

05ST104

Pasminco Munibung Hill Draft Land Use Strategy

FOLDER NO: F2004/09386

REPORT BY: Planning Consultant - Ian Andrews

PRÉCIS:

Consultants prepared a draft land-use strategy for Pasminco's land holdings in Boolaroo and lands on the western and southern slopes of Munibung Hill. This draft strategy aims to provide direction for future statutory action to secure enhanced employment, housing, and recreation opportunities that would support the economic, environmental and liveability objectives of Council's Lifestyle 2020 Strategy.

A definitive land use strategy is not possible at this time for the Pasminco site due to uncertainties regarding the future of Incitec-Pivot, the proposed extent and form of the A1 Cell providing a solution for containment of contaminated materials on the site, and the details of the site remediation strategy yet to be agreed with Department of Environment and Conservation. A broad strategy can be established for Dekagra's land on Munibung Hill.

A more valid strategic land use approach is to establish a set of guiding principles with which Council can determine future rezoning and development applications for the sites. These principles, outlined in Appendices A and B, would provide direction to Council in dealing with applications for rezoning or development, and guide the proponents in the preparation of such applications, while allowing flexibility in the determination of eventual land uses for the sites.

RECOMMENDATION:

- A. Council adopt land use principles in Appendix A and Appendix B to guide future rezoning and development applications for the Pasminco site and Dekagra Pty Limited's lands on Munibung Hill.
- B. Council note the Pasminco Munibung Hill Draft Land Use Strategy (Appendix C), prepared by consultant's Dickson Rothschild / URS as a background report outlining constraints, opportunities and broad land use principles for the Pasminco site and Dekagra Pty Limited's land on Munibung Hill.

BACKGROUND:

Council commissioned Dickson Rothschild, and sub-consultants URS and CM Jewell & Associates, to prepare an integrated land use strategy to facilitate the orderly exit of Pasminco from its Boolaroo site that integrates existing and proposed developments in Glendale/Cardiff with future strategic land use options for Pasminco and Munibung Hill lands. The broad strategic land use strategy aims to reflect the sustainability principles that underpin Lake Macquarie City Council's Lifestyle 2020 Strategy.

Council's primary objectives in investigating the development potential of the sites are to:

- ensure future development and management of lands within the study area reflects the social, economic, and environmental values of the lands;
- ensure future land uses are compatible with, and integrate with, the adjoining urban areas of Boolaroo, Argenton, Glendale and Cardiff;
- reinforce the economic opportunities in the Cardiff / Glendale / Warners Bay / Edgeworth corridor by investigating a land use strategy that would encourage job creation to replace those jobs lost through the closure of Pasminco smelter, and further employment opportunities;
- provide opportunities to strengthen local centres in Boolaroo, Speers Point and Argenton by investigating a land use strategy that provides for residential and mixed use developments on parts of the sites subject to successful remediation or rehabilitation to an appropriate standard; and
- maintain and enhance the visual and landscape qualities of Munibung Hill.

Appendix C is the draft final land-use strategy prepared by consultants for Council. It was exhibited for public comment in June and July 2005, and the draft strategy was reviewed by the consultants in response to comments received during the exhibition period.

The draft land use strategy is based on, among other things, analysis of constraints and opportunities for the site, and an analysis of broad landscape units, determined by slope, aspect, elevation, land form characteristics, and vegetation cover. From this, the degree of visual impact and visual absorption capacity of possible development types is determined to categorise the appropriateness of different parts of the site for different types of development. This approach to determining the appropriateness of different parts of the site for development provides a method by which the integrity of the scenic and visual values of Munibung Hill is maintained, and ensures that inappropriate development forms are not located where they impact on these values.

Broad land use strategies are proposed for two sites – Pasminco's land adjacent to Boolaroo, and those lands owned by Dekagra Pty Limited (Dekagra) on the western side of Munibung Hill.

Pasminco smelter site

The draft land use strategy at Appendix C provides two options for the future development of the Pasminco site. These are:

- Option 1 – Incitec-Pivot remains operational (refer Figure H-11 in Appendix C).
- Option 2 – Incitec-Pivot ceases operation and/or relocates elsewhere (refer Figure H-12 in Appendix C).

