

**6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)
(Author: Thompson/Hogg)**

File Reference: PJT0061

Summary

The planning proposal known as Bungendore East for land at 4610 Kings Highway Bungendore was submitted to the NSW Department of Planning with a request for a Gateway determination in 2016. The Department subsequently advised that a Gateway determination would not be supported until a number of matters had been resolved. While two of the matters have been dealt with, namely the water supply and the strategic justification for the plan, the matter of site contamination and how the applicant proposes to deal with this issue, remains outstanding.

In addition the Department advised that the matter should be resubmitted to Council to determine if the planning proposal was still supported.

To that end, a review of the planning proposal has been carried out prior to preparing this report and a number of additional matters have arisen. These matters include the inclusion of Crown Land within the planning proposal, outstanding fees and charges and inconsistency of the proposal against the Bungendore Structure Plan.

To address these matters, it is recommended that the planning proposal be amended to include an updated contamination report and that additional fees be paid prior to the planning proposal being forwarded to the NSW Department of Planning, Industry and Environment (DPIE) with a recommendation from Council that the Gateway determination be supported.

**6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)
(Author: Thompson/Hogg) (Continued)**

Recommendation

That:

1. Council support the Bungendore East planning proposal to rezone Lot 1 DP 747767, Lots 275, 279 and 273 DP 754915 and Lot 1 DP 193988, No. 4610 Kings Highway Bungendore, from RU1 Primary Production to R2 Low Density Residential and RE1 Public Recreation, subject to the following actions being completed before the Planning Proposal is forwarded to the NSW Department of Planning, Industry and Environment requesting a Gateway Determination:
 - a. Amend the planning proposal to remove the Crown land Lots 7301 and 7302 DP 1168137.
 - b. Amend the Planning Proposal to remove the SP2 Infrastructure zone and R1 General Residential zone.
 - c. Amend the Planning Proposal to specify a minimum lot size of 850m².
 - d. Amend the Planning Proposal to specify that the height of buildings shall be a maximum of 8.5m.
 - e. Include in the Planning Proposal a Stage 2 Site Contamination report prepared in accordance with the NSW EPA's *Guidelines for Consultants Reporting on Contaminated Sites* that provides a clear statement that the land is suitable for the uses proposed by the Proposal or, if necessary, includes the detail on the remediation required to make the site suitable for the uses proposed by the planning proposal.
 - f. The applicant pays the fees for the processing of the planning proposal under the Queanbeyan-Palerang 2019-20 Operational Plan (complex planning proposal currently \$42,000), with a discount for the fee paid previously (\$1,613.50).
 2. Subject to a Gateway Determination being issued for the Bungendore East Planning Proposal (4610 Kings Highway Bungendore) and prior to the notification of the plan, Council require the landowners to enter into an undertaking that should remediation of the land be required, it will be carried out prior to the commencement of any work, to make it suitable for the land uses permitted by the Planning Proposal.
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6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East) (Author: Thompson/Hogg) (Continued)

Background

In 2015, the former Palerang Council received a planning proposal to rezone Lot 1 DP 747767, Lots 275, 279 and 273 DP 754915, Lots 7301 and 7302 DP 1168137 and Lot 1 DP 193988, No. 4610 Kings Highway Bungendore, from RU1 Primary Production to R2 Low Density Residential, R1 General Residential, SP2 Infrastructure and RE1 Public Recreation. This planning proposal became known as the Bungendore East planning proposal and covers land outlined in orange below.



Figure 1 – Location of Bungendore East Planning proposal

At its meeting on 3 December 2015 Council resolved (Minute No. 239/2015) that:

Council refer the planning proposal at Attachment 1 for the rezoning of Lot 1 DP 747767, Lots 275, 279 and 273 DP 754915, Lots 7301 and 7302 DP 1168137 and Lot 1 DP 193988, Kings Highway Bungendore from RU1 Primary Production (except Lots 7301 and 7302 DP 1168137 which are RE1 Public Open Space) to residential and associated land use zones to the Minister for Planning for a gateway determination in accordance with section 56 of the NSW Environmental Planning and Assessment Act 1979.

The planning proposal and supporting studies were subsequently forwarded to the then Department of Planning and Environment, however concerns were raised with the planning proposal, to which Council responded with an amended proposal (Attachment 1) in January 2016.

In December 2016, the Department advised (Attachment 2) that:

Insufficient information has been submitted to demonstrate the strategic merit of the proposed LEP amendment. Accordingly, until the above items, particularly in relation to a sustainable water supply and the Bungendore Structure Plan, are adequately addressed the Department does not support the issuing of a Gateway determination.

**6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)
(Author: Thompson/Hogg) (Continued)**

The Department further advised that:

Given amalgamations have occurred since the Palerang Council resolved to proceed with this proposal, it may also be appropriate to put the matter back to the new Council to ensure that it supports the proposal proceeding.

This report responds to that advice.

Outstanding Matters that Have Been Resolved

In its letter dated December 2016, the Department discussed three key outstanding matters of concern. Two of the issues have subsequently been addressed as follows:

Water Supply - The Department advised that it had significant concerns in relation to the ability to provide a sustainable water supply to service any future development that would result from the proposed amendment to the Local Environmental Plan. In 2018, Council prepared The Integrated Water Cycle Management Strategy – Palerang Communities (IWCMS), which was adopted at the Council meeting on 27 February 2019. The IWCMS notes that growth at Bungendore is most likely to be driven by major greenfield developments and population figures used within the document are based on a doubling of the population of Bungendore.

It is considered that the water supply issue has been adequately dealt with.

