

Planning Proposal – Boundary Road Medowie

Part 1 – Objectives or Intended Outcomes

1. To enable the development of parts of the site for large lot residential development with a minimum lot size of 1,000 square metres, and 4,000 square metres, as indicated on the proposed zoning map.
2. To place part of the site with high conservation significance into an environment protection zone as indicated on the proposed zoning map. This includes areas of Endangered Ecological Community – Swamp Sclerophyll Forest and Coastal Plains Smooth-barked Apple Woodland.
3. To place a centrally located part of the site with conservation significance into an environment protection zone as indicated on the proposed zoning map. This area includes Forest Red Gum/Red Mahogany Open Forest that has value as habitat for the Koala and will be a community park.

Part 2 – Explanation of Provisions

Port Stephens Local Environmental Plan 2000

The Planning Proposal seeks amendment of the Port Stephens Local Environmental Plan 2000 in accordance with the proposed zoning map.

Land identified for large lot residential development is located in the south west part of the Site and is approximately 54 hectares in area. The 1(c5) Rural Small Holdings zone in the Port Stephens Local Environmental Plan 2000 will apply to this area. Minimum allotment sizes in this zone are 2,000 square metres. To permit a minimum allotment size of 1,000 square metres, provisions relating to specific land will be introduced to the Port Stephens Local Environmental Plan 2000 as follows:

"This clause applies to Part of Lot 93 DP 753194, Part of Lot 94 DP 753194, Part of Lot 95 DP 753194 and Part of Lot 96 DP 753194 and zoned 1(c5) Rural Small Holdings.

For the purposes of Clause 13(1) of this Plan, the consent authority may grant consent to the subdivision of the land to a minimum allotment size of 1,000 square metres."

Land adjoining Boundary Road is identified for rezoning to 1(c4) Rural Small Holdings to permit a minimum allotment size of 4,000 square metres. The 1(c4) Rural Small Holdings zone in the Port Stephens Local Environmental Plan 2000 will apply to this part of the Site.

There is approximately 2 hectares of Forest Red Gum/Red Mahogany Open Forest in the centre of the Site. The 7(a) Environment Protection zone in the Port Stephens Local Environmental Plan 2000 will apply to this part of the Site.

The north-west part of the Site is identified for environmental management. It is approximately 73 hectares in area and includes areas of Endangered Ecological Community - Swamp

Sclerophyll Forest and Coastal Plains Smooth-barked Apple Woodland. The 7(a) Environment Protection in the Port Stephens Local Environmental Plan 2000 will apply to this part of the Site.

Draft Port Stephens Local Environmental Plan 2012

Port Stephens Council is separately considering implementation of a Standard Instrument Local Environmental Plan (referred to as the Draft Port Stephens Local Environmental Plan 2012). It will convert existing zones under the Port Stephens Local Environmental Plan 2000 to equivalent zones under the Standard Instrument Local Environmental Plan.

The equivalent zones for the Boundary Road Planning Proposal will be:

- 1(c4) Rural Small Holdings to R5 Large Lot Residential.
- 1(c5) Rural Small Holdings to R5 Large Lot Residential.
- 6(a) General Recreation to RE1 Public Recreation.
- 7(a) Environment Protection to E1 National Parks and Nature Reserves.

Lot sizes will be shown on an accompanying Lot Size Map.

Part 3 – Justification

Section A – Need for the planning proposal.

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

Lower Hunter Regional Strategy

Medowie is a town that is identified as a proposed urban area in the Lower Hunter Regional Strategy with boundaries to be defined through local planning. Council subsequently prepared and adopted the Medowie Strategy in 2009 to guide development.

In June 2011 Council resolved to include the Boundary Road Site within the Medowie Strategy and seek the inclusion of the Site in the NSW Department of Planning and Infrastructure's review of the Lower Hunter Regional Strategy.

Port Stephens Planning Strategy 2011-2036

Council adopted the Port Stephens Planning Strategy 2011-2036 in December 2011. It is one of a suite of high level strategic documents produced by Council to guide the operations of Council and the future growth and sustainability of the LGA. The Port Stephens Planning Strategy identifies the Boundary Road site as "potential future large lot residential".

Medowie Strategy

Council adopted the Medowie Strategy in March 2009. Council resolved in June 2011 to include the Boundary Road site for development and conservation purposes in the Medowie Strategy. The Planning Proposal is consistent with the local planning strategy adopted for the area.

Land release areas in the Medowie Strategy, like many areas of Port Stephens LGA, are difficult to deliver due to a history of poor subdivision patterns and small allotment sizes that have hindered the ability to coordinate and deliver developable land. The subject site at Boundary Road is free from these constraints. It is potentially one of the largest development sites in

Medowie, is under single ownership and is capable of delivering up to 300 allotments if rezoned as proposed. The ability to deliver this land to the market, free from ownership and coordination constraints, is a significant advantage compared to other land identified for development in the Medowie Strategy.