Both options assume similar treatment of the intersection of T.C. Frith Avenue (MR 217), Munibung Road Extended and Main Road, Boolaroo. Both options also reflect previous resolutions of Council with respect to the "Triangle Paddock" and land at the eastern end of First and Second Streets, Boolaroo.

Option 1 - Draft land use strategy assuming Incitec-Pivot remains operational

This option proposes that light industry be the predominant land use for the Boolaroo smelter site. The Incitec-Pivot facility would remain in-situ and accessed by new roads constructed through the site, with the proposed A1 Cell developed for open space, or

possibly light industrial uses subject to determination of final cell size and level. An extension to Munibung Road from Cardiff Industrial Estate to T.C. Frith Drive (Main Road 217) is proposed. Future internal roads are required to connect Munibung Road Extended to the recently approved residential subdivision in Macquarie Hills, and to First or Second Streets, Boolaroo. A north trending ridgeline extending through the site from its south eastern corner is to be retained as a landscape backdrop to future development on the site. The existing Great Northern Railway spur line into the site is retained, subject to future demand from industrial users. Whilst Incitec-Pivot remains operational, this spur line provides rail transport for the import of raw materials and export of finished products.

A proposed industrial subdivision of about 18ha in the north-eastern corner of the site (DA/2005/0203, currently being considered by Council) is affected by an unresolved Energy Australia requirement for an additional 132Kv transmission line easement, paralleling an existing transmission line easement. The location of this proposed transmission line may affect the extent of land available for future industrial development in this location. Until the route of the easement is finalised, the layout of future land use options in this part of the site will be problematic.

Option 2 - Draft land use strategy assuming Incitec-Pivot ceases operation and /or relocates elsewhere This option proposes site remediation to a standard that would allow predominantly residential uses, with light industry located in the north-eastern corner of the site as an extension to Cardiff Industrial Area, and along the northern side of Munibung Road Extended. Open space is proposed for the A1 Cell, subject to determination of the final cell size and levels.

Future internal roads are required to connect Munibung Road Extended to the recently approved residential subdivision in Macquarie Hills, and to First Street, Boolaroo. An alternative road link is proposed, linking internal roads to the eastern end of Second Street, Boolaroo and routed through a proposed new residential area east of First and Second Streets, Boolaroo. This area is the subject of a rezoning application recently lodged with Council.

A north trending ridgeline extending through the site from its south east corner is to be retained as a landscape backdrop to future development on the site. The existing Great Northern Railway spur line into the site is to be removed, although its industrial heritage significance could be interpreted in future development.

Should Incitec-Pivot cease operations from its Boolaroo site, rezoning of land to the east of First and Second Streets for residential uses could be supported by Council. Any future land uses in this area would be located on land considered in the draft strategy as of "moderate suitability" for development. As such, development may be supported, provided it is carefully managed and subject to rigid urban design and siting criteria aimed at minimising the visual impacts of development on the backdrop of Munibung Hill.

A definitive land use strategy for the Pasminco site is problematic at this time. This is due to:

- The uncertainty about the continued operation of Incitec-Pivot from their site. Incitec-Pivot has advised of its intention to occupy its site indefinitely. It is understood that the Fitzwalter Group (Fitzwalter), the project manager appointed by the Deed Administrators to facilitate Pasminco's exit is liaising with Incitec-Pivot to address the competing interests of Incitec-Pivot's continued operations and future development of the Pasminco site. Incitec-Pivot's position is further

complicated by advice from Department of Environment and Conservation (DEC) about potential contamination on its site and the possible need for remediation action.

- The uncertainty about the final form and extent of the containment cell for contaminated material (A1 Cell). Recent advice from Fitzwalter is that it has prepared a final design for the A1 Cell, in a location approximating that shown in the draft final report, although this may not be its final location and design. Fitzwalter is investigating the grading of the cell from its proposed western boundary to merge with the slope of the north trending ridgeline running down from Munibung Hill. In this form, land uses on the cell could be either open space or industry.
- DEC not yet agreeing to the details of the remediation strategy for the site. The draft land use strategy produced by the consultants has assumed that the site is able to be remediated to accommodate residential development.

