

11. QUESTIONS WITH NOTICE

11.1. QUESTIONS WITH NOTICE - CR P EPOV

REPORT INFORMATION

Author	Cr Peter Epov
Date of Meeting	7th September 2022

Responses were provided as contained in the Business Paper.

12. CONSIDERATION OF OFFICERS' REPORTS:

13. GENERAL MANAGER

Nil.

14. DIRECTOR LIVEABLE COMMUNITIES

14.1. NORTH DIAMOND BEACH PLANNING PROPOSAL UPDATE

REPORT INFORMATION

Report Author	Paul De Szell - Director Liveable Communities
Date of Meeting	7 September 2022
Authorising Director	Paul De Szell - Director Liveable Communities

RECOMMENDATION

Option A (Preferred):

That Council formally advise the NSW Department of Planning and Environment that it wishes to remain the Planning Proposal Authority for the North Diamond Beach Planning Proposal.

OR

Option B:

That the NSW Department of Planning and Environment be advised that Council does not wish to remain the Planning Proposal Authority for the North Diamond Beach Planning Proposal.

344/2022 RESOLUTION

(Moved Cr T Fowler/Seconded Cr D West)

That Council formally advise the NSW Department of Planning and Environment that it wishes to remain the Planning Proposal Authority for the North Diamond Beach Planning Proposal.

FOR VOTE - Cr A Tickle, Cr J Miller, Cr C Pontin, Cr P Sandilands, Cr D West, Cr K Smith, Cr D Smith, Cr P Howard, Cr T Fowler

AGAINST VOTE – Cr P Epov

ABSENT, DID NOT VOTE – Cr K Bell

14.2. RURAL STRATEGY SUBMISSIONS - ZONE CRITERIA, LAND USES & DEVELOPMENT STANDARDS

REPORT INFORMATION

Report Author	Alex Macvean - Senior Land Use Planner
Date of Meeting	7 September 2022
Authorising Director	Paul De Szell - Director Liveable Communities

RECOMMENDATION

That Council endorse the proposed amendments to the Draft Rural Strategy as documented within this report.

345/2022 RESOLUTION

(Moved Cr J Miller/Seconded Cr D West)

That Council endorse the proposed amendments to the Draft Rural Strategy as documented within this report.

FOR VOTE - Cr A Tickle, Cr J Miller, Cr C Pontin, Cr P Sandilands, Cr D West, Cr K Smith, Cr D Smith, Cr P Epov, Cr P Howard, Cr T Fowler

AGAINST VOTE - Nil

ABSENT, DID NOT VOTE – Cr K Bell

14.1 NORTH DIAMOND BEACH PLANNING PROPOSAL UPDATE

ATTACHMENT 1 – PLANNING PROPOSAL TO REZONE NORTH DIAMOND BEACH FROM COUNCILS MEETING OF 29 JUNE 2022

14.2. PLANNING PROPOSAL TO REZONE NORTH DIAMOND BEACH FROM SP3 TOURIST TO R1 GENERAL AND R3 MEDIUM DENSITY RESIDENTIAL

Report Author	Louise Morris - Land Use Planner
Date of Meeting	29 June 2022
Authorising Director	Paul De Szell - Director Liveable Communities

SUMMARY OF REPORT

The purpose of this report is to seek a formal resolution of Council to request a Gateway Determination from the NSW Department of Planning and Environment (DPE) to support the processing of a Planning Proposal for North Diamond Beach to: rezone the precinct from Tourist (SP3) to a mixture of General Residential (R1) and Medium Density Residential (R3).

The intended outcome of the Planning Proposal is to permit permanent occupancy of existing approved development across the precinct and to encourage medium density residential development on undeveloped sites in the southern half of the precinct.

RECOMMENDATION

1. That a Gateway Determination on the attached Planning Proposal for North Diamond Beach (Attachment 1) be sought from the NSW Department of Planning and Environment pursuant to Section 3.34 of the Environmental Planning and Assessment Act 1979.
2. That the NSW Department of Planning and Environment be advised that Council seeks to be the local plan making authority to make the draft Greater Taree Local Environmental Plan 2010 amendment associated with the Planning Proposal.
3. That agency consultation be undertaken.
4. That the Planning Proposal be updated to incorporate the outcomes of any Gateway Determination conditions and agency consultation.
5. That the Planning Proposal be exhibited in accordance with the Gateway Determination.
6. That in the event that no objections are received during the exhibition of the Planning Proposal, that the associated Local Environmental Plan amendment be referred to the NSW Department of Planning and Environment to be drafted and made without referral back to Council.

FINANCIAL / RESOURCE IMPLICATIONS

An application fee was paid for the assessment of the planning proposal in accordance with Council's fees and charges. It is not anticipated that additional studies will be required as these were previously undertaken when rezonings occurred from rural to tourist, however, any requirements for further investigations following the Gateway Determination will be funded by the applicant, in accordance with Council policy.

LEGAL IMPLICATIONS

The Planning Proposal process has been undertaken in accordance with the requirements of the *Environmental Planning and Assessment Act 1979* and the associated *Environmental Planning and Assessment Regulation 2021*.

RISK IMPLICATIONS

There are minimal risks associated with the making of the LEP as a result of the standardised Planning Proposal process.

The risk of rezoning the tourist precinct to residential is that the community may think that Council is seeking to intensify development on the site, rather than the change being the result of the failure of the zone to work in the MidCoast and the need to find a residential zone that would match the development density currently found or permissible in the precinct. Careful consideration of exhibition material and messaging is required to avoid this situation.

BACKGROUND

The precinct is located north of the Diamond Beach village. It is just under 25 hectares in size and is currently zoned SP3 Tourist and C2 Environmental Conservation. There is no change proposed to the C2 zone, so this report will focus on the SP3 Tourist zone only. The site is bordered by Diamond Beach Road to the south and Khappinghat National Park to the north. The Diamond Beach coastline runs parallel to the east with rural lands (RU1 zone) to the west. The rural lands are identified as an urban release area within the MidCoast Urban Release Areas Report (2021).



The area has been used for tourist and visitor purposes for many years and has progressively been rezoned from Rural to Tourist to reflect this. Whilst there have been various development approvals over the precinct only a few have been realised due to a lack of financial investment in short-term visitor accommodation. There has been an attempt to address this through the Additional Permitted Uses in Schedule 1 of the Greater Taree LEP 2010 which allows 30% permanent occupancy over each of the areas within the SP3 Tourist zone, however it is the zone which is deterring banks and other lenders from enabling investment in this style of development.

The MidCoast Housing strategy (2020) found a similar situation has occurred in areas zoned SP3 Tourist across the MidCoast and has made recommendations to rezone those areas in the new combined Local Environmental Plan. What has deterred lenders is the inability of the zone to permit permanent residential occupancy and hence reduce risk to lenders, as tourist accommodation is subject to seasonal variability and hence income fluctuations.

The MidCoast Housing Strategy (2020) recommends that the North Diamond Beach Tourist Precinct be rezoned to Medium Density Residential (R3) and have a masterplan to show how it can transition from a Tourist to Residential zone. By inclusion in this strategy Council would have considered it as part of the development of the MidCoast Local Environmental Plan.

The North Diamond Beach Tourist Precinct is also identified in the MidCoast Urban Release Areas Report (2021) as Diamond Beach Growth Area 1 as a nominated Urban Release Area to be rezoned in the short-term (1-5 years [ahead of the new MidCoast LEP]) to provide medium density residential development, subject to a Planning Proposal.

It is appropriate for Council to consider this Planning Proposal now, ahead of the development of the Hallidays Point Place Strategy, as it represents a change from one urban zone to another, a zone that was found not to work in the MidCoast. Rezoning this precinct does not allow additional development such as would be experienced in changing from a rural to a residential zone and hence it is appropriate to consider it ahead of the Place Strategy which will provide a framework for rezoning the other Hallidays Point Urban Release Areas.

Development Overview

The site is divided into four distinct areas of ownership, Serenity, Summerland, Seashells and Saltwater Shores, as seen in the figure below. Most of the sites are subject to separate Development Approvals which have been granted under community title subdivision and involve additional agreements specific to each site. This means that the entire area, including infrastructure, is owned and managed privately within each of the development areas.



PLANNING PROPOSAL PROCESS

The planning proposal was lodged online via the NSW Planning Portal in December 2021 by Saltwater Shores P/L, owners of 391 Diamond Beach Road, Diamond Beach. The proposal seeks to amend the Greater Taree Local Environmental Plan 2010 (LEP 2010) by rezoning the area from tourist to residential. This is in line with the recommendations from the MidCoast Housing Strategy (2020) regarding the site. The planning proposal was returned in March 2022 with a request for further information and other updates to the document based on legislative changes that had occurred. The planning proposal was amended and relodged on the planning portal in April 2022.

DISCUSSION

Moving from short-term stay to permanent residency

The suitability of the land for residential accommodation has already been established through the previous rezoning of the land to SP3 Tourism. The environmentally sensitive land has also been identified and zoned appropriately. Further to this, there have been multiple approvals for short-term residential accommodation approved over the site. The area has been identified for transitioning to permanent residential in the MidCoast Housing Strategy (2020) and the Urban Release Area Report (2021).

The original proposal

The original planning proposal submitted by Saltwater Shores in December 2021 (and revised in April 2022) proposed to rezone the entire SP3 Tourist area to R3 Medium Density Residential, as shown below.



Specifically, it was proposed to amend the Greater Taree LEP 2010 to:

- Create an R3 Medium Density Residential zone in the LEP;
- Rezone land in the north Diamond Beach Area from SP3 (Tourist) to R3 (Medium Density Residential); and
- Create an additional permitted use under Schedule 1 of the LEP to enable integrated housing and subdivision on land described as Lot 17 DP 576415, 391 Diamond Beach Road, Diamond Beach.

The proposal submitted by Saltwater Shores is in line with the recommendations from Council's Housing Strategy, however, the planning proposal has provided an opportunity to test this approach and further refine the transition from tourist to residential zone.

MidCoast Housing Strategy (2020) and further assessment

Recommendation 5.1.4 – Transition the land at North Diamond Beach to the medium density zone and identify as an Urban Release Area that requires master planning prior to development of the land.

The above recommendation from the housing strategy was aimed at treating the site as a whole and planning public infrastructure that made sense at this scale. What became apparent during the review of the planning proposal was much of the infrastructure had either been built, approved or planned for in each of the 4 development areas. All of which has been approved through Community Title Subdivision. This type of subdivision means the infrastructure, such as roads, do not need to meet Council's standards as they remain in private ownership. It was not feasible to unwind these development approvals or try to change the infrastructure to meet Council's standards to master plan the site as a new public residential area.

Further, the R3 Medium Density Residential zone was recommended to replace the SP3 Tourist zone as the development opportunities were similar, except for permanent residency which is allowed in the R3 zone and not in the SP3 zone. An additional clause to allow residential lots below the minimum lot size (1,000m² in the R3 zone) through integrated development (designed and subdivided in the same development approval), was also recommended. This provides another opportunity to achieve densities similar to those in the SP3 zone as an alternative to utilising available height. This clause is currently in use in the Great Lakes Local Environmental Plan 2014 and is recommended to be used in the new MidCoast Local Environmental Plan.

