP provides for the change of use of commercial premises.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP 30 – Intensive Agriculture	The SEPP provides considerations for consent for intensive agriculture.	Not applicable.

SEPP	Relevance	Consistency & Implications
SEPP 32 – Urban Consolidation (Redevelopment of Urban Land)	The SEPP makes provision for the re-development of urban land suitable for multi-unit housing and related development.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP 33 – Hazardous & Offensive Development	The SEPP provides considerations for consent for hazardous & offensive development.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP 36 – Manufactured Homes Estates	The SEPP makes provision to encourage manufactured homes estates through permitting this use where caravan parks are permitted and allowing subdivision.	Not applicable.
SEPP 44 – Koala Habitat Protection	This SEPP applies to land across NSW that is greater than 1 hectare and is not a National Park or Forestry Reserve. The SEPP encourages the conservation and management of natural vegetation areas that provide habitat for koalas to ensure permanent free-living populations will be maintained over their present range.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP 55 – Remediation of Land	This SEPP applies to land across NSW and states that land must not be developed if it is unsuitable for a proposed use because of contamination.	Potential contamination of the land has been investigated in accordance with SEPP 55. Coffey previously investigated contamination of the site in 2006 and recent correspondence from them (6 June 2013) confirms that the recommendations made in the 2006 report remain applicable and the land is still considered to be suitable for the proposed uses. They suggest however that some further testing may be required at the development application stage near the existing residence.

SEPP	Relevance	Consistency & Implications
SEPP 62 – Sustainable Aquaculture	The SEPP relates to development for aquaculture and to development arising from rezoning of land and is of relevance for the site-specific rezoning proposals.	Not applicable.
SEPP 64 – Advertising and Signage	Aims to ensure that outdoor advertising is compatible with the desired amenity and visual character of an area, provides effective communication in suitable locations and is of high quality design and finish.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP – Housing for Seniors or people with a Disability 2004	The SEPP aims to encourage provision of housing for seniors, including residential care facilities. The SEPP provides development standards.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP – Infrastructure 2007	Provides a consistent approach for infrastructure and the provision of services across NSW, and to support greater efficiency in the location of infrastructure and service facilities.	Nothing in this Planning Proposal affects the aims and provisions of this SEPP.
SEPP – Mining, Petroleum Production and Extractive Industries 2007	The SEPP aims to provide proper management of mineral, petroleum and extractive material resources and ESD.	Not applicable.
SEPP – (Rural Lands) 2008	The SEPP aims to facilitate economic use and development of rural lands, reduce land use conflicts and sets out rural planning principles.	This is discussed in detail below

Table 4: Relevant State Environmental Planning Policies

SEPP – (Rural Lands) 2008

The SEPP aims to facilitate economic use and development of rural lands, reduce land use conflicts and sets out rural planning principles. It sets out a number of Rural Planning Principles detailed below;

- a) The promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas;*
- 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;*
- 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;*
- d) In planning for rural lands, to balance the social, economic and environmental interests of the community;*
- e) the identification and protection of natural resources, having regard to maintaining biodiversity, the protection of native vegetation, the importance of water resources and avoiding constrained land;*
- f) the provisions of opportunities for rural lifestyle, settlement and housing that contributes to the social and economic welfare of rural communities;*
- g) the consideration of impacts on services and infrastructure and appropriate location when providing for rural housing;*
- h) ensuring consistency with any applicable regional strategy of the Department of Planning or any applicable local strategy endorsed by the Director General.*

Agricultural studies included in **Appendix H** concluded that site did not support prime viticultural soils and those soils on the site are of relatively low agricultural value. These studies, confirmed by the history of the site, have shown that productive and sustainable agricultural activities on the site are not possible and the site is not economically viable for any agricultural activity.

The only agricultural activity that is likely to be carried out on the site is grazing however; the site is not large enough, or fertile enough, to provide an adequate economic return. Accordingly, its value as agricultural land is limited and it has little social or economic benefit to the community in its present state.

The proposed development will result in the protection of water resources and an increased level of biodiversity resulting from the extensive landscaping proposed as part of the development. It will provide employment and further enhance the tourist destinations within the Vineyards District. It will provide a form of housing not currently available within the area creating a new market and attracting residents, and visitors, not currently catered for within the locality and region.

As the development will be under Community Title, all services provided within the development, will be owned and maintained by the community. The Social and Economic

Impact Assessment (**Appendix J**, p 75) has shown that the development would create only a minor impact on council's external services.

DoPI Director General requirements, S117 Directions

An assessment of relevant S 117 Directions against the Planning Proposal is provided as follows.

1.0 EMPLOYMENT AND RESOURCES

1.1 Business and Industrial Zones

Encourage employment growth in suitable locations, protect employment land in business and industrial zones, and support the viability of identified strategic centres.

This zone is not applicable to the Planning Proposal, as the land is currently zoned Zone RU4 Primary Production Small Lots.

Hill PDA 2013 identified that there would be missed opportunities for local business should the rezoning not proceed, i.e. opportunities to promote:

- existing and planned retail facilities locally, and to cater for the additional demand created by future residents on the subject site;
- value-added benefits associated with the wages earned by future employees on site;
- an increased demand for local food and wine produce; and
- the financial feasibility of tourist operations locally to the benefit of existing businesses and residents.

1.2 Rural Zones

The objective of this direction is to protect the agricultural production value of rural land.

The land is currently zoned Zone RU4 Primary Production Small Lots. However, the contribution to the Cessnock economy would be greater if the land were rezoned to SP3 Tourism, and developed for an Integrated Tourist Resort of international standing.

The current zoning RU4 Primary Production Small Lots has been found to be economically unviable. While the objectives of this zone aims for sustainable primary industry uses, past land

management practices under grazing has shown this not to be so. The alluvial terraces are experiencing active sheet and gully erosion that require mitigation (see report Dr Haworth appended to Burramoko Archaeological Assessment 1989).

Viticultural soils assessment (Steve Gell Nov 2007) concluded that the majority of the property (95%) did not support prime viticultural soils and they are low agricultural value. The only soils of value are located in the alluvium of Black Creek, less than 5% of those surveyed.

Additionally, the riparian corridor, should it be disturbed for agriculture, would contribute to the active erosion in the area. Black Creek is flood prone land and not suitable for agriculture. Establishment costs for a vineyard would be prohibitive in the present climate, since there is a worldwide surplus of wine, and many grape growers do not have enough contracts for sale.

Peak Land Assessment 2013 also advised that the land has low agricultural value, and currently the farm is not economically viable:

- there is little scope for future agricultural enterprises realising a large return, although there is some possibility smaller scale agricultural enterprises (e.g. grazing) could occur;
- this land is generally considered as not unique nor rare, therefore forward planning should not favour another existing but uneconomical land use over a potential high-returning integrated golf course and tourism land use.

The integrated golf resort concept will increase diversity and employment in the LGA to an extent not yet conceived in Cessnock. This development presents a sympathetic counterpoint to “The Vintage”, Anvil Hill, and Huntlee New Town cluster of developments at the gateway to the wine district.

1.3 Mining, Petroleum Production and Extractive Industries

The objective of this direction is to ensure that the future extraction of State or regionally significant reserves of coal, other minerals, petroleum and extractive materials are not compromised by inappropriate development.

This direction does not apply to this Planning Proposal, nor is it advisable given the fragile nature of the riparian corridor, alluvium and potential for erosion.

1.4 Oyster Aquaculture

Not applicable.

This direction is not applicable to the Planning Proposal, being located in the rural hinterland and away from the coastal zone.

1.5 Rural Lands

The objective of this direction is to protect the agricultural production values of rural land and to facilitate the economic development of rural land for rural related purposes.

The SEPP (Rural Lands) 2008 emphasises the importance of agricultural land to state economy and employment. It urges proper planning and opportunities for rural lifestyle, settlement and housing. In line with the SEPP aims to promote strategic planning for rural planning, as well as smaller Lots and increased number of holdings, this economically, socially and environmentally viable proposal will encourage a larger number of shared landholders, in the form of residents, increased revenue, and stewardship, over this rural land. According to the Rural Subdivision Principles under the SEPP, the proposal will:

- Minimise rural land fragmentation under a cohesive concept;
- Avoid land use conflicts by harmoniously introducing natural systems into the design;
- Be compatible with existing agricultural holdings;
- Consider natural and physical constraints; and
- Ensure that residential planning takes account of the constraints.

Peak Land Assessment (2013) advised that the site is not prime agricultural land, and could not sustain a smallholding such as a vineyard in the present economic climate, and in competition with the more established enterprises in the district.

The site has been identified as most suitable for low-density cattle grazing; however, the small parcel size would limit its financial viability. Introducing additional smallholdings over the same land would reduce the viability further.

Notwithstanding its agricultural limitations, the proposed development is poised to stimulate tourism in Cessnock at an international level, leading to flow on benefits to Council and community.

Hill PDA 2013 report identified missed opportunities to the LGA should Council not rezone the land to tourism and retain the rural zone. This will potentially result in the underutilisation of the existing land to support the local tourist economy; therefore will miss any economic benefits from future jobs and investment.

The report highlighted a potential stimulus for local Cessnock and Pokolbin business and employment:

- creation of 291 FTE jobs directly upon completion in a range of professions;
- provision of \$10.1M in wages (\$2012), \$19.4M value-added every year;

- lowering the above average unemployment rates in Cessnock;
- generation of half a million tourist overnight stays per annum adding an estimated \$103M in tourism expenditure;
- expenditure of an estimated 45% (\$46M) on retail goods and services both on-site and off-site;
- expenditure from day-visitors to the golf course;
- increase in the visitor numbers to the Hunter Region for linked-trips to surrounding tourist facilities;
- a capital investment value of \$150M to add an estimated \$136M in production and \$144m in consumption;
- support of 600 job years during construction, that will rise to 1,866 job years during operations;
- support \$1.5M in local retail expenditure from construction workers on site; and
- general increase in demand for local, Hunter Valley food and wine produce.

2.0 ENVIRONMENT AND HERITAGE

2.1 Environmental Protection Zones

The objective of this direction is to protect and conserve environmentally sensitive areas.

This zone is not applicable to the Planning Proposal, as the land is currently zoned Zone RU4 Primary Production Small Lots. However, across the site there is a much-degraded threatened and endemic flora and fauna species and the preparation of an Integrated Property Management Plan, will ensure the ongoing protection of these species.

In the opinion of the consultants, most fauna habitats were degraded and low quality, due to the lack of variably sized hollows, few understorey shrubs, limited woody debris and rocks, and grazing by cattle.

Flora habitats were similarly degraded by grazing with subsequent domination by hardy pasture grasses and weeds.

The RPS 2013 biodiversity assessment identified:

- Twenty-three (23) threatened fauna species and three (3) flora species, with the potential to occur, or of known habitat, within the site. *Eucalyptus glaucina* (Slaty Red Gum), was identified on site (NSW Threatened Species Conservation Act 1995).
 - Rezoning and future development according to the Concept Plan was unlikely to significantly impact on any of these threatened species.