These unresolved issues make it difficult to propose an integrated land use strategy for the site at this time.

Dekagra land, Munibung Hill

Dekagra's land holdings include the quarry above Speers Point, and the mid and upper slopes of Munibung Hill between Speers Point and Boolaroo.

The quarry site is zoned 4(1) Industry (Core) in Lake Macquarie LEP 2004. The floor of the quarry is at RL85. The visual assessment carried out by URS indicates that the quarry sits within a landscape unit (landscape unit 6 as shown on Figure E16 at Appendix C) that has moderate suitability for development. Urban development elsewhere on Munibung Hill is not appropriate because of its potential visual impact.

Development that may be suited within landscape unit 6, including the quarry site, would include a single institutional land use, or a low-scale integrated residential development using strict siting and urban design controls to minimise impacts on the visual values of Munibung Hill. These may include use specific development standards attached to the community deed of a community title development or a site specific development control plan that specifies appropriate densities, building footprints, building form and heights, material and colours for all buildings, and landscape treatment.

Hopkins Street, Speers Point, would provide future access to any development on the quarry site. A pedestrian link and emergency vehicle access could be provided to the quarry site from the eastern end of Raymond or Seventh Streets, Boolaroo. Revegetation of the lower slopes of Munibung Hill above Speers Point / Boolaroo, linking Hopkins Street and Seventh Street, Boolaroo would provide a backdrop to the existing urban development in Speers Point, and reinforce the visual and landscape values of the western slopes of Munibung Hill.

Potential recreation opportunities on the upper levels of Munibung Hill include passive and/or commercial recreation facilities. Figure I-5 in Appendix C indicates the opportunities for potential lookouts or viewing points for Munibung Hill. Figure I-18 in Appendix C indicates potential recreation opportunities, including potential walking and cycle trails, and related facilities on Munibung Hill.

PROPOSAL:

Pasminco smelter site

The draft Pasminco Munibung Hill land use strategy proposes options for the future development of Pasminco's lands, assuming that the Incitec-Pivot plant will either remain operational or cease operations from its site. A draft land use strategy based on either of these options is valid, although it is not definitive due to the uncertainties regarding the future of Incitec-Pivot, the location, extent and form of the A1 Cell, and the details of the site remediation strategy yet to be agreed with DEC.

A more valid strategic land use approach is to establish a set of land use principles upon which Council can guide the future rezoning and development of the site. These principles, outlined in Appendix A, would provide direction to Council in dealing with applications for rezoning or development, and guide the proponent in the preparation of such applications, while allowing flexibility in the determination of eventual land uses for the site.

For these reasons, it is proposed to adopt the draft strategic land use plans in Appendix C as a background report, outlining constraints, opportunities and broad land use principles for the Pasminco site. Land use principles to guide future rezoning and development applications, and Council's determination of these are proposed in Appendix A.

Dekagra land, Munibung Hill

Examination of Dekagra's Munibung Hill lands has indicated the potential for urban development within the quarry site connecting to Speers Point urban area, the potential to provide an extensive system of pedestrian trails on the upper ridges of Munibung Hill connecting to the existing urban areas, and the potential for revegetation of key ridgelines.

Support for a rezoning application for urban development within the quarry and revegetation of the west facing slopes above Speers Point and Boolaroo is proposed. Land use principles to guide future rezoning and development applications, and Council's determination of these are proposed in Appendix B.

Further investigation of potential pedestrian trails on Munibung Hill and mechanisms to ensure public access over these should be considered in any future rezoning applications submitted to Council. This proposal should be referred to the Manager Environmental Planning and included on Environmental Planning Department's Action Plan for consideration under Council's Local Environmental Plan Amendments – Fee Structure and Process policy, following adoption of this proposal by Council.

CONSULTATION:

The preliminary draft land use strategy was exhibited for a period of 42 days in June and July 2005. Council's consultants amended the draft land use strategy in response to submissions made on the exhibited draft strategy. A presentation to stakeholders was made on 19 October 2005, highlighting changes made in response to submissions on the exhibited draft land use strategy and recommendations contained in the final draft strategy submitted to Council.