Serenity



1. Existing resort
2. Community title subdivision (approved)

When the review of the precinct began it was found that the northern part of the site had been largely developed or approved. An example of this is the Serenity development located at the top of the precinct (shown above), which is completely developed and operational. It has features more aligned with an R1 General Residential zone as it permits dwellings on a single lot, which is what is found at Serenity. There are also over fifty owners within the community title subdivision plan, making a wholesale shift to medium density residential unlikely. An R1 zone in this area also makes sense to act as a transition from the precinct to the National Park in the north.

Summerland



3. Community Title subdivision (approved).
- 4 & 5 Community Title subdivision (future).
6. Existing private residence.

The northern section of Summerland, shown in the figure above, adjoining Serenity, includes a mixture of subdivision that has been approved, with some lots created and sold. It is recommended that this part of Summerland transition to an R1 General Residential zone.

The remaining southern area of Summerland includes future development and an existing residence. There is still an opportunity for the landowner to develop under an R3 Medium Density Zone, similar to the opportunities currently within the SP3 Tourist zone. The change from R1 General Residential to R3 Medium Density Residential within the Summerland development area is delineated by a dotted line in the figure above.

Seashells Ltd



- 7. Existing resort
- 8. Townhouse development (approved)
- 9. Development site (future – dam to be filled)
- 10. Environmental Conservation area (no change)

Saltwater Shores

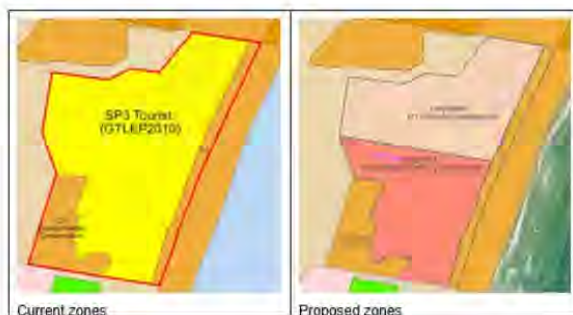


- 11. Caravan Park (approved), Integrated Housing (proposed and shown on figure above)

Seashells and Saltwater Shores shown respectively above is proposed to be rezoned R3 Medium Density Residential as it offers the most similar development opportunities to the current tourist zone. In addition, the development application over Saltwater Shores that is currently being assessed for smaller lot housing through a community title subdivision will be permissible using the additional clause related for integrated development that is currently used for this zone in the Great Lakes LEP and proposed for this zone in the Greater Taree LEP.

The amended proposal

It is now proposed to apply a combination of R1 General Residential and R3 Medium Density Residential zones over the site area.



Planning Mechanism

It is now proposed to alter the Greater Taree LEP 2010 by:

- Introducing the R3 Medium Density Residential zone into the Greater Taree LEP 2010.
- Adding a *Part 4 Principal Development Standards* clause which allows single dwellings on lots down to 200 square metres in the R3 zone, where they are part of an integrated development (dwellings designed and subdivided within the same development approval).

This will be modelled on *Clause 4.1A Exceptions to minimum lot sizes for certain residential development*, from the Great Lakes Local Environmental Plan 2014.

- Rezoning the land from Tourist (SP3) to a combination of R1 General Residential (R1) and R3 Medium Density Residential (R3) as shown above.

The R1 zone is applied to areas that have been constructed or where subdivision has occurred or commenced. The R3 zone is applied in areas where subdivision is not yet approved or finalised, providing an opportunity to achieve higher densities and where the zone matches current built form. This combination will provide diversity in housing stock and help curb under development of the site.

- Removal of Additional Permitted Uses 4, 5 and 6 in Schedule 1 of Greater Taree LEP 2010 which relates to restrictions on residential accommodation.
- Apply a maximum height of building of 8.5m over the R1 and 12m over the R3.
- Use the standard R3 minimum lot size of 1,000m².
- Use the standard R1 minimum lot size of 450m².
- Not apply a floor space ratio map for the precinct.

Use of delegations

Council has been issued with plan making delegations from the NSW Minister for Planning in regard to processing Planning Proposals. What this means is that Council can, following exhibition of the Planning Proposal seek the LEP amendment to be made (formerly called gazettal). For this to occur Council needs to resolve to use these delegations and the Gateway Determination needs to then confirm that Council can use these.

In deciding whether to request to use its delegations Council must decide whether it has a potential or actual conflict of interest in the Planning Proposal.

Regarding this Planning Proposal it is noted that Council has no involvement in the land (as owner or manager) and a situation is unlikely to arise where Council would have a conflict of interest.

For these reasons it is recommended that Council advise DPE that it wishes to use its plan making delegations for this Planning Proposal.

CONSULTATION

In accordance with Section 3.34(2)(c) of the *Environmental Planning and Assessment Act 1979* and Council's Community Engagement Strategy 2019-2022, this Planning Proposal will be made publicly

available for a minimum of 28 working days should a successful Gateway Determination be achieved. Although the Gateway Determination could specify a different timeframe, Council's 28 working days is usually granted.

Formal consultation with identified government agencies will occur post-Gateway, prior to public exhibition.

No community consultation has been carried out to date and any consultation required by the Gateway Determination will be undertaken as outlined above.

COMMUNITY IMPACTS

The planning proposal is anticipated to have a positive community impact by giving existing owners within the site an opportunity to live permanently within dwellings that have been constructed and providing investors the confidence to release the development approvals. The community consultation process will identify any potential impacts on the community.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

The Planning Proposal has been assessed against *MidCoast 2030 Shared Vision, Shared Responsibility 2018-2030* - being MidCoast Council's Community Strategic Plan.

In particular, the Planning Proposal assists to meet the value of "our unique, diverse and culturally rich communities" by supporting the action to "Support a diverse housing mix that provides choice and meets the needs of our community".

TIMEFRAME

The Gateway Determination will identify the next steps which will determine the length of time needed. The process for considering a planning proposal is shown below. This application is currently in the initial stages of the process.



ATTACHMENTS - UNDER 50 PAGES

Nil

ATTACHMENTS - OVER 50 PAGES

1. Amended North Diamond Beach Planning Proposal (51 pages)

Attachment 1 is available on Council's website for this meeting under the "Related Information" heading.

LIVEABLE COMMUNITIES

ATTACHMENT 1

**PLANNING PROPOSAL TO REZONE NORTH
DIAMOND BEACH FROM SP3 TOURIST TO R1
GENERAL AND R3 MEDIUM DENSITY
RESIDENTIAL**

ORDINARY MEETING

29 JUNE 2022



Planning Proposal to amend Greater Taree Local Environmental Plan 2010 to:

- Introduce the R3 Medium Density Residential zone.
- Rezone land from Tourist (SP3) to a combination of General Residential (R1) and Medium Density Residential (R3).
- Add a Part 4 Principal Development Standards clause which allows single dwellings on lots down to 200m² in the R3 zone, where it is integrated developed.
- Removal of Additional Permitted Uses 4, 5 and 6 in Schedule 1 which relates to restrictions on residential accommodation.

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Version 3 / Date: 05/05/2022

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Version	Purpose of Document	Author	Date
1	Lodgement on NSW Planning Portal	Saltwater Shores Pty Ltd	December 2021
2	Additional information and amendments to reflect updated SEPPs and Ministerial Directions	Saltwater Shores Pty Ltd	April 2022
3	Reviewed for reporting to Council	Council – Louise Morris	May 2022
4	For Gateway Determination	xxx	xxx
5	Editorial amendments to reflect Gateway Determination	xxx	xxx
6	Amendments in response to public and agency submissions received during exhibition	xxx	xxx

Introduction

The Planning Proposal has been prepared by MidCoast Council in accordance with Division 3.4 of the Environmental Planning and Assessment Act 1979 and the relevant Department of Planning and Environment (Department) Guidelines, including the Local Environmental Plan Making Guideline (December 2021).

The Planning Proposal seeks to amend Greater Taree Local Environmental Plan (LEP) 2010 to rezone land in north Diamond Beach, (the Precinct), from SP3 Tourist to R1 General Residential and R3 Medium Density Residential. The area of C2 Environmental Conservation within the Precinct remains unchanged.

This Planning Proposal outlines the intended effect of, and justification for, the proposed amendments to Greater Taree LEP 2010.

The proposed amendments were the subject of a report to Council's XXX Ordinary Meeting. The report, attachments and resolution relevant to this Planning Proposal are available on MidCoast Council's website <https://www.midcoast.nsw.gov.au/Council/Council-Meetings/Meeting-Agendas-and-Minutes>

The proclamation of 12 May 2016 ratified the merger of the Local Government Areas of Gloucester Shire, Greater Taree and Great Lakes Council into MidCoast Council. Greater Taree LEP 2010 still stands as a separate environmental planning instrument.

Council requests that the Department issue delegations to Council to make this amendment.

Description of the land and surrounds

Table 1: Site details

Title Description & Property Address	<ul style="list-style-type: none">• Lot 17 DP 576415, 391 Diamond Beach Road, Diamond Beach;• Lots 1, 2 and 3 DP 271277, 363 Diamond Beach Road, Diamond Beach;• Lot 2 DP 856418, 361 Diamond Beach Road, Diamond Beach;• Lot 320 DP 1242093, 355 Diamond Beach Road, Diamond Beach;• Lots within Strata Plan Subdivision 91020, 18 Whales Parade, Diamond Beach;• Lots within Community Title Subdivision DP 286523;• Lots within Community Title Subdivision DP 286110;• Lots within Community Title Subdivision DP 286697; and• Lots within Community Title Subdivision DP270544.
Site Area	approximately 25 Hectares
Current Zoning – Greater Taree LEP 2010	SP3 Tourist and C2 Environmental Conservation

The Precinct is located within the north Diamond Beach area. The site locality plans are provided in Figures 1 and 2. It is bordered by Diamond Beach Road to the south and Khappinghat National Park to the north. The Diamond Beach coastline runs parallel to the east with rural lands (RU1 zone) to the west. The rural lands are identified as an urban release area within the MidCoast Urban Release Areas Report (2021).

Greater Taree Local Environmental Plan LEP (2010) - 391 Diamond Beach Road

(May 2022)

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Figure 1: Site Location – Regional Context



Figure 2: Location of precinct area



Greater Taree Local Environmental Plan LEP (2010) - 391 Diamond Beach Road
(May 2022)

The current SP3 zoning of the parcels within the Precinct were created in 2010, 2018 and 2020. These rezonings were developed through previous planning proposals based on detailed site investigations which identified the current boundaries of the SP3 and C2 zones (formerly E2) seen in Figure 2.

Development over the SP3 zone has been patchy with various development approvals granted but not realised. This was investigated in the MidCoast Housing Strategy (2020) which found the SP3 Tourist zone had failed to thrive across the Local Government Area. This was largely attributed to a lack of confidence in the short-term holiday accommodation that made it difficult to secure funding for this type of land use. There has been an attempt to address this through the Additional Permitted Uses in Schedule 1 of the Greater Taree LEP 2010 which allows 30% permanent occupancy over each of the areas within the SP3 Tourist zone, however it has been unsuccessful in realising further development as it is the zone itself which is deterring banks and other lenders from enabling investment in this style of development.

The R1 General Residential zone is proposed to be applied to areas that have been constructed or where subdivision has occurred or commenced. The R3 Medium Density Residential zone is proposed in areas where subdivision is not yet approved or finalised, providing an opportunity to achieve higher densities and where the zone matches current built form. This combination will provide diversity in housing stock and help curb under development of the site.

Development Overview

Analysis of the Precinct revealed that most of the area has either development that has been constructed and occupied, development that has been approved, or development proposals and/or applications presently being assessed.

The development overview is illustrated in Figure 3 on the following page. Table 2 outlines the development status of the various landholdings subject to the Planning Proposal.

