



PLANNING PROPOSAL

**Proposed amendment to Port Stephens
Local Environmental Plan 2000:**

Wallalong Urban Release Area

2013

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Introduction

This Planning Proposal has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act 1979. It explains the intended effect of, and justification for, a proposed amendment to the Port Stephens Local Environmental Plan 2000 and draft Port Stephens Local Environmental Plan 2013 to establish the strategic merit for an urban release area on approximately 620 hectares of land at Wallalong shown in Figure 1 Location Plan. A description of the land is provided in Table 1 Wallalong Urban Release Area Property Descriptions.

Figure 1 Location Plan

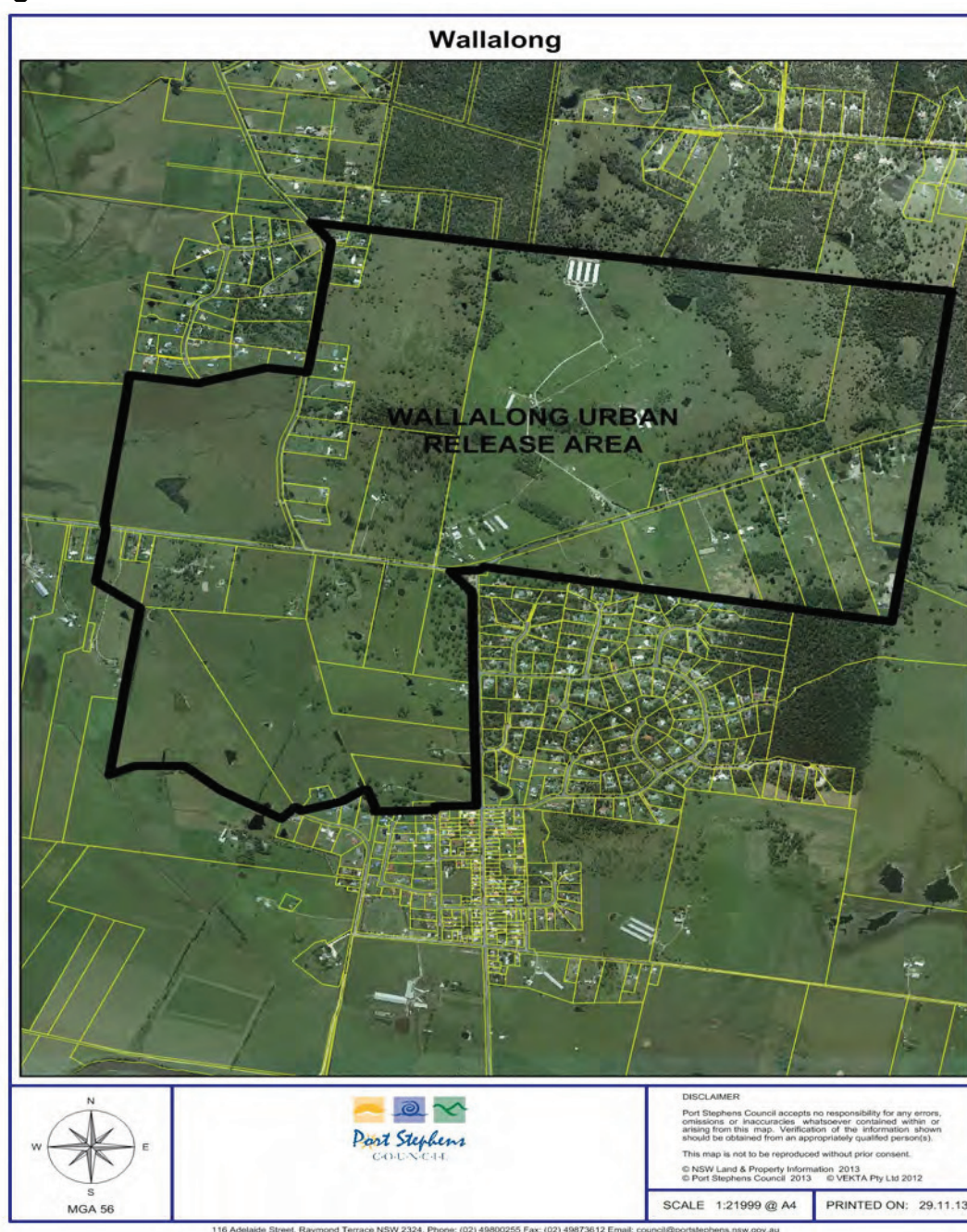
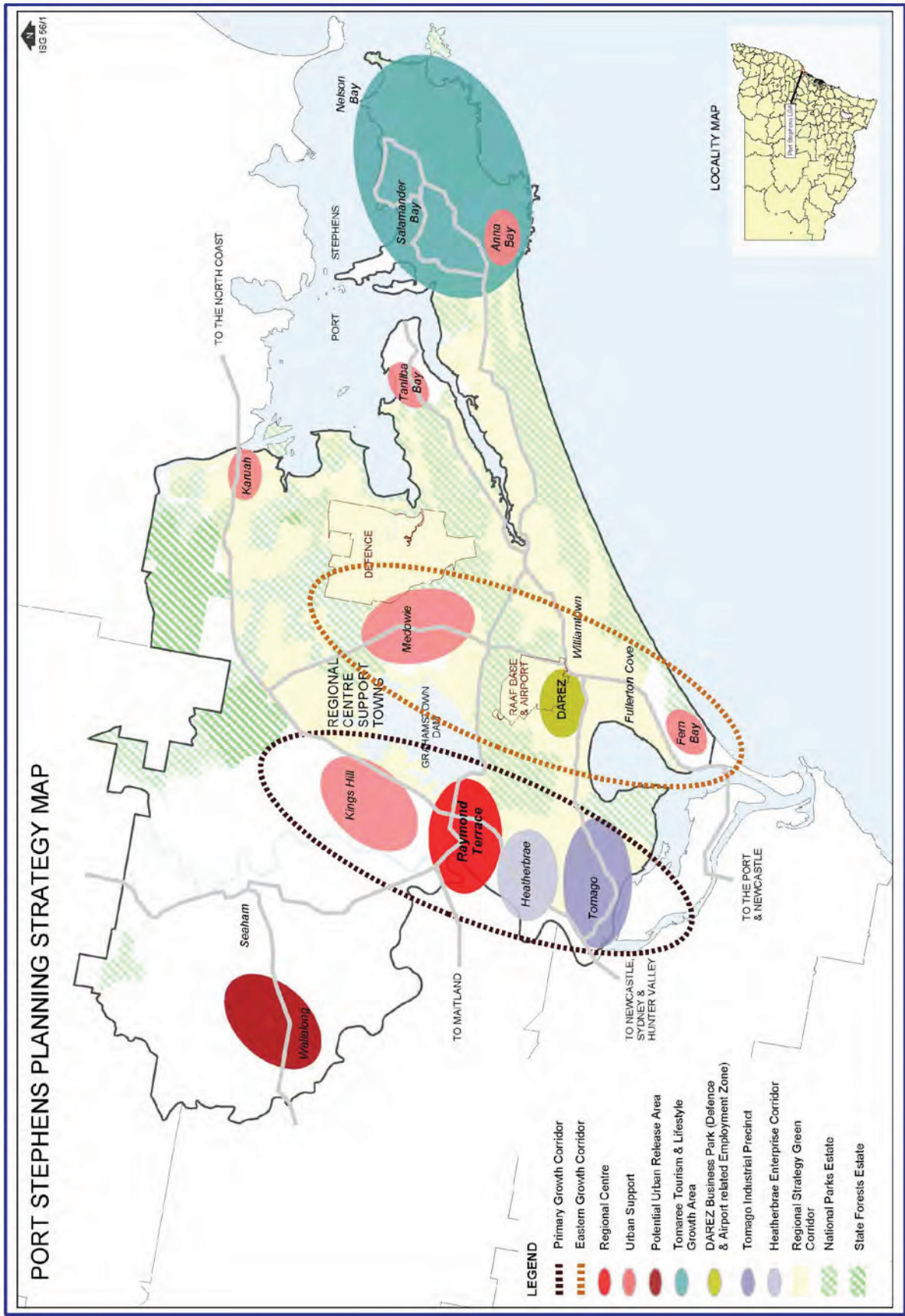


Table 1: Wallalong Urban Release Area Property Descriptions

Lot and DP	Street Address
Lot 91 DP 864438	154 Butterwick Rd Woodville
Lot 92 DP 864438	150 Butterwick Rd Woodville
Lot 1 DP 869830	146 Butterwick Rd Woodville
Lot 2 DP 869830	140 Butterwick Rd Woodville
Lot 5 DP 869830	104 Butterwick Rd Woodville
Lot 3 DP 869830	96 Butterwick Rd Woodville
Lot 4 DP 869830	94 Butterwick Rd Woodville
Lot 102 DP 842566	78 Butterwick Rd Woodville
Lot 101 DP 842566	68 Butterwick Rd Woodville
Lot 111 DP 816336	58 Butterwick Rd Woodville
Lot 112 DP 816336	50 Butterwick Rd Woodville
Lot 3 DP 1040823	36 Butterwick Rd Woodville
Lot 4 DP 1040823	567 Clarence Town Rd Woodville
Lot 1 DP 1040823	32 Butterwick Rd Woodville
Lot 2 DP 1040823	16 Butterwick Rd Woodville
Lot 2 DP 1034730	3 Butterwick Rd Woodville
Lot 51 DP1069432	599 Clarence Town Rd Woodville
Lot 52 DP 1069432	709 Clarence Town Rd Woodville
Lot 2 DP 835472	743 Clarence Town Rd Woodville
Lot 17 DP 250648	794 Clarence Town Rd Woodville
Lot 16 DP 250648	784 Clarence Town Rd Woodville
Lot 15 DP 250648	756 Clarence Town Rd Woodville
Lot 14 DP 250648	754 Clarence Town Rd Woodville
Lot 13 DP 250648	724 Clarence Town Rd Woodville
Lot 12 DP 250648	712 Clarence Town Rd Woodville
Lot 11 DP 250648	684 Clarence Town Rd Woodville
Lot 10 DP 250648	652 Clarence Town Rd Woodville
Part of Lot 3 DP 1009098	468 Clarence Town Rd Woodville
Lot 2 DP 1009098	470 Clarence Town Rd Woodville
Lot 21 DP514987	478 Clarence Town Rd Woodville
Lot 12 DP 589434	494 Clarence Town Rd Woodville
Lot 3 DP 250665	548 Clarence Town Rd Woodville
Lot 4 DP 250665	556 Clarence Town Rd Woodville
Lot 5 DP 250665	580 Clarence Town Rd Woodville
Lot 6 DP 250665	157 High St, Wallalong
Lot 7 DP 250665	147 High St Wallalong
Lot 222 DP 1083907	137 High St Wallalong
Lot 91 DP 1167540	127 High St Wallalong
Lot 221 DP 1083907	102 Clarence St Wallalong
Lot 90 DP 1167540	21 Scott Street Wallalong
Lot 21 DP 1082748	100 Clarence Street Wallalong

Figure 2. Port Stephens Planning Strategy Map



PART 1 – Objectives or intended outcomes

The objectives of the Planning Proposal are:

1. To implement the Port Stephens Planning Strategy 2011-2036 by investigating Wallalong as a Potential Urban Release Area;
2. To undertake investigation of the site through a proposed two step Gateway Determination process;
3. To investigate amending the Port Stephens Local Environmental Plan 2000 and the Draft Port Stephens Local Environmental Plan 2013 to:
 - Enable the development of the site for residential purposes with a range of housing types and lot sizes;
 - Enable the development of parts of the site for commercial and industrial uses to service the local area;
 - Provide land for public recreation uses; and
 - Place areas with high conservation significance into environmental protection zones.
4. To ensure that adequate local and regional infrastructure is provided.
5. To provide opportunity for two separate public consultations at the strategic merit phase and the site planning phase.