Demand and Supply/ Bungendore Structure Plan - The Department advised that despite the attempt to address the demand and supply of housing in Bungendore, the planning proposal remains inconsistent with the then S117 Direction 1.2 Rural Zones until it has strategic justification. Council recently completed work on the Bungendore Structure Plan 2048 which identifies short, medium and long term residential growth areas to accommodate predicted growth in the town. This plan was adopted by Council at its meeting on 26 February 2020 (Minute No. 041/20) and provides strategic justification for the Bungendore East planning proposal.

Outstanding Matters to be Resolved

With respect to the advice provided by the Department in 2016, there remains one additional outstanding matter relating to contamination. However, in the process of reviewing the proposal in preparation for it to be forwarded to the Department for a Gateway determination, further matters have arisen. The outstanding issues of concern are discussed below.

Remediation of Contaminated land - As noted above, the Department raised concerns about contamination on the land. While the SMEC report included in the planning proposal clearly states that there is a medium to high chance of contamination, it does not indicate whether the site is suitable for remediation. Furthermore the Department notes that the applicant does not indicate if they intend to remediate the site. This is an important issue given the proposal includes rezoning for residential and recreational land uses both of which fall into the most sensitive risk categories.

At the time of preparing the planning proposal, the *State Environmental Planning Policy No. 55 – Remediation of Land* (SEPP 55) was in force. The requirement in this SEPP for consideration of contamination in a planning proposal has since been repealed and replaced by a new Local Planning Direction 2.6 Remediation of Contaminated Land. This direction requires that

(b) if the land is contaminated, the planning proposal authority is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for all the purposes for which land in the zone concerned is permitted to be used, and

(c) if the land requires remediation to be made suitable for any purpose for which land in that zone is permitted to be used, the planning proposal authority is satisfied that the land will be so remediated before the land is used for that purpose.

**6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)
(Author: Thompson/Hogg) (Continued)**

A Stage 1 preliminary site assessment has already been carried out by SMEC. That study concludes that contamination of the site is likely but does not provide further detail as to its extent or how any contamination might be remediated.

The Department have requested that a more detailed Stage 2 investigation be carried out. This investigation will determine where contamination occurs, the extent and level of any contamination and needs to make a clear statement as to whether the contamination would make the land unsuitable for the proposed residential and recreational land uses. If the report confirms that the site is contaminated then a further remediation plan should be prepared describing how the site could be remediated and confirming that if the remediation is carried out the land will be suitable for the land uses proposed in the Planning Proposal. While not required in order to obtain a Gateway determination it is likely that the Proposal will not be able to be exhibited until the detailed site assessment and any resulting remediation plan have been prepared.

While it is not necessary to remediate the site as part of the Planning Proposal (this would normally be done during the development application phase), the Department has indicated that the applicant provide some certainty that they intend to remediate the site should the Planning Proposal be successful. It is suggested an appropriate agreement signed prior to notification/gazettal of the Planning Proposal could facilitate this commitment.

Crown Land - The planning proposal documentation indicates that Lots 7301 and 7302 DP 1168137 are included in the planning proposal, however this land is owned by The State of NSW. Furthermore these lots are not being devolved to Council. The location of the lots is shown in Figure 2 below outlined in red and orange.

The concern is that inclusion of these allotments may complicate the consultation process when seeking support from the Crown, unduly delaying consideration of the Proposal. In addition the two allotments are already zoned RE1 Public Recreation which is what is proposed for the land in the Planning Proposal in any case. As such they do not need rezoning. It is therefore recommend that the Planning Proposal be amended to remove these two lots.

6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East) (Author: Thompson/Hogg) (Continued)