The planning proposal has applied an R1 General Residential zone to those areas that have been constructed or where subdivision has occurred or commenced. The R3 Medium Density Residential zone is then proposed in areas where subdivision is not yet approved or finalised, providing an opportunity to achieve higher densities and where the zone matches current built form. This combination will provide diversity in housing stock and help curb under development of the southern part of the precinct.

Figure 3: Development Overview



Table 2: Development Status of Properties Within Subject Area

Property Name	Lot / DP	Use	Outcome from zone change	Assoc. DA
Serenity Resort	Community Title Subdivision DP 286110, DP 270544 & Strata Title Subdivision SP 91020, 357 Diamond Beach Road	Operates as a cabin/unit style resort with onsite management.	Permanent occupancy permissible.	Not applicable
Serenity East	Community Title Subdivision DP 286697 & DP 270544, 357 Diamond Beach Road	Subdivision of vacant eastern section of the site.	Permanent occupancy permissible.	962/2006/DA/B
Summerland North	Community Title Subdivision DP 286523, 357 Diamond Beach Road	Community title subdivision.	Will remove hurdles associated with the 30% permanent occupancy and finance limitations under the tourist zone.	962/2006/DA/B
Summerland South	Lot 320 DP 1242093, 355 Diamond Beach Road	Currently undergoing subdivision to separate rural and tourist zoned elements of lots.	Will seek to update DA2021/1413 (previously withdrawn to allow for subdivision DA MOD2022/0010) to create subdivision under the relevant zoning conditions.	MOD2022/0010 (subdivision) DA2021/1413 (withdrawn pending subdivision)
Summerland East	Lot 2 DP 856418 and Lot 32 DP1098858, 361 Diamond Beach Road	Vacant land and forms part of the residence itemised below.	Will remove hurdles associated with the 30% permanent occupancy and finance limitations under the tourist zone.	62/2017/DA
Private residence (Summerland)	Lot 2 DP 856418, 361 Diamond Beach Road	Private home.	No impact.	Not applicable
Seashells Resort	Lots 1 and 3 DP 271277, 363 Diamond Beach Road.	Operates as a timeshare unit style resort with approx. 700 owners.	Will remove hurdles associated with the 30% permanent occupancy and finance limitations under the tourist zone.	Not applicable
Townhouse Development	Lot 2 DP 271277, 363 Diamond Beach Road	Future development.	Will enable development to commence without the 30% permanent occupancy or finance limitations.	329/2010/DA/A
Saltwater Shores	Lot 17 DP 576415, 391 Diamond Beach Road	Current short-term rentals. Existing cabins are nearing end of life.	Creation of a caravan park under the current tourist zoning (SP3); or Creation of a terrace style community subdivision / integrated housing for permanent housing under medium density zoning.	250/2009/DA/D (Caravan Park) DA2021/1724 (in progress)

Figure 4: Road Network (Circulation & Transport Analysis)



Most of the development that has occurred across the site has been carried out under community title subdivision, especially in the north. Therefore, all infrastructure and associated open space or communal areas remain under the ownership and management of each separate development area. The current development application discussed later in the 'Potential Development' section within 'Saltwater Shores' in the south is also proposed to be Community Title Subdivision.

'Saltwater Shores' and 'Seashells' development areas have direct access to Diamond Beach Road. The two northern sites, "Summerland" and "Serenity" have access via an established shared community title arrangement.

Further studies

The suitability of the land for residential accommodation has already been established through the previous rezoning of the land to SP3 Tourist. The environmentally sensitive land has also been identified and zoned appropriately. Further to this, there have been multiple approvals for short-term residential accommodation approved over the site. The area has also been identified for transitioning to permanent residential in the MidCoast Housing Strategy (2020) and the Urban Release Area Report (2021). The infrastructure and associated open spaces and community areas are expected to remain within private ownership, as part of the Community Title Subdivision.

Potential development outcomes

In northern part of the Precinct development outcomes have been commenced or achieved. These areas are generally single dwellings on lots created through Community Title Subdivision, where 30% can be permanently occupied by owners or tenants and the remainder can only be used for short-stay accommodation. An R1 General Residential zone is proposed as single dwellings are permissible and is a better fit for the current densities achieved than the R3 Medium Density Residential zone proposed in the MidCoast Housing Strategy.

There are more opportunities for new development in the south of the Precinct. The 'Saltwater Shores' development area at 391 Diamond Beach Road (the southernmost land parcel in the proposal area) has a current development application with Council to produce a variety of terraces and large beachfront dwellings. This application is currently permissible under the SP3 Tourist zone, apart from allowing permanent occupancy of residences across the site. With the current Additional Permitted Use in Schedule 1 of the Greater Taree LEP 2010 it would allow up to 30% of the development for permanent residence.

The concept plan for the ultimate development of 391 Diamond Beach Road is shown in Figure 6 with concept images included in Figure 7 and will provide for a variety of terraces and large beachfront dwellings undertaken in a coordinated manner. This is based on a Community Title subdivision with permanent occupancy of residences.

To facilitate the outcomes, the development of the land will require a smaller lot size to be achieved for integrated housing than the standard 1,000m² lot size specified in the R3 zone. While Great Lakes Local Environmental Plan 2014 includes a development standard to facilitate smaller lots for integrated development in the R3 zone, Greater Taree LEP (2010) does not include any such provision. It is proposed to add this development standard to the Greater Taree LEP 2010 to allow the subdivision to occur under integrated housing provisions, in a manner similar to that seen in Figure 6 and 7.

Figure 6: Concept Plan – 391 Diamond Beach Road, 'Saltwater Shores'



Figure 7: Concept Images – 391 Diamond Beach Road, ‘Saltwater Shores’



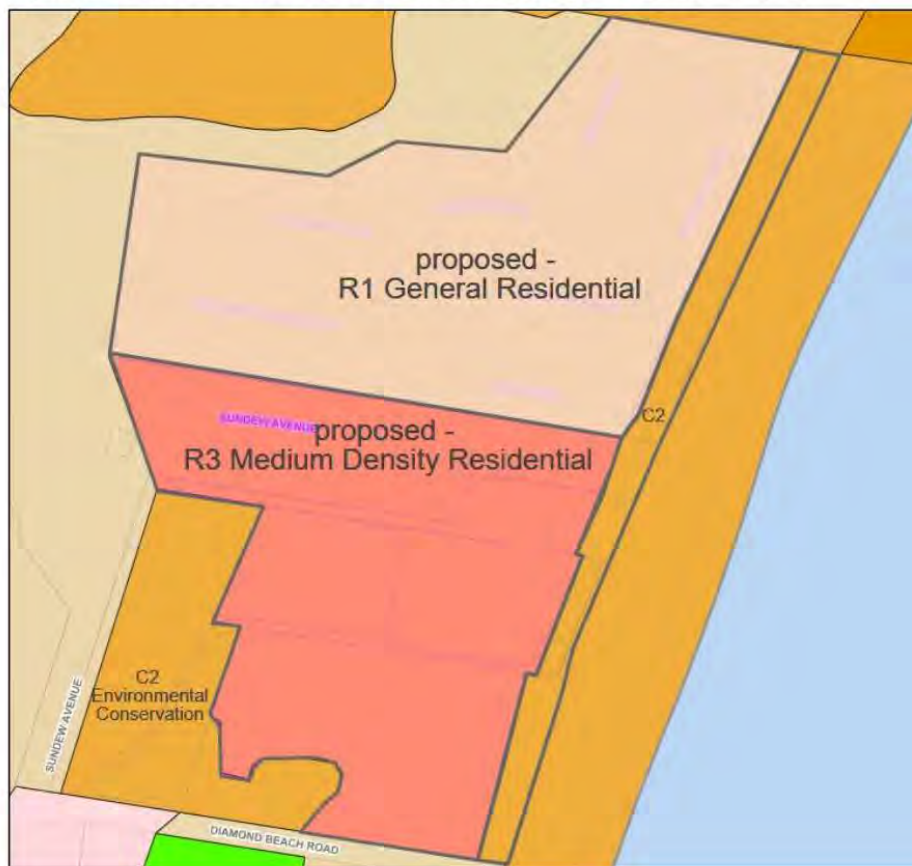
Part 1 - Objectives or intended outcomes

(s.3.33(2)(a) A statement of the objectives or intended outcomes of the proposed instrument)

The objective of the planning proposal is to rezone areas of the site from Tourist (SP3) to a mixture of General Residential (R1) and Medium Density Residential (R3), as seen in Figure 8. The C2 Environmental Conservation zone within the Precinct remains unchanged.

The intended outcome of this, is to permit permanent occupancy within the existing approved development across the Precinct and to encourage medium density residential development on undeveloped sites in the southern half of the Precinct.

Figure 8: Proposed rezoning of SP3 to R1 and R3 (C2 zone unchanged)



Part 2 - Explanation of provisions

(s.3.33(2)(b) An explanation of the provisions that are to be included in the proposed instrument)

As the Greater Taree LEP does not currently adopt any R3 zone, the following R3 zone provisions will also be added to the LEP as detailed in the MidCoast Housing Strategy:

Medium Density Residential Zone - Proposed Land Use Table

Objectives

- To provide for the housing needs of the community within a medium density residential environment.
- To provide a variety of housing types within a medium density residential environment.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To achieve increased population density in locations that support the business centre.
- To provide opportunities for development for the purposes of tourist and visitor accommodation where this does not conflict with the residential environment.
- To facilitate forms of medium-density development that are compatible with the existing and desired future character and amenity of the surrounding neighbourhood.
- To encourage walking, cycling and the use of public transport.

Permitted without consent

Environmental protection works; Home Occupations

Permitted with Consent

Attached dwellings; Backpackers' accommodation; Bed and breakfast accommodation; Boarding houses; Boat launching ramps; Building identification sign; Car parks; Caravan parks; Centre-based child care facilities; Community facilities; Educational establishments; Emergency services facilities; Exhibition homes; Exhibition villages; Flood mitigation works; Group homes; Home-based child care; Home businesses; Home Industries; Hostels; Hotel or motel accommodation; Information and education facilities; Jetties; Moorings; Multi dwelling housing; Neighbourhood shops; Oyster aquaculture; Places of public worship; Recreation areas; Recreation facilities (indoor); Residential flat buildings; Registered clubs; Respite day care centres; Restaurants or cafes; Roads; Seniors housing; Service stations; Serviced apartments; Sewerage systems; Shop top housing; Tank-based aquaculture; Veterinary hospitals; Water recreation structures; Water supply systems.

Along with the introduction of the R3 zone, the Planning Proposal also seeks to introduce a *Part 4 Principal development standard* that allows single dwellings on lots under the minimum lot size as integrated development in the R3 zone. This clause would be modelled from the current Great Lakes Local Environment Plan 2014:

4.1A Exceptions to minimum lot sizes for certain residential development

- (1) *The objective of this clause is to encourage housing diversity without adversely impacting on residential amenity.*
- (2) *This clause applies to development on land in the Zone R3 Medium Density Residential.*
- (3) *Despite clauses 4.1 and 4.1AA, development consent may be granted to a single development application for development to which this clause applies that proposes the subdivision of land into 2 or more lots if—*
 - (a) *one existing dwelling will be located, or one dwelling will be erected, on each lot resulting from the subdivision (other than any lot comprising association property within the meaning of the Community Land Development Act 1989), and*
 - (b) *the size of each lot will be equal to or greater than for development on land in Zone R3 Medium Density Residential—200 square metres.*

To support the rezoning to R1 and R3 the following maps within the Greater Taree LEP 2010 will be amended as outlined below:

- Amend zoning map (Tile LZN_015B) as it affects the subject land by changing the SP3 zoned areas to a mixture of R3 and R1 as detailed in Figure 8;
- Amend the height of buildings map (Tile HOB_015B) as it affects the subject land by changing the maximum building height from 8.5 and 11.5 metres to 12 metres within the R3 zone.
- Amend the lot size map (Tile LSZ_015B) as it affects the subject land by changing the minimum lot size control from 1 hectare to 1,000m² in the SP3 zoned areas and 450m² in the R1 zoned areas.
- Amend the floor space ratio map (Tile FSR_015B) as it affects the subject land by removing the FSR control.