- Five (5) threatened fauna species and two (2) threatened flora possibly occur on the site, or the site supports suitable habitat (Commonwealth Environmental Protection & Biodiversity Conservation Act 1999).
 - Rezoning and future development according to the Concept Plan was unlikely to significantly impact on any of these threatened species.
- Small patches of *E glaucina* and *E moluccana* in the Central Hunter Ironbark – Spotted Gum – Grey Box Forest offer potential secondary feed trees, the site is not 'Potential Koala Habitat' nor 'Core Koala Habitat' (SEPP 44 Koala Habitat).
 - The consultants recommended further assessment under SEPP 44.

The site supports four (4) vegetation communities, two (2) of them EEC's:

- MU 13 Central Hunter Riparian Forest (EEC);
- MU 18 Central Hunter Ironbark Spotted Gum - Grey Box Forest (EEC);
- *Casuarina glauca* woodland; and
- *Melaleuca decora* remnant.

Any Key Threatening Processes (TSCA 1995) will be mitigated with control over these processes in the management strategy.

The Office of Environment and Heritage have reviewed the reports and are satisfied with the outcomes provided the recommendations are implemented via the Development Consent, (see **Appendix D**).

2.2 Coastal Protection

Not applicable.

The coastal zone is not applicable to the Planning Proposal, as the land is currently zoned Zone RU4 Primary Production Small Lots and located in the Hunter River hinterland.

2.3 Heritage Conservation

The objective of this direction is to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.

The site has been the subject for several archaeological surveys, discovering a diverse range of Aboriginal artefacts, sites, and potential subsurface deposits preserved in the relict alluvial terraces. The archaeological information from consultant reports has been mapped on the Concept Plan 2013, but will not be available to the public for reasons of security and cultural sensitivity.

The most detailed archaeological survey, by Burramoko Archaeological Service (1998), found generally that the proposed development site has not been sufficiently researched, therefore it would be logical to re-appraise the study area in the statutory context of the present day using recent OEH guidelines *Code of Practice for Archaeological Investigation of Aboriginal Objects in NSW*, that set out the requirements for archaeological investigation. Equally, the historic heritage potential would be assessed under the NSW Heritage Branch 2006 *Assessing significance for historical sites and relics*. The completing of these studies can be committed to in the VPA, and the findings submitted at the time of the Development Application (DA) lodgement. Progression of the studies this way can inform the detailed design outcomes for the site.

In 2013, Len Roberts of Myall Coast Archaeological Services completed a Due Diligence survey (under *Due Diligence Code of Practice for the Protection of Aboriginal Objects in NSW*), and recommended the following documentation:

- Observance of recent NSW OEH guidelines for future assessments including a potential Aboriginal Heritage Impact Permit (AHIP);
- Aboriginal Cultural Education Program, for the induction of construction personnel; and
- Aboriginal Cultural Management Plan in consultation with appropriate Aboriginal groups. Such plan must be in place prior to commencement of any works.

The Office of Environment and Heritage advised on 3 July 2013 that further assessment will be required as part of the preparation of the Development Application.

2.4 Recreation Vehicle Areas

The draft LEP amendment does not enable land to be developed for the purpose of a recreation vehicle area (within the meaning of the Recreation Vehicles Act 1983).

Planning Proposal not affected by this direction.

3. HOUSING, INFRASTRUCTURE AND URBAN DEVELOPMENT

3.1 Residential Zones

Encourage a variety and choice of housing types to provide for existing and future housing needs, make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and minimise the impact of residential development on the environment and resource lands. A draft LEP is required to include provisions that encourage housing that will;

- a) broaden the choice of housing type and locations available in the housing market; and*
- b) make more efficient use of existing infrastructure and services, and*

- c) *reduce the consumption of land for housing and associated urban development on the urban fringe; and*
- d) *be of good design.*

The planning proposal is for an integrated tourist development including a golf course, hotel, tourist accommodation and residential housing.

As such, the housing will:

- Provide a broader choice of housing type and location particularly for a market currently not provided for in the area;
- Utilize the same infrastructure built to service the golf course, hotel and resort; accommodation which will form stage 1 of the development thus making more efficient use of the infrastructure and services;
- The land being utilized for the housing component of this development comprises only approximately 11% of the total development. The development is not on the urban fringe and is a self contained and serviced tourist resort with a residential component;
- The development will be signature development of Jack Nicklaus catering, largely, to the national and international tourist market and as such all building, landscape and infrastructure design will be required to be well-designed, sustainable, high quality and integrated into the golf course and its environs.

As can be seen the proposed development complies with this direction.

3.2 Caravan Parks and Manufactured Home Estates

The objective of this direction is to provide for a variety of housing types, and provide opportunities for caravan parks and manufactured home estates.

Planning Proposal not affected by this direction.

3.3 Home Occupations

The objective of this direction is to encourage the carrying out of low-impact small businesses in dwelling houses.

Planning Proposal not affected by this direction.

3.4 Integrating Land Use and Transport

The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision, and street layouts achieve the sustainable transport objectives.

The Land is not located within an established urban centre, however, in line with Council's aims, the development will ensure traffic and related matters are managed in an equitable manner for all road users, with a focus on safety and efficient use of available funds.

Access to the proposed development will be from Wine Country Drive, a State Road under the care and control of the Roads and Maritime Services (RMS). Council requires that within the DA the proponent comply with the requirements of the Roads and Maritime Services and Council, in regard to design and construction of the intersection.

It is difficult to accurately predict the type of interaction required with Wine Country Drive at this early stage for this development ahead of more detailed design other than to require commitment in the VPA to the construction of a suitable intersection in accordance with RMS design requirements, (Australian State Roads Standards). The intersection design should also consider the possibility of integrating the access with The Vintage, when and if this development proceeds.

It is also anticipated by Council that widening at Wine Country Drive may be required in the future and provision should to be made for this should it occur. The HDB Schematic Concept Site Plan 2013 has proposed a landscape buffer along this frontage and there is ample room to facilitate any road widening, if required. The final design will need to consider this.

It should, however, be noted that as the road widening is not made necessary by this development, but general increase in road use as part of the Hunter Freeway Extensions such should be subject to "just terms" compensation at the time of acquisition.

All roads on site will be private and under the control of the Resort community. Standards for construction, should meet current industry standards. Provision should also be made for safe manoeuvring of vehicles including coaches and buses. This should include a shelter at the proposed park and set-down point.

The Traffic Study will need to be revised and updated at the time of the detailed design to ensure correct loading and assumptions are considered.

Up to 10 km away in the north, construction on the 40 kilometre Hunter Expressway is due to be completed in 2013, which will provide a fast, east-west connection between Newcastle and the Lower Hunter. The Expressway promises to link more efficiently the "off the beaten track", but major, regional centres such as Cessnock identified in the Lower Hunter Regional Strategy. A development of this calibre would add to the push/pull effect in the Lower Hunter, where the Expressway will allow easier access to the local attractions and beyond in the Hunter region, thereby helping tourism to grow.

(source NSW Long Term Transport Master Plan December 2012).

3.5 Development Near Licensed Aerodromes

The objectives of this direction to ensure the efficient and safe operation of aerodromes, ensure their operation is not compromised by incompatible future adjoining land uses.

Planning Proposal not affected by this direction.

3.6 Shooting Ranges

The objective of this direction is to maintain appropriate levels of public safety and amenity, reduce land use conflict and identify issues that must be addressed when rezoning land adjacent to an existing shooting range.

Planning Proposal not affected by this direction.

4. HAZARD AND RISK

4.1 Acid Sulphate Soils

The objective of this direction is to avoid significant adverse environmental impacts from the use of land that has a probability of containing acid sulphate soils

Planning Proposal not affected by this direction, however, all excavation will be monitored and more closely evaluated as part of the DA process.

4.2 Mine Subsidence and Unstable Land

The objective of this direction is to prevent damage to life, property and the environment on land identified as unstable or potentially subject to mine subsidence.

Planning Proposal not affected by this direction.

4.3 Flood Prone Land

The objectives of this direction are to ensure that development on flood prone land is consistent with the NSW Flood Prone Land Policy, the principles of the Floodplain development manual: the management of flood liable land (April 2005), and that the provisions of an LEP include potential flood impacts both on and off the subject land. The guideline directs that councils adopt the appropriate Flood Planning Level (FPL) for residential development of 1:100 year flood.

The land identified as being Flood Prone adjoins Black Creek, and is proposed for the golf course only. All buildings are outside of this area with direct access to Wine Country Drive. None of the buildings are subject to flooding.

Dr Robert Haworth of UNE (April 1998) reported to Burrumoko Archaeological Services (1998 **Appendix F**) about the evolution of the floodplain adjacent to Black Creek, and over part of the

proposed golf course. These deposits are mainly semi-consolidated silts and gravels, so the potential for dissipating floodwaters evenly across the golf fairways would be effective in the case of flood.

Unless there is a change in land management practices, and more appropriate land use, the property will continue to undergo net erosion and sediment loss. This will be addressed as part of the detailed design feeding into the DA preparation.

4.4 Planning for Bushfire Protection

The objectives of this direction are to protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas, to encourage sound management of bush fire prone areas.

The updated Bushfire Threat Assessment prepared by HDB (2013) identified that asset protection zones, and vegetation management will be required with the Proposal. In June 2013, the Rural Fire Service wrote that it had no objection to the rezoning, but advised that the development take a strategic approach to bushfire planning. The letter noted the need to design buildings according to the *Australian Standard AS 3959-2009 Construction of buildings in bushfire prone areas* and that grasslands are a hazardous category. The RFS advised that access to water for special fire protection and internal roads suitable for evacuation ought to be considered. It is understood that all bushfire hazard planning and reduction be conducted according to the RFS document *Planning for Bushfire Protection 2006*.

The Integrated Property Management Plan will have bushfire management clauses that address the issues raised by the RFS. Apart from conditions of the highest severity, the golf course turf will be maintained green at all times, and the water budget has allowed for conditions of drought. This will lower the bushfire hazard from the present lands under RU4 Primary Production Small Lots, which are dry open pasture. Water access will be via special pumps and dams located conveniently across the sites. Evacuation of residents and guests from the property will be in an orderly manner via paved and maintained roads.

See **Appendix L** for the 2013 RFS letter.

5. REGIONAL PLANNING

5.1 Implementation of Regional Strategies

The objective of this direction is to require councils to implement the vision, land use strategy, policies, outcomes, and actions of the regional strategy when preparing draft LEPs.

Lower Hunter Regional Strategy

Recently, the Lower Hunter identified strong job growth in regional urban centres, and reduction in unemployment rates mainly due to the majority of new jobs in the tertiary sectors, e.g. health, education, financial/personal services, and tourism. The proposed development fits well into the

LH employment growth model, especially tourism, where trades, professional employment, and service skills will be in demand over the entire course of the development, during construction and operations. This trend will benefit Cessnock as a major urban centre and environs where there is a greater concentration of business; higher order retailing, employment, professional services and transport networks improve this growth.