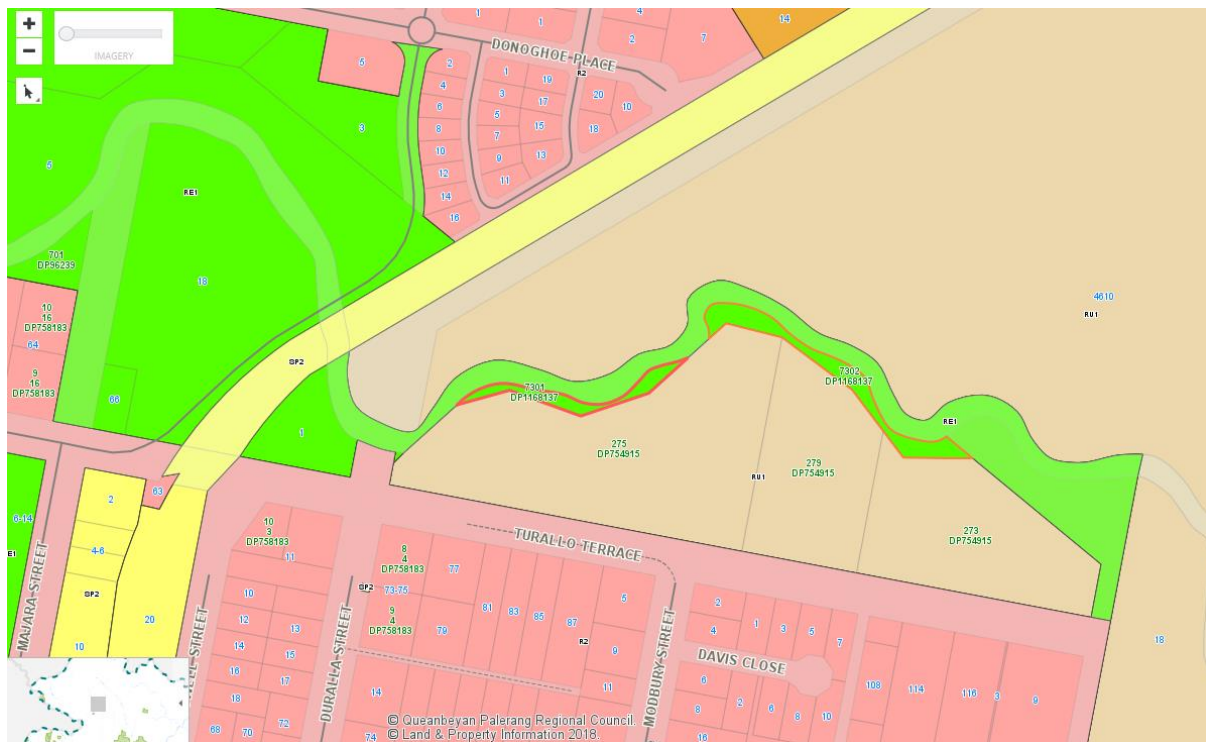


Figure 2 – Location of Crown Lots Adjacent to Turallo Creek

Fees and Charges - The planning proposal was lodged with the former Palerang Council in late 2015. At that time the applicable fees for the preparation of a Local Environmental Plan (rezoning) were:

- Administration costs per hour \$86.50
- Technical costs per hour \$237.00
- Inspection cost each \$199.50
- Minimum Charge \$1,613.50

The planning proposal was lodged with a receipt for the minimum charge of \$1,613.50, and no further fees have been paid. It should be noted that the Bungendore East planning proposal is a complex proposal involving a new land release and has required ongoing correspondence with the Department, discussions with the applicant and the preparation of multiple reports to Council. This was also recognised in the original December 2015 report which raised the option of the developer funding a planning consultant to work with Council on the project.

The Queanbeyan-Palerang 2019-20 Operational Plan states that the fee to process a complex planning proposal (New Land Release) is currently \$42,000 for the first 280 hours with an additional cost of \$158 per hour in excess of the initial 280 hours.

Two options exist regarding the ongoing fees and charges for processing this Planning Proposal. Option one, continue with the Palerang Council fee structure and charge the applicant the hourly rates as listed above, commencing from the time Council resolves the matters identified in this report. This option requires strict accounting of time spent on the planning proposal by all staff involved and regular and ongoing invoicing and is not the preferred option.

The second option is to apply the current published fee structure of the Queanbeyan-Palerang Operational Plan 2019-2020 for a complex rezoning being currently \$42,000 upfront for 280 hours. As the planning proposal has not yet received a Gateway determination it is

6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)
(Author: Thompson/Hogg) (Continued)

appropriate to charge the applicant for the full number of hours, being 280 hours (discounted by the fee paid in 2015) required to process the planning proposal. This option requires accounting of time spent on the proposal by staff, but does not require the ongoing invoicing (for the initial 280 hours) as per option one. This second option is preferred for the reasons stated above.

Bungendore Structure Plan 2048 (Proposed Zoning, Lot Size and Height of Buildings) - The planning proposal seeks to rezone approximately 16% of the site to R1 General Residential zone with a minimum lot size of 450m² and a minimum average lot size of 330m² for multi-unit dwellings (refer p 361 of Attachment 1 – Planning Proposal). Multi dwelling housing is permissible with consent in the R1 General Residential zone under the *Palerang Local Environmental Plan 2014*.

The existing PLEP provides for R1 General Residential zone in Bungendore in three pockets of land within the central core of the village and adjoins land zoned B2 Local Centre or B4 Mixed Use and provides increased density close to the services and facilities of the village centre. The application of the R1 General Residential zone and accompanying minimum lot size of 330m² – 450m² on the outer edges of the village is not consistent with the existing pattern of land use application and sets an undesirable precedent for future residential development along Bungendore's northern boundary. Furthermore, the proposal is not consistent with the key development principles of the Bungendore Structure Plan including the following, which states that:

Medium density dwellings should be located within one kilometre of the centre of Bungendore.

The land subject to the planning proposal is located on the edge of the current village boundary, and is approximately 1.5km (direct line) from the village centre.

The proposed application of the R1 General Residential zone and accompanying proposed minimum lot size of 330m² – 450m² is not supported and it is recommended that the planning proposal be amended to remove the proposed R1 General Residential zone and proposed lots with a minimum lot size of less than 850m².

In addition the planning proposal indicates that the Height of Buildings map is to be amended from the current 10m height limit. The colours on the map in the Proposal representing both an 8.5m and 9.0m height limit are very similar. As such it is difficult to determine whether the intention is to support an 8.5m or 9.0m height limit. Council should support an 8.5m limit which is consistent with the adjoining residential areas and would allow most forms of two storey construction. It is recommended that the mapping in the Planning Proposal clearly depicts the proposed height limit utilising the standard combination of colour and letters used in the PLEP.

Also related to the zonings proposed in the Planning Proposal is the current inclusion of the SP2 Infrastructure zone to accommodate community facilities and schools. Since 2015 when it was resolved to progress the planning proposal, the *State Environmental Planning Policy (Educational Establishments and Childcare Facilities) 2017* has come into force. This SEPP overrides the provisions of LEPs and permits schools in a range of land use zones including R2 Low Density Residential. As such, including the SP Infrastructure zone to allow for a school is unnecessary and is recommended to be removed. Indeed, NSW Education is understood to have rejected the site as suitable for a potential high school.