This is consistent with the recommendations for R1 and R3 zones within the MidCoast Housing Strategy (2020) to remove floor space ratio and instead control the 'scale of buildings through character objectives, local character statements and development control plans (DCPs).'

- Amending the additional uses map (Tile APU_015B) to remove the existing Areas 2, 4 and 5 designations over the land restricting permanent residential accommodation.

Part 3 – Justification of strategic and site-specific merit

(s.3.33(2)(c) Justification for the objectives or intended outcomes and the process for their implementation)

Section 3A – Need for the Planning Proposal

3A.1 Is the Planning Proposal a result of an endorsed LSPS, strategic study or report?

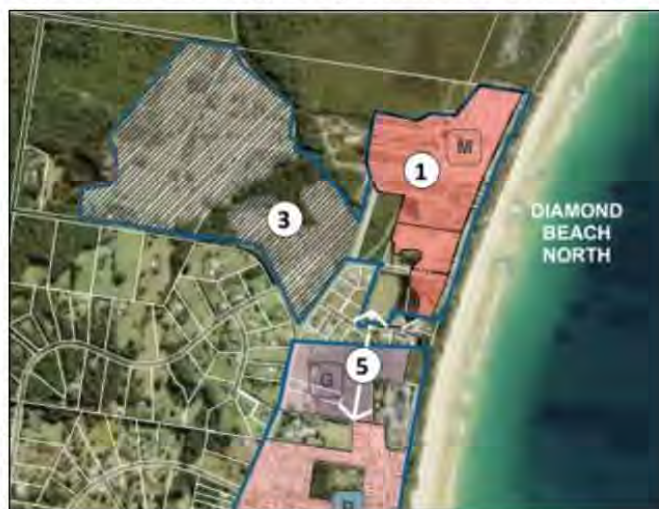
Hallidays Point Conservation and Development Strategy

The subject lands were identified in the 2006 review of Hallidays Point Conservation and Development Strategy as a tourism precinct and the subject lands were subsequently rezoned to SP3 Tourist under the Greater Taree LEP 2010. The rezonings did not result in the significant development of new tourist accommodation or facilities in the area with constraints of local markets and inability to obtain finance for non-residential outcomes identified as key limitations to development. As such, MidCoast Council has advocated for a new approach to the area as detailed in the MidCoast Council Housing Strategy.

MidCoast Council Housing Strategy

The MidCoast Council Housing Strategy was adopted in December 2020 as a basis for its new comprehensive LEP for the entire MidCoast Local Government Area. The MidCoast Housing Strategy (2020) identified the Precinct as part of the residential future of North Diamond Beach, refer to Figure 9 below.

Figure 9: The Precinct (area 1) identified for rezoning to residential



Notes

- 1 **FORMER TOURIST ZONED LAND**
Zone to be modified to residential as shown and requires master plan to detail transition where going to medium density.
- 3 **URBAN RELEASE AREA**
Future Infill residential land to facilitate logical urban expansion subject to rezoning.
- 5 **INTER-VILLAGE CONNECTIVITY**
Establish opportunities for increased connectivity between village area of North Diamond Beach, Diamond Beach, Red Head and Black Head.

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The MidCoast Housing Strategy (2020) recommended that the Precinct be rezoned to R3 Medium Density Residential and be identified as an urban release area (URA) with a master plan. As previously discussed, the Precinct is generally unsuitable for identification as a URA as it does not contain any greenfield sites or urban expansion area in the traditional sense.

The Precinct has the legacy of existing developments and approvals, and there is no northerly expansion of any existing development footprint. A Master Plan would ordinarily deal with vacant and/or greenfield sites, and areas where no existing development footprint had already been established. Alternatively, a Master Plan would be for redevelopment of a site planned for demolition. The subject lands are generally unsuitable for a master planning exercise in the traditional sense.

The Strategy provides for the outcomes identified in this planning proposal to rezone those areas zoned SP3 to R3 to provide residential zones likely to result in a mix of tourism and permanent resident populations through short-term holiday letting. With the additional investigations into the site this proposal now recommends rezoning to a combination of R1 General Residential and R3 Medium Density Residential. The Strategy also provides for the adoption of a clause to allow for integrated housing in the R3 zone, similar to the outcomes proposed in the planning proposal.

While these outcomes could be achieved with the new comprehensive MidCoast LEP, this is not likely to occur until 2024. Given the current demand for housing in the area, this planning proposal has been adopted to help meet this demand in the shortest time possible.

3A.2 Is the Planning Proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

While the changes sought in this planning proposal would be realised when the comprehensive MidCoast Local Environmental Plan is made, indications are that this is not likely to occur until 2024.

The existing demand for housing in the Diamond Beach area, however, warrants the creation of additional housing opportunity through the rezoning of land already identified as suitable for such development forms.

The SP3 zone is only proposed to be retained in areas of the MidCoast where full tourist development is sought or where the ultimate preferred development outcome has not yet been determined.

The creation of a new development standard under Part 4 of the LEP which would apply to all lands zoned R3 subject to Greater Taree Local Environmental Plan is consistent with the recommendations from the MidCoast Housing Strategy (2020) and aligns with the current provisions with the Great Lakes LEP (2014).

Given the current demand for housing in the area, this planning proposal has been formulated as the most expedient means to achieve the intended outcomes.

Section 3B – Relationship to the Strategic Planning Framework

3B.1 Will the Planning Proposal give effect to the objectives and actions of the applicable regional or district plan or strategy (including any exhibited draft plans or strategies)?

Mid North Coast Regional Strategy

The Mid North Coast Regional Strategy previously applied to the land and provided growth maps for areas within the former Greater Taree and Great Lakes local government areas. These maps are preserved as growth areas under the Hunter Regional Plan 2036. The subject lands are identified as Proposed Urban Area in these maps as shown below:



The area identified in the maps is generally consistent with the existing SP3 zoned areas which were created following the adoption of this Regional Strategy.

The area represents the planned expansion of the Diamond Beach area.

The proposal will facilitate outcomes consistent with the regional growth strategies for the area.

Hunter Regional Plan 2036

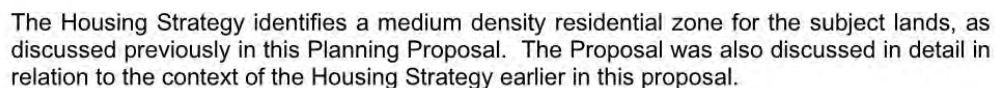
The Hunter Regional Plan 2036 is relevant to the Planning Proposal. The Planning Proposal is generally consistent with the objectives and actions contained within the Hunter Regional Plan 2036.

A summary of the consistency of the Planning Proposal with the Regional Plan is provided in Appendix A of this Planning Proposal.

The Planning Proposal encourages compact settlement and the site does not encroach upon areas with high environmental values. The application of the general residential zone in the northern half of the Precinct will also help soften the transition from the built form to the neighbouring National Park.

The Planning Proposal will provide additional housing by permitting permanent occupancy within the existing development and provide additional urban land to facilitate medium density development to provide residential and tourist accommodation in the appropriate location.

As discussed, a Housing Strategy has been adopted by MidCoast Council to support the consolidation of the Greater Taree, Great Lakes and Gloucester Local Environmental Plans into a single MidCoast LEP.



- In relation to the subject lands, the MidCoast Housing Strategy includes Recommended Action 5.1.4 which is to *transition the land at North Diamond Beach to the medium density zone and identify as an Urban Release Area that requires master planning prior to development of the land*. This proposal now recommends a combination of General Residential and Medium Density Residential zones to recognise the built form that exists on the site (rezone R1) and maximise the potential in areas yet to be developed (rezone R3).
- While recommended in the Strategy as an urban release area (URA), the subject lands are generally unsuitable for identification as a URA as they do not constitute any greenfield site or urban expansion area in the traditional sense.
- The subject lands are characterised by existing development and/or existing development consents are in force for the other parcels which make up the subject lands.
- There is no northerly expansion of any existing development footprint on the subject lands.

- A Master Plan would ordinarily deal with vacant and/or greenfield sites, and areas where no existing development footprint had already been established. The subject lands are generally unsuitable for a master planning exercise in the traditional sense.
- The Planning Proposal includes an analysis of what development footprint has/had already been approved and established, and what opportunities remain in terms of the relatively limited areas of the subject lands which are generally undeveloped and/or which benefit from existing development consents that remain in force.
- The Planning Proposal includes a "Development Overview" in lieu of a "Master Plan". The Development Overview provides an analysis of the current state of development of the subject lands. This is more appropriate than the application of a master planning exercise which has connotations of a development proposal for 'greenfield and/or vacant lands'.
- As the lands covered by this Planning Proposal have existing infrastructure in place, the development of a Master Plan as indicated in the MidCoast Housing Strategy would not provide further utility to the area or the Planning Proposal.

It is considered appropriate that the Planning Proposal adopt the Development Overview as being consistent with references to a Master Plan in the MidCoast Housing Strategy.

The changes purported by this Planning Proposal will provide a new opportunity to realise the potential of the subject lands for permanent and tourist accommodation and provide confidence for financial investment to reignite development which has largely been stalled.

Urban Land Monitor 2016-2036

The Urban Land Monitor (ULM) produced by MidCoast Council (dated October 2019) has been both internally and externally reviewed, including by the NSW Department of Planning, Infrastructure and Environment in September 2019.

The ULM has been useful in assisting with determining the strategic merit of any Planning Proposal being considered for the MidCoast LGA.

The ULM confirms that:

- The MidCoast population grew from 88,818 in 2011 to 91,958 in 2016, being an increase of 3,140 people and a 0.69% cumulative growth rate.
- There was increased population growth in coastal towns, such as Hallidays Point, which experienced above average growth for the area (3.74% growth rate 2011-2016).
- Hallidays Point population could double in the Land Monitor timeframe (2016-2036).

The population growths are relevant to the provision of future residential dwellings required for the area and provisions for alternate dwelling forms to increase housing choice and holiday accommodation.

While the ULM report identifies that the entire MidCoast area has adequate supply of residential zoned land to meet historic average growth rates until 2036, examining centres at a local level demonstrates that development pressures are being experienced within coastal areas. Anecdotally, there are no vacant lots for housing in Diamond Beach and significant demand.

3B.2 Is the Planning Proposal consistent with a council LSPS that has been endorsed by the Planning Secretary or GSC, or another endorsed local strategy or strategic plan?

MidCoast Local Strategic Planning Statement 2020

The MidCoast Local Strategic Planning Statement (LSPS) provides guidance as to how the strategic outcomes of the Hunter Regional Plan and Community Strategic Plan will be achieved by Council. The planning proposal gives effect to the following planning priorities of the LSPS.