The development will help meet key regional environmental challenges by:

- protecting, managing and enhancing the biodiversity, conservation values and green corridors by establishing conservation areas, regenerating, and fortifying the EEC communities and habitat in order to maintain their viability and connectivity;
- conserving Aboriginal and historic heritage in specially established management areas and celebrated at an interpretation centre in the heart of the tourist facility, where there will be employment of local indigenous people;
- protecting the rural character and original landscape with a vegetation screen that will conceal the golf course, tourist resort and residential facilities;
- not competing with other viable agricultural enterprises within the Viticulture Critical Industry Cluster (Hunter Councils 2013, see following section); and
- not requiring the sequestration of important mineral and coal resources.

Section 3.2 provides an assessment of the proposed development against the Sustainability Criteria contained in the LHRS.

Australian Sustainable Regional Development (SRD) - Important Agricultural Lands (IAL)

As part of the Australian Government's sustainable population strategy, the Sustainable Regional Development (SRD) program aims to protect matters of national environmental significance in selected high growth regions across Australia.

The rapidly developing Lower Hunter region of NSW is the focus of the Department's current work. The SRD program commissioned the Important Agricultural Lands (IAL) study to address a key information gap in the Lower Hunter regarding IALs. Accordingly, it has mapped and assessed IALs across the region, including Newcastle, Lake Macquarie, Maitland, Cessnock and Port Stephens Local government Areas.

Commodity	Value in	Value in	% Lower Hunter to NSW	Cessnock	
	NSW (\$m)	Lower Hunter (\$m)		Value (\$m)	% Cessnock to Lower Hunter
Meat chickens	686	66.1	9.6%	16.2	24.5%
Eggs produced for human consumption	193.8	18.2	9.4%	2.0	11.0%
Beef cattle	1,616.1	9.8	0.6%	2.5	25.5%
Protected crops (vegetables, nurseries & cut flowers, berries)	249.1	6.3	2.5%	0.0	0.0%
Whole milk	504.7	4.5	0.9%	0.1	2.2%
Cultivated turf	81.7	3.2	3.9%	0.0	0.0%
Broadacre agriculture	7,502.6	2.9	0.0%	0.2	6.9%
Grapevines value	142.7	2.5	1.8%	2.5	100.0%
Vegetables	173.5	1.4	0.8%	0.0	0.0%
Nurseries & cut flowers outdoor	149.4	0.9	0.6%	0.1	11.1%
Orchard fruits & nuts	331.2	0.4	0.1%	0.3	75.0%
Total value	11630.8	116.2		23.9	

Table 6: *Estimated wholesale value of agricultural commodities in the Lower Hunter region as reported by the ABS Agricultural Census 2010-11, featuring Cessnock (Hunter Councils 2013:22).*

The above table shows that vineyards and beef cattle are on a par in terms of contribution to the Lower Hunter economy at \$2.5M each where meat chicken farming exceeds all sectors at \$16.2M with egg production at \$2.0M. The report noted a significant decrease in the production of grapes from the viticulture industry, and the increased value of the associated wine tourism sector. Wine grape production reductions are believed to be influenced by drought conditions (2009) or increased rain conditions (2011) forcing some of the smaller boutique growers to reduce or lose their harvests. No figures were provided for the increasing wine tourism industry in the Lower Hunter or Cessnock in particular, however, the report noted that it has added significant value to the Cessnock LGA, but is contributing land use conflicts to the LGA.

Although deemed not suitable for wine production by agriculture reports, the proposed development will contribute to increased *wine tourism* in Cessnock as predicted in the report.

Any potential land use conflicts with the viticulture industry in the LGA have been avoided by positioning the golf course at the *gateway* of the viticulture district, and positively clustered with similar enterprises such as “The Vintage” and “Anvil Hill” golf courses. This will allow social and economic synergies. There are neither competing nor conflicting land uses from vineyards or grazing, since they are both economically unviable for the site (see Peak 2013, Hill PDA 2013).

The IAL report cited the Hunter Valley Vineyard Association calculation of the total economic output arising from the wine tourism industry in 2011-12 at around \$491.3M. It was not explicit in the IAL report if this figure pertained to the entire Hunter region, or the just the Lower Hunter (Hunter Councils 2013:23). Refer to the report Hunter Valley Research Foundation (2013), *Optimising NSW's Tourism potential: An economic assessment of the Wine tourism industry in the Hunter with a view to changes in the WET provisions*, Newcastle for a detailed analysis. From the proposed golf course alone, Hill PDA 2013 forecasted an additional half a million tourist overnight stays per annum, adding an estimated \$103M in tourism expenditure to the Cessnock LGA, that outweighs potential revenue from grazing, viticulture and chicken meat production by far.

Agricultural, Forestry and Fishing (AFF) business employment figures in Cessnock illustrate that of the total businesses (321), only 69 employ anywhere from 1 to 200 staff, and the remaining 252 businesses are owner-operators with no additional staff. By contrast are Maitland LGA's 558 AFF businesses, 453 are owner-operated and 105 employ 1 to 200 staff, showing a healthier AFF employment potential in that LGA. The report found that 50% of Lower Hunter broadacre lands are in the Maitland LGA, and only 19.8% are in Cessnock LGA, reflecting the employment and production potential for this sector, and consideration of this land use for the subject land.

The following extract from the Cessnock map of IALs (Hunter Councils 2013:115) illustrates the pertinence of the above potential for broadacre cultivation and viticulture over the subject land. The figure shows the subject land falling within the boundary of the Viticultural Critical Industry Cluster (dark green line), but relative to broadacre cultivation (purple shape) and viticulture (bright green shape). The boundary of the proposed development does not overlap with the IAL areas for cultivation and viticulture, due to its relatively low agricultural value.

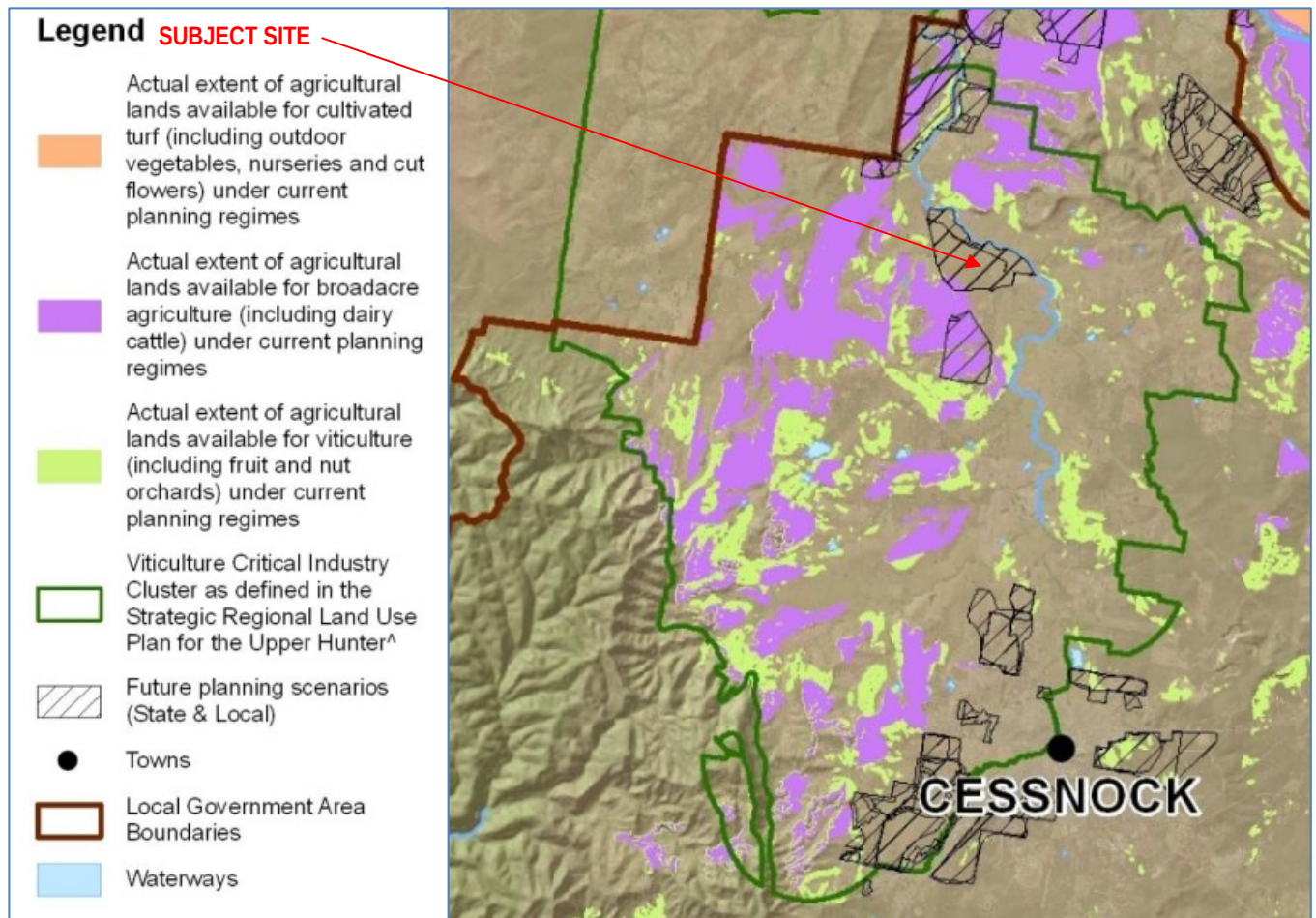


Figure 3: Extract from the Cessnock map of IALs (Hunter Councils 2013:115)

6. Local plan making

6.1 Approval and Referral Requirements

The objective of this direction is to ensure that LEP provisions encourage the efficient and appropriate assessment of development.

Planning Proposal intends to modify the LEP for the rezoning of the existing RU4 Primary Production Small Lots to SP3 Tourist Zone.

6.2 Reserving Land for Public Purposes

The objectives of this direction are to facilitate the provision of public services and facilities by reserving land for public purposes, and facilitate the removal of reservations of land for public purposes where the land is no longer required for acquisition.

Planning Proposal not affected by this direction.

6.3 Site Specific Provisions

The objective of this direction is to discourage unnecessarily restrictive site-specific planning controls.

Following detailed discussions with the Department and Cessnock Council officers, it is proposed to introduce a new SP3 Tourism Zone and insert a site-specific clause clarifying the permitted uses on the land.

3.4 Environmental, Social and Economic Impact

3.4.1 Impact on Threatened Species

A fully updated Flora and Fauna Assessment carried out on the site by RPS in June 2013 stated that the site is predominantly cleared but there are some remnant threatened species and EEC in degraded form on the site.