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

1. *To enable the development of parts of the site for large lot residential development with a minimum lot size of 1,000 square metres, and 4,000 square metres, as indicated on the proposed zoning map.*

Large lot residential development, comprising allotments of 1,000 to 1,500 square metres, is identified for the majority of the south west part of the Site and is consistent with the Medowie Strategy. The main map of the Medowie Strategy shows that allotments of 1,000 to 1,500 square metres are located on the periphery of growth areas and the proposal for Boundary Road continues this theme. Larger allotments of 4,000 square metres are proposed along Boundary Road to create a consistent lot size with existing rural residential development to the south of Boundary Road. The master planning being undertaken for the development will deliver a high quality large lot residential development. Rezoning this part of the Site with the same objectives and land uses as the 1(c4) Rural Small Holdings zone is the best means of achieving Objective 1 of this Planning Proposal.

2. *To place part of the site with high conservation significance into an environment protection zone as indicated on the proposed zoning map. This includes areas of Endangered Ecological Community – Swamp Sclerophyll Forest and Coastal Plains Smooth-barked Apple Woodland.*

The Site is under private ownership and is currently zoned 1(c1) Rural Small Holdings, which has a minimum allotment size of 20 hectares. There is no environment protection zone on the Site despite its location within the Watagan Stockton Green Corridor and the environmental value of the north eastern area. The Planning Proposal will rezone this area to 7(a) Environment Protection - the highest zone for conservation purposes under the Port Stephens Local Environmental Plan 2000. This part of the site is approximately 73 hectares in area, includes a corridor of Endangered Ecological Community - Swamp Sclerophyll Forest, an area of Coastal Plains Smooth-barked Apple Woodland, and is identified as 'high conservation significance' in the Medowie Strategy. Rezoning this part of the Site 7(a) Environment Protection is the best means of achieving Objective 2 of this Planning Proposal.

The land surrounding the proposed 7(a) Environment Protection zone is State-owned and under the administration of the Hunter Region Parks and Wildlife Group. It forms part of the Medowie State Conservation Area. The Proponent of the Boundary Road site has advised that, upon rezoning of the site to part large lot residential and part environment conservation, they are prepared to dedicate land zoned to 7(a) Environment Protection to the State for conservation and have prepared a draft Voluntary Planning Agreement for this purpose.

3. *To place a centrally located part of the site with conservation significance into a general recreation zone as indicated on the proposed zoning map. This area includes Forest Red Gum/Red Mahogany Open Forest that has value as habitat for the Koala and will be a community park.*

A central part of the Site has conservation significance. It includes Forest Red Gum/Red Mahogany Open Forest that has value as habitat for the Koala. It can serve as an area for conservation and recreation. Rezoning this part of the Site as 7(a) Environment Protection is the best means of achieving Objective 3 of this Planning Proposal.

Is there a net community benefit?

The Planning Proposal will have the following community benefits:

- The proposed transfer of 73 hectares of the Site into public ownership allowing the permanent protection of the Endangered Ecological Community - Sclerophyll Forest and also Coastal Plains Smooth-barked Apple Woodland that is directly adjacent to other State-owned land;
- Provision of approximately 300 allotments in a master-planned, large lot development which will increase housing supply in the area;
- Potential for the Proponent to further investigate and contribute towards measures to alleviate existing flooding and drainage problems in the locality, subject to further investigation and assessment.

The Planning Proposal seeks to offset loss of vegetation to the satisfaction of the NSW Office of Environment and Heritage (OEH). Additional consultation with OEH will occur following a Gateway Determination.

The community benefit of the Planning Proposal is discussed further in Section C – *Environmental, social and economic impact*.

Section B – Relationship to strategic planning framework.

Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy?

Lower Hunter Regional Strategy

The Planning Proposal for Boundary Road Site is located outside of the mapped proposed urban area for Medowie and is located within the Watagan Stockton Green Corridor.

The Lower Hunter Regional Strategy (Page 31) states that "The combination of environmental values, hazards and the distance to serviced centres means that the area is unsuitable for new large scale urban development, other than building on the existing community at Medowie...". This provides scope for consideration of the Planning Proposal at this time.

Council has written to the NSW Minister for Planning (19th September 2011) stating the position that there is sufficient strategic planning merit to include part of the site as a "proposed urban area" within the Lower Hunter Regional Strategy. These merits include:

- Development on the relatively unconstrained southwest part of the site for large lot residential development is a logical extension of the existing urban footprint and will increase opportunities for future development to meet demand;
- Providing the opportunity to a master planned and coordinated development with a range of lot sizes;

- Significant public benefit by identifying 73 hectares adjoining the Medowie State Conservation Area for Environmental Management with potential to transfer that land into public ownership for conservation purposes; and
- Identification as "potential future large lot residential" in the Port Stephens Planning Strategy (since adopted by Council).