- P3 – Deliver housing supply, choice and diversity
- P5 – Connect people and places
- P6 – Protect and improve our environment
- P9 – Improve our infrastructure and become a location of choice

MidCoast 2030 Community Strategic Plan

The MidCoast 2030 Community Strategic Plan (CSP) is a roadmap for the future of the MidCoast.

Other key government plans and legislative frameworks were considered during development of the CSP, in particular the NSW State Plan, the Hunter Regional Plan, the Local Government Act 1993 and the Integrated Planning and Reporting Guidelines. This was to ensure that there is alignment, and that the community is working towards a shared vision.

The vision of the CSP is:

"We aspire to be a place of unique environmental significance where our quality of life and sense of community is balanced by sustainable and sensitive development, which fosters economic growth"

The most relevant values of the CSP are:

We balance the needs of our natural and built environments

- Ensure growth and new development complements our existing natural assets and heritage sites.
- Optimise land use to meet our environmental, social and development needs.

The Planning Proposal involves zone changes from SP3 to R1 and R3 zones. The potential development footprints and forms are similar in each zone. The recent planning proposals to create the SP3 zone over the lands was based on full environmental investigation and the proposal will not impact on areas of environmental or heritage significance.

A region that is a popular place to visit, live, work and invest

- Develop and promote our region as an attractive visitor destination offering a broad range of experiences for visitors and residents.
- Provide an environment to attract, grow and strengthen local businesses.

The proposal will encourage beachfront residential and tourist accommodation in the right place and provides greater incentive to invest in the development of the land than the current SP3 zone. The growth of residential and tourist accommodation will support and strengthen local business in the area with growth in both permanent and seasonal trade.

This Planning Proposal is consistent with the relevant values espoused by the CSP.

3.B.3 *Is the Planning Proposal consistent with any other applicable State and regional studies or strategies?*

The Planning Proposal is considered to be generally consistent with all other applicable State and regional studies or strategies including the overarching NSW Housing Strategy 2041 and the 20 Year Economic Vision for Regional NSW.

3.B.4 *Is the Planning Proposal consistent with applicable SEPPs?*

The Planning Proposal is generally consistent with applicable state environmental planning policies. A summary of the consistency of the Planning Proposal with applicable State Environmental Planning Policies is provided in Appendix B of this Planning Proposal.

3.B.5 *Is the Planning Proposal consistent with applicable Ministerial Directions (Section 9.1 Directions)?*

The Planning Proposal is generally consistent with applicable Section 9.1 Ministerial Directions. A summary of the Planning Proposal's consistency with relevant Section 9.1 Ministerial Directions is provided in Appendix C of this Planning Proposal.

Section 3C – Environmental, Social and Economic Impact

3C.1 *Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected because of the proposal?*

The previous rezoning of the land included ecological investigations that identified areas of native vegetation community over the land. The remainder of the land is managed grassland areas with minimal ecological value or developed.

The primary areas of native vegetation community are contained in the C2 zoned areas (formerly termed as Zone E2) located in the south-western parts of the lands. The C2 zoning is unaffected by the Planning Proposal and will be retained over these areas. The Planning Proposal is unlikely to result in impacts to threatened species, populations or ecological communities.

3C.2 *Are there any other likely environmental effects of the Planning Proposal and how are they proposed to be managed?*

Any environmental effects associated with development of the subject land were primarily considered in the previous planning proposals which created the SP3 and C2 zones over the land. It is noted that the C2 zone parallel to the coastline was put in place to restrict built form development in areas that may be subject to coastal hazards, rather than any special cultural or biodiversity values.

The proposed change of the SP3 zoned areas to the R1 and R3 zones are unlikely to give rise to any environmental effects as a result of future development of the land. Previous investigations have shown the land to be suitable for all forms of residential or tourist accommodation, evidenced also by prior development consents over various parts of the land.

The Planning Proposal will, upon rezoning of the land to R1 and R3, provide for subdivision of land adjacent to areas zoned C2 (along the eastern parts of Lot 17). While this is the case, the potential for subdivision of those adjacent areas will not permit any dwellings in the C2 zoned areas and will provide for better management of the C2 zoned areas behind future residential buildings. The proposal will also allow for effective development of the beachfront land in a manner that considers the prevailing conditions and constraints of the site.

3C.3 *Has the Planning Proposal adequately addressed any social and economic effects?*

The Planning Proposal will have positive social and economic impacts in the area through the creation of additional housing to meet demand in the area.

The MidCoast Urban Land Monitor has identified that *there is insufficient dwelling supply until 2036 for average growth or high growth scenarios*. The proposal provides lands to add to urban land supply in the area.

The change of the SP3 zone to R3 was identified in the MidCoast Council Housing Strategy to provide tourist accommodation, along with the observation that *alternative residential zones are still likely to result in a mix of tourism and permanent resident populations through short-term holiday letting*. The proposal now includes a mixture of R1 and R3 zones which will provide opportunities for greater investment in residential and tourist development which in turn will support local business and employment.

While additional development on the land may result in impacts such as increased traffic and activity, these impacts would occur regardless of this Planning Proposal, with residential and tourist development having similar characteristics in terms of potential impacts.

Section 3D – Infrastructure (Local, State and Commonwealth)

3D.1 *Is there adequate public infrastructure for the Planning Proposal?*

There are no public infrastructure implications with the Planning Proposal. The lands covered by this Planning Proposal have existing infrastructure in place.

Section 3E – State and Commonwealth Interests

3E.1 *What are the views of state and federal public authorities and government agencies consulted in order to inform the Gateway determination?*

Consultation has not yet been undertaken with State and Commonwealth agencies.

The following public agencies have been identified for consultation during public exhibition:

- NSW Rural Fire Service

Should the Planning Proposal be significantly amended as a result of agency consultation, it may be reported back to Council and the Department of Planning and Environment for an amended Gateway Determination.

Part 4 – Maps

(s.55(2)(d) Maps to be adopted by the proposed instrument)

The proposed amendment to Greater Taree LEP 2010 will change the current SP3 tourist zone to a combination of R1 general residential and R3 medium density residential zones. The proposal will require amendments to existing map layers as follows;

- Amend zoning map (Tile LZN_015B) as it affects the subject land by changing the zone from SP3 Tourist to R1 General Residential and R3 Medium Density Residential.

The R3 zone is not currently included within the Greater Taree LEP 2010 and will need to be added. It is in use in the Gloucester LEP 2010 and Great Lakes LEP 2014 and is proposed to be used within the future, combined MidCoast LEP.



- Amend the height of buildings map (Tile HOB_015B) as it affects the subject land by changing the maximum building height from 8.5 and 11.5 metres to 12 metres over the R3 zone.

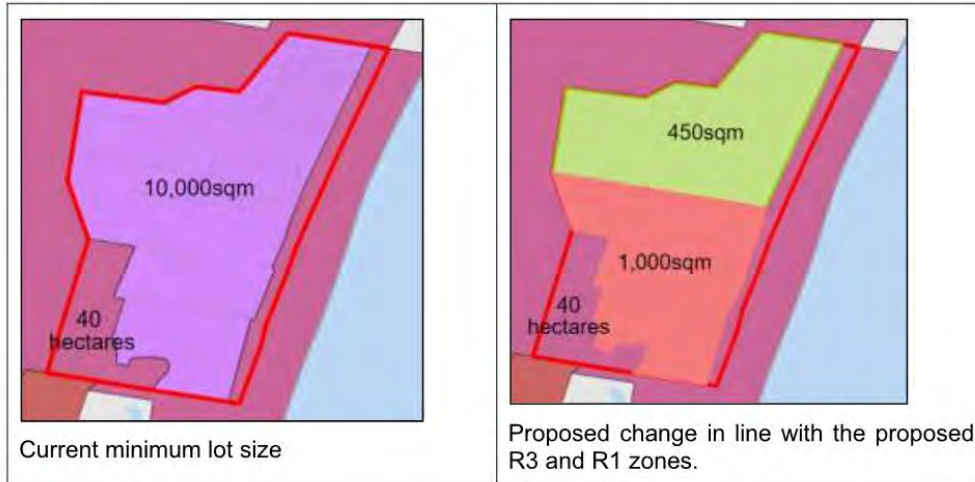


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- Amend the lot size map (Tile LSZ_015B) as it affects the subject land by changing the minimum lot size control from 10,000m² to 1,000m² over the R3 area and 450m² over the R1 zone.

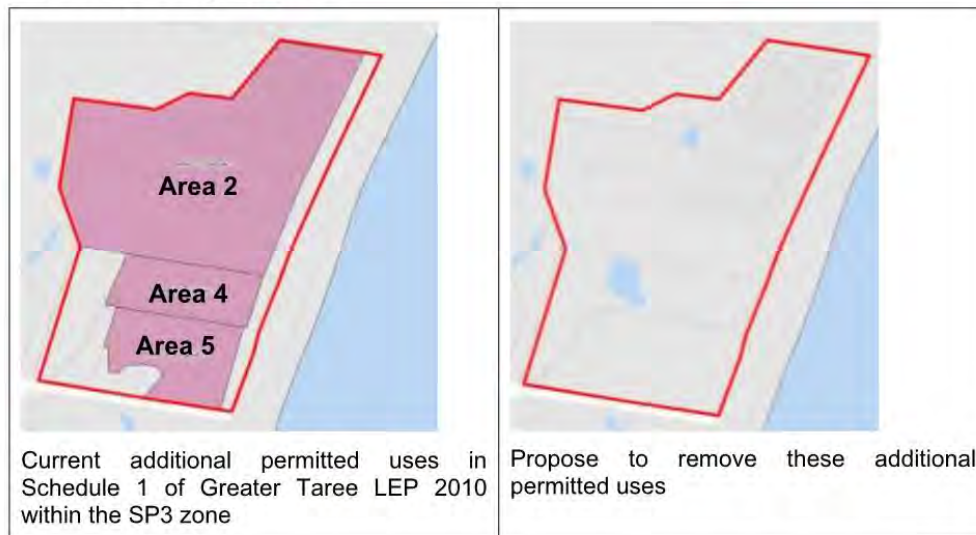


- Amend the floor space ratio map (Tile FSR_015B) as it affects the subject land by removing the FSR control.



- Amend the additional uses map (Tile APU_015B) to remove the existing Areas 2, 4 and 5 designations over the land.

The additional permitted uses allow a percentage of permanent occupancy within the SP3 zone however, this will become permissible within the new R1 and R3 zoned areas and is therefore no longer required.



Maps will be prepared for upload into the NSW Planning Portal with the Planning Proposal in accordance with the Standard Technical Requirements for LEP Maps.

Part 5 – Community consultation

In accordance with Section 3.34(2)(c) of the *Environmental Planning and Assessment Act 1979*, this Planning Proposal will be made publicly available for a minimum of 28 days.

In accordance with Council's adopted consultation protocols, the following will also be undertaken:

- Notices in the local newspaper;
- Direct mail notification to potentially affected landowners;
- Exhibition material and all relevant documents will be available at Council's Administrative Office;
- Exhibition material and all relevant documents will be available on Council's website.

Any further consultation required by the Gateway Determination will also be undertaken.

Part 6 – Project timeline

In accordance with the Department of Planning and Environment guidelines, the following timeline is provided, which includes the tasks deemed necessary for the making of this local environmental plan.