PART 2 – Explanation of provisions

The objectives will be achieved through this Planning Proposal, by enabling further investigations to occur through a two-step Gateway Determination process, and subsequent amendment to the Port Stephens Local Environmental Plan 2000 or the Draft Port Stephens Local Environmental Plan 2013.

The Planning Proposal will amend whichever local environmental plan is in force at the time it is made. Therefore there are two potential amendments:

1. Amend the current Port Stephens Local Environmental Plan 2000 (and transfer the provisions into the Draft Port Stephens Local Environmental Plan 2013); or
2. Amend Draft Port Stephens Local Environmental Plan 2013 (if the Planning Proposal is finalised after its adoption).

Addressing the Planning Proposal under the Port Stephens Local Environmental Plan 2000 is a temporary measure as the Draft Port Stephens Local Environmental Plan 2013 is in the final stages of the plan making process.

Amend the Current Port Stephens Local Environmental Plan 2000

The objectives will be achieved by amending the Port Stephens Local Environmental Plan 2000 Zoning Map in accordance with the Zoning Map shown at **Attachment 1**.

The written provisions of the Port Stephens Local Environmental Plan 2000 will apply (including zone objectives, development control tables and subdivision provisions).

Written provisions for urban release areas will be required for the site to address the following matters:

- The boundary of the Wallalong Urban Release Area (referring to an associated map).
- Arrangements for the provision of State public infrastructure.
- Arrangements for the provision of essential utility infrastructure.
- Preparation of a development control plan.

The provisions will be similar to those in Part 6 Urban Release Areas of the Port Stephens Local Environmental Plan (Kings Hill, North Raymond Terrace) 2010.

Amending the Draft Port Stephens Local Environmental Plan 2013

The objectives will be achieved by:

- Amending the Draft Port Stephens Local Environmental Plan 2013 Land Zone Map in accordance with the Land Zone Map at **Attachment 2**;
- Amending the Draft Port Stephens Local Environmental Plan 2013 Lot Size Map in accordance with the Lot Size Map at **Attachment 3**;
- Amending the Draft Port Stephens Local Environmental Plan 2013 Height of Building Map in accordance with the Height of Buildings Map at **Attachment 4**; and
- Amending the Draft Port Stephens Local Environmental Plan 2013 Urban Release Area Map to include the Wallalong Urban Release Area.

The written provisions of the Draft Port Stephens Local Environmental Plan 2013 Part 6 Urban Release Areas will apply including:

- 6.1 Arrangements for designated State public infrastructure;
- 6.2 Public utility infrastructure;
- 6.2 Development control plan; and
- 6.3 Relationship between part and remainder of Plan.

Area of Land within Each Zone

The proposed area of land within each zone under both the Port Stephens Local Environmental Plan 2000 and the Draft Port Stephens Local Environmental Plan 2013 is shown in the following table:

Table 2 Area of Land within Zones

Local Environmental Plan 2000 Zones	Draft Local Environmental Plan 2013 Zones	Area (hectares - approx)
1 (c4) Rural Small Holdings	R5 Large Lot Residential	119.6
1 (c5) Rural Small Holdings	R2 Low Density Residential	129.4
2(a) Residential	R2 Low Density Residential	253.8
2(c) Residential	R3 Medium Density Residential	29.6
3(a) Business General	B2 Local Centre	6.4
4(a) Industrial General	IN2 Light Industrial	9.0
6(a) General Recreation	RE1 Public Recreation	28.7
7(f3) Environmental Protection – Urban Conservation	E3 Environmental Management	47.1
TOTAL	-	623.6

Proposed Gateway Determination Consideration

The Gateway Determination process ensures there is sufficient justification early in the planning process to proceed with a Planning Proposal prior to committing significant resources. Consistent with this approach, the large scale and regional significance of the proposed Wallalong Urban Release Area warrants a staged approach to focus time and resources on establishing the strategic merit of the Planning Proposal first, followed by more detailed site investigations. This Planning Proposal proposes a two-step Gateway Determination process to establish the planning merits of the Wallalong Urban Release Area:

Step 1: Seek an initial Gateway Determination to endorse further investigation into the strategic planning merit of the Planning Proposal.

Step 2: Re-submit the Planning Proposal for a final Gateway Determination.

Step 1 Seek an initial Gateway Determination to endorse further investigation into the strategic planning merit of the Planning Proposal

Tasks that follow would include demonstrating the strategic merit and justification for the Planning Proposal as follows:

- **Site Context Report:** to identify the role of Wallalong in the Lower Hunter and Port Stephens Local Government Area, including the influence on existing centres and release areas and the implication for the identification of other areas within an infrastructure servicing or community catchment;
- **Infrastructure Delivery Strategy:** that details the transport, essential infrastructure and local infrastructure required to service the release area, as well as the staging related to development milestones and costing for the infrastructure. Information should be provided on implications of infrastructure provision to the site for other urban

development areas in the Lower Hunter, including capacity of networks, capital works programs, funding and financial arrangements;

- **Housing Delivery Plan:** including expected dwelling production and development feasibility assessment, with consideration of other urban development areas in the Lower Hunter;
- **Housing Market Analysis:** identifying the likely market for dwellings in Wallalong, cost of living impacts and a comparison against other sites in Port Stephens Local Government Area and the Lower Hunter; and
- **Community Engagement Plan:** to outline how the community can participate in the planning process.

Completing this step will establish whether there is strategic merit in pursuing the Wallalong Urban Release Area at this time. It is recommended that this information be prepared and assessed following an initial Gateway Determination, and the matter then be resubmitted for a final Gateway Determination under Section 56(2)(b) of the Environmental Planning and Assessment Act 1979, so that it can be reviewed.

It is recommended that consultation with the community and public authorities on the strategic assessment is undertaken prior to resubmitting for a final Gateway Determination.

Step 2 Re-submit the Planning Proposal for a final Gateway Determination

Undertaking Step 2 relies upon receiving a final Gateway Determination that allows the Planning Proposal to proceed for further detailed investigations. The following matters would then be investigated:

- **Site Contamination:** as the land has been used for agricultural purposes and is proposed to be zoned for residential development;
- **River and Stormwater Flooding:** as the land is partly flood prone and Wallalong is also isolated from major centres in large flood events. It is recommended that there be an assessment of impacts on the residential community from flood isolation and costed recommendations to minimise these effects;
- **Impact on Extractive Resources:** as the site is mapped in the Lower Hunter Regional Strategy close to non-coal extractive resources;
- **Flora and Fauna:** as the site contains remnant vegetation and potential loss of threatened species, communities or habitats and may require offsetting;
- **Aboriginal Heritage:** as the site has a high likelihood of the presence of archaeological evidence;
- **Impact on Agricultural Land:** as the site is currently zoned for agricultural activities and the loss of agricultural and rural land has not been strategically considered;
- **Community Integration;** As Wallalong and the surrounding area comprise an existing community;
- **Commercial and Employment Land;** To establish the suitability and viability of the of the proposed business and industrial area;

- **Transport and Access:** a third-party report be prepared on transport and access issues, including:
 - Trip generation, distribution and containment rate;
 - Impact on local, sub-regional, regional and State roads (especially capacities at intersections and bridges);
 - Strategies to improve public transport services for the area;
 - Consideration of active transport (including walking and cycling connections with local and regional networks); and
 - Consultation with road authorities (including NSW Roads and Maritime Authority, Maitland City Council and Transport NSW).
- **Bushfire Threat Assessment;** as parts of the land are mapped as bushfire prone.

Further community consultation would occur followed by another Council determination whether to proceed, and ultimately a final determination by the Minister.

SECTION A – Need for the Planning Proposal

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

Wallalong is identified in the local Port Stephens Planning Strategy 2011-2036 as a potential urban release area subject to the resolution of infrastructure delivery; however it is not identified as a proposed urban area in the NSW Government's Lower Hunter Regional Strategy.

The Lower Hunter Regional Strategy projects a total of 12,500 new dwellings in Port Stephens LGA over 25 years. 5,300 of these new dwellings are to be accommodated in existing centres and urban infill areas. The remaining 7,200 are to be accommodated within identified new release areas such as Kings Hill, Medowie, Anna Bay and Tanilba Bay.

The Port Stephens Planning Strategy adopts the position that dwelling projections are affected by changes in economic, social and environmental factors and market demand, and that this leads to reduced ability to meet projections. The effect is that it may be necessary to consider additional land (such as Wallalong) for urban development.

The Port Stephens Planning Strategy also identifies that the following factors also have an influence on dwelling projections:

- Reluctance on the part of some landowners to make land available for development;
- The potential dwelling numbers of existing zoned land within some areas often rely heavily on urban consolidation/infill being achieved (examples of these areas include Nelson Bay and Raymond Terrace);
- Lead times in the rezoning and development of land (including the provision of sufficient infrastructure);
- Impact of demographic trends and their changes over time;
- The need to provide a spread of future release areas in a range of locations to provide location choice, product choice and competition;
- Impact of potential constraints on future release areas (e.g. aircraft noise, ecology, flooding, bushfire, infrastructure costs, fragmented land ownership); and
- Not all land identified within growth areas will be developed for urban uses.

These factors combine to support the position that additional land, such as Wallalong, may be considered to meet dwelling projection demands.

The Port Stephens Planning Strategy states that based on the previous seven years' average for dwelling approvals, it is estimated that future dwelling production will continue at an average rate of 340 houses and 220 multi-unit dwellings per year (560 total).

Excluding the Wallalong Urban Release Area, the total land supply for residential land in Port Stephens under the Port Stephens Planning Strategy is

approximately 13,240 dwellings. Based on these dwellings being constructed over the 25 year period of the Strategy, this would result in an average dwelling gain of 520 dwellings per annum. Given that the recent historical average production is in the order of 560 dwellings per annum, this supply may not be sufficient. The availability of additional dwellings within the Wallalong Potential Urban Release Area allows additional land stocks to be brought forward to make up for the any shortfall in demand. The Port Stephens Planning Strategy estimates that 1,200 dwellings could be constructed at Wallalong over the 25 year 'lifespan' of the Strategy. The total potential dwelling yield for the Wallalong Urban Release Area over its entire lifespan is estimated at approximately 3,200 to 3,700 dwellings.

This Planning Proposal seeks to further establish and investigate the strategic planning merit of the proposed Wallalong Urban Release Area through Step 1 Seek an initial Gateway Determination to endorse further investigation into the strategic merit of the planning proposal, which will involve undertaking the following:

- **Site Context Report:** to identify the role of Wallalong in the Lower Hunter and Port Stephens Local Government Area, including the influence on existing centres and release areas and the implication for the identification of other areas within an infrastructure servicing or community catchment;
- **Infrastructure Delivery Strategy:** that details the transport, essential infrastructure and local infrastructure required to service the release area, as well as the staging related to development milestones and costing for the infrastructure. Information should be provided on implications of infrastructure provision to the site for other urban development areas in the Lower Hunter, including capacity of networks, capital works programs, funding and financial arrangements;
- **Housing Delivery Plan:** including expected dwelling production and development feasibility assessment, with consideration of other urban development areas in the Lower Hunter;
- **Housing Market Analysis:** identifying the likely market for dwellings in Wallalong, cost of living impacts and a comparison against other sites in Port Stephens Local Government Area and the Lower Hunter; and
- **Community Engagement Plan:** to outline how the community can participate in the planning process.

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

Proceeding with a Planning Proposal is the best means of achieving the objectives or intended outcomes. The Wallalong Urban Release Area will require substantial 'stand-alone' investigation and should proceed separate from any general review of the Port Stephens Local Environmental Plan 2000 or Draft Port Stephens Local Environmental Plan 2013. Also, Proceeding with a Planning Proposal will initiate formal investigation into Wallalong as a potential urban release area at the strategic level followed by more detailed site investigations (if strategic merit is established).

