

**ITEM NO. 5**

**FILE NO: 22/333955  
EDRMS NO: 58-2022-5-1**

**PLANNING PROPOSAL FOR SUNRISE LIFESTYLE VILLAGE, 4011, 4029 AND 4045 NELSON BAY ROAD, BOBS FARM**

REPORT OF: BROCK LAMONT - STRATEGY & ENVIRONMENT SECTION  
MANAGER

GROUP: DEVELOPMENT SERVICES

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Adopt the planning proposal (**ATTACHMENT 1**) to amend the Port Stephens Local Environmental Plan 2013 to:
  - a. Regularise the existing approved use of a caravan park at Lot 51 DP 1175028, 4011 Nelson Bay Road, Bobs Farm.
  - b. Enable the extension of the use to adjoining land (subject to development consent) at Lot 3622 DP 622485, 4029 Nelson Bay Road, Bobs Farm and Lot 2 DP 622229, 4045 Nelson Bay Road, Bobs Farm.
  - c. Rezone part of the site from RU2 Rural Landscape to C2 Environmental Conservation.
- 2) Forward the planning proposal to the NSW Department of Planning and Environment for a Gateway determination and request authority to make the plan.

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**ORDINARY COUNCIL MEETING - 28 FEBRUARY 2023  
MOTION**

<b>017</b>	<p><b>Councillor Leah Anderson</b> <b>Councillor Steve Tucker</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Adopt the planning proposal (<b>ATTACHMENT 1</b>) to amend the Port Stephens Local Environmental Plan 2013 to:<ol style="list-style-type: none"><li>a. Regularise the existing approved use of a caravan park at Lot 51 DP 1175028, 4011 Nelson Bay Road, Bobs Farm.</li><li>b. Enable the extension of the use to adjoining land (subject to development consent) at Lot 3622 DP 622485, 4029 Nelson Bay Road, Bobs Farm and Lot 2 DP 622229, 4045 Nelson Bay Road, Bobs Farm.</li><li>c. Rezone part of the site from RU2 Rural Landscape to C2 Environmental Conservation.</li></ol></li></ol>
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## MINUTES ORDINARY COUNCIL - 28 FEBRUARY 2023

	2) Forward the planning proposal to the NSW Department of Planning and Environment for a Gateway determination and request authority to make the plan.
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In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Ryan Palmer, Crs Leah Anderson, Giacomo Arnott, Peter Francis, Peter Kafer, Steve Tucker and Jason Wells.

Those against the Motion: Nil.

The motion was carried.

### BACKGROUND

The purpose of this report is for Council to adopt the planning proposal **(ATTACHMENT 1)** to amend the Port Stephens Local Environmental Plan 2013 (PSLEP 2013). The proposal seeks to regularise the existing approved use of land at 4011 Nelson Bay Road, Bobs Farm, enable the extension of that use (subject to development consent) to adjoining land at 4029 and 4045 Nelson Bay Road, Bobs Farm and rezone part of the subject land from RU2 Rural Landscape to C2 Environmental Conservation.

Should Council resolve to adopt the planning proposal, it will be forwarded to the NSW Department of Planning and Environment (DPE) requesting a Gateway determination, and for Council to be made the plan making authority. Following issue of a Gateway determination, the planning proposal would be publicly exhibited in accordance with any gateway conditions, before being reported to Council to determine the proposal.

A locality map of the land the subject of the planning proposal is available at **(ATTACHMENT 2)**. A Strategic Planning Assessment Report (SPAR) for this planning proposal is available at **(ATTACHMENT 3)**.

The existing caravan park (Sunrise Lifestyle Village) was approved under previous Port Stephens Local Environmental Plan 2000 and is permissible under existing use rights. The planning proposal would reduce confusion by amending Schedule 1 of the PSLEP 2013 to include 'caravan park' as an additional permitted use over the subject land. This additional permitted use would apply to the subject site only and does not apply to other similar style developments or locations throughout Port Stephens.