Task	Timeframe and/or date
Consideration by Council	May 2022
Council decision	May 2022
Gateway Determination	July 2022
Pre-exhibition	July 2022
Commencement and completion of public exhibition period	August 2022
Consideration of submissions.	September 2022
Council decision	October 2022
Submission to the Department for finalisation (where applicable)	November / December 2022
Gazettal of LEP amendment	January 2023

Part 7 – Conclusion

The primary aims of the Planning Proposal are to amend Greater Taree Local Environmental Plan (LEP) 2010 to:

1. Create an R3 (Medium Density Residential) zone in the LEP.
2. Rezone land in the North Diamond Beach area from SP3 (Tourist) to R1 (General Residential) and R3 (Medium Density Residential).
3. Create a Part 4 clause to allow subdivision down to 200m² within the R3 zone when lodged as integrated development.

The Proposal is considered to have strategic merit, being:

- identified in the Growth Maps of the Mid North Coast Regional Strategy 2006-31;
- consistent with the Hunter Regional Plan 2036; and
- identified as an action in the MidCoast Housing Strategy 2020.

The intended outcome of the Planning Proposal is to permit permanent occupancy of existing approved development across the precinct and to encourage medium density residential development on undeveloped sites in the southern half of the precinct. This combination will provide diversity in housing stock and help curb under development of the site.

Appendix A: Consistency with Hunter Regional Plan Goals, Directions & Actions

Goal 1 – the leading regional economy in Australia	
Direction 4 – Enhance inter-regional linkages to support economic growth	
Action 4.1 Enhance inter-regional transport connections to support economic growth.	Not applicable
Action 4.2 Work with stakeholders to upgrade transport network capacity in line with changing demands.	Not applicable
Action 4.3 Strengthen and leverage opportunities from the interconnections with other regions, particularly the Pacific Highway, the Golden Highway and the New England Highway.	Not applicable
Action 4.4 Promote freight facilities that leverage the Port of Newcastle and its associated freight transport network.	Not applicable
Action 4.5 Plan for multimodal freight facilities that support economic development of the region and respond to the location of the proposed Freight Rail Bypass.	Not applicable
Action 4.6 Investigate opportunities for logistics and freight growth and other complementary land uses around airports, leveraging investments at Taree and Newcastle airports.	Not applicable
Action 4.7 Enhance the efficiency of existing nationally significant transport corridors and protect their intended use from inappropriate surrounding land uses.	Not applicable
Action 4.9 Balance competing interests and deliver conservation, transport and land use planning objectives in the national pinch point area by: <ul style="list-style-type: none"> Identifying preferred habitat corridors and priorities for investment in conservation to sustain habitat connectivity; and Developing an integrated management plan for the area. 	Not applicable
Direction 6 – Grow the economy of MidCoast and Port Stephens	
Action 6.1 Enhance tourism infrastructure and connectivity, recognising the importance of: <ul style="list-style-type: none"> regional and inter-regional connections via the Pacific Highway and the Newcastle and Taree airports and cruise ship gateways; and local routes such as The Lakes Way and Nelson Bay Road. 	The proposal seeks to enhance the existing identified tourism area of Diamond Beach by creating a suitable development model which encourages investment in both residential and tourist accommodation. This precinct is connected to the Pacific Highway via The Lakes Way.

Goal 1 – the leading regional economy in Australia	
Action 6.2 <i>Enhance links to regional services in Greater Newcastle.</i>	Not applicable
Action 6.3 <i>Enable economic diversity and new tourism opportunities that focus on reducing the impacts of the seasonal nature of tourism and its effect on local economies.</i>	The proposal seeks to enhance the existing identified tourism area of Diamond Beach by creating a suitable development model which encourages investment in both residential and tourist accommodation. Residential accommodation will provide year round trade.
Action 6.4 <i>Promote growth of industries that can leverage accessibility provided by the Pacific Highway.</i>	Not applicable
Action 6.5 <i>Plan for and provide infrastructure and facilities that support the ageing population.</i>	Not applicable
Direction 7: Develop advanced manufacturing, defence and aerospace hubs	
Action 7.2 <i>Grow and diversify the manufacturing sector through local planning and appropriate planning controls.</i>	Not applicable
Action 7.3 <i>Promote manufacturing business export opportunities and become part of global supply chains.</i>	Not applicable
Action 7.4 <i>Facilitate research partnerships between tertiary education providers and businesses.</i>	Not applicable
Direction 8 – Promote innovative small business and growth in the service sectors	
Action 8.1 <i>Implement initiatives to promote small business growth and innovation, particularly in Newcastle City centre and other strategic centres.</i>	Not applicable
Action 8.2 <i>Facilitate opportunities for incubator spaces for technology and non-technology early stage businesses and ensure opportunities for new and emerging enterprises are encouraged.</i>	Not applicable
Action 8.3 <i>Improve connectivity to the region's major health and education precincts and strategic centres.</i>	Not applicable
Action 8.5 <i>Establish a health precinct around Metford and other hospitals in the region, including Manning Base Hospital at Taree.</i>	Not applicable
Direction 9 – Grow tourism in the region	
Action 9.1	The proposal seeks to enhance the existing identified tourism area of Diamond Beach by

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Goal 1 – the leading regional economy in Australia	
<i>Enable investment in infrastructure to expand the tourism industry, including connections to tourism gateways and attractions.</i>	creating a suitable development model which encourages investment in both residential and tourist accommodation.
Action 9.2 <i>Encourage tourism development in natural areas that support conservation outcomes.</i>	The proposal protects existing natural areas, with C2 areas retained.
Action 9.5 <i>Develop capacity for growth in food-based tourism in the region.</i>	The proposal is not food-based tourism and is more focused on the traditional beachside holiday experience.
Direction 10 – Protect and enhance agricultural productivity	
Action 10.1 <i>Protect locations that can accommodate agricultural enterprises from incompatible development, and facilitate the supply chain, including infrastructure, distribution areas, processing facilities and research and development in local plans.</i>	Not applicable
Action 10.2 <i>Address sector-specific considerations for agricultural industries through local plans.</i>	Not applicable
Action 10.3 <i>Protect the region's wellbeing and prosperity through increased biosecurity measures.</i>	Not applicable
Action 10.4 <i>Encourage niche commercial, tourist and recreation activities that complement and promote a stronger agricultural sector, and build the sector's capacity to adapt to changing circumstances.</i>	Not applicable
Action 10.6 <i>Manage Biophysical Strategic Agricultural Land and other important agricultural land as locations for agricultural activities and complementary uses.</i>	Not applicable
Direction 11 – Manage the ongoing use of natural resources	
Action 11.1 <i>Manage the ongoing use of mineral resources and provide access to up-to-date information about these resources through the Department of Industry's Common Ground website and its Geoscientific Data Warehouse.</i>	Not applicable
Action 11.2 <i>Work with relevant stakeholders including councils, communities and industry, to prepare land use plans that respond to the lifecycle of resource activity for active and emerging mining areas.</i>	Not applicable
Action 11.3 <i>Implement the cumulative impact assessment methodology when planning for important agricultural land and water resources.</i>	Not applicable
Action 11.4 <i>Review the Synoptic Plan: Integrated Landscapes for Coal Mine Rehabilitation in the Hunter Valley (1999) in</i>	Not applicable

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Goal 1 – the leading regional economy in Australia	
conjunction with the development of the Upper Hunter Strategic Biodiversity Assessment to ensure best-practice rehabilitation and visual impact management for closed mines.	
Direction 12: Diversify and grow the energy sector	
Action 12.1 Diversify and grow the energy sector by working with stakeholders, including councils, communities and industry, to identify and support opportunities for smaller-scale renewable energy initiatives such as those using bioenergy or waste coalmine methane.	Not applicable
Action 12.2 Enable new opportunities for renewable energy industries by reviewing local planning controls.	Not applicable
Action 12.3 Promote new opportunities arising from the closure of coalfired power stations that enable long term sustainable economic and employment growth in the region.	Not applicable
Direction 13 – Plan for greater land use compatibility	
Action 13.1 Identify and protect important agricultural land, including intensive agriculture clusters, in local plans to avoid land use conflicts, particularly associated with residential expansion.	Not applicable
Action 13.2 Limit urban and rural housing encroachment into identified agricultural and extractive resource areas, industrial areas, and transport infrastructure when preparing local strategies.	Not applicable
Action 13.3 Amend planning controls to deliver greater certainty of land use.	Not applicable
Action 13.4 Provide non-statutory guidance on the types of land uses that would be considered most appropriate, suitable or sympathetic with existing land uses in the Upper Hunter and other areas where land use conflicts occur.	Not applicable

Goal 2 – A biodiversity-rich natural environment	
Direction 14 – Protect and connect natural areas	
Action 14.1 Identify terrestrial and aquatic biodiversity values and protect areas of high environmental value to sustain the lifestyle, economic success and environmental health of the region.	Not applicable
Action 14.2 Identify and strengthen biodiversity corridors as places for priority biodiversity offsets.	Not applicable
Action 14.3 Improve the quality of, and access to, information relating to high environmental values.	Not applicable

Goal 2 – A biodiversity-rich natural environment	
<i>Action 14.4 Protect biodiversity by maintaining and, where possible, enhancing existing protection of high environmental value areas; implementing appropriate measures to conserve validated high environmental value areas; developing local strategies to avoid and minimise the impacts of development on areas of high environmental value and biodiversity corridors; and identifying offsets or other mitigation measures for unavoidable impacts.</i>	Not applicable, as these areas are already zoned C2 and not proposed to be altered by this Planning Proposal.
<i>Action 14.5 Secure the long term protection of regionally significant biodiversity corridors.</i>	Not applicable
Direction 15: Sustain water quality and security	
<i>Action 15.1 Protect water catchments to sustain high quality and dependable water supplies across the region.</i>	Not applicable
<i>Action 15.2 Effectively manage surface and groundwater use in agricultural areas to support ecosystem function, food production, and to cater for the increasing demand of urban communities and industry.</i>	Not applicable
<i>Action 15.3 Plan for the security of the region's town water supply.</i>	Not applicable
<i>Action 15.4 Implement catchment-based plans for the ongoing sustainable management and health of estuaries.</i>	Not applicable
<i>Action 15.5 Apply the neutral or beneficial water quality objectives to land use planning in surface and groundwater drinking water catchment areas to minimise the effects of development on waterways, including watercourses, wetlands, groundwater dependent ecosystems, riparian lands, estuaries, lakes, beaches and marine waters.</i>	Not applicable
<i>Action 15.6 Reduce the risk of introduction or spread of aquatic pests and diseases from new development that may affect fisheries and aquaculture industry practices.</i>	Not applicable
<i>Action 15.7 Incorporate water-sensitive design into development that is likely to have an adverse impact on coastal water catchments, water quality and flows.</i>	Not applicable
Direction 16: Increase resilience to hazards and climate change	
<i>Action 16.1 Manage the risks of climate change and improve the region's resilience to flooding, sea level rise, bushfire, mine subsidence and land contamination.</i>	The proposal maintains previous outcomes to address coastal recession and other hazards. The coastal hazard area has been zoned C2 Environmental Conservation and excluded from development.
<i>Action 16.2 Review and consistently update floodplain risk and coastal zone management plans, particularly where urban growth is being investigated.</i>	Not applicable

Goal 2 – A biodiversity-rich natural environment

Action 16.3 Incorporate new knowledge on regional climate projections and related cumulative impacts in local plans for new urban development.

Not applicable

Action 16.4 Review and update the Newcastle Mines Grouting Fund and investigate its relevance to other areas.