The RPS 2013 biodiversity assessment identified:

- Cleared pasture covers 86% of the subject land, (206 ha) of the site;
- The study identified potential migratory species under the EPBCA 1999;
- Twenty-three (23) threatened fauna species and three (3) flora species, with the potential to occur, or of known habitat within the site. *Eucalyptus glaucina* (Slaty Red Gum), was identified on site (NSW *Threatened Species Conservation Act 1995*);
 - Rezoning and future development according to the Concept Plan was unlikely to significantly impact on any of these threatened species.
- Six (6) threatened fauna species and two (2) threatened flora possibly occur on the site, or the site supports suitable habitat (*Commonwealth Environmental Protection & Biodiversity Conservation Act 1999*);
 - Six (6) threatened fauna species:
 - Grey-crowned Babbler (*Pomatostomus temporalis temporalis*);
 - Squirrel Glider (*Petaurus norfolcensis*);
 - East-coast Freetail Bat (*Mormopterus norfolkensis*);
 - Eastern Bentwing Bat (*Miniopterus schreibersii oceanensis*);
 - Little Bentwing-bat (*Miniopterus australis*); and
 - Yellow-bellied Sheathtail-bat (*Saccolaimus flaviventris*).
 - Rezoning and future development according to the Concept Plan was unlikely to significantly impact on any of these threatened species;

- Appropriate ecological management will be in place where the development will cause the trees to be removed, and regenerated.
- Small patches of *E glaucina* and *E moluccana* in the Central Hunter Ironbark/Spotted Gum/Grey Box Forest offer potential secondary feed trees, but the site is neither 'Potential Koala Habitat' nor 'Core Koala Habitat' (SEPP 44 Koala Habitat);
- The consultants recommended further assessment under SEPP 44.

The site supports four vegetation communities, two (2) of them EECs:

- MU 13 Central Hunter Riparian Forest (EEC);
- MU 18 Central Hunter Ironbark Spotted Gum - Grey Box Forest (EEC);
- *Casuarina glauca* woodland; and
- *Melaleuca decora* remnant.

Majority of the site has limited resource availability, high disturbance rates by cattle grazing, a reduced understorey, and young age of trees that lack larger hollows. The trees on site offer foraging resources and small hollows for birds, gliders, possums, and microbats. Most of the habitats on site lack understory shrubs or dense ground cover. Two (2) small creek lines (Grinding Stone Gully and Kangaroo Gully) run through the site and several farm dams offer habitat for many amphibian species. To a certain extent, the turf covering the golf links will provide some foraging and ranging potential for fauna, including raptors.

The HDB Schematic Concept Site Plan 2013 (**Appendix A**) suggests that the wildlife corridor potential will most likely improve as patches of existing woodland are progressively connected with bush regeneration and a healthy understorey. The Plan proposes to remove a limited number of mature trees where it is absolutely necessary and regenerate areas around the golf course to mirror the assemblage of the EEC and associated endemic vegetation. An offset report prepared by RPS based on the Plan in June 2013 concluded that the proposed concept and regeneration plans would yield a net gain of 96 Ecosystem Credit Points. Refer to **Appendix D** and **Appendix E** for the detailed analysis for this figure. The Office of Environment and Heritage reviewed these reports and are satisfied that the studies are adequate to support the Planning Proposal (**Appendix D**).

The Voluntary Planning Agreement will propose that only individual trees in the EECs etc needing to be disturbed will be removed, and the remainder will be regenerated with similar endemic species according to acceptable practice. This will be addressed in the detailed design and will form part of the DA.

3.4.2 Agricultural Land Use

Peak Land Management prepared an Agricultural Land Suitability Report in 2004 (**Appendix H**) and tested/identified soils on site, concluding that they are not suitable for viticulture. The report concluded that the soils are generally poor, due to type and past land management practices that have overgrazed, undernourished and exacerbated erosion.

Peak 2004 concluded “...the land can sustainably continue to be grazed with cattle and support a weaner production enterprise. It can support viticulture and olives or other crops over around 17 hectares (7%) of the land. It will always, however, be uneconomic business due to the poor soils, limited land area and significant capital injection needed to upgrade soil nutrient levels and improve pastures.” (p 4).

Peak Land Management 2013 (**Appendix H**) confirmed that the site is not suitable for any form of viable agricultural use, and if withdrawn from agriculture would not have any measurable impact on agriculture in the region. This report re-emphasized that the site is not prime agricultural land, and could not sustain a smallholding such as a vineyard in the present economic climate, and in competition with the more established enterprises in the district.

The site has been identified as most suitable for low-density cattle grazing; however, the small parcel size would limit its financial viability. Introducing additional smallholdings, such as those proposed in the present zone of RU4 Primary Production Small Lots, over the same area would reduce the viability further.

3.4.3 Aboriginal Archaeology

As part of the OEH required Due Diligence, the Planning Proposal commissioned a review of the previous archaeological surveys and assessments. The main assessment by Burramoko was completed in 1998 and to date has the most detailed analysis of the site. The Planning Proposal acknowledges the age, and disjointed nature of documentation for the previous archaeological assessments, therefore further assessment will be required prior to lodgement of the Development Application:

- The documented artefacts and sites, potential and actual, will be incorporated into the golf course design so that they are protected and conserved during and after construction where possible. Where this is not possible, the proponent will instigate the statutory OEH process for an Aboriginal Heritage Impact Permit (AHIP);
- After discussions with the local Aboriginal communities and corporations, the proponent resort has agreed to assist in setting up an Aboriginal gallery, as part of the resort. It would be anticipated as a key tourist attraction for the international clientele;
- Negotiations with the Traditional Owners and Local Aboriginal Land Council about the design are in progress;

- The documentation is sufficient for rezoning Due Diligence, in order to process the rezoning application, which will not require ground disturbance or destruction of any kind.

The Due Diligence Guidelines state:

*Anyone who **exercises due diligence** to not harm Aboriginal objects has a defence against prosecution for liability if they later harm an object.*

The Due Diligence Code of Practice for the Protection of Aboriginal Objects in NSW outlines how due diligence works.

Anyone proposing to carry out an activity that may harm an Aboriginal object or a declared Aboriginal place must investigate, assess and report on the harm that may be caused by that activity, refer to the Code of Practice for Archaeological Investigation of Aboriginal objects in NSW.

Under S89A, there is a requirement to notify the Director General when finding a new site.

Stop work orders, interim protection orders and remediation directions fall under Part 6a Div1-3.

Penalties for harm or desecration of sites are imposed under NPWR 2009 Part 8a, otherwise defences sought under an Aboriginal Heritage Impact Permit (AHIP S90-90R) or exemptions S87.

- It is appropriate, therefore, to consider any impact of the development on Aboriginal cultural heritage at the DA stage.
- The following scheme is typical for an archaeological assessment project under NSW guidelines, most appropriately placed after the Due Diligence reporting and as part of the DA compilation. This involves the main steps of:
 1. Establishment of Aboriginal consultation;
 2. Preparation of an Aboriginal Cultural Heritage Assessment (ACHA);
 3. Preparation of an Aboriginal Archaeological Assessment (AAA);
 4. Preparation of an Aboriginal Heritage Impact Permit (AHIP) and other approvals, if required;
 5. Excavation analysis and/or collection, if conservation is not possible; and
 6. Development of a conservation and stabilisation plan.
- Orderly progress under the NSW OEH Aboriginal Cultural Heritage Assessment and Aboriginal consultation guidelines as part of the DA will ensure the development design

meets stringent conservation objectives. OEH have considered that further investigation will be required prior to, and as part of, the final DA.

3.4.4 Water and Flood Management

Only golf course fairways are proposed within the flood-affected areas, no further construction or buildings are planned.

A report prepared by Water Wise in May 2013 (**Appendix I**) identified that the site would require 167 to 200 mg/litre of water per year to operate the golf course. 100 mg/l is already licensed to the site from the private irrigation district scheme and there is ample capacity in the scheme to provide a further 100 mg/litre. In addition, 10 mg/litre can be captured on site. There is available capacity from the existing water main in the road to service the requirements of the site, either directly, or via a new reservoir that can be constructed on the site. Hunter Water Corporation HWC (2013 **Appendix O**) advised HDB on a preliminary basis that:

- The proponent needs to refer to the HWC's design guidelines;
- As the development progresses, the proponent will need to lodge a further application with Hunter Water Corporation. Hunter Water's Notice of formal requirements will set out compliance clauses for the issue of a S50 Compliance Certificate;
- Since the development is on the edge of the HWC's water supply system, Pokolbin Water Pump Station and existing trunk main system have the capacity for the proposed development. The HWC letter cautions that Cessnock 1 & 2 reservoirs, which supply Pokolbin WPA, are unable to sustain storage under peak day and peak week demand scenarios, and HWC plans to upgrade the infrastructure for this demand;
- Security of supply for the above 300 residences will be obtained through an alternative connection i.e. from the North Rothbury system to the north of the site, part of the developer funded servicing strategy;
- The proponent needs to establish a funded local water servicing strategy according to HWC's design guidelines. The strategy is to identify future developments in its immediate vicinity and incorporating options for servicing these developments;
- The proposed development falls within the Cessnock WWTW catchment and serviced by Rothbury 3 WWPS and this pump would require upgrading to accommodate the fully developed site;
- A developer funded pump-station at the low point is likely to be required in order to transport wastewater to the collection point;

- The proponent needs to develop a wastewater servicing strategy for the site according to HWC requirements;
- There is a sufficient capacity at Cessnock WWTW to cater for the development;
- There are opportunities for recycling water, according to HWC guidelines, up to 300 ML/year; and
- A Review of Environmental Factors will be required for any works external to the development sites or where the service design includes infrastructure or activities that may have environmental impact.

Strategies such as the Local Water Servicing Strategy, the Waste Water Servicing Strategy and the Water Conservation Strategy (recycling) can be lodged as part of the Development Application for Stage 1.

3.4.5 Bushfire Management

The Bushfire Threat Assessment prepared by HDB (2013) identifies asset protection zones, and that vegetation management will be required with the Proposal. As discussed above, in June 2013, the Rural Fire Service wrote that it had no objection to the rezoning, but advised that the development take a strategic approach to bushfire planning. The letter noted the need to design buildings according to the *Australian Standard AS 3959-2009 Construction of buildings in bushfire prone areas* and that grasslands are a hazardous category. The RFS advised that access to water for special fire protection and internal roads suitable for evacuation ought to be considered. It is understood that all bushfire hazard planning and reduction be conducted according to the RFS document *Planning for Bushfire Protection 2006* (refer to **Appendix L**, including Rural Fire Services letter).

3.4.6 Soil Management

Coffey (2013, 2006) presented an overview of site and soil conditions. The report states that the site has a low to very low risk of slope instability. It is not expected that erosion will continue to be a constraint given normal soil conservation and land management measures. These can be addressed as part of the Development Application for Stage 1 (see **Appendix C**).

3.4.7 Contamination

Coffey's 2013 report (**Appendix C**) concluded that;

"..it is considered unlikely that there is widespread soil contamination that would prevent the site from being suitable for the proposed development (p 6).