An action of the Lower Hunter Regional Strategy is that local environmental plans are to provide for the ongoing role of the biodiversity corridor and inter-urban break (Lower Hunter Regional Strategy, page 34). The Planning Proposal achieves this by rezoning 73 hectares of the site to 7(a) Environment Protection and seeking to dedicate it to the State for conservation purposes. This is a significant contribution given the Site's environmental value including presence of an Endangered Ecological Community – Swamp Sclerophyll Forest and its location adjacent to the Medowie State Conservation Area.

Is the planning proposal consistent with the local Council's Community Strategic Plan, or other local strategic plan?

Integrated Strategic Plans

Council has adopted a suite of plans collectively referred to as 'Integrated Strategic Plans' comprising: Port Stephens 2021 Community Strategic Plan; Delivery Program 2011-2015; and Operation Plan 2011-2012. Together these plans comprise Council's Community Strategic Plan. Relevant Directions are:

Strategic Direction - Environmental Management - Maintain high levels of biodiversity and engage the community in protecting and enriching the environment:

- 3.1 Maintain and improve existing biodiversity levels through development and implementation of conservation programs.
 - 3.1.1 Continue the implementation of the Comprehensive Koala Plan of Management;
 - 3.1.3 Refine the accuracy of the information relating to the status and value of biodiversity across the LGA and of environmental processes; and
 - 3.1.5 Undertake or promote good land management practices on private and government land to protect flora and fauna, and water quality.

The Planning Proposal is consistent with this Direction. It proposes the development of the land for large lot residential use, with additional controls to maintain flora and fauna on each lot and within a future subdivision generally. It also proposes to dedicate 73 hectares of land for conservation. It addresses the provisions of the Port Stephens Comprehensive Koala Plan of Management and proposes to place 2 hectares of Forest Red Gum/Red Mahogany Open Forest (Koala Habitat) within the 7(a) Environment Protection zone.

Strategic Direction - Sustainable Development - Provide clarity about the long term development pattern and capacity of Port Stephens for the development industry, investors and the community; and protect and maintain the unique natural aesthetics and heritage assets of the LGA through compliance enforcement:

- 3.8 Develop strategic land use plans, including a community settlement strategy
 - 3.8.1 Identify suitable land for rezoning.

The Planning Proposal is consistent with this Direction. The land is identified for rezoning in the Port Stephens Planning Strategy 2011-2036 and the Medowie Strategy.

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

SEPP 44 Koala Habitat Protection

SEPP 44 applies to the Planning Proposal via the Port Stephens Comprehensive Koala Plan of Management. Umwelt Environmental Consultants, on behalf of the Proponent, has identified the SEPP 44 trees within the proposed impact area (refer to Umwelt advice of 14th February 2012). The mapped SEPP 44 trees will be retained within the 7(a) Environment Protection zone, and connectivity sought between the SEPP 44 trees and the land identified for conservation to the northwest.

Consultation occurred with the Port Stephens Comprehensive Koala Plan of Management Steering Committee for an earlier version of the Planning Proposal. Relevant points from the minutes of the Committee's meeting on 20th September 2010 are:

- Acknowledgement that the site has some development potential;
- Bushfire Asset Protection Zones need to be contained within the development and not within biodiversity offset lands;
- Existing Koala habitat is to be taken into consideration during urban planning stages i.e. 88b instruments, no dogs, appropriate fences and large lots to allow for retention of existing trees; and
- It was positive that the Koala habitat in the northeast section was being preserved and although it would be best to also retain the preferred Koala habitat in the southwest, it was acknowledged that this section of the habitat was disturbed.

The Planning Proposal concept has been updated since its initial consideration by the Port Stephens Comprehensive Koala Plan of Management Steering Committee, following consultation with the Office of Environment and Heritage. Following a Gateway Determination the Planning Proposal will be referred to the Committee again for further comment.

SEPP 55 Remediation of Land

SEPP 55 applies to the Planning Proposal and aims to promote the remediation of contaminated land, for the purpose of reducing the risk of harm to human health or any other aspect of the environment.

A 'phase 1' contamination report has been carried out for the Site (HLA Envirosiences Pty Ltd, 2006). The following evidence of possible site contamination was noted:

- Lot 93 - A small mound of bitumen road material was observed in the south west corner; and
- Lot 94 - Imported fill material has been used to build up a truck maintenance area; The quality of the fill material is unknown; Some truck parts and some waste drums were observed in the truck maintenance area; and a surface oil stain approximately 5 square metres in area was observed in the truck maintenance area.

The report advises that the potential for contamination in the remaining areas of the site is considered to be low. It suggests that further investigations consisting of preliminary sampling

and analysis should be conducted. These issues will be addressed further following a Gateway Determination.

Is the planning proposal consistent with applicable Ministerial Directions?

Direction 1.2 Rural Zones

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

The Site is not identified as Class 1-3 prime agricultural land and is used for low-intensity grazing purposes.