SECTION B – Relationship to Strategic Planning Framework

3. Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy?

Lower Hunter Regional Strategy (2006)

Wallalong is not identified in the Lower Hunter Regional Strategy as a proposed urban area. However, neither is it within a conservation or agricultural protection area. The Lower Hunter Regional Strategy allows for the consideration of a planning proposal under this circumstance where it can be shown that it satisfies the Sustainability Criteria in Appendix 1. This provision provides scope for considering the Wallalong Urban Release Area Planning Proposal at this time. Assessment of the proposed development against the Sustainability Criteria in the Lower Hunter Regional Strategy is attached to this Planning Proposal.

Part of the subject site may be affected by non-coal extractive resources and the Strategy requires land use change in the vicinity of mineral resources to be compatible with continued access to the resource.

The Lower Hunter Regional Strategy identifies sites that provide for 117,200 new dwellings, which meets the forecasted demands for the next 25 years. However, there has been a slow rate of dwelling construction within the Lower Hunter, questioning the ability of the sites to meet demand. Blockages to the supply of land for new housing include biodiversity offsetting and environmental constraints, delays in delivering economic and social infrastructure, economic feasibility and site location and market preferences.

Location factors for the identification of new release areas are outlined in the Lower Hunter Regional Strategy and are compared to the proposed Wallalong Urban Release Area in the following table.

Table 3 Location factors for new release areas in the LHRS

Location Factor	Response
Access to major centres	The site is within 30 minutes travel time to Maitland and Raymond Terrace. Access is limited by road and bridge infrastructure, as well as lack of public transport options and low service levels.
Access to employment lands	The site is within 30 minutes travel time to employment areas at Tomago, Thornton/Beresfield, Williamtown and Heatherbrae. Access is limited by road and bridge infrastructure, as well as lack of public transport options and low service levels.

Minimise impacts on regionally significant agricultural lands	The site is not identified as regionally significant agricultural land, and there is no cluster of agricultural activities in the Wallalong area.
Minimise impacts on biodiversity corridors	The site is not part of the Watagan – Stockton corridor, nor identified as having regional significance in the Regional Conservation Plan.

Whilst Wallalong does meet a number of the location factors for new release areas in the Lower Hunter Regional Strategy, it does not demonstrate satisfaction with all of the Sustainability Criteria as outlined in Assessment – Lower Hunter Regional Strategy Sustainability Criteria attached to this Planning Proposal. This Planning Proposal identifies additional information that is required to demonstrate the merit of the site for urban development under a staged process, consistent with the NSW Department of Planning and Infrastructure's *A guide to preparing planning proposals* section 1.3 *How much information should be in a planning proposal?* The additional information is proposed to be provided following an initial Gateway Determination.

4. Is the planning proposal consistent with Council's local strategy or other local strategic plan?

Port Stephens Planning Strategy (2011-2036)

Wallalong is identified in the Port Stephens Planning Strategy as a Category 3 potential urban release area subject to the resolution of infrastructure delivery. The Strategy forecasts that 1,200 dwellings could be constructed over a 20 to 25 year period at the Wallalong Urban Release Area. The total potential dwelling yield over its entire lifespan beyond that period is estimated at approximately 3,200 dwellings (the Planning Proposal submitted by the Proponent estimates 3,700 dwellings). The Port Stephens Planning Strategy states that the inclusion of Wallalong creates an additional urban development opportunity in the western part of the LGA. It will also provide more options in the future for residents wishing to reside in close proximity to both Maitland and Raymond Terrace.

The Port Stephens Planning Strategy, including Wallalong as potential urban release area, was adopted by Council in December 2011 and was forwarded to the Department of Planning and Infrastructure for consideration. At the time of writing it has not been endorsed by the Department.

Development constraints for Wallalong are listed in the Port Stephens Planning Strategy as drainage; ecological; bushfire, sloping lands; agricultural land capability; infrastructure provision (also includes access to health and community facilities), and coordination and staging of development.

Some information has been provided by the Proponent regarding infrastructure requirements for the development (and other constraints etc), as well as some costings, however there is insufficient detail (such as

confirmation of infrastructure providers, schedule of works and costings, assumptions about infrastructure demand) to ensure that there is a resolution of infrastructure delivery for the site, consistent with the Port Stephens Planning Strategy. This is proposed to be addressed through the staged approach outlined in this Planning Proposal.

Council's priorities for the delivery of new housing under the Port Stephens Planning are shown in Table 4 of this Planning Proposal. Wallalong is the only Priority 3 site, with other new release areas at Kings Hill (Priority 1), Medowie (Priority 1), Anna Bay (Priority 1), Fern Bay/Fullerton Cove (Priority 1), Karuah (Priority 2) and Tilligerry Peninsula (Priority 2). Planning and development has commenced for some but not all of these sites. Bringing forward the release of land at Wallalong in parallel of other sites would not be consistent with the Strategy, and may have an affect on Council's resources and infrastructure plans. This will be investigated through Step 1 of the staged approach outlined in this Planning Proposal.

Table 4 Port Stephens Planning Strategy Summary of Potential Dwelling Yields

AREA	Priority	Development Type	New Release Timing	Duration (years)	Dwelling Yield	Average Density
Raymond Terrace North (Kings Hill)	1	New town	2014	25-30	4,500	15+
Raymond Terrace-Heatherbrae-Nelsons Plains	1	Infill & New Release	2011	10-15	1,280	10-15
Rural West	2	Infill	N/A	25-30	70	N/A
Medowie	1	Infill & New Release	2009	20-25	2,704	15+
Karuah	2	Infill & New Release	2012	25-30	474	10+
Tilligerry-Lemon Tree-Passage-Mallabula-Tanilba Bay	2	Infill & New Release	2015	15-25	556	12
Anna Bay	1	Infill & New Release	2012	15	440	10-15
Shoal Bay – Fingal Bay	2	Infill	2010	15	190	12
Nelson Bay	2	Infill	2010	25	769	15+
Salamander Bay-Corlette-Soldiers Point-Taylors Beach	1	Infill	2013	10	265	12-15
Rural East		Infill	N/A	25	50	N/A
Fern Bay-Fullerton Cove	1	New & Release Infill	2010	15-20	1438	10-12
TOTAL					13,241	
Wallalong Potential Urban Release Area	3	New Release	N/A	20-25	1,200	N/A
TOTAL					14,441	

(Port Stephens Planning Strategy 2011-2036, page 82)

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

An assessment of the Planning Proposal against relevant State Environmental Planning Policies (SEPPs) is provided in the following table:

Table 5 Consistency with State Environmental Planning Policies

SEPP	Comment	Consistent?
SEPP 1 Development Standards This Policy provides flexibility in the application of planning controls by virtue of development standards in circumstances where strict compliance with those standards would be unreasonable or unnecessary.	This SEPP will be applied generally through a written provision in the Draft Port Stephens Local Environmental Plan 2013.	Yes
SEPP 4 Development Without Consent and Miscellaneous Exempt and Complying Development This Policy is designed to permit development for a purpose which is of minor environmental significance without the necessity for development consent.	Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 6 Number of Storeys in a Building The primary aim of this Policy is to remove any confusion arising from the interpretation of provisions in environmental planning instruments which control the height of buildings.	Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 14 Coastal Wetlands	The site does not contain any coastal wetlands under SEPP 14.	Yes
SEPP 15 Rural Landsharing Communities	Rural land sharing communities are not being sought in the Planning Proposal. Nothing in the Planning Proposal affects the aims	Yes

This Policy aims to encourage and facilitate the development of rural landsharing communities and committed to environmentally sensitive and sustainable land use practices.	and provisions of this SEPP.	
SEPP 21 Caravan Parks This Policy aims to encourage the orderly and economic use and development of land used or intended to be used as a caravan park.	Caravan Parks are a permissible use in the RE1 Public Recreation Zone however no caravan park is proposed to be developed in the Proponent's Concept Plan. Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 22 Shops and Commercial Premises This Policy aims to permit the change of use of commercial premises.	Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 26 Littoral Rainforests	The site does not contain littoral rainforests under SEPP 26.	Yes
SEPP 30 Intensive Agriculture This Policy contains provisions regarding the development of cattle feedlots and piggeries.	The Planning Proposal does not seek to facilitate intensive agriculture.	Yes
SEPP 32 Urban Consolidation (Redevelopment of Urban Land) This SEPP makes provision for the redevelopment of urban land suitable for multi-unit housing and related development.	The Planning Proposal is not seeking the redevelopment of urban land. Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 33 Hazardous and Offensive Development	The Planning Proposal does not seek to facilitate hazardous or offensive industry. Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 36 Manufactured Home Estates	Caravan Parks are a permissible use in the proposed RE1 Public Recreation Zone however no caravan park is proposed to be developed.	Yes

This SEPP makes provision to encourage manufactured home estates through permitting this use where caravan parks are permitted and allowing subdivision.		
SEPP 44 Koala Habitat Protection This SEPP aims to encourage the proper conservation and management of areas of natural vegetation that provide habitat for koalas to ensure a permanent free-living population over their present range and reverse the current trend of koala population decline by: a) requiring the preparation of plans of management before development consent can be granted in relation to areas of core koala habitat; b) encouraging the identification of areas of core koala habitat; and c) encouraging the inclusion of areas of core koala habitat in environment protection zones.	The Port Stephens Comprehensive Koala Plan of Management (CKPoM) is applied in Port Stephens LGA for the purpose of implementing SEPP 44. The Council GIS Koala Habitat Planning Map indicates the site is 'mainly cleared' with areas of 'marginal habitat'. There are also some areas of 'preferred' habitat with associated buffers and linkages particularly in the north east of the site, and a smaller area to the west. A Flora Survey and Habitat Assessment (Wildthing Environmental Consultants, November 2012) has been undertaken by the Proponent. It found a 'moderate' to 'high' likelihood of occurrence of koalas within the study area. Evidence of Koala activity in the form of scratches on a small number of tree trunks were found in the far north east of the study area. Further assessment of Koala habitat in accordance with the NSW Environmental Planning & Assessment Act 1979 '7 Part Test' is required to determine whether there is likely to be any significant effect on threatened species, populations or ecological communities. Assessment against the CKPoM performance criteria for rezoning is also required. There is currently insufficient information for proper analysis of the impacts on koalas based on the current supporting documentation. The Planning Proposal proposes to address this issue following Step 2.	To be further investigated and established
SEPP 55 Remediation of Land This SEPP 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.	The land has been used for agricultural purposes including grazing and parts of the site have also been used for intensive poultry farming. There are a variety of farm structures on the site and some have also been demolished. Because of the history of agricultural and other potential non-agricultural uses of the site a Site Contamination Study is required. The Planning Proposal proposes to address this issue following Step 2.	To be further investigated and established

SEPP 60 Exempt and Complying Development This SEPP aims to provide streamlined assessment processes for development that complies with specified development standards. It refers to development that is exempt from assessment, and low-impact development such as individual dwellings that can be approved as 'complying' development.	This SEPP is relevant because future development such as individual dwellings may potentially be approved as 'complying' development. Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 64 Advertising and Signage This SEPP aims to ensure that outdoor advertising is compatible with the desired amenity and visual character of an area, provides effective communication in suitable locations and is of high quality design and finish.	Any future signage would be assessed under this SEPP. Nothing in this Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP 65 Design Quality of Residential Flat Development The aim of this Policy is to improve the design quality of residential flat development in NSW.	This Policy applies to a building that comprises or includes 3 or more storeys and 4 or more self-contained dwellings. Residential flat buildings are not a permitted use in the proposed 2(a) Residential Zone or equivalent R2 Low Density Residential Zone. However, residential flat buildings will be permissible in the proposed 2(c) Residential Zone (or equivalent R3 Medium Density Zone) and 3(a) Business General Zone (or equivalent B2 Local Centre Zone). Any future development applications for residential flat buildings in these zones must be accompanied by design verification from a qualified designer.	Yes
SEPP Affordable Rental Housing 2009	This Policy applies to all land in the State. Nothing in this Planning Proposal affects the aims	Yes