The Hon Kelly Hoare, Member for Charlton, Councillors Harrison and Johnston, Council staff and representatives of the following organisations attended the stakeholder presentation:

- Fitzwalter Group
- Incitec-Pivot
- Dekagra
- Premier's Department
- Department of Environment and Conservation
- Department of Planning
- Roads and Traffic Authority
- Energy
- Daracon
- Tattersall Surveyors
- BBC Planning
- Ingham Planning
- Combined Resources Holdings Pty Ltd
- Koornpathoo Local Aboriginal Land Council.

Key issues raised by stakeholders include:

- Fitzwalter and its consultants were concerned that literal interpretation of the distribution of land uses shown in the draft land use strategy by Council and the community could impact negatively on the feasibility of site development. Of particular concern were the large areas shown for open space and environmental corridors that could be appropriate for development, and no mechanism provided to fund acquisition or on-going management of these areas. Riparian areas shown along the southern boundary of the site were considered excessive.
- Fitzwalter advised it is considering an alternative to the form and extent of the A1 Cell. This would merge the cell with the lower slopes of Munibung Hill and allow industrial development over this area.
- Fitzwalter is considering two intersections on MR 217 to connect with Main Road, Boolaroo and Munibung Road Extended. RTA advised that it has an open mind on these intersections, although it would like to see traffic impact studies and transport management and accessibility plans prepared for the study area at the master planning stage.
- Both Fitzwalter and Dekagra queried the validity of the visual analysis by referring to developments elsewhere on Munibung Hill above the 54 metre contour, including the recently approved extension of the residential area of Macquarie Hills.

IMPLICATIONS:

Policy Implications:

Future development of both the Pasminco site and the Dakagra quarry, guided by the recommended land use principles would provide opportunity for development of about 110ha of industrial, commercial and residential land following remediation and rezoning of the Pasminco site, and rezoning of the quarry site. Development of this scale would provide for substantial jobs and housing growth in an area of Lake Macquarie that is at the centroid of urban and economic activity in the Lower Hunter region. This would assist the City in meeting future growth targets established in its Lifestyle 2020 Strategy and implement the principles of sustainability established in Lifestyle 2020 Strategy by providing for urban and economic developments on centrally located sites while maintaining and enhancing the environmental and visual values of a major landscaped feature of the City.

Environmental Implications:

Agreement by DEC to the remediation strategy for the Pasminco site prepared by Fitzwalter, and its subsequent implementation would allow for the future development of the site for industrial, commercial and / or residential uses. This is likely to lead to an improvement in the quality of ground and surface water entering Cockle Creek and subsequently the Lake, and provide the mechanism to better manage stormwater runoff from Munibung Hill.

Adoption and implementation of the land use principles illustrated in Appendix A will provide direction to Council and the proponent in determining and agreeing to an appropriate distribution of land uses within the site and minimise the environmental impacts of future developments. These include:

- Managing *Angophora inopina* habitat on the site by maintaining the lower ridge line of Munibung Hill within the site and providing the opportunity to implement compensatory habitat for this species on the steeper parts of the ridge line, should the species be affected by the proposed industrial development or proposed transmission line easement.
- Provision for riparian corridors through potential development areas to manage stormwater flows from the site and Munibung Hill.
- Providing a sound method by which the integrity of the scenic and visual values of Munibung Hill are maintained and ensuring that inappropriate development forms are not located where they impact on these values.

Social Implications:

Future implementation of a land use strategy for the Pasminco site that supports industrial and potential residential uses will promote increased diversity of employment and housing types in a part of the City well served by retail, commercial, recreation and community facilities, and well served by private and public transport. Development of the Dekagra quarry for urban uses provides the opportunity to further increase the diversity of housing types or other urban uses in this part of the City, and the opportunity to provide for access to future passive recreation facilities on the upper parts of Munibung Hill.

The potential workforce and residential population in these areas would provide the impetus for a revitalisation and further enhancement of Boolaroo, Speers Point and Argenton commercial centres.

Financial Implications:

There are no direct financial implications arising from the adoption of land use principles to guide future development of the sites. Costs for the production of the draft land use strategy and land use principles are included in Council's adopted budget.