It is considered that any inconsistency is justified because of the low value classification of the land for agriculture. The Planning Proposal is of minor significance in terms of the loss of land zoned for agriculture/rural small holdings.

Direction 1.5 Rural Lands

The objectives of this Direction are to protect the agricultural production value of rural land and to facilitate the orderly and economic development of rural lands for rural and related purposes. The Direction requires consistency with the principles of State Environmental Planning Policy (Rural Lands) 2008 as follows:

- *The promotion and protection of opportunities for current and potential productive and sustainable economic activities in rural areas.*

Like all vacant land, at some time the land may present an opportunity for agricultural production. However, it is not classed as prime agricultural land. It does provide an opportunity to accommodate development in a town that is identified for growth in the LHRS.

- *Recognition of the importance of rural lands and agriculture and the changing nature of agriculture and of trends, demands and issues in agriculture in the area, region or State.*

Agricultural activities on the Site are limited and comprise only low intensity, small scale cattle grazing. It is very unlikely that the rural land uses on the site contribute any benefit to agriculture at a regional or State level. Broader trends in agriculture are difficult to identify and apply to the site. In any case, Medowie is identified as a proposed urban area and not as rural and resource land in the LHRS.

- *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.*

Agricultural activities on the site are limited and comprise only low intensity, small scale cattle grazing on land that is not classified as Class 1-3 prime agricultural land. For these reasons it is very unlikely that the rural land uses on the site contribute any benefit to agriculture at a regional or State level.

- *In planning for rural lands, to balance the social, economic and environmental interests of the community.*

The Planning Proposal is a balanced approach to the site-specific development of the Site by encouraging development and population growth and dedicating the north east part of the site for conservation.

- *The identification and protection of natural resources, having regard to maintaining biodiversity, the protection of native vegetation, the importance of water resources and avoiding constrained land.*

The Medowie Strategy does not, in general, identify those parts of the Site proposed for development as having high conservation significance. The south west corner of the Site comprises an area identified as having medium or no conservation significance in the Medowie Strategy. Alternatively, the Planning Proposal seeks to transfer high conservation value land in the north east part of the Site to the State for conservation purposes.

- *The provision of opportunities for rural lifestyle, settlement and housing that contribute to the social and economic welfare of rural communities.*

Medowie is identified as a "town" in the LHRS and a "shopping and business centre for the district including health and professional services mixed with medium and higher density residential" (LHRS main map). The development of the site as proposed will provide the opportunity for rural lifestyle, settlement and housing and add to the population. The Planning Proposal is consistent with this principle.

- *The consideration of impacts on services and infrastructure and appropriate location when providing for rural housing.*

The provision of infrastructure is addressed in Section D *State and Commonwealth interests* of this Planning Proposal.

- *Ensuring consistency with any applicable regional strategy of the Department of Planning or any applicable local strategy endorsed by the Director-General.*

The Site is not identified as rural and resource land in the LHRS, or identified as having rural and resource value in the Port Stephens Planning Strategy or Medowie Strategy. The Planning Proposal is consistent with this principle concerning rural land.

A summary response to this Direction is that any loss of agricultural land on this Site is not significant. The land is not classed as primary agricultural land, is not identified as rural or resource land in the LHRS and is only used for low intensity, small-scale cattle grazing.

Direction 2.1 Environment Protection Zones

The objective of this Direction is to protect and conserve environmentally sensitive areas. The direction is that a planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas.

The site is located within the Watagan Stockton Green Corridor in the Lower Hunter Regional Strategy. The Lower Hunter Regional Strategy describes green corridors as "Areas of high conservation values joining key corridors through the region that will be managed for conservation purposes" (Lower Hunter Regional Strategy, main map). A strict interpretation of the Green Corridor suggests that the Planning Proposal may be inconsistent with this Direction because it proposes part of the Site for large lot residential development. However, any inconsistency with this Direction is justified because it places approximately 73 hectares of land into the 7(a) Environment Protection zone and proposes its dedication to State ownership for conservation purposes. It will also place 2 hectares of Forest Red Gum/Red Mahogany Open

Forest into the 7(a) Environment Protection zone, and include ecological planning principles in a range of development controls to minimise environmental impact.

Direction 3.1 Residential Zones

The objectives of this Direction are:

- To encourage a variety and choice of housing types to provide for existing and future housing needs;
- To make an efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services; and
- To minimise the impact of residential development on the environment and resource lands.

The Planning Proposal is consistent with this Direction. It provides for approximately 300 residential allotments with a predominant size of 1,000 to 1,500 square metres. It provides a transition from acreage allotments on the fringe of Medowie to large lot residential development, and makes an efficient use of land as a limited resource.

Rezoning the land for standard smaller residential development would be incompatible with the existing pattern of larger lot development and create a dense settlement on the urban fringe. It also reduces the ability to maintain vegetation on the Site.