The planning proposal would also extend the additional permitted use to the 2 lots adjoining Sunrise Lifestyle Village (Lot 3622 DP 622485 and Lot 2 DP 622229, known as 4029 and 4045 Nelson Bay Road, Bobs Farm) which are currently used for residential purposes. These lots form the land bounded by Nelson Bay Road, Trotter Road and the existing Sunrise Lifestyle Village. It is intended to extend the

## MINUTES ORDINARY COUNCIL - 28 FEBRUARY 2023

development over part of these lots, for which a separate future development application would be required.

The remaining parts of the adjoining lots are proposed to be rezoned from RU2 Rural Landscape to C2 Environmental Conservation. This is for the purposes of retaining a vegetation corridor connecting vegetation to the north and south of the site. An existing wildlife crossing is located approximately 10m from the site's eastern boundary. The fauna crossing underpasses Nelson Bay Road and was previously installed by Transport for NSW.

A summary of the planning proposal and property details are provided below:

<b>Date lodged:</b>	6 December 2022
<b>Proponent:</b>	Hometown Australia C/- ADW Johnson
<b>Subject property:</b>	Lot 51 DP 1175028, 4011 Nelson Bay Road, Bobs Farm Lot 3622 DP 622485, 4029 Nelson Bay Road, Bobs Farm Lot 2 DP 622229, 4045 Nelson Bay Road, Bobs Farm
<b>Total area:</b>	Total site area (all lots combined) is approximately 13.72ha, comprised of: Lot 51            10.18 Lot 3622        2.04 Lot 2             1.49
<b>Current zoning:</b>	RU2 Rural Landscape
<b>Current use:</b>	Lot 51 comprises of an approved caravan park, comprising of 193 manufactured homes and community facilities approved under historic zoning, and currently operating under existing use rights.  Lot 3622 and Lot 2 each contain a single dwelling and associated outbuildings.
<b>Proposed changes:</b>	Inclusion of the subject land within Schedule 1 of PSLEP as an additional permitted use to permit a Caravan Park.  Rezone part of site to C2 Environmental Conservation.
<b>Lot yield:</b>	The planning proposal has potential for approximately 62 additional dwellings on the Subject Land.  The existing approved caravan park comprises 193 dwelling sites.

### Suitability of the site

The subject land is considered suitable for the proposed future use given that part of the land is already utilised for this use. The additional lots (Lot 3622 and Lot 2) that would accommodate an extension of the Sunrise Lifestyle Village (subject to development consent) are relatively unconstrained.

## MINUTES ORDINARY COUNCIL - 28 FEBRUARY 2023

The proposal is supported by a Streamlined Biodiversity Development Assessment Report (SBDAR). Council's Natural System Team advised that the SBDAR confirms that the site does not contain any koala feed trees and is not suitable habitat for koalas. Notwithstanding, maintaining north-south habitat connectivity is a critical component to this planning proposal and the future development of the site. Transport for NSW has undertaken extensive studies within this location in association with the road upgrade works that were completed in 2015. These works resulted in fauna fencing, fauna grids and fauna crossing structures being installed in the locality.

With the development of the current Sunrise Estate and the proposed future expansion, habitat connectivity through the eastern portion of 4045 Nelson Bay Road is critical to fauna (including koalas) that occur within the area. In order to secure the Eastern portion of the site as fauna connectivity tunnel, a C2 Environmental Conservation Zone is proposed.

Unlike typical residential developments, the development already includes a number of on-site community facilities and services, including a regular private bus service which connects residents with nearby town centres.

### Servicing

Ausgrid and Hunter Water have advised that there is sufficient capacity in the existing network to support the proposed development.

### AHIMS

A search of the Aboriginal Heritage Information Management System identified 1 Aboriginal site recorded near the subject land. The Aboriginal site is located south of Nelson Bay Road, within the Worimi National Park.

Due to the proximity of this site, a Due Diligence Aboriginal Heritage Assessment was prepared and concludes that the site does not contain any sites or potential archaeological deposits (PADs) of Aboriginal heritage significance, and as a result, an Aboriginal Heritage Impact Permit (AHIP) would not be required for the future development.

## COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2022-2026
Thriving and Safe Place to Live	Provide land use plans, tools and advice that sustainably support the community.