Not applicable

Goal 3 – Thriving communities

Direction 17: Create healthy built environments through good design

Action 17.1 Develop best-practice guidelines for planning, designing and developing healthy built environments.

Not applicable

Action 17.2 Enhance access to fresh food by promoting initiatives that increase urban food production and access to produce from local farmers.

Not applicable

Action 17.3 Enhance the quality of neighbourhoods by integrating recreational walking and cycling networks into the design of new communities to encourage physical activity.

Not applicable

Direction 18: Enhance access to recreational facilities and connect open space

Action 18.1 Facilitate more recreational walking and cycling paths including planning for the Richmond Vale Rail Trail and expanded inter-regional and intra-regional walking and cycling links, including the NSW Coastal Cycleway.

Not applicable

Action 18.2 Deliver connected biodiversity-rich corridors and open space areas for community enjoyment.

Not applicable

Action 18.3 Enhance public access to natural areas, including coastal and lake foreshores.

Not applicable

Action 18.4 Assist councils to develop open space and recreation strategies that identify a range of accessible open space and recreation opportunities; integrate open space, active transport and recreation networks; and improve public foreshore access.

Not applicable

Action 18.5 Implement actions and invest in boating infrastructure priorities identified in regional boating plans to improve boating safety, boat storage and waterway access.

Not applicable

Direction 19 – Identify and protect the region's heritage

Action 19.1 Consult with the local Aboriginal communities to identify and protect heritage values to minimise the impact of urban growth and development, and to recognise their contribution to the character and landscape of the region.

Not applicable

Goal 3 – Thriving communities	
Action 19.2 Assist the preparation of appropriate heritage studies to inform the development of strategic plans, including regional Aboriginal cultural heritage studies.	Not applicable
Direction 20: Revitalise existing communities	
Action 20.1 Accelerate urban revitalisation by directing social infrastructure where there is growth.	Not applicable
Action 20.2 Undertake planning and place-making for main streets and centres.	Not applicable
Action 20.3 Enhance the amenity and attractiveness of existing places.	Not applicable

Goal 4 – Greater housing choice and jobs	
Direction 21: Create a compact settlement	
Action 21.1 Promote development that respects the landscape attributes and the character of the metropolitan area, towns and villages.	Not applicable
Action 21.2 Focus development to create compact settlements in locations with established services and infrastructure, including the Maitland Corridor growth area; Newcastle–Lake Macquarie Western Corridor growth area; the emerging growth area around Cooranbong, Morriset and Wyee; and in existing towns and villages, and sites identified in an endorsed regional or local strategy.	Not applicable
Action 21.4 Create a well-planned, functional and compact settlement pattern that responds to settlement planning principles and does not encroach on sensitive land uses, including land subject to hazards, on drinking water catchments or on areas with high environmental values.	Not applicable
Action 21.5 Promote small-scale renewal in existing urban areas, in consultation with the community and industry to ensure that this occurs in the right locations.	Not applicable
Action 21.6 Provide greater housing choice by delivering diverse housing, lot types and sizes, including small-lot housing in infill and greenfield housing locations.	Not applicable
Action 21.7 Promote new housing opportunities in urban areas to maximise the use of existing infrastructure	The proposed change from SP3 to R1 and R3 will facilitate additional investment in this urban precinct, maximising the use of existing infrastructure.
Direction 22: Promote housing diversity	
Action 22.1 Respond to the demand for housing and services for weekend visitors,	Not applicable

Goal 4 – Greater housing choice and jobs	
<i>students, seasonal workers, the ageing community and resource industry personnel.</i>	
<i>Action 22.2 Encourage housing diversity including studio and one and two-bedroom dwellings, to match forecast changes in household sizes.</i>	The proposal provides for a mixture of general residential and medium density forms of housing to promote tourism and alternate residential accommodation outcomes.
<i>Action 22.3 Develop local housing strategies to respond to housing needs, including social and affordable housing, and support initiatives to increase the supply of affordable housing.</i>	Not applicable
<i>Action 22.4 Develop Settlement Planning Principles and a local planning toolkit to assist councils in implementing the Plan.</i>	Not applicable
<i>Action 22.5 Include guidance in local land use strategies for expanding rural villages and rural-residential development so that future rural residential development will:</i> <ul style="list-style-type: none"> <i>not impact on strategic or important agricultural land, energy, mineral or extractive resource viability or biodiversity values;</i> <i>not impact on drinking water catchments;</i> <i>not result in greater natural hazard risk;</i> <i>occur on land that is unlikely to be needed for urban development;</i> <i>contribute to the conservation of important biodiversity values or the establishment of important corridor linkages; and</i> <i>facilitate expansion of existing and new tourism development activities in agricultural or resource lands and related industries across the region.</i> 	Not applicable
Direction 23 – Grow centres and renewal corridors	
<i>Action 23.1 Concentrate growth in strategic centres, local centres and urban renewal corridors to support economic and population growth and a mix of uses.</i>	Not applicable
<i>Action 23.2 Develop precinct plans for centres to take an integrated approach to transport, open space, urban form and liveable neighbourhoods, and investigate the capacity of centres to accommodate additional housing and diversity, without compromising employment growth.</i>	Not applicable
<i>Action 23.3. Consider improvements to the public transport network when planning new renewal corridors and precincts.</i>	Not applicable
<i>Action 23.4 Investigate locations for new and expanded centres, including within the Newcastle – Lake Macquarie Western Corridor and Maitland Corridor growth areas, and in the established urban areas that are projected to</i>	Not applicable

Goal 4 – Greater housing choice and jobs	
have high demand for housing growth is projected.	
Action 23.5 Focus commercial and retail development within existing centres and transport hubs and ensure that locations for new centres are integrated with existing or planned residential development; do not undermine existing centres; encompass high quality urban design; and consider transport and access requirements.	Not applicable
Direction 24 – Protect the economic functions of employment land	
Action 24.1 Locate new employment land so that it does not conflict with surrounding residential uses.	Not applicable
Action 24.2 Protect the economic functions of employment land by not permitting non-industrial uses unless: <ul style="list-style-type: none"> opportunities for urban renewal arise through the relocation of industry and in locations well serviced by public transport; and contaminated land can be remediated. 	Not applicable
Action 24.3 Provide for mixed use opportunities and themed employment precincts in local plans.	Not applicable
Direction 25 – Monitor housing and employment supply and demand	
Action 25.1 Establish and implement an Urban Development Program to develop data on existing zoned land supply and its servicing status, monitor dwelling production and take-up rates, and coordinate the staged release and rezoning of land.	Not applicable
Action 25.2 Establish and implement an Employment Lands Development Program to develop data on existing and future planned stocks of employment land.	Not applicable
Action 25.3 Sequence new greenfield urban development that makes efficient use of infrastructure networks and capacity.	Not applicable
Action 25.4 Maintain an adequate supply of employment land that is appropriately serviced and to respond to changing industry demands for land use, location and floor space.	Not applicable
Direction 26 – Deliver infrastructure to support growth and communities	
Action 26.1 Align land use and infrastructure planning to maximise the use and capacity of existing infrastructure and the efficiency of new infrastructure.	Not applicable
Action 26.2 Enable the delivery of health facilities, education, emergency services, energy production and supply, water and waste water, waste disposal areas, cemeteries	Not applicable

Goal 4 – Greater housing choice and jobs	
and crematoria, in partnership with the infrastructure providers.	
Action 26.3 Protect existing and planned major infrastructure corridors and sites, including inter-regional transport routes like the M1 Pacific Motorway and the railway, port and airport, to support their intended function.	Not applicable
Action 26.4 Coordinate the delivery of infrastructure to support the timely and efficient release of land for development, including working with councils and service providers on inter-regional infrastructure and service delivery issues between growing areas.	Not applicable
Action 26.5 Ensure growth is serviced by enabling and supporting infrastructure.	Not applicable
Action 26.6 Review and finalise the Hunter Special Infrastructure Contributions Plan.	Not applicable
Direction 27: Strengthen the economic self-determination of Aboriginal communities	
Action 27.1 Work with the Purfleet–Taree, Forster, Karuah, Worimi, Mindaribba, Awabakal, Bahtabah, Biraban and Wanaruah Local Aboriginal Land Councils to identify priority sites that can create a pipeline of potential Initiatives.	Not applicable
Action 27.2 Identify landholdings and map the level of constraint at a strategic scale for each site to develop options for the potential commercial use of the land.	Not applicable

Appendix B: Consistency with State Environmental Planning Policies

State Environmental Planning Policy (SEPP)	Comment
State Environmental Planning Policy (Biodiversity and Conservation) 2021	<p>Chapter 2 – Vegetation in non-rural areas applies to R1, R3 and SP3 zones. The land is not mapped as being subject to the Vegetation Management Policy.</p> <p>Chapter 4 – Koala habitat protection 2021. The MidCoast LGA is listed in Schedule 2 with the provisions of Chapter 4 applying to future development of the land.</p> <p>The land has an area of at least 1 hectare and no approved Koala Plan of Management applies.</p> <p>The land is largely cleared of native vegetation and the proposal is unlikely to result in impact on Koala habitat that would be inconsistent with the SEPP.</p>
State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004	Future dwellings on the land will be subject to the requirements of BASIX.
SEPP (Exempt and Complying Development Codes) 2008	Not applicable
SEPP (Housing) 2021	<p>The proposed R1 and R3 zones would permit a range of residential land uses that are subject to development standards in the Housing SEPP.</p> <p>The proposed R3 zone would permit a change of use from existing tourist accommodation units to residential accommodation (with the consent of Council). Part 6 of the Housing SEPP would subsequently permit the use of those dwellings as short-term rental accommodation (holiday rentals) as "exempt development".</p>
SEPP (Industry & Employment) 2021	Not applicable
State Environmental Planning Policy No 65—Design Quality of Residential Apartment Development	SEPP 65 may apply to future development in the R3 zone that involves construction of buildings having a height of at least 3 storeys and containing 4 or more dwellings.
SEPP (Planning Systems) 2021	The site is not identified in Schedule 2 of the SEPP (identified sites) and future development of the site is unlikely to be either State or Regional development as defined by the SEPP.
SEPP (Precincts – Eastern Harbour City) 2021	Not applicable
SEPP (Precincts - Regional) 2021	Not applicable
SEPP (Precincts – Central River City) 2021	Not applicable
SEPP (Precincts – Western Parklands City) 2021	Not applicable
SEPP (Primary Production) 2021	Not applicable
SEPP (Resilience and Hazards) 2021	<p>Chapter 2 – Coastal Management</p> <p>The land is mapped as a Coastal Environment Area and Coastal Use Area for the purposes of Part 2.2 of the SEPP.</p>

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State Environmental Planning Policy (SEPP)	Comment
	<p>The northern portion of the site is also mapped as a “proximity area” to Coastal Wetlands.</p> <p>Development controls in Chapter 2 – Coastal Management would continue to apply to development within the site.</p>
SEPP (Resources and Energy) 2021	Not applicable
SEPP (Transport & Infrastructure) 2021	<p>The SEPP will continue to apply to future development in the R1 and R3 zones.</p> <p>The site area is unlikely to accommodate >300 dwellings and is unlikely to result in traffic generating development for the purposes of Schedule 3 of the SEPP.</p>