This SEPP aims to provide for an increase in the supply and diversity of affordable rental housing in NSW.	and provisions of this SEPP.	
SEPP Building Sustainability Index BASIX 2004 This SEPP provides for the implementation of BASIX throughout NSW.	Future dwellings will need to meet the energy efficiency requirements of this SEPP.	Yes
SEPP Exempt and Complying Development Codes 2008 This SEPP aims to provide streamlined assessment processes for development that complies with specified development standards set down in 'codes' most relevantly codes for new dwellings.	This SEPP is relevant because it applies to the State and future development such as individual dwellings may potentially be approved as 'complying' development. Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP Housing for Seniors or People with a Disability 2004 This SEPP aims to encourage the provision of housing for seniors, including residential care facilities and provides development standards.	This SEPP will apply to land on the site that is proposed to be zoned, or adjoins land that is proposed to be zoned, primarily for urban purposes. Housing for seniors or people with a disability may be proposed for on the site if the Planning Proposal proceeds. Nothing in this Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP Infrastructure 2007 This SEPP aims to facilitate the effective delivery of infrastructure across the State.	Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP Major Development 2005 This SEPP aims to facilitate the development, redevelopment or	Nothing in the Planning Proposal affects the aims and provisions of this SEPP.	Yes

protection of important urban, coastal and regional sites of economic, environmental or social significance to the State, so as to facilitate their orderly use, development or conservation, for the benefit of the State.		
SEPP Mining, Petroleum Production and Extractive Industries 2007 This SEPP aims to provide for the proper management of mineral, petroleum and extractive material resources for promoting the social and economic welfare of the State, to facilitate the orderly and economic use of the land, establish planning controls to achieve Ecologically Sustainable Development, and establish a gateway assessment process for such development.	Mining, petroleum production and extractive industries are not being sought by the Planning Proposal. Nothing in this Planning Proposal affects the aims and provisions of this SEPP.	Yes
SEPP Rural Lands 2008 This SEPP aims to facilitate the orderly and economic use and development of rural lands for rural purposes, identify rural planning principles and rural subdivision principles, reduce land use conflicts and identify State significant agricultural land.	The majority of the site is mapped as Prime Agricultural Land (classes 1 to 3). However, the Lower Hunter Important Agricultural Land Mapping (Hunter Region Organisation of Councils 2013) indicates that most of the land is not important agricultural land. The Proponent submitted an Agricultural Land Classification Assessment Report for Lot 51 DP 1069432 (Peak Land Management, November 2006). It found that this Lot is marginal grazing land and should be classified as Class 4 'Non-Prime' agricultural land and is generally of low economic production capacity. It is worth noting that Lot 51 DP 1069432 is the largest lot in the Wallalong Urban Release Area. The Proponent submits that 30 allotments within the WURA are approximately 10 hectares or less in area and have reduced potential for agriculture. The size of these lots, with an inferred low value	To be further investigated and established.

	agricultural land classification, limits their viability for agricultural production. There is potential for land use conflict and impacts upon surrounding agricultural land can be minimised by good subdivision design. Further investigation is required to determine consistency with this SEPP. The Planning Proposal proposes to address this issue following Step 2, through development design and preparation of a study on Impact on Agricultural Land.	
SEPP State and Regional Development 2011 This SEPP aims to identify development and infrastructure that is State significant and confer functions on the Joint Regional Planning Panels to determine development applications.	Future development applications may be subject to this SEPP. Nothing in this Planning Proposal affects the aims and provisions of this SEPP.	Yes

6. Is the planning proposal consistent with applicable Ministerial Directions?

The following table provides an assessment of the Planning Proposal against the relevant directions issued under Section 117 of the Environmental Planning and Assessment Act 1979.

Table 6: Relevant Section 117 Ministerial Directions

Ministerial Direction	Comment	Consistent?
1.1 Business and Industrial Zones The objectives of this Direction are to : (a) Encourage employment growth in suitable locations. (b) Protect employment land in business and industrial zones. (c) Support the viability of identified strategic centres.	This Direction applies because the Planning Proposal could potentially affect land within existing or proposed business and industrial zones, and proposes the creation of business zoned land and industrial zoned land. 6 hectares of business zoned land (in two locations) and 9 hectares of industrial zoned land are proposed to be created. Their purpose is primarily to serve the needs of future residents if the Wallalong Urban Release Area proceeds. Their location is shown on the proposed zoning maps. Analysis is required to determine the suitability and viability of these areas and their role in the area. This will also influence traffic generation and infrastructure for the site. In 2010 Consultant SGS reviewed for Council the potential strategic impact of the Wallalong Urban Release Area on other commercial centres for the preparation of the Port Stephens Planning Strategy and concluded: <i>"If Wallalong was to become a town centre, it is likely that no additional zoned land would be required in other centres within Port Stephens LGA. There is likely to be some escape expenditure to Maitland LGA, particularly for bulky goods purchases.</i> <i>A town centre at Wallalong would provide an intervening opportunity for residents of Woodville, Seaham and Hinton who, under current arrangements, would likely travel to Maitland LGA or Raymond Terrace. Given the very small amount of expenditure generated by these residents, this is not likely to undermine successful trading at centres in Maitland LGA or Raymond Terrace.</i> <i>Residents from other centres within the Port Stephens LGA would be unlikely to travel to Wallalong as there are no direct routes for access. Thus it is unlikely a town centre in Wallalong will have a significant impact on other centres in Port Stephens.</i> <i>The key challenge for Wallalong will be attracting retail tenants to the centre, particularly an anchor</i>	To be further investigated and established.

Ministerial Direction	Comment	Consistent?
	<i>supermarket tenant, prior to full development of the site. Potential investors will need to be certain that development will proceed and without significant delays."</i> Following from the above it is unlikely that the proposed business and industrial zones will negatively impact on the viability of existing employment land and business areas, and will support the viability of existing strategic centres. Further investigation is required to determine the suitability and viability of the business and industrial area/s within the proposed Wallalong Urban Release Area.	
1.2 Rural Zones The objective of this Direction is to protect the agricultural production value of rural land.	The Planning Proposal is inconsistent with this Direction because it proposes to rezone rural land for residential, business and industrial zones. The site is not mapped as Regionally Significant Agricultural Land on the Lower Hunter Regional Strategy's Natural Resources Map. The Lower Hunter Important Agricultural Land Mapping Report (Hunter Region Organisation of Councils, 2013) also identifies the majority of the land as not suitable for sustained agricultural use which has the ability to contribute to the ongoing productivity and adaptability of agriculture in the region. Minor areas located on the lower lands are categorised as important agricultural land, however these tend to be narrow scattered areas. Mapping from the Department of Agriculture indicates the land is Class 3 Prime Agricultural Land and other lesser Categories. However the Land Classification Report (Peak Land Management, November 2006) submitted by the Proponent identifies the largest lot in the proposed Wallalong Urban Release Area as marginal grazing land, Class 4 'Non-Prime' agricultural land and that it is generally of low economic production capacity. It is reasonable to infer at this time from the Land Classification Report that the other land in the Planning Proposal will have similar classification. Any inconsistency with the objective of this Direction will be addressed by the Planning Proposal following Step 2, through development design and a study on Impact on Agricultural Land.	To be further investigated and established.
1.3 Mining, Petroleum Production and Extractive Industries The objective of this	This Direction applies because the Planning Proposal may have the effect of restricting the potential development of these resources. There are no known mineral resources on the site.	To be investigated and established.

Ministerial Direction	Comment	Consistent?
direction is to ensure that the future extraction of State or regionally significant reserves coal, other minerals, petroleum and extractive materials are not compromised by inappropriate development.	Consistency with this Direction will be determined through consultation with the Department of Primary Industries (Mineral Resources).	
1.4 Rural Lands The objectives of this direction are to: (a) Protect the agricultural production value of rural land. (b) Facilitate the economic development of rural lands for rural related purposes.	The Planning Proposal is inconsistent with this Direction as it proposes to rezone rural land for residential, business and industrial zones. Similar to Direction 1.2 Rural Zones, any inconsistency with this Direction will be addressed by the Planning Proposal following Step 2, through development design and a study on Impact on Agricultural Land.	To be further investigated and established.
2.1 Environmental Protection Zones The objective of this direction is to protect and conserve environmentally sensitive areas.	This Direction states that a Planning Proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas. There are currently no environmental protection zones applying to the site, which is zoned 1(a) Rural Agriculture under the Port Stephens Local Environmental Plan 2000. The Planning Proposal proposes to apply the E3 Environmental Management Zone to facilitate the protection and conservation of some environmentally sensitive parts of the site. However, there are other parts of the site that are vegetated and could be considered environmentally sensitive that are not proposed to be placed within an environmental protection zone. A Flora Survey and Habitat Assessment (Wildthing Environmental Consultants, 2012) has been submitted by the Proponent. Flora and fauna surveys and habitat assessments were carried out and the vegetation/habitat conservation significance of parts of the site identified. This was used by the Proponent to guide the placement of environmental protection zones in their submitted Planning Proposal. The Consultants Eco Logical Australia was contracted by Port Stephens Council to review the Flora and Fauna Assessment submitted by the	To be further investigated and established.

Ministerial Direction	Comment	Consistent?
	Proponent. In summary, Eco Logical Australia found the majority of the information provided was presented as preliminary or initial, and there is a need to carry out additional works to bring the information to a standard where specific site planning, environmental impact minimisation and assessment could be undertaken. Key areas have been identified as requiring further assessment: • Additional ecological field surveys in the appropriate season in accordance with both the DEC (2004) and LHRCCR (2002) flora and fauna survey guidelines; • Further assessment of corridors and connectivity, including the Port Stephens Biodiversity Connectivity Mapping (ELA 2012) and requirements of the Lower Hunter Regional Strategy; • Further assessment of Koala habitat in accordance with the Port Stephens Comprehensive Koala Plan of Management and the interim Koala referral advice for proponents (SEWPaC 2012); and • Assessment of impact of the proposal in accordance with the Environmental Planning and Assessment Act 1979 '7 Part Test' and the Commonwealth Environment Protection and Biodiversity Conservation Act 1999. The Planning Proposal proposes to address this issue following Step 2, through preparation of a further Flora and Fauna Assessment.	
2.3 Heritage Conservation The objective of this direction is to conserve items, areas, objects and places of environmental heritage significance and indigenous heritage significance.	A search of the Australian Heritage Database, the NSW Department of Heritage Database and the Port Stephens Local Environmental Plan 2000 Heritage Schedule indicate that the site does not contain known items of European heritage significance. However, the former Wallalong Broom Factory, Wallalong/Bowthorne War Memorial and Wallalong House are listed as items of Local heritage significance in the Port Stephens Local Environmental Plan 2000 and are located nearby. These items are unlikely to be affected by the Planning Proposal. It is likely that the Planning Proposal is consistent with this Direction regarding European Heritage. A Preliminary Aboriginal Heritage Assessment was undertaken for the Proponent by Myall Coast Archaeological Services in 2012. It involved a desktop assessment, analysis of existing research and written material, and an occupation assessment to determine the probable Aboriginal use of the land. The Assessment:	To be further investigated and established.