## FINANCIAL/RESOURCE IMPLICATIONS

Financial and resourcing implications for Council as a consequence of the recommendation of this report are outlined below.

## MINUTES ORDINARY COUNCIL - 28 FEBRUARY 2023

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		The planning proposal would change the highest and best use permitted on the land, which is likely to increase the land value. Consequently, rate income from the land is expected to increase.
Reserve Funds	No		
Developer Contributions (\$7.11)	No		Development contributions are payable subject to an approved DA.
External Grants	No		
Other	Yes		Stage 1 Planning Proposal fees of \$13,860 (incl. GST) have been paid.

### LEGAL, POLICY AND RISK IMPLICATIONS

There are no foreseen legal, policy or risk implications for Council as a result of the recommendation of this report.

Risk	<a href="#">Risk Ranking</a>	Proposed Treatments	Within Existing Resources?
There is a risk that DPE will refuse the planning proposal at Gateway.	Low	Accept the recommendation.	Yes
There is a risk that the housing needs in Port Stephens are not met.	Medium	Accept the recommendation.	Yes.
There is a risk that without the proposed C2 Environmental Conservation zone, the wildlife corridor will not be secured into the future.	Low	Accept the recommendation.	Yes.

### Environmental Planning and Assessment Act, 1979

The planning proposal is being processed in accordance with Part 3 of the EP&A Act. Should Council resolve to adopt the planning proposal, it will be forwarded to DPE for

a Gateway determination, including a request for Council to be made the Plan Making Authority.

#### State Environmental Planning Policy (Housing) 2021

Provisions in the Housing SEPP relating to caravan parks are applicable to development of the site. These provisions include matters for consideration when assessing a future development application for a caravan park, including a caravan park that comprises of manufactured homes. These matters include site suitability, location and character, and whether necessary community facilities and services are available.

Further, the planning proposal is consistent with the overarching principles of the Housing SEPP, as it would:

- Offer housing diversity
- Provide housing to meet the needs of more vulnerable members of the community (such as seniors)
- Provides a high level of amenity
- Promotes housing in a location where it would use existing and planned infrastructure and services
- Minimises environmental impacts through the use of largely disturbed land.

#### Port Stephens Local Environmental Plan 2013

The PSLEP 2013 zones the land RU2 Rural Landscape, which does not permit caravan parks. The current development on the site relies on the existing use rights to operate. An extension of that use to the adjoining parcel would not be permissible under the current zoning.

The planning proposal would amend Schedule 1 of PSLEP 2013 to include 'caravan park' as a permissible form of development on the subject land, other than the land proposed to be zoned C2 Environmental Conservation. This additional permitted use would apply to the subject site only and does not apply to other similar style developments or locations throughout Port Stephens.

#### Hunter Regional Plan 2041 (HRP)

The HRP outlines considerations for lifestyle villages, including that they should be located if possible within 800m of local and strategic centres or key transit corridors. Where lifestyle villages are proposed outside these locations, the village or community should be on unconstrained sites and have:

- Reticulated water and sewer
- Indoor and outdoor recreation facilities adequate for the number of proposed residents such as bowling greens, tennis courts, golf course, swimming pool, or off-leash dog park

- Community facilities that promote gathering and social connections such as a restaurant, community hall, or community garden
- Access to bus services providing frequent trips to local centres and shops.

The planning proposal is generally consistent with the visions and goals of the HRP. The proposal would make efficient use of the land, as it provides housing choice (including for seniors) with easy access to a range of community facilities and services within the lifestyle village. Furthermore, it is located on a major transit corridor and provides a regular bus service to transport residents to town centres.

#### Local Strategic Planning Statement 2020 (LSPS)

The LSPS identifies the 20-year vision for land use in Port Stephens and sets out social, economic and environmental planning priorities for the future. The planning proposal is considered to be consistent with, and would give effect to, the following planning priorities from the LSPS:

##### Priority 4: Ensure suitable land supply (for housing)

This priority identifies the need to prepare and implement a local housing strategy to ensure suitable land supply and other planning priorities for housing identified in the LSPS. The planning proposal would contribute towards the provision of suitable land for additional housing in the LGA.