Further Studies to be Completed

In addition to the above the original report to Council's meeting of 3 December 2015 (Item No 11.9) identified 8 further studies that may need to be undertaken were flagged. These included the following (with some being subject to further discussions with various government agencies):

**6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)
(Author: Thompson/Hogg) (Continued)**

1. A network analysis and report outlining the methods proposed (and ability) to provide potable water flows and water pressure to comply with service levels for the whole site (and possibly for the northern property).
2. A network analysis and report outlining the methods proposed to connect to the sewerage reticulation system. Future growth needs to the north should be considered in this assessment.
3. Flood impact assessment in compliance with the Floodplain Development Manual and including considerations of cumulative impacts and emergency evacuation routes.
4. Further traffic impact assessment.
5. More detailed Bushfire assessment (depending on discussions with the RFS).
6. Further Flora and Fauna studies (depending on discussions with the Office of Environment and Heritage).
7. Heritage (depending on discussions with the Office of Environment and Heritage).
8. Suitability of the soils for residential development

However, these studies do not need to be completed prior to the Gateway determination being granted. In fact the issue of Gateway determination will provide guidance around the extent and the nature of any final studies to be undertaken.

Implications***Legal***

This planning proposal seeks to amend the *Palerang Local Environmental Plan 2014*.

Policy

The Department of Planning, Industry and Planning required that strategic justification be provided to support the planning proposal. The Bungendore Structure Plan 2048 has recently been adopted by Council and identifies land at Bungendore East for future residential growth.

Environmental

The planning proposal includes an assessment of the environmental, social, economic and infrastructure impacts.

Strategic

As discussed above, the proposal is currently inconsistent with the objectives of the Bungendore Structure Plan 2048. It is proposed that the planning proposal be amended to demonstrate consistency with the Bungendore Structure Plan prior to a request for a Gateway determination being lodged. This Planning Proposal will amend the *Palerang Local Environmental Plan 2014*.

Engagement

If the planning proposal is progressed, various government agencies and the community will be consulted in accordance with the Gateway determination and Council's Community Engagement and Participation Plan.

Financial

The cost to Council in staff time to process planning proposals is included in the current Land-Use Planning budget and recouped through the fees and charges of the Operational Plan. As

6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East) (Author: Thompson/Hogg) (Continued)

discussed above the planning proposal was lodged with receipt for the minimum charge of \$1,613.50, and no further fees have been paid.

The current published fee structure of the Queanbeyan-Palerang Operational Plan 2019-2020 for a planning proposal of this nature (complex rezoning) is currently \$42,000 upfront for 280 hours. It is recommended that as the planning proposal has not yet received a Gateway determination it is appropriate to charge the applicant for the full number of hours, being 280 hours with the discount of the \$1,613.50 fee paid in 2015.

Resources (including staff)

Resources have involved staff preparing the planning proposal for the initial request for a Gateway determination, responding to initial concerns raised by the Department, reviewing the planning proposal in conjunction with the Bungendore Structure Plan 2048 and preparing Council reports.

Integrated Plan

The review and report on planning proposals falls within the program area of the Land-Use Planning Branch.



Conclusion

The planning proposal, known as Bungendore East, to rezone Lot 1 DP 747767, Lots 275, 279 and 273 DP 754915, Lots 7301 and 7302 DP 1168137 and Lot 1 DP 193988, No. 4610 Kings Highway Bungendore, from RU1 Primary Production to R2 Low Density Residential, R1 General Residential, SP2 Infrastructure and RE1 Public Recreation, was previously reported to the former Palerang Council at its meeting of 3 December 2015. There it was resolved to forward the planning proposal to the Department requesting a Gateway determination.

Although additional information was provided in response to requests by the Department, the Department advised that it did not support the issue of a Gateway determination. Further it was recommended that the matter be resubmitted to Council for determination as to whether Council continued to support the planning proposal.

Outstanding matters regarding water supply and the strategic merit of the proposal (Bungendore Structure Plan) have now been addressed. However, the remediation of contaminated land is still outstanding together with a number of additional matters, including fees paid and inconsistency with the objectives of the Bungendore Structure Plan following its adoption. It is recommended that subject to these matters being addressed beforehand Council support forwarding the planning proposal to the Department with a request for a Gateway determination.

Attachments

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| Attachment 1 | East Bungendore Planning Proposal - Revision 1 (<i>Under Separate Cover</i>) |
|  | |
| Attachment 2 | Department Planning Industry and Environment Response to Request for Gateway Determination (<i>Under Separate Cover</i>) |
|  | |

Title / Description	Prepared by	Issue/Revision & Date	Date received by Council
Site Plan	G. Harlor	May 2020	May 2020
Elevations & Sections	G. Harlor	May 2020	May 2020
Roof Plan	G. Harlor	May 2020	May 2020
Floor Plan	G. Harlor	May 2020	May 2020

except as modified by any of the following conditions of consent.

Reason: To ensure development is undertaken in accordance with this consent and is used for the approved purpose only.

The resolution was carried unanimously.

Cr Schweikert declared an interest in the following item.

During discussion Cr Winchester joined the meeting at 6.00pm.