However, they recommend that preliminary assessment of soil contamination is undertaken near the house and shed locations after demolition of those structures. The proposed development Concept Plan shows the house site as being included in the golf course and

adjacent landscaped areas and therefore any potential contamination is unlikely to affect development. However this investigation can be carried out, if required, as part of the initial development application documentation.

3.4.8 Traffic and Transport

Better Transport Futures 2013 investigated traffic and transport issues (**Appendix M**). The document states that traffic impacts on surrounding areas and roads will be minimal and well within the existing road capacity limits. Existing traffic flows were well within technical capacity limits and operational levels of service. The proponent will fund any additional infrastructure according to Council and RMS requirements.

Further details relating to traffic generation and internal traffic flows within the development will be determined following more detailed planning and prior to the development application stage of the project.

3.4.9 Social and Economic Impacts

Summary

Hill PDA (2013b:8) described the proposed Jack Nicklaus golf course and resort as being only one 26 'Golden Bear Golf Resorts' that exist worldwide. The current proposal describes the first of its kind in Australia. In 2013, of all of the courses with the Jack Nicklaus signature design, there are 380 Courses Open for Play, 290 designed by Jack Nicklaus himself and located in 36 countries. Collectively they have hosted over 600 championships (Nicklaus Design 2013).

As described previously, the development will include an 18-hole professional standard golf course, golf academy, 300 dwellings, 300 hotel rooms and serviced apartments, health spa, function and conference facilities, and other amenities. It will attract international as well as domestic tourists to Pokolbin, resulting in considerable benefits to the local and regional economy. These benefits include:

- Providing 291 full time equivalent jobs on site;
- Providing opportunities for the local workforce and reduce local unemployment levels;
- Providing \$10M in wages and almost \$20M in value adding to GDP every year;
- Generating half a million tourist nights every year and \$100M in total tourism expenditure;
- Increasing the demand from tourists for local produce and wine sourced from the local area;
- Providing a component of exclusive housing stock resulting in further expenditure on local goods and services;

- Providing 600 jobs years directly in construction and a further 1,866 job years in production and consumption induced (multiplier) impacts; and
- Providing opportunities for local contractors and workers in construction.

(Hill PDA 2013b:8)

The land has relatively low value for viticulture or other agricultural purposes. Against this opportunity cost, the proposed Jack Nicklaus resort has a net present value of positive \$688M.

Assessment of Economic Impacts

The assessment of the positive and negative economic impacts associated with the proposed development indicates that the project would (**Appendix J**):

- Support 291 FTE jobs directly upon completion (assumed in 2017-18) in a range of professions;
- Provide \$10.1M in wages (\$2012) associated with the jobs equating to a further \$19.4M in value-add to the economy every year;
- Assist to lower the above average unemployment rates (recorded in 2011) in Cessnock and the Hunter Valley;
- Generate additional demand for local produce and wine sourced from the surrounding area associated with dining and licensed facilities on-site, thereby supporting additional employment off-site;
- Create a unique supply of high-end, exclusive dwelling stock yet to be provided in the locality which would be occupied by a mix of permanent and temporary residents who may not otherwise reside in or visit the Hunter Region;
- Limit adverse impacts on house price inflation and land values given that the demand served by the residential component is entirely dependent on provision of the adjacent golf course;
- Generate half a million tourist nights per annum and an estimated \$103M (\$2012) in total tourism expenditure from overnight visitors;
- 45% of total tourist spend (\$46M) would be spent on retail goods and services both on-site and off-site in Pokolbin and Cessnock and other tourist facilities in the wider area;
- Generate additional retail expenditure from day-visitors to the Subject Site;

- Increase the number of visitors to the Hunter Region and associated opportunities for linked-trips to existing tourist facilities in the surrounding area;
- Generate a capital investment value of \$150M leading to an estimated \$136M in production induced effects, and \$144M in consumption induced effects, thus equating to economic multipliers of \$430M overall (direct and indirect);
- Support 600 job years directly during the construction process and a further 1,866 job years indirectly;
- equating to an additional 2,466 job years in total (direct and indirect);
- Support \$1.5M in retail expenditure associated with directly sustained construction workers on site which would be available to be captured by existing retail facilities in Pokolbin and Cessnock;
- Provide an investment stimulus which would increase the potential for further investment in retail and tourist businesses in the surrounding area;
- Assist Cessnock LGA and the Hunter Region to achieve the additional job targets set by planning policy;
- Lead to the loss of agricultural land within the Viticulture Critical Industry Cluster as identified in the draft Upper Hunter Strategic Land Use Plan (March 2012), although we note that the land is of low agricultural quality (with a value of no more than \$700,000 based on likely earnings) and would not be capable of sustaining quality viticultural uses;
- Potentially increasing traffic locally associated with the construction process and the operation of the site post-development. However, access from the Subject site to the main road exists and adverse impacts could be mitigated through the development process; and
- Increase demand for supporting infrastructure is assumed to be mitigated by monetary contributions or works in kind equating to a nil net impact on public finances. However, any additional jobs sustained by these contributions would provide a net positive economic impact.

Assessment of Social Impacts

The analysis has identified a number of social impacts that could potentially be generated by the proposed development. A summary of these impacts is provided below (**Appendix J**):

Community Severance / Cohesion

The location and nature of the proposed development may lead to it being perceived as private / exclusive and not open to the broader community.

The proposed development could become valued part of the local community network and benefit many of the individuals and groups within it by creating community partnerships, hosting community events and facilitating community programs. Inclusion and cohesiveness should also be encouraged amongst those living within the proposed resort. The level of social interaction can be enhanced through careful design mechanisms that provide indoor and outdoor communal facilities throughout the Subject Site.

The Hill PDA 2013 report provided data from the Socio-Economic Index for Areas SEIFA index that supported the findings from consultation and research, which identified a range of issues facing many residents within the broader Study Area, particularly for those living in and around the township of Cessnock as follows:

- The level of disadvantage is well above the NSW average and is increasing;
- The highest unemployment rate in the Hunter region with youth unemployment even higher;
- There's a lack of permanent full time positions with most available jobs limited to lower paid part time or casual roles;
- There are increasingly difficult trading conditions for local small businesses in Cessnock with a significant number closing down in recent years; and
- Whilst jobs are available in the mining and hospitality sectors, many of those unemployed lack the skills to apply for them and do not have the capacity to gain those skills due to financial, family or personal circumstances.

These findings emphasise the need to support greater investment and job generating opportunities in the Cessnock LGA.

In summary of the crime issues, Hill PDA (2013:41-43) provided maps that indicate the township of Cessnock is a hotspot for assault, break and enter, motor vehicle theft and malicious damage of property. By contrast, the Subject Site and the area around it are not considered hotspots for crime. It is important to note that there are no crime hotspots in the vicinity of either the Vintage Golf Club or Cypress Lakes Golf and Country Club.

Local Character and Amenity

By replacing farmland with an integrated sustainable tourist and housing development, the proposed development will alter current land use. However, this change is not inconsistent with Council's Vineyards Visioning Statement for the area. Furthermore, the proposed

development's success depends on maintaining the area's local character and the primacy of local vineyards and wine based tourism.

Community Capital

The proposed development is expected to add substantially to the number of job and training opportunities within the Cessnock region.

The proposed development could form partnerships with local job search organisations to maximise employment from the local community and ensure external training programs are providing potential employees with the skills required to be competitive in the job market.

Access and Connectivity

The Traffic Impact Assessment prepared for the proposal by Better Transport Futures found that:

- The proposed site access point from Wine Country Drive can safely accommodate the traffic movements associated with the proposed development with minimal delays to the through traffic movements;
- There will be minimal impact upon adjacent developments due to the provision of new access to the site;
- No improvements are required for cyclists, with cyclist provision provided within the site access design, in accordance with normal RMS requirements;
- There will be a network of internal footpaths that will allow residents to walk around the site to access the various elements. No external pedestrian movements are expected due to the sites relatively remote location;
- There would be no impact on public transport services;
- The works associated with constructing the site access on Wine Country Drive will be funded by the applicant;
- As such, it is not anticipated that construction of the proposal would result in changes to public transport services or facilities;
- Traffic Impact Assessment prepared for the development indicates the existing road network will have sufficient capacity to accommodate the additional traffic generated by the resort;
- Due to the proposal's proximity and existing public transport service levels it is anticipated that residents' and visitors would rely heavily on private vehicles. Some tour groups, however, would use buses;

- Access to the resort via public transport is currently limited, which could constitute a barrier for some future residents, visitors and workers. However, this would only apply to a relatively small proportion of people;
- Council could consider providing bus services that help meet the transport needs of their community. Such service would be consistent with Council's Vineyards Visioning Statement, which includes as an objective "Appropriate, regular and reliable local bus service to access all parts of the vineyards district is established"; and
- The Subject Site is currently not accessible to the public and contains informal roads/tracks. Upon completion, the level of accessibility both within the Subject Site and with surrounding uses would be enhanced markedly.

Community Services

There are no hospitals, schools, recreational facilities or aged care facilities in the vicinity of the Subject Site. It is estimated that the proposal would accommodate approximately 108 residents. These residents would generate additional (albeit minor) demand for a range of community facilities, childcare services, medical services and schools. It is considered that existing services requirements from the site would be minor and if needed can be provided in Branxton and Cessnock.

3.4.10 Cultural Values

Hill PDA understands the site has been the subject of extensive Aboriginal archaeological studies and consultation with the local Aboriginal Land Council.

Artefacts have been noted and will be protected and preserved during and after construction. In discussions with the local Aboriginal Land Council, it was previously agreed that the resort would offer an area to set up an Aboriginal gallery. As the clientele will be international, this is seen as a key attraction. We have been informed that negotiations with the new Aboriginal Land Council in relation to this design is currently being finalised.

3.4.11 Conclusion

The Social and Economic Impact Assessment has taken a balanced approach and identified a number of potential social and economic impacts of the proposed development based on the research and information available. It has identified that the proposal will result in a number of significant positive social and economic benefits to the local and wider community resulting from the economic investment in the LGA.

The Social and Economic Impact Assessment has also identified some potential adverse impacts of the proposed development such as local amenity and traffic generation during

construction. It has consequently sought to identify means by which some of the impacts could be minimised or avoided.

The impacts, on balance, are considered overwhelmingly positive delivering a number of significant benefits desired by local and State Government policy objectives. Furthermore, where the impacts may be negative, they are constrained to the construction phase or can be minimised through good design measures.

3.5 State and Commonwealth Interests

3.5.1 Adequate Public Infrastructure

The provision of infrastructure has not been costed in the Proposal. The preparation of a Voluntary Planning Agreement will ensure the provision of adequate local infrastructure, including the impacts of additional traffic on the local road network generated by future residential development, contributions to local open space and community facilities and drainage works.