This Direction also provides that a planning proposal must contain a requirement that residential development is not permitted, until land is adequately serviced or arrangements that are satisfactory to the relevant authority have been made. A Due Diligence Report (Hyder, January 2010) has been submitted by the Proponent that addresses the availability of sewer and water, electricity, telecommunications and gas. Further investigation and confirmation of the ability to service the land will occur as part of the consultation process following a Gateway Determination.

Direction 3.4 Integrating Land Use and Transport

The objective of this Direction is to ensure that development:

- Improves access to housing, jobs and services by walking, cycling and public transport;
- Increases the choice of available transport and reducing dependence on cars;
- Reduces travel demand including the number of trips generated by development and the distances travelled, especially by car;
- Supports the efficient and viable operation of public transport services; and
- Provides for the efficient movement of freight.

This Direction applies because the Planning Proposal will rezone rural land for residential purposes.

A relevant matter to consider is that the Planning Proposal seeks to facilitate large lot residential development of approximately 300 allotments on the northern fringe of Medowie. It does not comprise a mix of land uses by including commercial development. It is seeking an expansion on the existing theme of rural residential development in Medowie, and will support the growth of the existing town centre of Medowie and the major regional centre of Raymond Terrace.

The Site is located in close proximity to Medowie Road, a sub-arterial road and the major transport route for the town and leading to the commercial centre. This provides opportunities for the provision of cycle ways, footpaths and public transport.

The Medowie Strategy states that all streets will be designed to facilitate walking and cycling. It also notes that a section of cycleway 500m in length exists along Medowie Road to Silver Wattle Drive. The Boundary Road Site is approximately 2km from this infrastructure and there will be an opportunity to contribute towards extending this cycleway.

Public transport in Port Stephens in Port Stephens and Medowie is primarily via bus. The Medowie Strategy states that public transport providers are to provide a bus stop 400m to 800m from every dwelling and that proposed bus routes shall be determined with public transport providers as part of the rezoning process (Medowie Strategy, page 47).

Direction 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. The Site and its surroundings are mapped as comprising Class 5 acid sulphate soils which is the lowest risk category.

This Direction does not apply to the rezoning because of the Class 5 categorization of the site and surrounding land.

Direction 4.3 Flood Prone Land

The objectives of this Direction are:

- To ensure that development of flood prone land is consistent with the NSW Government's *Flood Prone Land Policy* and the principles of the *Floodplain Development Manual 2005*; and
- To ensure that the provisions of an LEP on flood prone land is commensurate with flood hazard and includes consideration of the potential flood impacts both on and off the subject land.

This Direction applies because part of Lot 96 in DP 753194 is mapped in part as flood prone.

Council and the community are aware of existing flooding and drainage issues in Medowie, and are cognisant of the need to address them in a comprehensive manner. There is a perception that any intensification of development has the potential to exacerbate existing flooding and drainage problems.

A Flooding and Drainage Assessment by Umwelt in 2010 was prepared for an earlier Planning Proposal concept. The February 2010 assessment established pre and post development flood behaviour and provides detail on the extent of flooding on the site. It established that:

- Peak flooding velocities will be generally increased throughout the development area with no mitigation strategy employed; and
 - That these increases are at most 0.3% above the existing conditions, which are relatively minor and still remain below levels that would cause issues with erosion and scouring.
- (Section 5.1, Umwelt 2010)

Umwelt provided additional information on 7th June 2011 that removed a proposed detention dam to the east of the Site in an area proposed for conservation, and replaced it with a proposed stormwater detention dam within the proposed development area. The updated advice from Umwelt concludes that:

"The modelling indicates that the proposed alternative stormwater management system, comprising of a single detention dam located within lot area of the proposed development has the capacity to attenuate the post-development runoff flow rates, velocities and depths to levels that are less than or equal to those estimated for the existing site conditions for the 100 year ARI storm event".

The overall proposed stormwater mitigation strategy is to use a combination of:

- lot-scale detention, including rainwater detention tanks, infiltration trenches and landscaping to minimise increasing both runoff rates and volumes from each lot;
- water sensitive stormwater conveyance methods, such as grass swales to drain the road water and excess lot water, that maximises the opportunities for infiltration; and
- a stormwater detention dam located within the proposed development footprint to further reduce the peak discharge rate from proposed development to further reduce the potential impacts of flooding on the areas downstream of the proposed development.

The assessments provided by Umwelt indicate that flooding and drainage issues are able to be addressed in the event that the land is rezoned.

These issues will be addressed thoroughly following a Gateway Determination and based upon the findings and model developed for the recent Draft Medowie Flood Study (WMA Water, 2011).

Any inconsistency that may exist with this Direction will be addressed following a Gateway Determination and prior to public exhibition of the Planning Proposal.

Direction 4.4 Planning for Bushfire Protection

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

This Direction applies because the land is mapped as bushfire prone.

A Bushfire Hazard Assessment has been carried out for the Proponent by Umwelt in 2010 concluded that there is an extreme category of attack to the boundary of the site from the north, east and west boundaries, and that this category equates to a Level 3 (Extreme Attack) construction standard to prevent damage from ember and radiant heat attack.