6.3 Planning Proposal - 4610 Kings Highway Bungendore (Bungendore East)

PLA070/20

RESOLVED (Schweikert/Biscotti)

That:

1. Council support the Bungendore East planning proposal to rezone Lot 1 DP 747767, Lots 275, 279 and 273 DP 754915 and Lot 1 DP 193988, No. 4610 Kings Highway Bungendore, from RU1 Primary Production to R2 Low Density Residential and RE1 Public Recreation, subject to the following actions being completed before the Planning Proposal is forwarded to the NSW Department of Planning, Industry and Environment requesting a Gateway Determination:
 - a. Amend the planning proposal to remove the Crown land Lots 7301 and 7302 DP 1168137.
 - b. Amend the Planning Proposal to remove the SP2 Infrastructure zone and R1 General Residential zone.
 - c. Present a further report to Council on options for a range of lots sizes to specify in the Planning Proposal.
 - d. Amend the Planning Proposal to specify that the height of buildings shall be a maximum of 8.5m.
 - e. Include in the Planning Proposal a Stage 2 Site Contamination report prepared in accordance with the NSW EPA's Guidelines for Consultants Reporting on Contaminated Sites that provides a clear statement that the land is suitable for the uses proposed by the Proposal or, if necessary, includes the detail on the remediation required to make the site suitable for the uses proposed by the

planning proposal.

- f. The applicant pays the fees for the processing of the planning proposal that would have applied under the former Palerang Council Fees and Charges, indexed to the current financial year.
2. Subject to a Gateway Determination being issued for the Bungendore East Planning Proposal (4610 Kings Highway Bungendore) and prior to the notification of the plan, Council require the landowners to enter into an undertaking that should remediation of the land be required, it will be carried out prior to the commencement of any work, to make it suitable for the land uses permitted by the Planning Proposal.

For: Crs Biscotti, Overall, Schweikert and Taylor

Against: Crs Harrison, Marshall and Winchester

Cr Schweikert declared an interest in the following item.

6.4 Amendments to Development Control Plans

PLA071/20

RESOLVED (Harrison/Schweikert)

That:

1. The report be noted.
2. Council agree to staff taking all necessary actions to update and exhibit all Development Control Plans as set out in this report.

The resolution was carried unanimously.

Cr Schweikert declared an interest in the following item.

6.5 Stage 1 Review of Contribution Plans for Bungendore

PLA072/20

RESOLVED (Marshall/Harrison)

That Council:

1. Endorse the draft amended Bungendore Section 7.11 Contributions Plan No. 8 – Provision of Pathway Network (formerly known as the Palerang Council Plan No 8 For Provision of Pathway Network at Bungendore) for public exhibition.
2. Endorse the draft amended Bungendore Section 7.11 Contributions Plan No. 9 – Street Upgrading (formerly known as the Palerang Council Plan No 9 For Street Upgrading at Bungendore) for public exhibition.
3. Adopt the draft amended Bungendore Section 7.11 Contributions Plan No. 8 – Provision of Pathway Network, subject to no submissions being received during the exhibition period.
4. Adopt the draft amended Bungendore Section 7.11 Contributions Plan No. 9 – Street Upgrading, subject to no submissions being received during the exhibition period.

The resolution was carried unanimously.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes
(Author: Thompson/Hogg)

File Reference: PJT0061

Summary

The purpose of this report is to present four options in relation to providing diversity of residential lot sizes for the planning proposal at 4610 Kings Highway, Bungendore (also known as the Bungendore East planning proposal). This follows from part of Council's resolution at its Planning and Strategy Committee Meeting of 10 June 2020.

Recommendation

That Council adopt Option 1 to retain the minimum lot size of 850m² on the proposed R2 Low Density Residential zoned land in the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal).

Background

The planning proposal to rezone land and to allow residential subdivision of 4610 Kings Highway, Bungendore (Bungendore East) was considered at the Planning and Strategy meeting on 10 June 2020 where it was resolved (PLA070/20) in part that:

1. *Council support the Bungendore East planning proposal to rezone Lot 1 DP 747767, Lots 275, 279 and 273 DP 754915 and Lot 1 DP 193988, No. 4610 Kings Highway Bungendore, from RU1 Primary Production to R2 Low Density Residential and RE1 Public Recreation, subject to the following actions being completed before the Planning Proposal is forwarded to the NSW Department of Planning, Industry and Environment requesting a Gateway Determination:*
 - c. *Present a further report to Council on options for a range of lots sizes to specify in the Planning Proposal.*

This report responds to item 1c of the Council resolution and provides the context as well as four options for consideration.

In considering the options for lot sizing for inclusion in the Bungendore East planning proposal, the outcomes have been based on the amount of land that can be potentially be utilised for residential development. This is referred to as the Net Residential Area (NRA). There is some discrepancy between the area of NRA nominated in the Bungendore Structure Plan 2048 (BSP) and the NRA nominated by the proponent. To ensure consistency when considering the options the proponent's figure of 50.4ha NRA has been utilised for all calculations in this report. These can be found on Page 3 of Attachment 2.

Ultimately, the final NRA and lot yield will be dependent on the result of further site specific studies and variations to subdivision design including road design and layout. While the options in this report provide an indicative lot yield for comparison purposes, it is the proportion of land set aside for each lot size which ultimately needs to be incorporated into the planning proposal.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

Option 1 in this report reflects the previous recommendation from staff that the minimum lot size put forward in the planning proposal be 850m².

The Proponent's consultant has made two submissions in support of their preferred option (Attachments 1 and 2) which has been nominated in this report as Option 2. Both cover similar ground though Attachment 2 adds to Attachment 1 by outlining reasons to support a minimum lot size of 450m², outlining the design reasons for selecting 450m² as well as locational principles to be applied to the 450m² lots. In addition Attachment 2 includes a statement of support from a local property agent. Attachment 2 was submitted after a remote meeting with staff on 19 June 2020.

Options 3 and 4 are alternate options developed by staff for Council's consideration.

Options

In order to consider the options on the same basis, a NRA of 50.4ha from the proponent's submissions is used. These options are discussed in greater detail below.