Ministerial Direction	Comment	Consistent?
	- Identifies 11 Aboriginal objects within 5km of the site on the AHIMS including a ceremonial area in the south west of the site (note: the Preliminary Concept Plan submitted by the Proponent proposes to retain the ceremonial site within an area of open space); - States the intensity of Aboriginal occupation can only be determined through further research and field inspection; - States there is no indication of geological features that would suggest special significance, although a low hill overlooking the rivers suggests a possible camping or ceremonial area; and - States agricultural activity may have destroyed the integrity of archaeological evidence however items such as grinding grooves, scarred trees and isolated artefacts may still exist. The Assessment also identifies landscape qualities that suggest Aboriginal occupation uses such as ceremonial, resource (artefact) and burials (the site is less than 1km from a known burial) may have occurred. The Preliminary Aboriginal Heritage Assessment recommends further assessment, including extensive field work in conjunction with the Local Aboriginal Land Council, after a Gateway Determination. The Planning Proposal proposes to address any inconsistency with indigenous heritage matters following Step 2, through development design and an Aboriginal Heritage Assessment, including consultation with relevant Aboriginal groups.	
2.4 Recreation Vehicle Areas The objective of this direction is to protect sensitive or significant land from adverse impacts from recreation vehicles.	The Planning Proposal is not seeking to develop land for the purpose of a recreation vehicle area within the meaning of the Recreation Vehicle Act 1983. The Planning Proposal is consistent with this Direction.	Yes

Ministerial Direction	Comment	Consistent?
3.1 Residential Zones The objectives of this direction are: (a) To encourage a variety and choice of housing types to provide for existing and future housing needs, (b) To make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services. (c) Minimise the impact of residential development on the environment and resource lands.	The Planning Proposal is likely to encourage a variety and choice of housing types to provide for future housing needs. Because the Wallalong Urban Release Area is not adjacent to other urban areas, it will need to provide major upgrades to, or provision of, infrastructure including utility upgrades, transport infrastructure (including an additional bridge over the Hunter River and associated roadwork) and community facilities. Additionally, the site is sufficiently close enough to the Major Regional Centres of Raymond Terrace and Maitland to access higher level services. This could lead to a higher level of dependence on travel to external centres. The provision of infrastructure and services on site requires further investigation to determine what is required and the viability of its provision. Any inconsistency with this Direction will be addressed by this Planning Proposal following Step 1, through the preparation of a Site Context Report, Infrastructure Delivery Strategy, Housing Delivery Plan and Housing Market Analysis.	To be further investigated and established.
3.2 Caravan parks and Manufactured Home Estates The objectives of this direction are to: (a) Provide for a variety of housing types. (b) To provide opportunities for caravan parks and manufactured home estates.	Caravan parks are permissible in the current 1(a) Rural Agriculture zoning however none are operating on the site. Under the new zoning scheme caravan parks would be prohibited on all land except for the RE1 Public Recreation zone. This issue is addressed separately to the Planning Proposal through the Draft Port Stephens Local Environmental Plan 2013 and is considered of minor significance.	Yes
3.3 Home Occupations The objective of this direction is to encourage the carrying out of low impact small businesses in dwelling houses.	The Planning Proposal is consistent with this Direction. It does not seek to change any standard provisions relating to the permissibility small businesses being carried out in dwellings.	Yes

Ministerial Direction	Comment	Consistent?
3.4 Integrating Land Use and Transport The objective of this direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following objectives: (a) Improving access to housing, jobs and services by walking, cycling and public transport. (b) Increasing the choice of available transport and reduce dependence on cars. (c) Reducing travel demand including the number of trips generated by the development and the distances travelled, especially by car. (d) Supporting the efficient and viable operation of public transport services. (e) Providing for the efficient movement of freight.	The Wallalong Urban Release Area is located approximately: • 16km from Raymond Terrace • 6km from Morpeth • 14.5km from Maitland • 12km from Green Hills Wallalong is not serviced by public transport or located on a major regional transport route. Wallalong currently has a pre-school but no school. The nearest shop (a corner store) is at Woodville. The nearest existing public transport services are located at Morpeth and Largs via Hunter Valley Buses route 184 and 185 respectively. There is a school bus service. The nearest schools are located at Iona (Woodville), Hinton, Largs and Morpeth. The nearest railway station is East Maitland, around 10.5km distant, with other stations being Metford and Thornton. The Planning Proposal seeks to provide for a range of urban services, including a commercial centre, a light industrial area, and at least one school, which will contribute towards satisfying the objectives of this Direction. However it is possible that most residents would need to commute from the proposed urban area for employment and higher level services, at least to Maitland and Raymond Terrace. A Transport Study (Better Transport Futures, 2012) submitted by the Proponent adopts the position that there will be a high level of trip containment towards full development (45%) within the Wallalong Urban Release Area due to the proposed provision of various services and facilities and employment opportunities within the site. Initial review indicates that there is little demonstrated evidence of such a high level of trip containment occurring in other comparable urban release areas (such as Thornton and Maryland) and there is uncertainty that the suggested trip containment levels will occur. The site will require a suite of at least basic urban services to be provided or upgraded and significant additional transport infrastructure to establish consistency with this Direction. The Planning Proposal will seek to address this issue at Step 1 and Step 2 of the Planning Proposal.	To be further investigated and established.

Ministerial Direction	Comment	Consistent?
	At Step 1, the preparation of a Site Context Report and Infrastructure Delivery Plan will establish strategic consistency with this Direction. Consistency with this Direction will be investigated further following Step 2 through the preparation of a Transport and Access Assessment. It is proposed that this Assessment include: trip generation, distribution and containment rates; impact on local, sub-regional, regional and State roads (especially capacities at intersections and bridges); strategies to improve public transport services for the area; consideration of active transport (including walking and cycling and connections with local and regional networks); and consultation with road authorities (including NSW Roads and Maritime Authority, Maitland City Council and Transport NSW). Also relevant to satisfying this Direction is the completion of a Commercial and Employment Land Analysis. This is because the Planning Proposal seeks to include industrial and employment land to service the development and contribute towards trip containment.	
3.5 Development Near Licensed Aerodromes The relevant objectives of this direction are: (a) To ensure the efficient and safe operation of aerodromes. (b) To ensure their operation is not compromised by development that constitutes an obstruction, hazard or potential hazard to aircraft flying in the vicinity.	RAAF Base Williamstown and Newcastle Airport are within the Port Stephens LGA and are significant national and regional assets. Although Wallalong is not affected by the Australian Noise Exposure Forecast 2012 or 2025 maps, land outside of ANEF contours can still be affected by aircraft noise and activity. The Planning Proposal will be referred to the Department of Defence to ascertain whether the site is affected. The Planning Proposal appears likely to satisfy this Direction however consultation should still occur with the Department of Defence.	Yes.
4.1 Acid Sulfate Soils The objective of this direction is to avoid significant adverse environmental impacts from the use of land that has a probability of	The Planning Proposal is unlikely to create significant environmental impacts as a result of acid sulfate soils. The Port Stephens Acid Sulfate Soils Planning Map identifies most of the site as containing Class 5 soils (requiring consent for works within 500m of adjacent soil classes). This is a low risk classification. Only small areas near the southeast and southwest boundaries of the site are identified as containing Class 3 soils (requiring	Yes

Ministerial Direction	Comment	Consistent?
containing acid sulphate soils	consent for works beyond 1m below the natural ground surface). These areas generally coincide with land that is mapped as flood prone. The zoning maps may be refined further as part of the rezoning process to avoid these areas and/or other planning measures applied to reduce any risk. The Port Stephens Local Environmental Plan 2000 and Draft Port Stephens Local Environmental Plan 2013 contain provisions requiring appropriate measures to be taken at the development stage to manage potential adverse impacts from acid sulphate soils and will apply to any future development on the site. Any inconsistency with this Direction is considered to be of minor significance.	
4.2 Mine Subsidence and Unstable Land The objective of this direction is to prevent damage to life, property and the environment on land identified as unstable or potentially subject to mine subsidence.	There is no indication the site is affected by mine subsidence and has not been identified as unstable in any study or strategy. Mine subsidence is not a known issue in the Port Stephens Local Government Area.	Yes
4.3 Flood Prone Land The objectives of this direction are: (a) To ensure that development of flood prone land is consistent with the NSW Government's Flood Prone Land Policy and the principles of the <i>Floodplain Development Manual 2005</i>. (b) To ensure that the provisions of an LEP on flood prone land are commensurate with flood hazard and include consideration of	This Direction applies when a Planning Proposal creates, removes or alters a zone or a provision that affects flood prone land. <u>Flood Prone Land - Within the Site</u> The large majority of the site is not identified as flood prone land. There are comparatively minor areas of the site identified as flood prone in the southeast, southwest, and west of the site. There is a minor inconsistency with this Direction for the small areas of the site that would be rezoned from to R5 Large Lot Residential and is mapped as flood prone. This is considered to be of minor significance as Council has planning provisions that all residential development must be above the flood planning level of 1% AEP flood (other planning measures can also be applied in this areas). The Planning Proposal will address any inconsistency with this Direction following Stage 2, through the Preparation of a River and Stormwater Flooding Strategy.	Yes

Ministerial Direction	Comment	Consistent?
the potential flood impacts both on and off the subject land.	Section C Environmental, Economic and Social Impact of this Planning Proposal addresses the isolation of Wallalong generally during large flood events.	
4.4 Planning for Bushfire Protection The objectives of this direction are: (a) To protect life, property and the environment from bush fire hazards, by discouraging the establishment of incompatible land uses in bush fire prone areas. (b) To encourage sound management of bush fire prone areas.	Parts of the land are categorised as bushfire prone. Future development will need to comply with the provisions of 'Planning for Bushfire Protection'. The Proponent states in their submission that that the assessment procedure and relevant standards detailed in Planning for Bushfire Protection were utilised in the preparation of the submitted Preliminary Concept Plan. The consistency of the Planning Proposal with this Direction will be demonstrated following Step 2, through the preparation of a Bushfire Threat Assessment and referral to the NSW Rural Fire Service.	Yes
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.	Wallalong is not identified as a Proposed Urban Area in the Lower Hunter Regional Strategy; however the Sustainability Criteria enable the Planning Proposal to be considered. This Planning Proposal outlines a process to provide further information to demonstrate consistency with the Sustainability Criteria and establish the strategic merit of proceeding with the Wallalong Urban Release Area, principally through completion of proposed Step 1 including: Site Context Report; Infrastructure Delivery Strategy; Housing Delivery Plan; and Housing Market Analysis.	To be further investigated and established.
6.1 Approval and Referral Requirements The objective of this direction is to ensure that LEP provisions encourage the efficient and appropriate assessment of development.	The Planning Proposal seeks to apply the model local provisions for urban release areas contained in the Draft Port Stephens Local Environmental Plan 2013.	Yes.

Ministerial Direction	Comment	Consistent?
6.2 Reserving Land for Public Purposes The objectives of this direction are: (a) To facilitate the provision of public services and facilities by reserving land for public purposes. (b) Facilitate the removal of reservations of land for public purposes where the land is no longer required for acquisition.	The Planning Proposal seeks to reserve a large recreation area at the east of the site and two smaller recreation areas next to proposed commercial zones. Environmental and drainage areas are also proposed. These areas are shown on the proposed Zone Maps. The Planning Proposal is likely to demonstrate consistency with this Direction through the Infrastructure Delivery Strategy and further consultation with public authorities.	Yes.
6.3 Site Specific Provisions The objective of this direction is to discourage unnecessarily restrictive site specific planning controls.	The Planning Proposal does not include any unnecessarily restrictive site specific planning controls. The model provisions for Urban Release Areas are to apply.	Yes.

SECTION C – Environmental, Social and Economic Impact

7. 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?

The Proponent has submitted a Flora Survey & Habitat Assessment (Wildthing Environmental Consultants, 2012) which found two endangered ecological communities (EECs) within the proposed Wallalong Urban Release Area:

- Hunter Lowlands Red Gum Forest (described as highly disturbed with little understorey); and
- Lower Hunter Spotted Gum Ironbark Forest (described as disturbed but a few remnants were found in reasonable condition).