The Bushfire Hazard Assessment will need to be updated following the Gateway Determination.

The Planning Proposal will require referral to the Rural Fire Service for opinion following a Gateway Determination.

Direction 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.

This Direction applies when a relevant authority prepares a planning proposal, and directs that a planning proposal must be consistent with a regional strategy released by the Minister for Planning.

The land is not identified on the main map of the Lower Hunter Regional Strategy as a proposed urban area. It shows the land within the Watagan Stockton Green Corridor. With specific regard to Medowie, the Lower Hunter Regional Strategy states that *"The combination of environmental values, hazards and the distance to serviced centres means that the area is unsuitable for new large scale urban development, other than building on the existing community at Medowie..."* (LHRS, page 31). This may provide scope for consideration of the Planning Proposal at this time.

Council is seeking the inclusion of the Site with the forthcoming review of the Lower Hunter Regional Strategy and resolved to include the Site within its local Medowie Strategy.

Any inconsistency with this Direction is justified because the Planning Proposal achieves the overall intent of the Lower Hunter Regional Strategy for the reasons described throughout this Planning Proposal.

Section C – Environmental, social and economic impact

Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

A Flora and Fauna Assessment was prepared by Umwelt (February, 2010) for the Planning Proposal subject of the Gateway Determination on 30th June 2010. It identifies the following relevant features across the entire Site:

- Swamp Sclerophyll Forest on Coastal Floodplains (Endangered Ecological Community) forming a riparian corridor;
- A number of threatened fauna species, including:
 - Glossy black-cockatoo (Vulnerable TSC Act);
 - Masked owl (Vulnerable TSC Act) including a probable roost/nest tree;
 - Varied sittella (Preliminary Determination as Vulnerable TSC Act);
 - Koala (Vulnerable TSC Act) scats;
 - Squirrel glider (Vulnerable TSC Act);
 - Yellow-bellied sheath-tail-bat (Vulnerable TSC Act);
 - Eastern bentwing-bat (Vulnerable TSC Act);
 - Little bentwing-bat (Vulnerable TSC Act);
 - Greater broad-nosed bat (Vulnerable TSC Act);
 - Eastern freetail-bat (Vulnerable TSC Act);
 - Large-eared pied bat (Vulnerable TSC Act, Vulnerable EPBC Act); and
 - Grey-headed flying fox (Vulnerable TSC Act, Vulnerable EPBC Act).

Since the initial Flora and Fauna Assessment undertaken by Umwelt additional investigations have been undertaken following consultation with the NSW Office of Environment and Heritage. This has informed the preparation of the revised Planning Proposal concept. An updated Flora

and Fauna Assessment addressing any impact on threatened species, populations or ecological communities, or their habitats, will be provided following a Gateway Determination.

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

Vegetation Communities

Umwelt has identified and mapped vegetation communities and affected areas. Impacts are summarised in the following table:

Table 1.1 Vegetation Impact Versus Conservation

Vegetation Community	Extent within Study Area (hectares)	Extent Impact within Area (hectares)	Extent within Offset Area (hectares)	Percentage Conserved
Swamp Sclerophyll Forest (Endangered Ecological Community)	35	2	33	94
Coastal Plains Smooth-barked Apple Woodland	58	22	36	62
Forest Red Gum/Red Mahogany Open Forest	3	2	1	33
Derived Grassland with Scattered Canopy Trees	21	21	0	0
Derived Grassland	10	7	3	30
Water bodies	<1	<1	0	0
Total	127	54	73	

(Umwelt 14th February 2012)

The updated Planning Proposal concept was referred to the Office of Environment and Heritage for comment. OEH makes no objection to the Planning Proposal being resubmitted for a Gateway Determination (copy of OEH comment 6th March 2012 is attached).

Flooding and Drainage

Flooding and drainage is a significant issue in Medowie with particular concern about the potential impact of additional development. To facilitate the progression of the Planning Proposal to date, the Proponent commissioned Umwelt to prepare flooding and drainage reports, with additional information provided over time, to demonstrate that these issues can be addressed without additional impact on existing development. The most recent information provided by Umwelt on 7th June 2011 concludes that:

"the proposed alternative stormwater management system, comprising of a single detention dam located within the lot area of the proposed development has the capacity to attenuate

the post-development runoff flow rates, velocities and depths to levels that are less than or equal to those estimated for the existing site conditions for the 100 year ARI storm event".

The overall proposed stormwater mitigation strategy is to use a combination of:

- lot-scale detention, including rainwater detention tanks, infiltration trenches and landscaping to minimise increasing both runoff rates and volumes from each lot;*
- water sensitive stormwater conveyance methods, such as grass swales to drain the road water and excess lot water, that maximises the opportunities for infiltration; and*
- a stormwater detention dam located within the proposed development footprint to further reduce the peak discharge rate from proposed development to further reduce the potential impacts of flooding on the areas downstream of the proposed development.*

The Flooding and Drainage Assessments provided by Umwelt indicate that flooding and drainage issues are able to be addressed in the event that the land is rezoned.