Risk and Insurance Implications:

The draft land use strategy and land use principles are prepared to inform future planning decisions of Council with regard to the highest and best use for the Pasminco and Munibung Hill lands that reflect the social, economic, and environmental values of the lands. Without this direction, Council would risk making decisions about the future use of these lands that may not be in the best interests of the City, or its residents, and may contradict previous directions established by Lifestyle 2020 Strategy.

Adoption of the land use strategy and land use principles for the site would allow Council to assess the merits of future applications to rezone or develop the sites, either holistically or in stages, against strategic objectives and make decisions that are in the best interests of the City and the proponent. By not having a land use strategy or land use principles in place to guide future applications, this process would be at risk and decisions may be arrived at that do not achieve the most beneficial outcome for Council, the City or its residents.

OPTIONS:

Options available to Council are:

Option 1:

Adopt the draft strategic land use plans in Appendix C as a background report, outlining constraints, opportunities and broad land use principles for the Pasminco site and Dekagra lands on Munibung Hill. Adopt specific land use principles for these sites to guide future rezoning and development applications, and Council's determination of these, in Appendices A and B respectively.

This is preferred option. It would provide direction to Council in dealing with applications for rezoning or development, and guide the proponent in the preparation of such applications, while allowing flexibility in the determination of eventual land uses for the site. This is considered appropriate as a number of decisions, beyond the influence of Council, that will impact on the determination of future land uses for the Pasminco site are yet to be resolved. These include decisions about the future of Incitec-pivot, the agreed remediation action plan, and the location, form, and extent of the A1 containment cell.

Option 2:

Adopt the draft strategic land use plans in Appendix C as a policy of Council to guide future rezoning and development applications for the Pasminco site and Dekagra lands on Munibung Hill. Adopt specific land use principles for these sites to guide future rezoning and development applications, and Council's determination of these, in Appendices A and B respectively.

This option is not preferred. The draft strategic land use plans in Appendix C provide a level of planning detail that is more appropriate to a master planning exercise when all planning parameters are certain. In the case of the Pasminco site, a number of elements that would influence future land use decisions are not finally resolved, including decisions about the future of Incitec-pivot, agreement by DEC to the site remediation strategy proposed in the site remediation action plan, and the location, form, and extent of the A1 containment cell. For this reason, a more flexible approach to strategic land use decision making is required, as proposed in Option 1.

CONCLUSION:

Employment, housing, and recreation opportunities that would support the economic, environmental and liveability objectives of Council's Lifestyle 2020 Strategy can be achieved through the development of Pasminco's land holdings in Boolaroo and Dekagra's lands on the western and southern slopes of Munibung Hill.

Development of the Pasminco site for general industrial or a mix of industrial, commercial and / or residential land uses would strengthen the role played by the Cardiff / Glendale / Warners Bay / Edgeworth corridor in the economic and housing development of the northern part of Lake Macquarie City and in the Lower hunter sub-region. The future development of the Speers Point quarry would provide further opportunities for limited low-scale development that would complement the adjoining urban areas, and provide the potential for passive recreation facilities on Munibung Hill.