The location of these EEC's is shown in Figure 23 *Conservation Significance Endangered Ecological Communities within the Wallalong Study Area* of the Flora and Fauna Assessment, which also assigns to them a 'high' 'medium' and 'low' conservation significance.

No threatened flora species were recorded however marginal habitat was considered to be present for 5 of the 12 threatened flora species addressed in the Assessment.

Two threatened fauna species were found: the Grey-crowned Babbler and Little Lorikeet. Evidence of Koala activity was also found in the far north-east of the site. A previous study by Harper Somers O'Sullivan in 2007 additionally recorded the East Coast Free-tail Bat and Greater Broad-nosed Bat. The Assessment states the site is considered to contain suitable habitat for 41 of the remaining addressed threatened fauna species. Those most likely to use the site would include the Brush-tailed Phascogale, Squirrel Glider, Grey-headed flying fox and other microchiropteran bats, woodland birds and waterbirds.

The Planning Proposal involves rezoning several EEC areas for urban and rural residential purposes. Alternatively a key area of 'high conservation significance' EEC is proposed to be zoned for conservation purposes on the eastern side of Butterwick Road.

The Flora Survey and Habitat Assessment submitted by the Proponent was referred by Council to consultant Eco Logical for review. With specific reference to the adequacy of the assessment in relation to threatened species, threatened ecological communities and endangered populations the advice from Eco Logical is as follows:

"Threatened Flora Species

Wildthing (2012) indicates that twelve threatened flora species are known from the locality (10 km radius), of which six were considered as having some potential to occur within the study area based on the habitat types present. No threatened flora species were recorded during the surveys. As this is a draft preliminary ecological study, no formal impact assessment (7-part test) has been undertaken, although a "likely level of impact" assessment has been provided in Table 6 (p34).

Threatened fauna species

Wildthing (2012) indicates a total of 41 threatened fauna species are considered to have some suitable habitat present within the study site. Those considered most likely to use habitats at the site are: *Phascogale tapoatafa* (Brush-tailed phascogale), *Petaurus norfolcensis* (Squirrel Glider), *Pteropus poliocephalus* (Grey-headed Flying Fox) as well as several Microchiropteran bats, woodland birds and waterbirds. No threatened fauna species were recorded during the surveys. As this is a preliminary ecological study, no formal impact assessment (7-part test) has been undertaken, although a "likely level of impact" assessment has been provided in Table 6 (p 34).

Threatened Ecological Communities

The study surveys identified ten vegetation community types/assemblages across the study area – two of which are an Endangered Ecological Community (i.e. Hunter Lowlands Red Gum Forest and Lower Hunter Spotted Gum – Ironbark Forest). Both community types were noted across the site in varying condition.

- Hunter Lowlands Red Gum Forest – all areas were found to be disturbed to some extent. The Eco Logical Australia site inspection concurs with the presence of the community type and classification given, although due to issues with limited site access the true extent and condition across the study area cannot be fully verified. It should be noted that all areas containing this community type that could be viewed during the inspection, were generally in a moderately disturbed condition.
- Lower Hunter Spotted Gum – Ironbark Forest – as per the above EEC, this community type was verified as occurring in the study area by Eco Logical Australia. The community was noted as being in varying states of condition due to the past and present land management practices. Again, due to site access issues the true extent of Lower Hunter Spotted Gum – Ironbark Forest across the study area could not be fully verified. Wildthing (2012) noted that there are issues in regard to the delineation of this EEC and stands of Seaham Spotted Gum – Ironbark Forest as both community types occur within the study area. The convergence of both communities in this area is highly likely (House 2003). The delineation of the Spotted Gum – Ironbark community types will need to be clarified, to more accurately indicate the full extent of the EEC vegetation.

Some areas of near roadside vegetation along Clarence Town Road and Butterwick Roads, occurring within private property (not within the actual road corridor) were in some cases not mapped as part of any of the identified vegetation communities in Wildthing (2012). Additionally some areas of

remnant vegetation within private properties were not mapped as being a component of any of the indicated community types. In some instances the unmapped vegetation patches could well comprise remnants of both the recorded EEC's. It is recommended that these vegetated areas be additionally assessed and evaluated.

No formal impact assessment (7-part test) has been carried out as part of this study.

Conclusion

A formal impact assessment process should be included in the assessment and reporting procedure for the rezoning to fully inform all parties of the potential ecological impacts in relation to the proposal.

As indicated in Item 1, greater detail in regard to field survey for flora and fauna is required – until such field assessment is carried out no qualitative or detailed impact assessment can be completed.

An assessment of significance under the Commonwealth EPBC Act Criteria is required for those species listed under this act such as Koala and Grey-headed Flying-fox, as well as any migratory species."

This Planning Proposal proposes to address outstanding environmental issues through Step 2.

8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

Flooding

The Wallalong area becomes isolated from surrounding centres during major flooding events. It is important that a suitable Floodplain Risk Management Plan is prepared to address flooding issues.

Consultants BMT WBM have provided initial Flood Advice to the Proponent that under major flood conditions, such as 1% AEP, all significant routes from Wallalong would be subject to road closure for a number of days. This is a very significant issue in considering the Planning Proposal. While many communities within the Hunter Valley are affected by flood isolation, these communities exist for historical reasons. In the case of Wallalong, there could potentially be up to 10,000 residents in a location that may be isolated for several days at a time. Ongoing mechanisms would need to be in place to ensure access to food and essential services over that time, as a minimum. The ability to provide flood free road access to Wallalong should also be the subject of further investigation.

BMT WBM advise the site itself is largely unaffected by flooding at the 1% and 5% Annual Exceedence Probability (AEP) events. Flooding occurs at the 5% AEP in small low-lying areas of the site to the west, southwest and east.

River and Stormwater Flooding is proposed to be investigated at Step 2.

Drainage

The majority of the site initially grades to existing watercourses that drain the elevated areas to the floodplain areas. Development of the catchment would increase the peak discharges (for all storm events) and volume of runoff, and could facilitate local flooding (internal and external to the site) and erosion.

Key factors to be considered include:

- The existing drainage infrastructure (external and internal): the capacity of the culverts under High Street, Clarence Town Road, Butterwick Road, Rosebank Drive and other roads external to the proposed urban release area must be properly determined and assessed for existing and future catchment conditions – capacity of the culvert/s and duration of overflow across the road. Detention requirements must be determined from this information;
- Potential for impact on downstream properties: Overbank flooding, inundation time (before and after development) due to increased volume of water must be assessed for various storm events and control measures; and
- Sub-catchments currently drain through the culvert under High Street and then via an existing dam. This dam normally backs up the water into land west of High Street. Consideration must be given to minimise the impact on downstream properties.

River and Stormwater Flooding is proposed to be investigated at Step 2.

9. Has the planning proposal adequately addressed any social and economic effects?

Development of the proposed Wallalong Urban Release Area will significantly change the demographic profile of the area. Currently the ABS Census 2011 for Hinton, Seaham and Wallalong has the population at approximately 2280 people. The Social and Community Impact Assessment (HDB Town Planning and Design, 2012) submitted by the Proponent states the proposed development will increase the population to 9,000 to 9,500 people over a 20-25 year period.

From a recent inter-agency workshop conducted by Council with numerous community service providers the following observations of the area are made:

- General: The rural west is a very independent, self sufficient and resourceful community. Community members often engage and utilise Maitland schools and services, rather than Port Stephens/Raymond Terrace services. There are pockets of disadvantage and rental properties are expensive;
- Current gaps in service provision: more support for young parents; social isolation issues; lacks work/education/lifestyle for 19-35 year-olds; no support services for 20-25 year-olds for housing and

accommodation; lack of transport and access to community services; and

- Opportunities: Community transport; community engagement and connection to Port Stephens and Raymond Terrace.

Potential positive impacts include:

- Increase in employment during the construction phase and in the longer term subject to the time and scope of employment generating initiatives;
- Increased supply of affordable housing options;
- Addition population will provide economic benefits primarily to businesses and commercial centres in Maitland and Raymond Terrace (the 'split' will depend on trip distribution); and
- Existing residents in the area may, in the long-term, have better access to a range of commercial/retail services, educational, community and recreational facilities.

Potential negative impacts include:

- Community concerns: Limited public transport; straining existing health infrastructure; loss of rural outlook and amenity; over-development; risks of being isolated for periods of time due to flooding; conflicts with existing agriculture; isolation of new residents (these issues may give rise to increased conflict within the community);
- Increase in demand of employment opportunities;
- Change to community identity;
- Capacity of existing services such as education, health, childcare, ambulance, fire brigade, police, to cope with additional demand until such time that those services are provided/expanded;

Potential cumulative impacts include:

- Increase in demand on existing education, community and health support services/facilities in Maitland LGA, and to a lesser extent in Port Stephens;
- Increased traffic due to current absence of public transport services; and
- Increased population will add to the economic viability of businesses in the area and surrounds due to increased demand.

This Planning Proposal proposes that Community Integration be investigated as part of Step 2 Matters to Be Investigated if Strategic Planning is Justified to address social effects.

SECTION D – State and Commonwealth interests

10. Is there adequate public infrastructure for the planning proposal?

Significant new and upgraded public infrastructure would be required to service the proposed Wallalong Urban Release Area. There is limited capacity within some existing infrastructure to cater for the initial small population increase (for example roads, electricity) however wastewater infrastructure would need to be upgraded for the first housing release.

To address the issue of adequate public infrastructure, this Planning Proposal proposes the following be undertaken following at Step 1:

- Infrastructure Delivery Strategy: the transport, essential infrastructure and local infrastructure required to service the release area, as well as the staging related to development milestones and costing for the infrastructure, and includes information on implications of infrastructure provision to Wallalong for other urban development areas in the Lower Hunter, including capacity of networks, capital works programs, funding and financial arrangements;
- Delivery Plan: for the proposed housing, including expected dwelling production and development feasibility assessment, with consideration of other urban development areas in the Lower Hunter.

Initial information has been submitted by the Proponent concerning the provision of public infrastructure in the form of a Wastewater Servicing Strategy (SMEC, 2012), Water Servicing Strategy (SMEC, 2012) and Transport Study (Better Transport Futures, 2012) and is summarised in this section.

Sewerage

There are currently no sewerage services to Wallalong. The Wastewater Servicing Strategy undertaken for the Proponent by SMEC in 2012 recommends connecting the proposed development to the Morpeth Wastewater Treatment Works by a rising main and associated pumps at an initial cost of \$6M (to cater for up to 700 equivalent tenements) and a further cost of \$10.4M (to cater for 700 to 4,000 equivalent tenements). The existing spare capacity at the Morpeth Wastewater Treatment Works is approximately 12,000, which is under the likely demand generated by Wallalong. It is not stated what other growth developments, if any, might utilise this spare capacity.

Investigations into the provision of sewerage services to the proposed Wallalong Urban Release Area will need to consider the provision of sewer to the existing township of Wallalong.

The proposed works recommended and timing suggested in the Proponent's submitted Wastewater Servicing Strategy are summarised in the following table:

Table 7 Proposed Works - SMEC Wastewater Servicing Strategy

Year	Equivalent Tenements	Recommended Infrastructure	Budget Cost
2013	0 to 700	Wastewater pumping station – Civil works for interim, pumps for Stage 1 – 60 L/s@60m, approx 59 kW/pump	\$1.4M
		Rising main – 6,900m	\$4.6M
		TOTAL	\$6M
2017	700 to 4000	Civil works, pump and electrical upgrade – Pumps for Stage 2 346L/s @57m, approx 324 kW/pump	\$2.5M
		Rising main – 6,900m	\$7.9M
		TOTAL	\$10.4M

Water

A Water Servicing Strategy undertaken for the Proponent by SMEC 2012 recommends 6.5 km of dual lead-in pipelines from the Chichester Trunk Gravity Main to Wallalong.