To address the impact of development under the Medowie Strategy Council, in conjunction with the NSW Office of Environment and Heritage, commissioned the Medowie Flood Study which is in final draft form. It examines existing development and future development under the Medowie Strategy for a range of flooding events.

Flooding and drainage issues will be addressed thoroughly following the Gateway Determination and based upon the findings and model developed for the Medowie Flood Study (WMA Water, 2011).

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

The Planning Proposal may have positive social and economic impacts through the delivery of land for housing. If successful, it will facilitate approximately 300 residential allotments and an additional population of 630 persons once fully developed (based on an average of 2.1 persons per dwelling). The 300 allotments and 630 persons would be in addition to total growth of 3105 allotments and 6520 persons in the adopted Medowie Strategy. The additional population would support local businesses in Medowie and also be serviced by the nearby major regional centre of Raymond Terrace.

Under Council's current s94 developer contributions plans and based on a yield of 300 allotments, the following contributions would be received (estimate only):

- Civic administration $300 \times \$377 = \$113,100$
- Public open space, parks and reserves $300 \times \$2046 = \$613,800$
- Sports and leisure facilities $300 \times \$4821 = \$1,446,300$
- Cultural and community facilities $= 300 \times 2424 = \$727,200$
- Road works $300 \times \$1370 = \$411,000$
- Fire and Emergency Services $300 \times \$188 = \$56,400$
- TOTAL = \$3,367,800

The amount of money collected by Section 94 developer contributions is significant and can make a positive contribution towards the provision of infrastructure in Medowie.

In general, plans for the development of the land have evolved over time to the current proposal. The intention is to create a master planned community of 300 allotments, consistent with the existing theme of rural residential development, and is a logical extension of the town. It

would follow that there would be no unusual or foreseeable adverse social impacts as a direct result of the development.

On a broader level, the ability to deliver land for development under the adopted Medowie Strategy is difficult given the fragmentation of land ownership. The Boundary Road site is in single ownership and this represents a significant advantage over other land regarding the ability to deliver land for housing to the market in a coordinated and timely manner.

Section D – State and Commonwealth interests.

Is there adequate public infrastructure for the planning proposal?

The proponent has prepared a Due Diligence Report (Hyder, 2010) that investigates the provision of sewer and water, electricity, telecommunications and gas. A summary of the report's conclusions are summarised as:

- Telstra would require the developer to provide trenches for the installation of cables and suitable locations to install above ground housing and cabinets;
- Energy Australia has spare capacity for an initial stage of 50 lots however this would need to be confirmed at the time of development. Upgrades are planned by Energy Australia to increase the service capability in Medowie area within 5 years and would be sufficient to service the remainder of the development. The proponent has instigated negotiations with Energy Australia as to the feasibility of a parcel of land within the site for a substation;
- Water supply is available from the existing water main at the intersection of Medowie Road and Silver Wattle Drive and enough capacity will be available at the time of development;
- Hunter Water confirmed that the upgrades in the sewer system are scheduled to cater for the site development and other future demand. The sewer system currently has spare capacity for initial stages of the development; however this needs to be confirmed at the time of commencement of each stage. Alternatively there is an option of site sewer storage combined with controlled site sewer discharge on off-peak times; and
- Gas supply would require funding by the developer.

The provision of sewer and water infrastructure to the site will be addressed by further referral to the relevant service providers following a Gateway Determination.