3.5.2 Consultation with State and Commonwealth Authorities

- The Rural Fire Service has no objection to the proposal, (see **Appendix L**);
- Office of Environment and Heritage are currently considering the Flora and Fauna, and Aboriginal Reports and have verbally advised that they meet their requirements at the rezoning stage;
- Hunter Water Corporation has been contacted and advises that they can provide services to the site. Further discussions will be required during the Development Application stage;
- New South Wales Department of Planning & Infrastructure have issued their Gateway Determination, the requirements of which have been included in the revised concept plan and this report;
- Roads and Maritime Services will require re-ratification by Council but previously raised no issues. The access to the site will need to be designed to Roads and Maritime Services and Council standards, which can be determined at Development Application stage; and
- The New South Wales Department of Agriculture, Fisheries and Forestry;
 - Various meetings have been held with this agency and they recognise that the site has limited agricultural value. A letter of confirmation was requested, but has not arrived yet.

PART 4

4.0 Mapping

The following maps are required to be amended to achieve the intent of the Planning Proposal:

Land Zone Map – Rezone Lot 11 DP 1187663 and Lots 2-4 DP869651 from RU4 – Primary Production Small Lots to SP3 – Tourist

Land Zone Map LZN_005 1720_COM_LZN_005_080_20130208

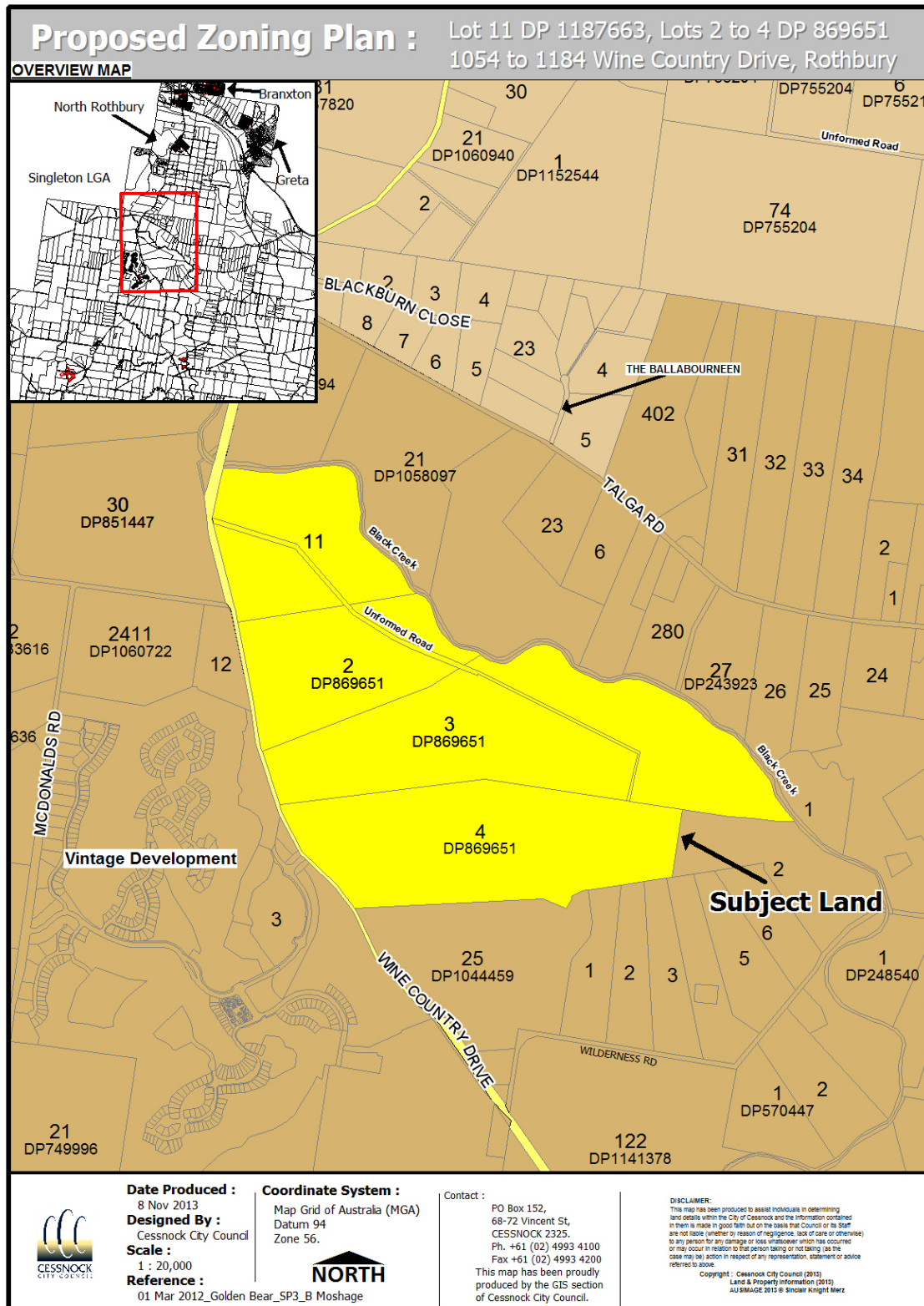
Minimum Lot Size Map – Amend the minimum lot size map in relation to Lot 11 DP 1187663 and Lots 2-4 DP869651 from a minimum lot size of 40 hectares to remove minimum lot size provisions.

Lot Size Map LZN_005 1720_COM_LSZ_005_080_20130208

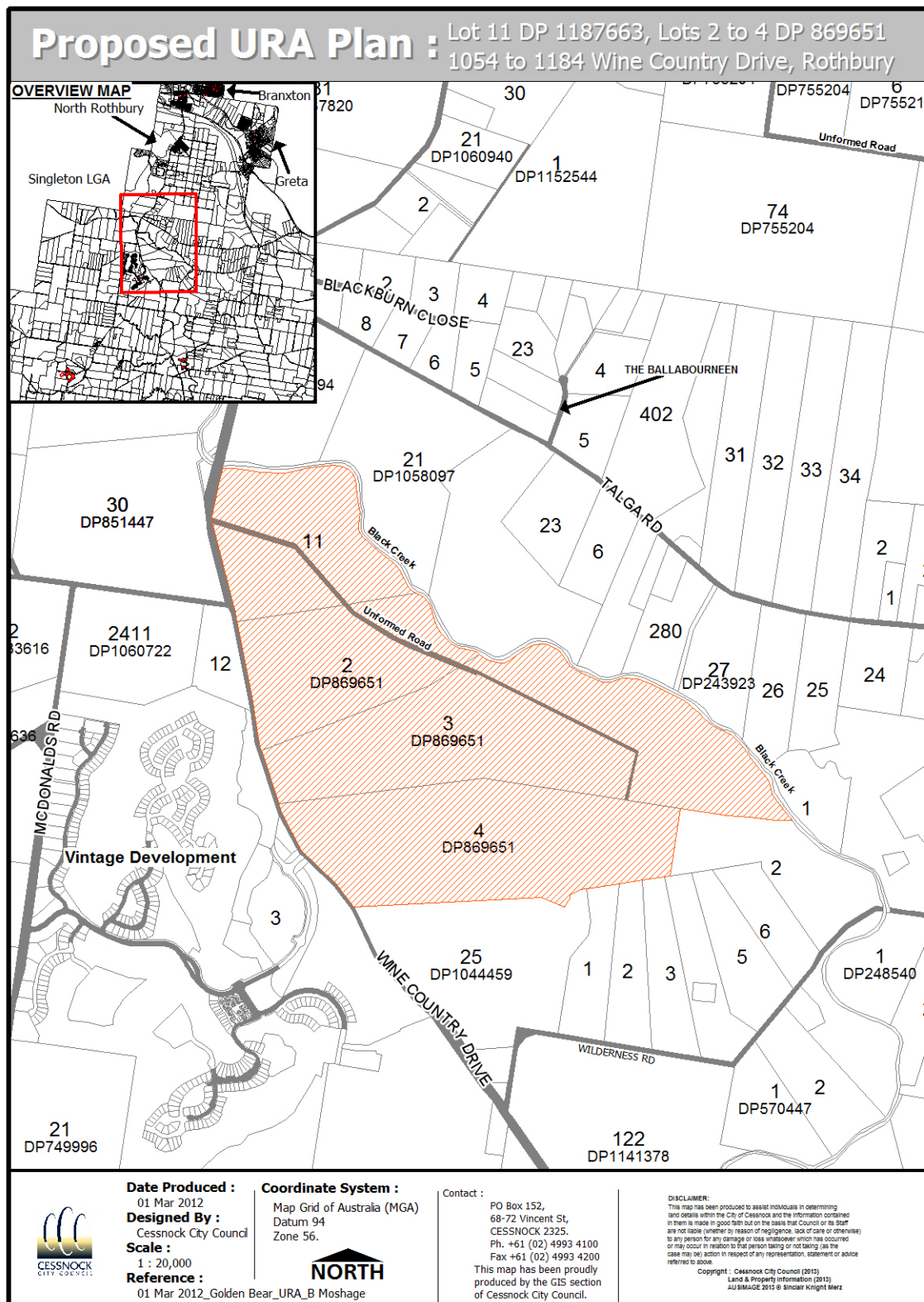
Urban Release Area Map – Amend the urban release area map to include Lot 11 DP 1187663 and Lots 2-4 DP869651 as an urban release area and annotate as “Rothbury”.

Urban Release Area Map URA_005 1720_COM_URA_005_080_20130416

4.1 Proposed Zoning Map



4.2 Proposed Urban Release Area Map



PART 5

5.0 COMMUNITY CONSULTATION

Community consultation will be undertaken in accordance with Council's guidelines and any specific requirements made by the Department of Planning and Infrastructure during the Gateway Determination.

Attachment 1: Council Report and Minutes

SUBJECT: ***GOLDEN BEAR PLANNING PROPOSAL***

RESPONSIBLE OFFICER: ***Strategic Landuse Planning Manager - Martin Johnson***
Group Leader Built & Natural Environment - Gareth Curtis

SUMMARY

APPLICATION NUMBER:	18/2011/10/1
PROPOSAL:	REZONING PROPOSAL
PROPERTY DESCRIPTION:	GOLF COURSE, HOTEL ACCOMMODATION AND RESIDENTIAL SUBDIVISION
PROPERTY ADDRESS:	LOTS 1-4, DP 869651 WINE COUNTRY DRIVE, POKOLBIN
ZONE:	RU4: RURAL SMALL HOLDINGS
OWNER:	CAPITAL CORPORATION PTY LTD
APPLICANT:	HDB TOWN PLANNING & DESIGN

The purpose of this report is to provide feedback on the submissions received in relation to the public exhibition the planning proposal to amend the zoning on Lots 1 to 4 DP 869651, Wine Country Drive, Pokolbin (the Land is sometimes referred to as the Golden Bear). The planning proposal was exhibited November 2013 to December 2013. Four submissions were received. It is recommended that the draft plan be referred to the Department of Planning and Infrastructure to be made.