Option 1 – Retain the minimum lot size of 850m² recommended in the original recommendation

Option 1 provides for a minimum lot size (MLS) of 850m² to be applied to land proposed to be rezoned to R2 Low Density Residential and is consistent with maintaining the rural character of Bungendore as well as the minimum that was applied to the land recently rezoned to R2 Low Density Residential at North Bungendore.

Key factors:

- A minimum of 850m² for urban release areas is recognised in the adopted BSP as retaining the existing low density character of the village.
- Ensures consistency with the implemented planning controls adopted in the BSP as well as anticipated lot yields.
- This option supports the expectation that the R2 Low Density Residential zone should be used on the outskirts of the urban area and reinforces the intention, location and objectives of the R1 General Residential zone that should be in close proximity to areas zoned Zone B2 where varying dwelling types and densities are best placed close to Village services.
- Ensures consistency with existing long established standards applicable within the village.
- The application of a MLS does not preclude a variety in lot sizes in Bungendore as a whole, as demonstrated within both the existing Bungendore village and Elmslea, which have a wide range of lot sizes typically ranging from 500m² through to 3500m² despite being subject to a MLS of 450m² under the *Yarrowlumla Local Environmental Plan 2002* and 850m² under the *Palerang Local Environmental Plan 2014*.
- The North Elmslea planning proposal included a MLS of 850m² and indicated that a range of lot sizes would be considered during the development assessment process, with larger lots located on steeper sections of the site and smaller lots (down to 850m²) located on flatter land.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

Option 2 – Lot size mix from 450m² to 1000m² controlled by percentage (Proponent/Consultants' option)

Option 2 (Attachments 1 and 2) has been provided by the proponent's consultant and proposes a lot size mix ranging from 450m² to 1000m² where this is managed through a MLS of 850m² together with a variation clause that permits a maximum of 20% of lots to have an area down to 450m². The Proponent's consultant has provided information (refer to Attachments 1 and 2 for the full submission) supporting lot sizes of less than 850m² which detail the following:

Key factors:

- The basis for a variety of lot sizes is to enable first home buyers, single parents, lower income key workers and downsizers to enter the Bungendore market and enjoy the lifestyle that the area offers its existing residents.
- The delivery of a residential community with a minimum lot size of 850m² equates to a land and housing consideration in the order of \$700,000+.
- Downsizers probably derive from Wamboin and Bywong and prefer to stay within area.
- Provides for a broader socio-economic mix.
- Proximity of Bungendore to employment and services and facilities in Queanbeyan and Canberra.
- Reasonably short travel times to Goulburn and Sydney.
- Research into lot sizes indicates the national average is now 450-500m².
- A Domain Group economist has been quoted as saying smaller blocks keep new house and land packages affordable.
- Identification of design reasons for selecting a minimum of 450m².
- Identification of locational principles to be applied to minimum of 450m² lots.

Option 3 – Mapped Minimum Lot Sizes between 450-1000m²

This option proposes using the LEP to map MLS of 450m², 600m², 850m² and 1000m² over the proposed R2 Low Density zoned land. This option proposes the greatest range of lot sizes for the site and the highest percentage of both larger lots (MLS of 1000m²) and the largest percentage of smaller lots (MLS smaller than 850m²).

Key factors:

- Provides the greatest variation of minimum lot sizes.
- Provides the highest percentage of lots of 1000m² to retain general character of openness and rural.
- Overall number of lots consistent with the application of a minimum lot size of 850m² across the site.
- Removes flexibility of the location of lot sizes based on local constraints and attributes.
- Would require significant work to justify and identify the location of the different lot sizes and where the boundaries between the lot sizes should occur.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

Option 4 – Inclusion of R3 Medium Density Residential zoned land

This option considers rezoning part of the site to R3 Medium Density Residential together with the proposed R2 Low Density Residential. For the purpose of calculating yields for R3 zoned land a figure of 300m² per strata lot has been used. This was derived from Clause C2.3.6 of the Palarang DCP which sets out various minimum lot densities for small, medium and large residential units. These range from 150m² to 450m² depending on the size of the dwelling, so an average density of 300m² has been adopted. This option requires that part of Minute No. PLA070/20 be rescinded and a change made to reflect the inclusion of the R3 zoned land.

Key factors

- Rezone 10% of the site to be R3 Medium Density Residential.
- R3 Medium Density zoning is a mechanism that is clearly understood by the community, therefore the planning intent for the area is clear.
- R3 zoning allows for multi dwelling housing development and therefore a greater diversity of housing product. Multi-Unit Dwellings or Residential Flat Buildings present the only real possibility for affordable housing.
- Rezoning part of the site to R3 Medium Density provides for the opportunity of multi-dwelling houses and provides for increased density on the site (i.e. greater number of final dwellings).
- Would require significant work to justify and identify the location of the R3 Medium Density Residential zone.