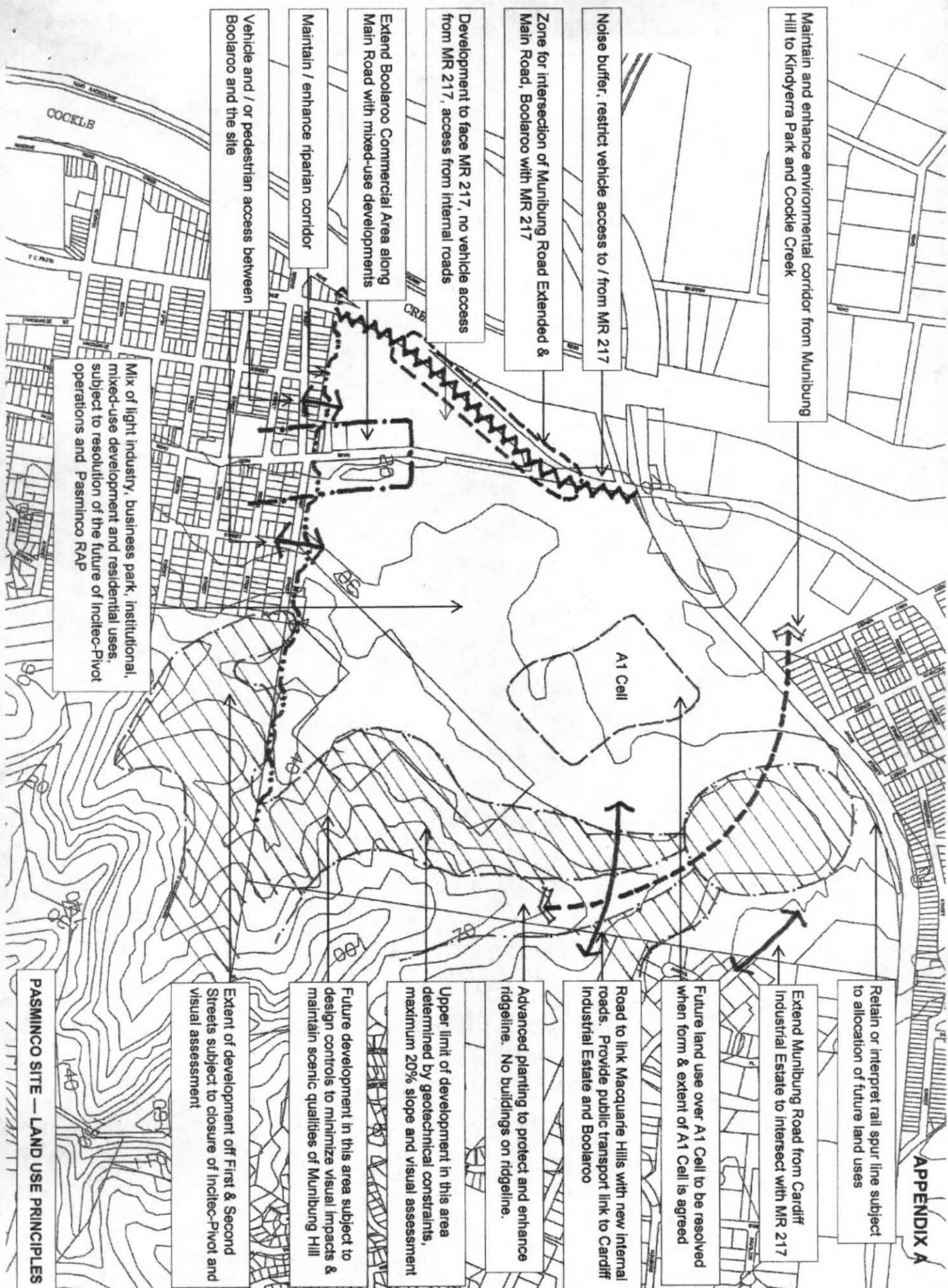
Establishment of a broad land use strategy and specific land use principles to guide future rezoning and development applications for these areas is proposed. These would give direction to Council in dealing with applications for rezoning or development, and guide the proponent in the preparation of such applications, while allowing flexibility in the determination of eventual land uses for the site.