##### Priority 5: Increase diversity of housing choice

This priority identifies that, based on what people value, planning is required for a range of housing types, sizes, tenures and price points to suit different lifestyles.

Housing choices in the Port Stephens LGA cover a wide range of options, including homes in retirement villages and lifestyle communities.

The planning proposal is consistent with the LSPS as it would respond to the need for suitable land supply for housing and increase housing choice that suits the needs and lifestyle of current and future residents, particularly surrounding the aging community.

#### Port Stephens Local Housing Strategy (Live Port Stephens) 2020

The planning proposal is consistent with the Port Stephens Local Housing Strategy (Live Port Stephens). It responds directly to a number of priorities as it ensures adequate supply of new housing, responds to housing stress, and encourages a range of housing types and sizes. The site is consistent with the Greenfield Housing Criteria.

## **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

### Social and Economic

The planning proposal is likely to deliver a range of social and economic benefits, including:

- Additional housing choices in the Port Stephens LGA
- Employment through construction and the long-term employees within the lifestyle village
- Increased retail and service industry patronage for nearby town centres
- Efficient use of (private) community facilities and services provided at the existing approved caravan park.

With respect to housing choice, this form of housing continues to be highly sort after within the Port Stephens LGA. Sunrise and similar developments provide for a relatively compact form of housing supported by a range of community facilities and services. This is well suited to the aging demographic on Tomaree Peninsula.

The Port Stephens Housing Preference Study (2020) found that there is a gap between housing supply and housing preferences, and identified a need for more affordable, adaptable and smaller housing types than are currently supplied by the market, particularly for the older demographic. Market trends show a preference for lifestyle villages that enable higher density housing with significant incentives for owners, such as retaining Commonwealth rental assistance.

Since 2020, Port Stephens has experienced noticeable changes in housing demand. Impacts from COVID-19 have seen a growing desire for people to relocate from highly populated cities. This combined with rapidly changing working conditions such as remote working opportunities, have significantly increased demand for housing.

Although lifestyle villages have limited impact on housing affordability, uptake of these forms of housing has the benefit of seeing larger homes in established areas being on sold to accommodate other sectors of the community.

### Environmental

It is likely that future proposed development can be undertaken without resulting in unreasonable adverse environmental impacts. The protection of an important fauna corridor through the site under a C2 Environmental Conservation zone is likely to have long-term benefits to biodiversity conservation.



## **CONSULTATION**

### Internal

Internal consultation was undertaken with the Natural Systems, Development Engineering and Development Planning teams. The planning proposal reflects the advice received during this internal consultation.

Councillors were invited by the proponent to undertake a site visit on Friday, 9 December 2022 and Saturday, 10 December 2022.

### External

In December 2022, the NSW Government introduced a new process for amending Local Environmental Plans (LEPs). In the Stage 1 Pre-lodgement phase, planning proposals are reviewed by Council and State agencies prior to formal lodgement on the NSW Planning Portal, and prior to seeking a Gateway determination.

Consultation with the following agencies was undertaken as part of the scoping assessment:

- Department of Planning and Environment
- Transport for NSW
- Rural Fire Service NSW
- Department of Primary Industries – Agriculture
- Biodiversity Conservation Division.

None of the agencies objected to the proposal. They did, however, request additional information, which has been provided and addressed throughout the planning proposal. Further consultation or referral of the planning proposal to authorities and government agencies is anticipated after Gateway determination, as set out under Section 9.1 of the EP&A Act, a Gateway condition and / or where an authority or agency has an interest in the proposal.

Further consultation with community and State Government agencies would be undertaken in accordance with the Gateway determination.

## **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

## **ATTACHMENTS**

- 1) Planning Proposal. (Provided under separate cover)
- 2) Locality plan.
- 3) Strategic Planning Assessment Report.

**COUNCILLORS ROOM**

Nil.

Note: Any third party reports referenced in this report can be inspected upon request.

**TABLED DOCUMENTS**

Nil.