The pipeline is proposed in two stages, to allow for staging of the infrastructure and to address security of supply issues by allowing two separate pipelines. The existing system has hydraulic capacity to supply an additional 1300 equivalent tenements, but if this main fails there is no secondary path of supply for the site. As such, construction of one pipeline would allow hydraulic supply and security of supply to approx 1,300 equivalent tenements.

After 1,300 to 1,700 equivalent tenements are developed (depending on lot elevation), a second lead-in main is required to provide hydraulic supply and security of supply to the development. Construction of twin pipes allows for 20m residual pressure at the site on a peak day and 12m in the case of a failure of one of the new lead-in mains.

The Water Servicing Strategy identifies that the current supply issues are based around security of supply and not hydraulic availability and suggests that to address this issue, Hunter Water Corporation could undertake a risk assessment for the existing system to identify if the initial stage of development (say 500 lots) could be serviced from the existing infrastructure. It considers that the addition of these lots does not pose significantly more risk than currently exists with regard to security of supply, and alternatively,

security of supply could be addressed by temporary water tanks to provide a low cost solution prior to commencing initial development.

The proposed works recommended in the submitted Water Servicing Strategy are summarised in the following table:

Table 8 Proposed Works - SMEC Water Servicing Strategy

Stage	Equivalent Tenements Released	Recommended Infrastructure	Budget Cost
2013	0-500	Risk assessment undertaken by Hunter Water Corporation, to determine risk of security of supply in a wider system context. It is considered that the addition of another say 500 lots does not pose significantly more risk than currently exists with regard to security of supply. Alternatively, construction of temporary 'tank farm', 440kL	\$500,000
2015	500 to 1,300-1,700	6.5km main from Chichester Trunk Gravity Main.	\$4.2M
2020	From above up to 4,000	6.5km main from Chichester Trunk Gravity Main.	\$4.2M

Roads

The site is serviced by Clarence Town Road, which connects to Raymond Terrace and Maitland. The connection towards Maitland involves two river crossings at Hinton and Morpeth, which are considered to be the 'choke-points' in the road network. Both bridges are historic timber structures, with narrow carriageways, high maintenance costs and load limits.

A Transport Study has been submitted by the Proponent. A new bridge is modelled by the Proponent to be required around the release of 2,400 lots. Costings for the recently constructed Third Hunter River Bridge at East Maitland of \$30 million have been applied, which equates to approximately \$8,600 to \$9,375 per lot (based on a lot yield of 3,200 to 3,500 lots). The timing for the provision of this and other road infrastructure requires additional investigation.

It is likely that a number of intersections (new and existing) would need to be upgraded to cater for the ultimate development. These intersections are likely to extend beyond the site to the broader area, including potentially at Raymond Terrace, and within Maitland LGA.

Road infrastructure is proposed to be investigated further through the provision of an Infrastructure Delivery Strategy at Step 1 that details the transport, essential infrastructure and local infrastructure required to service the release area, as well as the staging related to development milestones and costing for the infrastructure. Information should be provided on implications of infrastructure provision to the site for other urban development areas in the Lower Hunter, including capacity of networks, capital works programs, funding and financial arrangements.

Further investigation of transport and access will also occur at Stage 2 through a third-party report on trip generation and containment rates; impact on local, sub-regional, regional and State roads (especially capacities at intersections and bridges); strategies to improve public transport services for the area; consideration of active transport (including walking and cycling connections with local and regional networks); and consultation with road authorities (including the NSW Roads and Maritime Authority, Maitland City Council and Transport NSW).

Electricity

The Proponent has provided advice from Energy Australia on 8th June 2010 that there is current capacity to service 700 additional lots in the Wallalong area, after which time a new 11kVa service is required.

Recreational Infrastructure

The Planning Proposal identifies 2 neighbourhood parks and a regional sporting facility. Further investigations into the demand for recreational facilities, in particular the need for a regional sporting facility, will be undertaken at Step 1 Information for an Initial Gateway Determination, through the preparation of an Infrastructure Delivery Strategy

Infrastructure planning and contributions

The Proponent indicates in their submission that the members of the WLG are prepared to enter into Voluntary Planning Agreements "on reasonable terms" to contribute to the cost of infrastructure provision, either individually or collectively.

The Proponent suggests that infrastructure would be funded through a combination of developer funded mechanisms (voluntary planning agreements, s94 local infrastructure contributions, special infrastructure contributions) as well as government investment (Hunter Infrastructure Investment Fund) and future funding (special rate levy). The Proponent has also indicated a willingness to forward fund wastewater servicing through a

private utility arrangement, as well as constructing commercial and community facilities as part of the early stages of the development.

This Planning Proposal proposes to confirm infrastructure planning and funding arrangements through the preparation of an Infrastructure Delivery Strategy at Step 1.

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

Consultation will be required with the following agencies/authorities/groups following a Gateway Determination:

- NSW Rural Fire Service (regarding bushfire hazards);
- NSW Fire Service (capacity to service the area);
- NSW Police Service (capacity to service the area);
- NSW Ambulance Service (capacity to service the area);
- Department of Primary Industries (regarding extractive resources and agricultural land impacts);
- Aboriginal Groups;
- Office of Environment and Heritage (regarding environmental zonings, potential biodiversity offsets, flooding and Aboriginal heritage studies);
- Roads and Maritime Services (regarding the regional road network);
- Hunter Water Corporation (regarding sewer and water services);
- Ausgrid (regarding electricity);
- Department of Education and Training (regarding provision of education services);
- Maitland City Council (regarding cross-boundary issues including infrastructure provision);
- Department of Defence (regarding flight paths); and
- State Emergency Service (regarding ability to provide emergency services during flood events).

Part 4 – Community Consultation

A higher standard of community consultation is proposed for this Planning Proposal given that the site is not included in the Lower Hunter Regional Strategy, is for a large urban release area, at an existing community, and significant infrastructure upgrades are needed to support the development.

A Community Engagement Plan will be prepared to outline how the public can participate in this planning matter following an initial Gateway Determination. The Plan will identify the project steps and timelines, opportunities for participation, how the information will be made available, and when decisions will be made.

It is proposed to undertake at least two formal exhibition periods:

1. Following an initial Gateway Determination and completion of initial strategic studies; and
2. Following a final Gateway Determination and completion of more detailed studies.

As a minimum, the Planning Proposal will be publicly notified for 28 days during each formal exhibition period, and adjoining landowners and landowners within the Wallalong Urban Release Area will be notified in writing.

Part 5 Project Timeline

The Planning Proposal is intended to follow the timeline set out in the following table.

Table 9 Project Timeline

Step 1 Initial Gateway Determination	
Council determination whether to prepare a Planning Proposal	Dec 2013
Seek initial Gateway Determination	Jan - March 2014
Undertake Gateway requirements and additional assessments	April – Dec 2014
Strategic merit consultations	Jan 2015
Review planning merit considerations	Feb 2015
Council determination whether to proceed	March 2015
Step 2 Final Gateway Determination	
Seek final Gateway Determination	April - June 2015
Undertake Gateway requirements and additional assessments	July 2015 - March 2016
Review Planning Proposal	April 2016
Formal exhibition and consultations	May 2016
Post exhibition review and prepare revised Planning Proposal	June 2016
Council determination whether to proceed	July 2016
Final Determination by Minister	August - Oct 2016
Legal drafting and making of the Plan.	Nov - Dec 2016

Assessment - Lower Hunter Regional Strategy Sustainability Criteria

Sustainability Criteria Considerations	Comments
1. Infrastructure provision Mechanisms in place to ensure utilities, transport, open space, and communication are provided in a timely and efficient way.	
1.1 Development is consistent with any regional strategy, subregional strategy, State Infrastructure Strategy, or section 117 Direction.	Urban development at Wallalong is not envisaged in the Lower Hunter Regional Strategy or State Infrastructure Strategy. From a strategic perspective, the Proposal does not provide adequate justification for the rezoning of the site for urban purposes. There is no relevant sub-regional strategy. The applicable section 117 Direction is 3.4 Integrating Land Use and Public Transport. The objective of this Direction is to ensure that urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following planning objectives: (a) improving access to housing, jobs and services by walking, cycling and public transport, and (b) increasing the choice of available transport and reducing dependence on cars, and (c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car, and (d) supporting the efficient and viable operation of public transport services, and (e) providing for the efficient movement of freight. A Proposal must locate zones and include provisions that give effect to these objectives, and the objectives of two other transport planning policies – <i>Improving Transport Choice</i> (DUAP, 2001) and <i>The Right Place for Business and Services</i> (DUAP, 2001). The Transport Study submitted with the Proposal includes assumptions about internal containment and public transport usage that are untested for Greenfield release areas in the Lower Hunter, in particular a high level of trip containment (45%). Further evidence is required to justify the submitted assumptions. There is insufficient information to determine if the Proposal is consistent with the terms of this Direction, and no study or strategy has been prepared to justify potential inconsistencies as required by section (5) of this Direction. This criterion is currently not satisfied.

1.2 The provision of infrastructure (utilities, transport, open space and communications) is costed and economically feasible based on Government methodology for determining infrastructure contributions.	Significant new and upgraded infrastructure is required to service a new urban population at Wallalong. There is limited capacity within some existing infrastructure to cater for the initial small population increase (for example roads, electricity), however wastewater infrastructure would need to be upgraded for the first housing release. The Proposal contains a <i>Wastewater Servicing Strategy</i> (2012). It recommends connecting the proposed development to the Morpeth WWTW by a rising main and associated pumps at an initial cost of \$6M to cater for up to 700 ET (Equivalent Tenements) and a further cost of \$10.4M to cater for 700 – 4000 ET. The existing spare capacity at the Morpeth WWTW is approximately 12,000, which is just under the likely demand generated by Wallalong. It is not stated what other growth developments, if any, might utilise this space capacity. In relation to reticulated water supply, HWC advise that the existing 250mm water main on Clarence Town Road can service up to 1000 ET, and beyond that figure, an upgrade is required back to the Wallalong Water Supply Trunk Main. Advice from Hunter Water Corporation (HWC) on 28 July 2011 requests that the proponent submit its servicing strategy to HWC for review. There is no evidence within the Proposal documents that such a strategy for either water or sewer has been submitted to HWC for its review. No costing is provided of community and social infrastructure and how this infrastructure might be funded. Only a generic listing of urban infrastructure funding sources is provided in the proponent's documents, and no indication or analysis of preferred or viable funding mechanisms. There is no analysis of economic feasibility of the development or an estimated infrastructure contribution per lot. This criterion is currently not satisfied.
1.3 Preparedness to enter into development agreements.	The proponent has indicated no objection to entering into a developer agreement. However, there has been no progress towards the preparation of an agreement, such as an infrastructure strategy including costing and scheduling. This criterion is partly satisfied.
2. Access Accessible transport options for efficient and sustainable travel between homes, job, services, and recreation to be existing or provided.	
2.1 Accessibility of the area by public transport and/or appropriate road access in terms of:	The Proposal is located in a relatively isolated area with no scheduled public transport services. The closest daily bus route is at Morpeth or Largs, both 6km from the site, with train stations at Thornton (16km) or East Maitland 12km. An extended bus service from Morpeth may also

• Location/land use – to existing networks and related activity centres • Network – the area's potential to be serviced by economically efficient transport services. • Catchment – the area's ability to contain, or form part of the larger urban area which contains adequate transport services. Capacity for land use/transport patterns to make a positive contribution to achievement of travel and vehicle use goals.	benefit the rural village of Hinton and the existing Wallalong community. There is a small rural community at Woodville that would be serviced by an extension of the Largs bus routes. No consultation has occurred with local bus service providers or Transport for NSW about the potential to service Wallalong. A significant upgrade to the road network will be required to manage demand created by the Proposal. Further investigations are required to determine when the existing river crossings at Hinton and Morpeth reach capacity, and the realistic alternatives for upgrading these bridges or constructing a new bridge. A minimum of \$30 million is estimated for a new river crossing. The location will require the provision of almost a full range of essential social and physical urban infrastructure due to its isolation. Residents will need to travel to other localities to obtain much of their goods, services and employment. The location can be isolated for several days at a time when large flood events occur. This criterion is currently not satisfied.
2.2 No net negative impact on performance of existing sub-regional road, bus, rail, ferry and freight network.	Insufficient information has been submitted to determine the full impact of the Proposal on transport networks, including the extent and timing of upgraded infrastructure, the potential for public bus routes and their timing, travel demand to employment and activity centres, and impact on rural and resource freight networks. This criterion is currently not satisfied.
3. Housing Diversity Provide a range of housing choices to ensure a broad population can be housed.	
3.1 Contributes to the geographic market spread of housing supply, including any government targets established for the aged, disabled or affordable housing.	The Proposal will create additional housing choice in the area and increase the supply of land for housing. However, the Kings Hill urban release area and Thornton North are substantial urban release nearby which are at a more advanced stage of planning and/or development and which will deliver many thousands on dwellings to the market in the same general locality within the timeframe envisaged for the Wallalong Proposal. The land does not appear to be required for development to meet the Government's dwelling targets under the Lower Hunter Regional Strategy; however local housing assessment in the Port Stephens Planning Strategy suggests that residential housing will assist in meeting the expected annual dwelling demand (p81). The provision of dwellings in this location for aged, disability or affordable housing is not desirable given Wallalong's separation from major centres and its isolation from facilities such as hospitals during flood events. This criterion is partly satisfied.