The table below summarises the percentages of MLS for each of the four options based on the Proponents consultant's NRA of 50.4ha:

Option	450m ²	600m ²	850m ²	1000m ²	Indicative total lots
Option 1 <i>850m² minimum</i>	-	-	100% (592 lots)	-	592
Option 2 <i>Lot size mix from 450m² to 1000m² controlled by percentage</i>	9% * (100 lots)	-	81% * (480 lots)	10% * (50 lots)	630
Option 3 <i>Mapped Minimum Lot Sizes between 450-1000m²</i>	8% (89 lots)	8% (67 lots)	68% (403 lots)	16% (80 lots)	639
Option 4 R3 Medium Density residential zoning	10% @ 300m ² per strata lot created (168 lots)		70% (415 lots)	20% (100 lots)	683

* Note that percentages in table above vary from those provided in Attachments 1 and 2, but total lot numbers remain the same.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

Strategic***Affordable housing***

- The suburb profile on the Domain website indicates that the median house price of a 4 bedroom house in Wamboin and Bywong is \$950,000, while the median house price for a 4 bedroom house in Bungendore is \$720,000.
- A range of housing options are already permissible under the R1 General Residential land use zone which is located close to the centre of the village. There are still many opportunities in this area to create more affordable smaller lot sizes which are yet to be taken up. As such it is not considered that additional lot size options beyond the current village are required.
- Options for small lot residential development exist, and are more appropriately located, elsewhere within the LGA.
- The subject site is not within reasonable walking distance of the services and facilities provided within Bungendore, therefore vehicular transport is required to access services. The location of affordable housing should consider the cost of transport required to access services and facilities.
- It's preferable to locate higher densities close to the services, facilities and greater transport options near the centre of the village.

Yield

- The lot yield for Options 2, 3 and 4 represent a significantly higher yield than would likely be achieved if a minimum lot size of 850m² applied across the net residential area.
- The lot yield in Option 2 represents a higher density than supported during previous community consultation on North Elmslea planning proposal, the Bungendore Structure Plan and the *Palerang Local Environmental Plan 2014* when the 850m MLS was brought in to replace the 450m minimum from the *Yarrowlumla Local Environmental Plan 2002*.

Bungendore Structure Plan

- Small lot residential development is not consistent with the future vision for Bungendore as stated in the BSP and includes a desired future character where "development is generally of a low density with buildings well separated". It would likely be perceived as a tremendous loss of faith in Council's planning controls if in the first instance the BSP is tested Council does not support the endorsed Plan.
- The Discussion Paper (p17) supporting the BSP identifies the area subject to the planning proposal at 4610 Kings Highway and indicates that development on the site provides 327 dwellings (yield of 10 dwellings/Ha). Option 2 provides for 630 dwellings and is a significant variation from numbers within the Discussion paper which provided the basis for the future residential land identified in the BSP. The indicative lot yields were used to determine the amount of land required to be identified for the period to 2048 and reflect higher growth than anticipated.
- Options 2, 3 and 4 set an undesirable precedent for future residential development in Bungendore, with higher densities located on the outer fringe of the existing village.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

- Council's previous experience with building on smaller 450m² lots in Googong is that purchasers do not adjust the size of the dwelling they wish to build to reflect the block size. In many cases they simply put the same house they would put on a 600m² block on a 450m² block because the land is less costly. As such, Options 2 and 3 may require additional DCP controls to ensure that smaller houses are built on the smaller lots and retain the rural feel and spaciousness of country village.
- In order to protect the character of the village, Option 4 may require a minimum area for multi-unit dwellings.

Management of the Outcome

- The standard instrument intent includes making LEP instruments consistent and simpler to navigate and implement. The options presented do not all result in simple to understand controls and some require further work to avoid the need for future LEP amendments to cater for detailed site review and subdivision design.
- Option 1 provides a simple solution that achieves the community expectation for new housing development in Bungendore as articulated in the Structure Plan and the Lot size map displays this intent clearly and provides flexibility for the location of lots larger than 850m². This should be supported by a masterplan or further criteria to identify appropriate location amenity and character. If Council were to pursue this option the appropriate motion would be:

That Council adopt Option 1 to retain the minimum lot size of 850m² on the proposed R2 Low Density Residential zoned land in the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal).

- Option 2 provides a layered solution that will show MLS as 850m² and provides a variation by way of 20% within the LEP instrument. This leaves the location of and exact quantum flexible for the developer and uncertain for the community. If Council were to pursue this option the appropriate motion would be:

That Council adopt Option 2 to retain the minimum lot size of 850m² with the addition of a variation clause in the LEP to allow up to 20% of the identified residential zoned area to be subdivided into lots between 450m² and 850m², noting that further work on the location and or the criteria for the location of the smaller lots is required prior to the Gateway request for the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal).

- Option 3 provides simplicity in the MLS by mapping the range of lot sizes anticipated by the development. This requires work and clarity of where the different lot sizes should be located to avoid the need to do subsequent LEP amendments to accommodate a subdivision design that responds to the site specific attributes and constraints of the land that will be fully realised at the detailed design stage. If Council were to pursue this option the appropriate motion would be:

That Council adopt Option 3 to map Minimum Lot Sizes of 450m², 600m², 850m² and 1000m² over the proposed R2 Low Density Residential zoned land, noting that further work on the location of the four MLS areas will be required prior to the Gateway request for the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal).

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

- Option 4 provides simplicity by clearly identifying by zone where the medium density residential development may be offered and MLS is thus less than 850m². To identify the location and area where the R3 zone should be located would require further work to ensure the location is suitable and appropriate given the site attributes, constraints and the desired future amenity and character for the residential development. If Council were to pursue this option the appropriate motion would be:

That Council adopt Option 4 to include rezoning part of the site to R3 Medium Density Residential together with the proposed R2 Low Density Residential, noting that further work on the location of the R3 zone is required prior to the Gateway request for the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal).