RECOMMENDATION

That Council

- 1. Request that the NSW Department of Planning and Infrastructure prepare and make the local environmental plan for the planning proposal.**
- 2. Prepare a draft Development Control Plan (at the applicant's expense) to address among other matters design and development issues, conservation and other management measures.**
- 3. Prepare amendments to Cessnock City Council Residential Section 94 Contributions Plan and Cessnock City Council Tourism Section 94 Contributions Plan to apply those plans to the subject land or alternatively negotiate a voluntary planning agreement with the applicant.**

BACKGROUND

At its meeting 15 February 2012 Council resolved:

"The Council determine to approve the Planning Proposal to amend Schedule 1 of LEP 11 to:

To enable such parts of the "Jack Nicklaus Golf Club Resort" on Lots 1-4 DP 869651, Wine Country Drive, Rothbury for subdivision of lots to a minimum lot size of 450m2

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and the development of Recreational Facilities (Outdoor) and (Indoor), Tourist and Visitor Accommodation and Dwelling Houses provided at an equal 50/50 provision (temporary and permanent residency), hotel, function centre, retail premises and associated uses where the subdivision is required as an integral part of a major tourist and visitor accommodation development" for the following reasons:

- *The proposal is considered a positive tourism based use of the land on the edge of the Vineyards District that is not suitable for viticultural uses.*
- *The proposal will broaden the tourism appeal of the LGA to a national and international market.*
- *The proposal's co-location next to the existing 'Vintage' Golf development has strategic merit creating a golfing tourist destination with significant flow on benefits to the Vineyard District tourism market and the Cessnock LGA.*

And for these reasons the Council request a favourable Gateway Determination on the Planning Proposal from the NSW Department of Planning and Infrastructure under s.56 (2) of the Environmental Planning & Assessment Act 1979."

Council staff referred the planning proposal to the NSW Department of Planning and Infrastructure (DoPI) on 27 March 2012. DP&I issued a gateway determination 1 August 2012 to allow exhibition of the planning proposal, subject to conditions. The gateway determination is at Enclosure 1.

Through a number of meetings with the proponent Council and DP&I staff encouraged the proponent to review and update the supporting documentation to the planning proposal, in accordance with the conditions of the gateway determination

The planning proposal was exhibited from 20 November 2013 to 19 December 2013. Four submissions were received and discussed in a later part of this report.

The next stage is for Council to consider the submissions and determine whether to forward the planning proposal to the NSW DoPI for assessment and making of the plan, which will in effect amend the CLEP 2011.

1.1 Planning Proposal Summary

A planning proposal can be prepared by the responsible planning authority (RPA), in this case Council, or by a proponent for the proposed local environmental plan (LEP). In either event, the RPA is ultimately responsible for a planning proposal and must be satisfied with it such that it is prepared to forward it to the Minister for the next step in the process, now being preparation and making of a local environmental plan.

The original planning proposal the subject of this report was lodged in November 2011 and reported to Council Meeting 15 February 2012. The amendment to permissible land uses on the Land is necessary to allow for a specific development concept that includes:

- 300 residential lots to a minimum of 450m²,
- 50 room hotel,
- Spa,
- 250 villas/apartments tourist accommodation,
- 18 hole golf course and club house,
- Function centre with conference facility (capacity not specified),
- Retail and food outlets premises (unspecified), and

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- Indoor recreation facility.

The proposal was discussed in the report to Council at its meeting of 15 February 2012. Council saw merit in the proposal and resolved to request a gateway determination from the department of Planning and Infrastructure.

The gateway determination was provided on 1 August 2012 and is attached in Enclosure 1.

As required by the gateway determination, Council met with the proponent on multiple occasions to ensure the submitted material met the requirements and conditions of the gateway determination. Ultimately staff felt the information provided was satisfactory for exhibition and placed the planning proposal on exhibition between 23 November 2013 and 18 December 2013

1.2 Permissibility

The Land is currently zoned RU4 Rural Small Holdings under Cessnock Local Environmental Plan 2011 (CLEP 2011). Residential subdivision down to 450m² is not permitted in the RU4 zone, by way of a general restriction of 1 dwelling house per 40 ha, and all other forms of permanent residential accommodation are prohibited. *Hotel or motel accommodation, recreation facility (indoor), recreation facility (major), recreation facility (outdoor) and retail premises* are also prohibited in the RU4 Rural Small Holdings zone. *Function centre, tourist and visitor accommodation*, are permissible with consent in the RU4 zone.

Under CLEP 2011 the proposed residential subdivision, permanent residential accommodation, golf course, hotel, spa and associated recreational and retail facilities are prohibited. The tourist elements are permissible with consent. The intention of RU4 Rural Small Holdings zone is to allow for low scale tourist activity that is complementary to the wine industry, and that will support wine tourism in a way that does not detract from the rural character of the Vineyards District. For this reason most of the proposed uses in the planning proposal are currently prohibited, and thus the need for a separate planning proposal.

1.3 The Land and location

The Land, lots 1 - 4 DP 869651, Wine Country Drive, Pokolbin, is approximately 241.5 ha in area, and is located 15 km north of Cessnock township and 8 km south of the town of Branxton, on Wine Country Drive, in an area known as Pokolbin North. Wine Country Drive is the main road between Cessnock and Branxton and gives access to Pokolbin North and it's many wineries and tourist accommodations. The Vineyards District is a specialised centre recognised in the Lower Hunter Regional Strategy (LHRS) for its economic importance in the region, and its contribution to tourism in NSW. Most of the Vineyards District, including the Land, is zoned RU4 Rural Small Holdings under CLEP 2011.

The Land is flat to gently sloping, and is rural in character - having been substantially cleared and used for agricultural activities, mainly grazing. Black Creek runs through the Land generally in a north-south direction, and drains further to the north into the Hunter River. The Land consists of improved pasture with areas of woodland and regrowth in the south and west. The woodland consists mainly of Lower Hunter Spotted Gum-Ironbark Forest, the regrowth is dominated by juvenile Eucalypt species with a minimal scattering of Melaleuca, and the narrow strip lining Black Creek is dominated by two species of Casuarina. Structures on the Land include fencing, dams, sheds, feed silos, holding yards, a dwelling, and a derelict homestead.

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Wine Country Drive runs along the western boundary of the Land. Rural land with similar character to the Land adjoins to the north, south and east. Extensive views are available from the road through the Land to the ranges in the distance to the north and east. To the west of the Land is a residential/golf course/tourist accommodation/spa development known as *the Vintage*. A high, grassed mound ("buffer") that has been placed between the road and the development has obscured views of *the Vintage* and the land beyond, from the road.

Huntlee township adjacent to Branxton about 8 km to the north is identified for development for a population of 20 000. The F3 to Branxton (Hunter Expressway) will provide an interchange at Branxton that will give access to Wine Country Drive and increase access to the Vineyard District from the north.

The following attributes have been identified from the supporting documentation submitted with the proposal:

- The Land is identified as Class 3 under the NSW Agricultural Land Suitability system. While the soils are relatively poor compared to prime agricultural land, show some degradation from over grazing and over clearing, and some of the infrastructure is rundown, the Land is suitable for grazing and pasture improvement, but not considered suitable for viticulture,
- A preliminary archaeological investigation revealed Aboriginal artefacts and sites are present on the Land,
- A community of Grey-crowned Babblers (bird) was found to be living on the Land and is associated with the remnant Lower Hunter Spotted Gum – Ironbark Forest also found on the Land in the remnant vegetation. The former is a threatened species and the latter is an endangered ecological community as per the *Threatened Species Conservation Act 1995*,
- The lower reaches of the Land adjacent to Black Creek are subject to inundation in the 1% Annual Exceedance Probability storm event,
- The Land is bushfire prone as per Council's Bushfire Prone Land Map,
- The traffic impacts will be minimal and well within capacity limits of Wine Country Drive.

A locality Plan is provided as Enclosure 2.

REPORT/PROPOSAL

This report does not provide a comprehensive or detailed assessment of the development concept, or a detailed analysis of the planning proposal and its supporting documentation. Council considered a report on the planning proposal on 15 February 2012. This report, and the information lodged and considered with the planning proposal can be referred to for detailed background information. A copy of the report to the 15 February is Enclosure 3.

1 SUBMISSIONS

1.1 Submission 1

The submitter does not support the planning proposal because another golf course development might weaken the current financial situation in relation to existing golf courses in the area. In the opinion of the submitter these existing golf courses struggle to remain viable and the planning proposal could result in the demise of one of the existing courses.

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The submitter suggests Council “research the economics of introducing yet another golf course/resort before saturating what is already a very competitive sector”.

Staff Comments

The planning proposal is being progressed on the basis of the economic and social benefit that the Council has already determined will flow from the development.

The planning proposal, and its inconsistency with applicable strategies, is being justified on the economic and social benefits advanced by the proponent. The submitter questions whether the proponent stated economic benefits will be realised, a. It is critical, therefore, that Council is of the opinion that the economic and social benefit of the planning proposal is demonstrated. Whilst staff and consultants in the past may have provided differing views, Council is entitled to continue to rely on the proponents Social and Economic Impact Assessment which provided details on the net community benefit test carried out.

Economic and social matters are discussed in Part 3 of this report. Of note is the limited evidence available on the need for another golf resort in the Pokolbin area.

1.2 Submission 2

The submitter owns the land to the south of the subject land (that also has been granted consent for a tourist development) and supports the planning proposal because “we feel this type of development will have negligible environmental impact and a significantly positive economic impact on the region.” Further the submitter agrees with the SP3 Tourism Zone and that “Council should consider extending this zone onto other suitable land subdivisions so to promote and facilitate the expansion of tourism which is the underlying economic driver to the vineyard area.”

Staff comments

It is recognised by Council and State strategies that tourism underpins the wine industry in Pokolbin. CLEP 2011 and the Cessnock Development Control Plan (DCP) reflect these strategies and provide for tourism development in a manner that enables tourist accommodation to be developed in a sensitive manner so that it does not compete with other uses in the area, and maintains a rural character of the area.

1.3 NSW Trade and Investment

The response is from the Mineral Resources Branch (MRB) of the Department of Trade and Investment. The MRB has no concerns with the planning proposal. The MRB indicates that Petroleum Exploration License (PEL) 267 je; d AGL Upstream Investments PTY Ltd exists over a broad regional area that includes the subject site.

Staff Comments

The MRB do not indicate that the exploration licence will have a negative impact on the planning proposal or the subsequent development of the land. The MRB have no objections to the planning proposal and place no impediment in the way of the planning proposal progressing.

1.3 Hunter Water Corporation (HWC)

The HWC provides advice on water and sewer servicing of the planning proposal as follows:

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- A developer funded local water servicing strategy will be required to investigate the optimal means of providing water service to the development area – details are required and include lot layout and staging,
- If the development is progressed the developer will be required to submit a Wastewater Servicing Strategy. There is capacity at Cessnock Waste Water Treatment Works to service the proposed development, however, capacity availability and system performance change over time.

Staff Comments

The HWC submission indicates it is possible to service the site with reticulated water and sewage disposal. The developer will finance the services, after finalising the design with HWC. Council will be involved if the services are located within the road reservation.