ACTING GENERAL MANAGER - TONY FARRELL

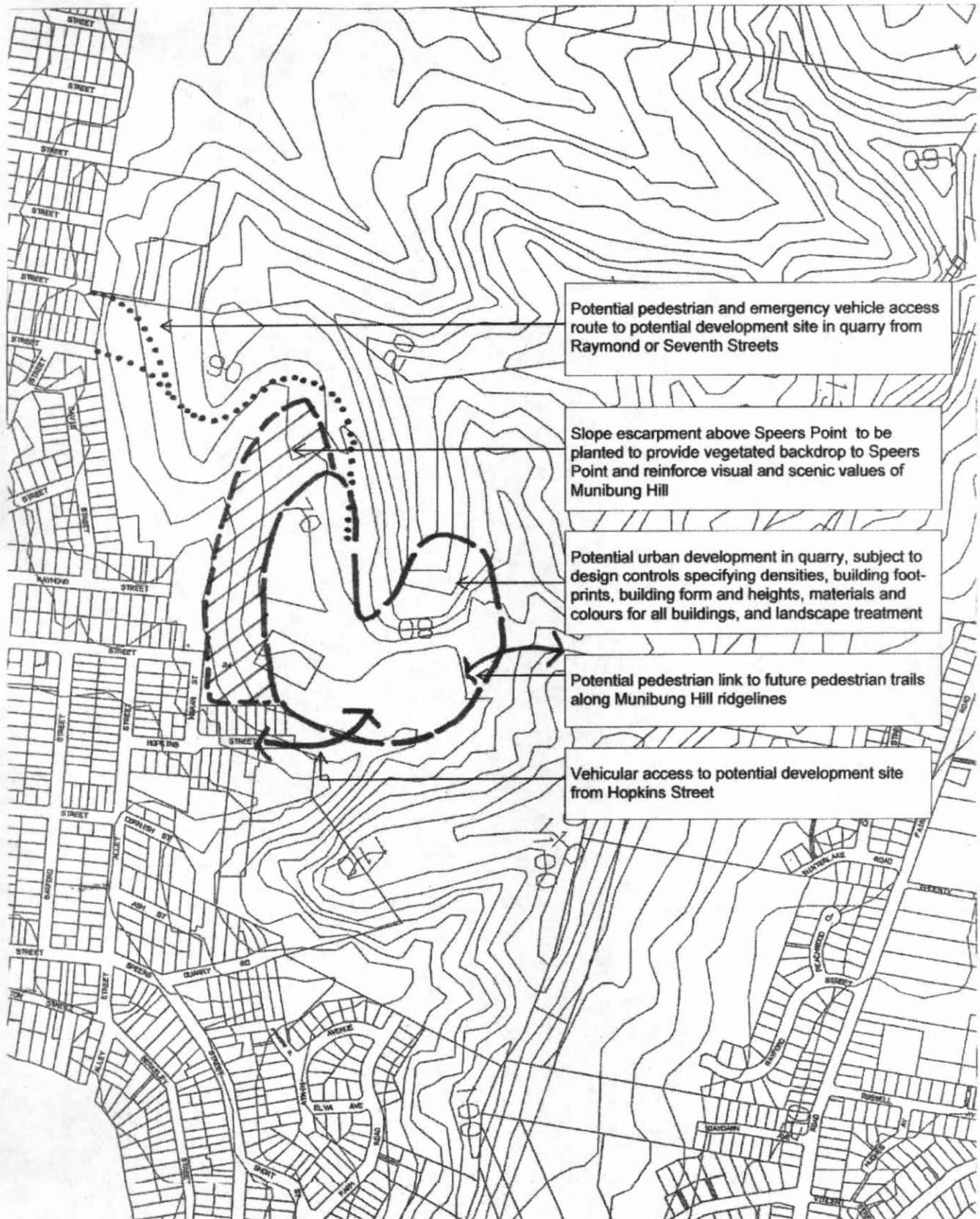
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<i>Appendix</i>	<i>A</i>	<i>Pasminco Site – Land Use Principles – (1 Page)</i>
<i>Appendix</i>	<i>B</i>	<i>Dekagra land, Munibung Hill – Land Use Principles – (1 Page)</i>
<i>Appendix</i>	<i>C</i>	<i>Draft Land Use Strategy for Munibung Hill – Dickson Rothschild / URS – (CD)</i>

APPENDIX A



APPENDIX B



DEKAGRA LAND, MUNIBUNG HILL—LAND USE PRINCIPLES

05ST104

Pasminco Munibung Hill Draft Land Use Strategy

FOLDER NO: F2004/09386

REPORT BY: Planning Consultant - Ian Andrews

SUBMISSION & COMMITTEE'S RECOMMENDATION:

NO. 1

- A. Council adopt land use principles in Appendix A and Appendix B to guide future rezoning and development applications for the Pasminco site and Dekagra Pty Limited's lands on Munibung Hill.
- B. Council note the Pasminco Munibung Hill Draft Land Use Strategy (Appendix C), prepared by consultant's Dickson Rothschild / URS as a background report outlining constraints, opportunities and broad land use principles for the Pasminco site and Dekagra Pty Limited's land on Munibung Hill.

ADOPTED

28 NOV 2005