4. Employment Lands Provide regional/local employment opportunities to support the Hunter's expanding role in the wider regional and NSW economies.	
4.1 Maintain or improve the existing level of subregional employment containment.	A small employment park was included in the concept plan submitted by the proponent. There is insufficient information to justify the location, size or role of a light industrial zone, and it is not consistent with the Port Stephens Planning Strategy. Two local commercial centres have been identified within the concept plan, and whilst further information is required to justify the location and size of these centres, the Port Stephens Planning Strategy does make provision local services in Wallalong. More detailed information is required on the viability and number of jobs that could be created in these centres, as well as the potential for other jobs (for example home businesses, educational facilities) within the Wallalong area. Given the location of Wallalong and the limited opportunities for employment within the proposed urban release area it is likely that future residents of the area will be predominantly required to travel to other centres for employment. This criterion is currently not satisfied.
4.2 Meets subregional employment projections: Employment related land is provided in appropriately zoned areas.	6.5 hectares of industrial zoned land is proposed to service local needs and provide employment opportunities however without the WURA there is no indication of demand for employment land at Wallalong. Employment related land is catered for at other locations in the Lower Hunter such as Tomago and Williamstown. This criterion is satisfied
5. Avoidance of risk Land use conflicts, and risk to human health and life	
5.1 No residential development within 1:100 year flood plain.	The Wallalong Urban Release Area is mostly elevated. Comparatively minor parts of the site in the south west, west, and south east are mapped as flood prone land and parts of this area are proposed R5 Large Lot Residential or RE1 Public Recreation. Wallalong is isolated from other centres during flood events and the documentation does not provide an assessment of the implications of this risk or possible risk management alternatives. This criterion is partly satisfied.
5.2 Avoidance of physically constrained land e.g. high slope, highly erodible.	The Proposal avoids physically constrained land. This criterion is satisfied. The Preliminary Concept Plan submitted by the

	Proponent takes into account site constraints including physically constrained land based on information to date. The Sustainability Assessment submitted by the Proponent addresses this issue. It states the Preliminary Soil Capability Study (PPK Environment and Infrastructure, 1997) and Agricultural Land Classification Assessment (Peak Land Management, 2006) submitted with the Planning Proposal show the land investigated is characterised by undulating low hills and generally gentle slopes down to the flood plains to the east and west, and that there appears to be no obvious areas of slope instability.
5.3 Avoidance of land use conflicts with adjacent existing or future land use as planned under relevant subregional or regional strategy.	The Proposal does not appear to raise issues of unmanageable land use conflict; however consultation is required with Department of Mineral Resources and NSW Agriculture to ensure that there are no conflicts with primary industries. This criterion is partly satisfied.
5.4 Where relevant available safe evacuation route (flood and bushfire)	Wallalong is isolated from urban centres during the 1 in 100 year, and possibly more frequent, flood events. Parts of the area affected by the Proposal are constrained by bushfire-prone land, however it is noted Wallalong has several escape routes by road in different directions. It is considered that the bushfire escape route and flood evacuation/management issue can be addressed following a Gateway Determination. This criterion is currently not satisfied.
6. Natural resources Natural Resource limits not exceeded/ environmental footprint minimised.	
6.1 Demand for water within infrastructure capacity to supply water and does not place unacceptable pressure on environmental flows.	A Water Servicing Strategy was undertaken by SMEC in 2012 for the Proponent. For the first 500 lots it proposes a connection to the existing 250mm water main on Clarence Town Road. Should a risk management assessment require it, the provision of a 440kL tank may be required to provide security of supply. From 500 lots to 1300 – 1700 lots a 6.5 km DN375 water main is proposed to the Chichester Trunk Gravity Main, to be duplicated once 1300-1700 lots have been developed. The Strategy notes that this proposed water supply would meet HWC's requirement for water supply security. It is noted that the Proposal does not contain evidence of HWC's review of the Strategy. The Proposal does not appear likely to place unacceptable pressure on environmental flows. This criterion is partly satisfied.

6.2 Demonstrates most efficient/suitable use of land: avoids identified significant agricultural land, avoids productive resource lands – extractive industries, coal, gas and other mining, and quarrying.	The Hunter Council's <i>Lower Hunter Important Agricultural Land Mapping Report 2013</i> indicates that most of the land is not "important agricultural land". The site has a history of some intensive agricultural use and the loss of agricultural and rural land has not been strategically considered in the local or regional strategy. The impact on extractive resources needs to be reviewed, as the site is mapped in the Lower Hunter Regional Strategy as being close to non coal extractive resources. This criterion is currently not satisfied.
6.3 Demand for energy does not place unacceptable pressure on infrastructure capacity to supply energy – requires demonstration of efficient and sustainable supply solution.	A letter from Energy Australia to the Proponent in 2010 states that from 2012 there will be capacity from the Brandy Hill substation to supply an additional 700 lots at the site. An 11kV feeder would be required from the Brandy Hill substation to the site a greater number of lots. The Energy Australia letter does not state the maximum supply capacity of the substation. It would be reasonable to assume that the Proposal can be supplied by upgrading the existing network, and potentially substation upgrades, i.e. there does not seem to be an onerous capacity constraint. This criterion is satisfied.
7. Environmental Protection Protect and enhance biodiversity, air quality, and heritage and waterway health.	
7.1 Consistent with Government-approved Regional Conservation Plan.	The Proposal may be consistent with the Lower Hunter Conservation Plan if it can be demonstrated that the impact of the removal of native vegetation is offset on the basis of the following principles and priorities, as expressed in the Conservation Plan: a. to improve or maintain ecological processes and the dynamics of terrestrial ecosystems in their landscape context; b. to improve or maintain viable examples of terrestrial ecosystems throughout their natural ranges; c. to improve or maintain viable populations of the various biological organisms throughout their natural ranges; and d. to improve or maintain the genetic diversity of the living components of terrestrial ecosystems. Insufficient evidence is provided that the Proposal has considered this issue. The site is not located within a regional conservation corridor or priority reserve. This criterion is partly satisfied.

7.2 Maintains or improves areas of regionally significant terrestrial and aquatic biodiversity (as mapped and agreed by OEH). This includes regionally significant vegetation communities, critical habitat, threatened species, populations, ecological communities and their habitats.	The area covered by the Proposal does not contain areas of regionally significant terrestrial and aquatic biodiversity. This criterion is satisfied.
7.3.1 Maintain or improve existing environmental conditions for air quality.	The Proposal is likely to affect the environmental conditions for air quality. Air quality impacts are likely to arise from the use of motor vehicles and are likely to be minor. The high transport dependency of the Proposal is likely to generate greenhouse gases to a greater extent than a less isolated urban development. The decommissioning of on-site chicken sheds has removed a potential odour source. This criterion is partly satisfied.
7.3.2 Maintain or improve existing environmental condition for water quality: - consistent with community water quality objectives for recreational water use and river health (OEH and CMA); - consistent with catchment and stormwater management planning (CMA and Council)	The Proposal is likely to affect the environmental conditions for water quality. Water quality impacts may result from urban development. The level of impact is dependent on the water management strategy implemented and the ongoing management of this system. This impact may be minor if the system is designed and managed to contemporary standards. No assessment is provided of water quality impacts other than a generic reference to the use of water sensitive urban design. This criterion is partly satisfied.
7.4 Protects areas of Aboriginal cultural heritage value (as agreed by OEH)	A Preliminary Aboriginal Heritage Assessment undertaken for the proponent by Myall Coast Archaeological Services in 2012 involved a desktop assessment and analysis of existing research and written material and an occupation assessment to determine the probable

	aboriginal use of the land. The Desktop assessment found: • An AHIMS research identified 11 Aboriginal objects within 5 km of the site including a ceremonial area in the south west of the site. • The intensity of Aboriginal occupation can only be determined though further research and field inspection • There is no indication of a geological feature that would suggest special significance, although a low hill overlooking the rivers suggests a possible camping or ceremonial area. • Agricultural activity may have destroyed the integrity of archaeological evidence. Items such as grinding grooves, scarred trees and isolated artefacts may still exist. The occupation assessment identified landscape qualities that suggest Aboriginal occupation uses such as ceremonial, resource (artefact) and burial (the site is less than 1 km from a known burial site). The Myall Coast Report recommends further assessment including extensive field work in conjunction with the local Aboriginal Land council after a Gateway determination. This criterion is partly satisfied.
8. Quality and Equity in Services Quality health, education, legal, recreational, cultural and community development and other Government services are available	
8.1 Available and accessible services: Do adequate services exist? - Are they at capacity or is there some capacity available? - Has Government planned and budgeted for further service provision? - Developer funding for required service upgrade/access is available.	A Social and Community Assessment was undertaken in 2012 by HBD Town Planning and Design for the Proponent. The Assessment canvasses that availability of and need for wide range of social and community facilities required by the incoming residents of the proposed development. The demographic assessment refers to the Rural West area of Port Stephens LGA and the LGA in general, but does not consider the close-by areas of Maitland LGA. Maitland City Council has indicated that they are concerned about the impact of urban development in Wallalong on service and facilities in the Maitland LGA. The Assessment does not consistently use the Port Stephens Council AEC standards for community and recreational facilities. Quality health, education, legal, recreational, cultural and community development services are not currently available to service the proposal, and would need to be expanded or upgraded to cater for population growth and change. Access to these services also needs to be considered, especially for the services that will not be provided within the new urban area, but located in

	Raymond Terrace, Maitland or other centres (for example health services at John Hunter Hospital). It is considered that this component of the Proposal requires further analysis to address the above issues at the minimum, and that considerable consultation with relevant agencies is required to fully address the provision of services and facilities. This is particularly important given the relative isolation of Wallalong relative to other existing and proposed urban areas where these facilities are provided. The further assessment should consider what has been planned and budgeted for by the State government, as well as the role of regional and local infrastructure contributions (especially for recreation services). The Assessment does not appear to have considered the issue of flood isolation other than acknowledging that the option of an additional river crossing would improve access for existing residents. This assumes that the approach roads etc were constructed to a suitable level relative to the flood waters. This matter is also not sufficiently addressed in the Transport Study. This criterion is not currently satisfied.
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