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

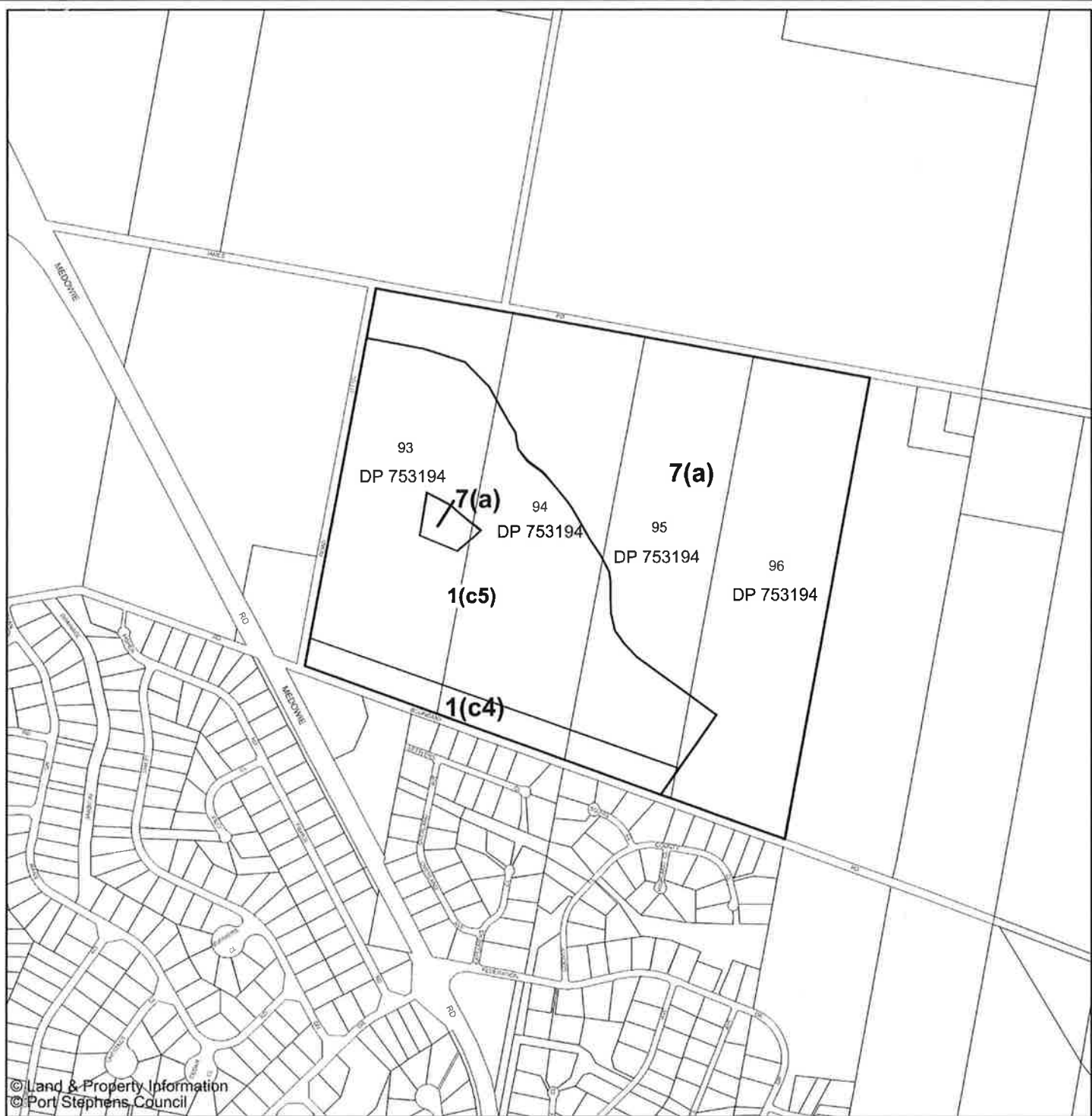
The views of the following relevant public authorities will be sought following an LEP Gateway determination from the Department:

- Office of Environment and Heritage
- Rural Fire Service
- Hunter Water Corporation
- Energy Australia
- Roads and Traffic Authority
- Department of Primary Industries
- Department of Defence

Consultation with the Office of Environment and Heritage has taken place as required by the Gateway Determination issued on 30th June 2010. The Planning Proposal, in its original form, was reviewed and commented upon on 19th October 2010 by the then Department of Environment, Climate Change and Water (now OEH). Those comments have influenced revisions to the Planning Proposal concept. The Office of Environment and Heritage has reviewed the updated Planning Proposal and their latest advice of 6th March 2012 facilitates its submission for a revised Gateway Determination.

Part 4 – Community Consultation

The Planning Proposal may result in a substantial increase in the amount of large lot residential land available for development in Medowie. There are significant flora and fauna issues associated with the site, as well as concern about flooding and drainage issues. For these reasons an exhibition period of at least 28 days should occur. Notice of the Planning Proposal, and all relevant documentation, will be placed in the local newspaper, on the Council website and in writing to adjacent landowners.



7(a) 7(a) - Environment Protection

1(c4) 1(c4) - Rural Small Holdings

1(c5) 1(c5) - Rural Small Holdings

SCALE 1:15000

LOCALITY: MEDOWIE

PORT STEPHENS LOCAL ENVIRONMENTAL PLAN 2000

DRAFT (AMENDMENT No. X)

DRAWN BY: DM/KG DATE: 13/04/2012
 PLANNING OFFICER: MB
 COUNCIL FILE No.: 2006-6592
 DEPT. FILE No.
 CERTIFICATE PLAN No. DATED:
 PLAN PUBLISHED ON NSW
 LEGISLATION WEBSITE ON:

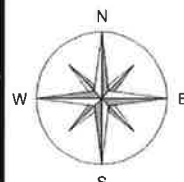
STATEMENT OF RELATIONSHIP WITH OTHER PLANS

AMENDS PORT STEPHENS LEP 2000

CERTIFIED IN ACCORDANCE
 WITH THE ENVIRONMENTAL
 PLANNING AND ASSESSMENT
 ACT 1979 AND REGULATIONS
 AS AMENDED

AUTHORISED
 COUNCIL EMPLOYEE

DATE



ISG 56/1