Summary Table

The table below compares the options as discussed above:

Attributes	Option 1	Option 2	Option 3	Option 4
Number of potential Lots	592	630	639	683
Consistent with Bungendore Structure Plan 2048 – desired future character	Yes	No	No	No
Consistent with Bungendore Structure Plan 2048 - no precedent set for small lots on fringe of existing village	Yes	No	No	No
Clarity of development intent	Yes	No	No	Yes
Overall density (lot yield) generally consistent with village	Yes	No	No	No
Affordable housing opportunities	No	No	No	Yes
Flexibility of design at subdivision stage	Yes	No	No	No
Straightforward solution (minimal additional work required)	Yes	No	No	No
Total score (No. of Yes)	6	0	0	2

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

Preferred Option

Option 1 is consistent with the development principles stated in the BSP which states that medium density dwellings are located within one kilometre of the centre of Bungendore, and therefore avoids setting a precedent for small lots in new residential areas located on the edges of Bungendore village. This option is also consistent with the desired future character of the village being “...and there is a strong sense of rural living and space”. Furthermore, Option 1 does not preclude variation in lot size occurring in Bungendore as a whole as demonstrated by development both within the village and at Elmslea where a variety of lot sizes exist with a MLS of 850m².

Option 1 achieves the highest number of positive attributes and is the preferred option.

Implications***Legal***

This planning proposal seeks to amend the *Palerang Local Environmental Plan 2014* and is required to follow the requirements set out in the *Environmental Planning and Assessment Act 1979*.

Engagement

If the planning proposal is progressed, various government agencies and the community will be consulted in accordance with the Gateway determination and Council's Community Engagement and Participation Plan.

Resources (including staff)

The cost of staff time to progress the planning proposal for 4610 Kings Highway, Bungendore are allocated to the project cost code and invoices are to be forwarded to the property owner. The fees are in accordance with the operational plan in place at the time of lodgement as resolved on 10 June 2020.

Integrated Plan

The review and report on planning proposals falls within the program area of the Land-Use Planning Branch.

Conclusion

This report has presented and reviewed four options in relation to achieving a variety of minimum lot sizes (MLS) for the planning proposal for 4610 Kings Highway Bungendore (Bungendore East). The options are:

1. Option 1 proposes a single minimum lot size of 850m² be applied across proposed R2 Low Density Residential zone.
2. Option 2 put forward by the Proponent's consultant considers three MLS of 450m², 850m² and 1000m².
3. Option 3 presents the greatest range of MLS with 450m², 600m², 850m² and 1000m².
4. Option 4 considers rezoning 10% of the site to R3 Medium Density Residential land use zone with the remainder of the site having a MLS of 850m², and 1000m².

The preferred Option 1 is consistent with the objectives of the BSP 2048. The other options are not in accordance with the strategic direction for future residential areas and desired character as identified and articulated in the recently adopted BSP. Progressing Options 2, 3 and 4 would represent a departure from this Structure Plan and subsequently erode its value

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes (Author: Thompson/Hogg) (Continued)

to guide the future growth of Bungendore. It is difficult to justify disregarding the principles of the BSP when this is the first real test of the endorsed planning controls.

Options 2, 3 and 4 conflict with the guiding development principles as stated in the Bungendore Structure Plan 2048 and are not in-keeping with the desired future character of the village. Other than Option 4 none of the other Options lend themselves to providing affordable housing. Even at 450m² most house and land packages will be over \$500,000 and out of the range of lower income earners. Affordable housing is most desirably placed within close proximity to services, including transport options and the facilities of the village centre. This opportunity exists within the R1 General Residential zone which still has many opportunities to meet any demand for affordable housing in Bungendore. Options, 2, 3 and 4 also set a precedent for small lot development on the edge of the existing village.

As discussed above, Option 1 does not preclude a variety of lot sizes as demonstrated by existing development including at Elmslea where a variety of lot sizes exist with a MLS of 850m². Option 1 is also the most consistent with the desired future character and development principles of the Bungendore Structure Plan 2048, community expectations and does not set an undesirable precedent for future residential development and is therefore the preferred option.

Attachments

Attachment 1 17 June - Proponents/consultants submission (*Under Separate Cover*)



Attachment 2 26 June - Proponents/consultants submission (*Under Separate Cover*)



6.2 DA.2020.1104 - Erection of a Dwelling - 82 Wickerslack Lane, Googong

Recommendation

That Development Application DA.2020.1104 for the erection of a dwelling on Lot 10 DP 220189, 82 Wickerslack Lane, Googong, be deferred to the August Planning and Strategy meeting, seeking further information on the driveway and drainage.

6.3 Bungendore East Planning Proposal - Options for a Range of Lot Sizes

MOVED (Schweikert/Hicks)

That Council:

1. Adopt Option 2 to retain the minimum lot size of 850m² with the addition of a variation clause in the LEP to allow up to 10% of the identified residential zoned area to be subdivided into lots between 450m² and 850m², noting that further work on the location and or the criteria for the location of the smaller lots is required through a variation to the DCP supported by site specific studies.
2. Endorses the preparation of a planning proposal to progress towards gateway determination.

During discussion, Cr Marshall foreshadowed a CONTRARY motion: ["That Council adopt Option 1 to retain the minimum lot size of 850m² on the proposed R2 Low Density Residential zoned land in the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal)"].

The motion (of Crs Schweikert and Hicks) was PUT and LOST.

For: Crs Hicks and Schweikert

Against: Crs Biscotti, Harrison, Marshall and Overall

The foreshadowed motion (of Cr Marshall) was brought forward, seconded by Cr Harrison, PUT and CARRIED.

PLA089/20

RESOLVED (Marshall/Harrison)

That Council adopt Option 1 to retain the minimum lot size of 850m² on the proposed R2 Low Density Residential zoned land in the planning proposal for 4610 Kings Highway, Bungendore (Bungendore East planning proposal).

The resolution was carried unanimously.