2. AMENDMENTS TO PLANNING PROPOSAL

2.1 Zone SP3 Tourism

In the gateway determination the DP&I have requested the land be zoned to reflect its use, rather than include additional uses for the land in Schedule 1 to CLEP 2011. It is, therefore, proposed to apply Zone SP3 Tourism to the land. This is a new zone for Cessnock (although other council's LEPs have used the zone for specific tourism developments).

The draft Zone SP3 has been drafted so that it can be applied to other tourist developments. Zone objectives, definitions and provisions are included for 'integrated tourist development', which is what the planning proposal will be known as. Other tourist oriented development that is not 'integrated' will be permitted in the zone.

2.2 Clause 7.10

Proposed clause 7.10 has been drafted specifically for the land that is the subject of this planning proposal. Similar clauses can be drafted for other sites when Zone SP3 is applied (potential land includes the Vintage).

Clause 7.10 provides for the essential components of the planning proposal being:

- 18 hole golf course
- 300 units of tourist accommodation
- 300 dwellings
- Clubhouse, retail, function centre and spa
- No minimum lot size restriction on community title subdivision
- Dwellings can only be developed as part of an integrated tourist development

However, the concept plan that was lodged with the original planning proposal is not locked in and the design and layout may change as further investigations are undertaken and further constraints on the site are discovered. Such constraints include Aboriginal archaeological conservation areas, bushfire asset protection zones and detailed flood modelling.

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2.3 DP&I response

Comments on the draft Zone SP3 and clause 7.10 received from the Department's legal branch have been incorporated and reflect Standard Instrument standards.

2.4 Urban release area

Given the residential component of the planning proposal DP&I requires that the land be identified as an urban release area. This requires a map amendment to include the land on the Urban Release Area Map. Clause 6 of CLEP 2011 will apply to the land and requires a DCP (chapter) is adopted before development consent can be granted for any development on the land.

A number of matters were not fully resolved before the planning proposal was exhibited, due to the amount of information and investigation required. However, the relevant legislation allows some matters to be dealt with at development application stage. These matters can be addressed in the DCP chapter, required under clause 6.3 of CLEP 2011, and a relevant Section 94 Contributions Plan (alternatively a voluntary planning agreement). Both would be in place before any development application is assessed.

The matters that will need to be resolved before development consent is granted are outlined in the next two points. This is not an exhaustive list of matters. The final list will be determined as the draft DCP chapter is being prepared. Development controls to enable the assessment of any application on the land, and parameters for a voluntary planning agreement (if in lieu of a Section 94 Contributions Plan) will shape the development on the land.

2.4 DCP requirements

A site specific DCP is required under this planning proposal under clause 6.3 of CLEP 2011. In addition to the matters required to be addressed under clause 6.3, the following matters will be required to be addressed:

- Aboriginal Archaeology;
- Ancillary Development;
- Asset Protection Zones;
- Contamination; and
- Urban Design

2.5 Section 94 Contributions

Development on the land will create the need for community facilities and services and it has been agreed that as a minimum Council's Residential and Tourism s94 Contributions plans would be applied. Alternatively the applicant may wish to negotiate a voluntary planning agreement (VPA) with Council.

3. JUSTIFICATION

Consistency with the Minister's s 117 directions is required in all LEPs. However, the following criteria can be applied to an inconsistency to enable a proposal that has merit to be considered:

"If the inconsistency can be:

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- (a) *justified by a strategy which:*
 - *gives consideration to the objectives of this direction,*
 - *identifies the land which is the subject of the draft LEP (if the draft LEP relates to a particular site or sites), and*
 - *is approved by the Director-General of the Department of Planning, or*
- (b) *justified by an environmental study prepared in accordance with section 57 of the Environmental Planning and Assessment Act 1979 which gives consideration to the objectives of this direction, or*
- (c) *in accordance with the relevant Regional Strategy or Sub-Regional Strategy prepared by the Department of Planning which gives consideration to the objective of this direction, or*
- (d) *is of minor significance."*

The Proposal is inconsistent with the following relevant directions.

No. 3.4 Integrating Land Use and Transport

The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives:

- improving access to housing, jobs and services by walking, cycling and public transport, and
- increasing the choice of available transport and reducing dependence on cars, and
- reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and
- supporting the efficient and viable operation of public transport services, and providing for the efficient movement of freight.

Direction 3.4 applies when a council prepares a draft LEP that creates, alters or removes a zone or a provision relating to urban land, including land zoned for residential, business, industrial, village or tourist purposes.

The Land is not integrated with any centre where there would be potential for meeting the objectives of this direction. Residents and visitors will be reliant on private cars, and will need to make more and longer trips to access goods and services that the residents of centres would generally undertake. The proposal would not improve travel demand including the number of trips generated and the distances travelled. Nor would it increase access to employment, housing and services by walking, cycling and public transport.

No. 5.1 Implementation of Regional Strategies

The objective of this direction is to give legal effect to the vision, land use strategy, policies, outcomes and actions contained in regional strategies.

The direction requires draft LEPs to be consistent with a regional strategy released by the Minister for Planning. The Proposal is neither identified nor not consistent with the LHRS.

As the Proposal is not of minor significance and does not achieve the overall intent of the LHRS, it is considered to be inconsistent with the Sustainability Criteria in the LHRS.

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The only means of justifying the planning proposal is by way of demonstrating there is a net community benefit. The *Net Community Benefit Test* is from the Centres Policy for use in conjunction with rezoning proposals related to centres, but can be adapted for use with other rezoning proposals.

The main reasons given by the applicant to justify the inconsistencies are that the land is not suitable for viticulture and the net community benefit (economic and social) is significant.

Agricultural Capability

The Agricultural capability study lodged with the planning proposal indicates the land is not suitable for viticulture, although it is suitable for other forms of agriculture and has similar characteristic to other land that is zoned rural and used for agricultural purposes other than viticulture.

Notwithstanding, the land has been not identified as important agricultural land in the Hunter Council's Mapping of Important Agricultural Lands in the Lower Hunter Region of NSW.

Economic and Social Benefit

The proponent has made statements concerning the economic and social benefits of the proposal, however, arguably, these statements are not evidentially supported as was requested by Council on a number of occasions. These statements include:

- stimulus for local Cessnock and Pokolbin business and employment;
- creation of 291 FTE jobs directly upon completion in a range of professions;
- provision of \$10.1M in wages (\$2012), \$19.4M value-added every year;
- lowering the above average unemployment rates in Cessnock;
- generation of half a million tourist overnight stays per annum adding an estimated \$103M in tourism expenditure;
- expenditure of an estimated 45% (\$46M) on retail goods and services both on-site and off-site;
- expenditure from day-visitors to the golf course;
- increase in the visitor numbers to the Hunter Region for linked-trips to surrounding tourist facilities;
- a capital investment value of \$150M to add an estimated \$136M in production and \$144m in consumption;
- support of 600 job years during construction, that will rise to 1,866 job years during operations;
- support \$1.5M in local retail expenditure from construction workers on site; and
- general increase in demand for local, Hunter Valley food and wine produce.

OPTIONS

1. Refusal

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Recommend that the planning proposal not proceed and advise the DoPI accordingly. Council will, however need to provide its own reasons for refusal given this report recommend the proposal be progressed.

2. Support Progression

Recommend the planning proposal be supported and referred to the DoPI with a request that the plan be made

Staff Recommendation

It is recommended that Council support the Planning proposal and refer it to the DoPI for preparation and making.

CONSULTATION

Consultation has taken place with:

Coordinator Strategic Land Use Planning
Strategic Land Use Manager
Group Leader Strategy and Sustainability
Public through public exhibition
Councils Economic Development Manager

The following public authorities were consulted as per the requirements of the Gateway Determination under section 56(2)(d) of the EP&A Act:

- NSW Aboriginal Land Council
- Office of Environment and Heritage
- NSW Department of Primary Industries -Agriculture
- NSW Department of Primary Industries - Minerals and Petroleum
- Hunter Water Corporation
- NSW Rural Fire Service
- Transport for NSW - Roads and Maritime Services

STRATEGIC LINKS

a. Delivery Program

Nil

b. Other Plans

Nil

IMPLICATIONS

a. Policy and Procedural Implications

The implications for State and Council policies are covered in the body of this report.

b. Financial Implications

Nil

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c. Legislative Implications

Relevant Acts are detailed in the body of this report.

d. Risk Implications

Notwithstanding Council may support the proposal there is a risk that DoP&I may either defer the planning proposal for further information or alternatively refuse to make the plan.

e. Other Implications

Nil

CONCLUSION

The Wine Industry has a pivotal role in the economy of the Lower Hunter and NSW through exports, regional employment, capital investment and tourism. The Wine Industry also benefits ancillary industries such as equipment and machinery manufacturing and supply, the wholesale and retail sectors, and the tourism trade. The total value of viticulture in Cessnock is estimated at \$1,600 million/yr. [CWSS p 202]

The Lower Hunter Regional Strategy 2006 identifies the "Pokolbin vineyard and tourism precincts" as a specialised centre of regionally significant, economic activity and employment. Outcomes and actions arising from this Strategy aim to both protect the valuable resource lands from urban and rural-residential encroachment, manage the often conflicting development opportunities (such as commercial vineyards versus tourism opportunities) to avoid detracting from its potential productivity and rural character, and to provide increased opportunities for employment (with an additional 1600 jobs nominated for this precinct over the next 25 years). [CWSS p 202]

Golfing tourism is a known tourist attraction that will bring additional tourism, money, employment etc to the Cessnock LGA. More specifically, the proposal compliments existing golfing attractions within the region

Notwithstanding concerns in relation to the justification of the stated economic and social benefits of the proposal, on balance, it is recommended that the planning proposal be referred to DoP&I for making.

ENCLOSURES

1	Gateway Determination	5 Pages
2	Location Plan	1 Page
3	Report to Council Meeting 15 February 2012	30 Pages
4	Submissions	6 Pages

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SUBJECT: GOLDEN BEAR PLANNING PROPOSAL

MOTION **Moved:** Councillor Maybury **Seconded:** Councillor Smith
!! SEQ Minutes * MERGEFORMAT 727

RESOLVED

That Council

1. Request that the NSW Department of Planning and Infrastructure prepare and make the local environmental plan for the planning proposal.
2. Prepare a draft Development Control Plan (at the applicant's expense) to address among other matters design and development issues, conservation and other management measures.
3. Prepare amendments to Cessnock City Council Residential Section 94 Contributions Plan and Cessnock City Council Tourism Section 94 Contributions Plan to apply those plans to the subject land or alternatively negotiate a voluntary planning agreement with the applicant.

FOR	AGAINST
Councillor Gibson	Councillor Ryan
Councillor Troy	
Councillor Doherty	
Councillor Olsen	
Councillor Stapleford	
Councillor Hawkins	
Councillor Smith	
Councillor Campbell	
Councillor Parsons	
Councillor Maybury	
Councillor Pynsent	
Total (11)	Total (1)

CARRIED