Appendix C: Consistency with S9.1 Ministerial Directions

S9.1 Ministerial Direction	Comment
Focus Area 1: Planning systems	
1.1 Implementation of Regional Plans	The Planning Proposal relates to land to which the Hunter Regional Plan 2036 (REP) applies. The Planning Proposal is <u>consistent</u> with the REP and Direction 1.1.
1.2 Development of Aboriginal Land Council land	Not applicable. The Planning Proposal does not relate to land shown on the Land Application Map of chapter 3 of the <i>State Environmental Planning Policy (Planning Systems) 2021</i> .
1.3 Approval and Referral Requirements	The Planning Proposal does not introduce any provisions requiring concurrence, consultation or referral of a Minister or public authority. The Planning Proposal is <u>consistent</u> with Direction 1.3.
1.4 Site Specific provisions	The Planning Proposal amends the LEP to include the R1 and R3 zone that allow residential development to be carried out as a permitted land use. This removes the need for the Additional permitted uses in Schedule 1 related to the site. The Planning Proposal is <u>consistent</u> with Direction 1.4
Focus Area 1: Planning Systems – Place Based	
1.5 Parramatta Road Corridor Urban Transformation Strategy	Not applicable
1.6 Implementation of North West Priority Growth Area Land Use and Infrastructure Implementation Plan	Not applicable
1.7 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan	Not applicable
1.8 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan	Not applicable
1.9 Implementation of Glenfield to Macarthur Urban Renewal Corridor	Not applicable
1.10 Implementation of the Western Sydney Aerotropolis Plan	Not applicable
1.11 Implementation of Bayside West Precincts 2036 Plan	Not applicable

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S9.1 Ministerial Direction	Comment
1.12 Implementation of Planning Principles for the Cooks Cove Precinct	Not applicable
1.13 Implementation of St Leonards and Crows Nest 2036 Plan	Not applicable
1.14 Implementation of Greater Macarthur 2040	Not applicable
1.15 Implementation of the Pymont Peninsula Place Strategy	Not applicable
1.16 North West Rail Link Corridor Strategy	Not applicable
1.17 Implementation of the Bays West Place Strategy	Not applicable

S9.1 Ministerial Direction	Comment
Focus Area 2: Design and Place	
No current Ministerial Directions in Focus Area 2	
Focus Area 3: Biodiversity and Conservation	
3.1 Conservation Zones	<p>This Direction applies when a planning proposal is prepared. Relevant to the subject land, the Direction provides that a planning proposal must not reduce the environmental protection standards that apply to the land, including development standards applying to the land.</p> <p>No change is proposed to the C2 zones. The Planning Proposal is <u>consistent</u> with this Direction.</p>
3.2 Heritage Conservation	<p>This Direction applies whenever a planning proposal is prepared and provides for the conservation and protection of items of environmental heritage and items of indigenous heritage significance. The subject land does not contain any listed heritage items.</p> <p>In relation to indigenous heritage, the Direction provides that items of Aboriginal Heritage should be identified by an Aboriginal Heritage Survey.</p> <p>Previous Aboriginal Cultural Heritage Assessment has been undertaken for the land and has identified areas of Potential Archaeological deposits which are located outside potential development areas.</p> <p>The Planning Proposal is <u>consistent</u> with Direction 3.2</p>
3.3 Sydney Drinking Water Catchments	Not applicable
3.4 Application of C2 and C3 Zones and Environmental Overlays in Far North Coast LEPs	Not applicable
3.5 Recreation Vehicle Areas	Not Applicable
Focus Area 4: Resilience and Hazards	
4.1 Flooding	Not Applicable
4.2 Coastal Management	<p>The land has progressively been rezoned to SP3 and C2 since 2020 having regard to coastal hazards and other coastal management issues. The area of the site zoned C2 corresponds with the area within the 2100 Hazard Line for coastal erosion.</p> <p>The Planning Proposal does not change the existing C2 zone or enable increased development or more intensive land-use on land that is zoned C2 and which has specific development provisions applying to it under Greater Taree Development Control Plan 2010, Part D Environmental Requirements.</p> <p>The proposal is <u>consistent</u> with this Direction.</p>
4.3 Planning for Bushfire Protection	<p>This Direction applies as the Planning Proposal involves land which is mapped as bushfire prone land. The Direction requires Council to consult with the NSW Rural Fire Service following receipt of a Gateway Determination under section 3.34 of the Act and prior to undertaking community consultation in satisfaction of clause 4, Schedule 1 to the EP&A Act, and take into account any comments so made.</p> <p>Formal consultation will occur with the NSW Rural Fire Service following a Gateway determination. Based on the fact that the land is current zoned urban and was subject to relatively recent rezonings involving RFS referral it is anticipated that the Planning Proposal will be consistent with this Direction.</p>

Greater Taree Local Environmental Plan LEP (2010) - 391 Diamond Beach Road

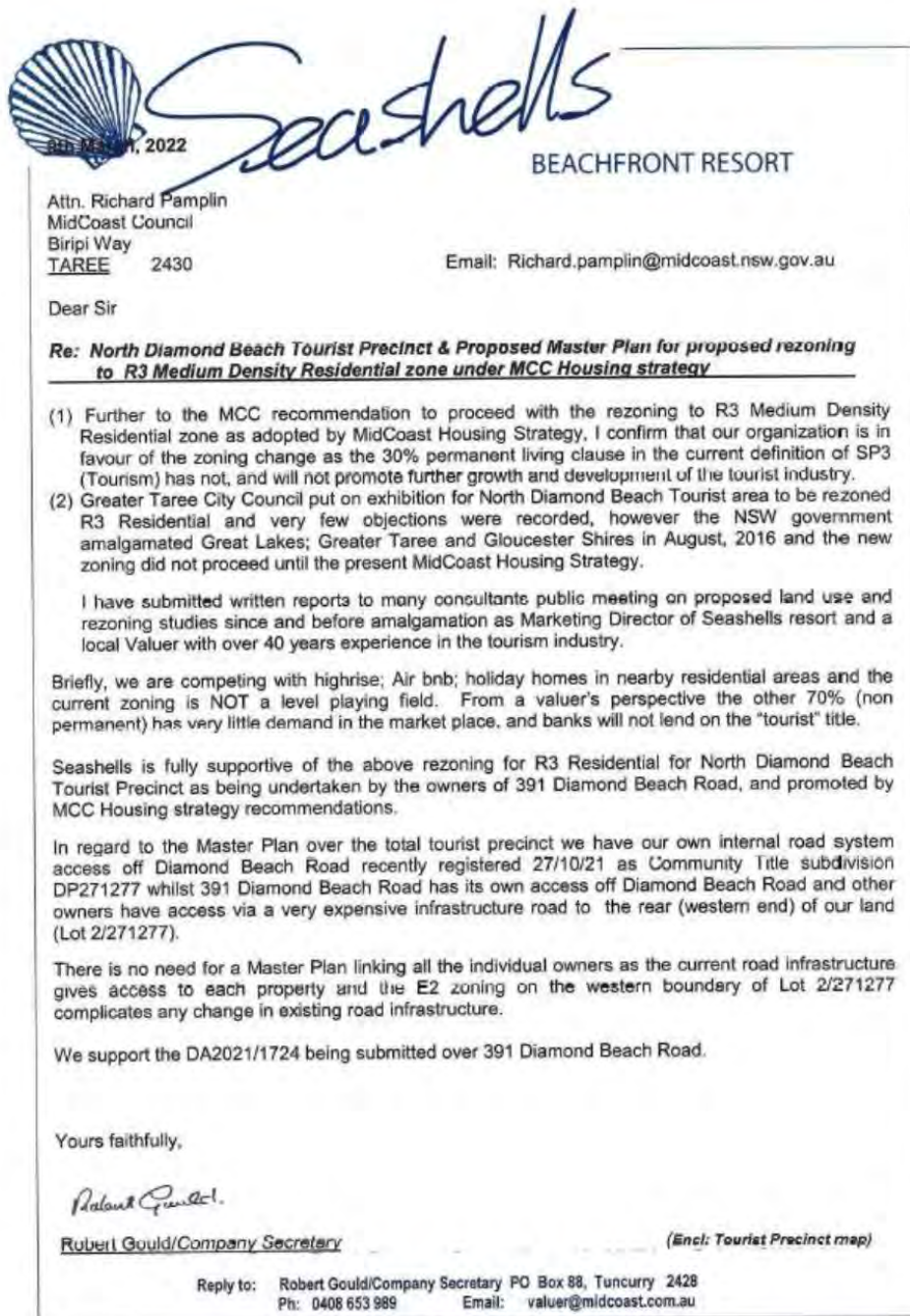
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S9.1 Ministerial Direction	Comment
4.4 Remediation of Contaminated Land	Not applicable
4.5 Acid Sulfate Soils	The land is mapped as Classes 3 and 5 on the Acid Sulfate Soils Planning Maps. The proposal to rezone would not involve intensification of development over these areas and would not require a study. Acid Sulfate investigation will be undertaken at DA stage as required. The Planning Proposal is <u>consistent</u> with this Direction.
4.6 Mine Subsidence and Unstable Land	Not Applicable
Focus Area 5: Transport & Infrastructure	
5.1 Integrating Land Use and Transport	The Direction is applicable as it alters an existing tourist zone to residential forms. The proposal is <u>consistent</u> with the Direction by providing medium density housing in areas with good road connection to facilities in the broader Hallidays Point area. The future connection of Old Soldiers Road will further improve connectivity for transport in the area.
5.2 Reserving Land for Public Purposes	Not applicable
5.3 Development Near Regulated Airports and Defence Airfields	Not applicable
5.4 Shooting Ranges	Not applicable
Focus Area 6: Housing	
6.1 Residential Zones	The proposal is <u>consistent</u> with this Direction which introduces the medium density zone in an area dominated by low density and rural residential development. The proposal will broaden housing choice in the area and provide compact development forms, reducing consumption of land for housing. The proposal is <u>consistent</u> with the Direction.
6.2 Caravan Parks and Manufactured Home Estates	<u>Consistent</u> with the Direction, to change the zone from SP3 to R3 will maintain permissibility for caravan parks and manufactured home estates.
Focus Area 7: Industry and Employment	
7.1 Business and Industrial Zones	Not applicable
7.2 Reduction in non-hosted short-term rental accommodation period	Not applicable
7.3 Commercial and Retail Development along the Pacific Highway, North Coast	Not applicable
Focus Area 8: Resources and Energy	
8.1 Mining, Petroleum Production and Extractive Industries	Not applicable. The existing SP3 zone prohibits mining and extractive industries and consultation is not required with the Director General of DPI.

S9.1 Ministerial Direction	Comment
Focus Area 9: Primary Production	
9.1 Rural Zones	Not applicable
9.2 Rural Lands	Not applicable
9.3 Oyster Aquaculture	Not applicable
9.4 Farmland of State and Regional Significance on the NSW Far North Coast	Not applicable

Appendix D: Correspondence from Landowners



24 March 2022

The General Manager
Mid Coast Council
PO Box 482
TAREE NSW 2110

To whom it may concern,

Re: MIDCOAST HOUSING STRATEGY – NORTH DIAMOND BEACH

We refer to the Hallidays Point Area of the Midcoast Housing Strategy.

We act for the owner (Summerland) of the property at 355 and 361, Diamond Beach Road, Diamond Beach and have prepared this letter in support of the rezoning the land from SP3 Tourist to Medium Density Residential.

Reasons for support

The rezoning of the site from SP3 Tourist to Medium Density Residential will enable the site to fulfil the housing strategies outlined in the Midcoast Housing Strategy. It is noted the strategy states that medium density residential should be encouraged in the tourist precinct at North Diamond Beach. Our client's site is located within this precinct. Hence, the rezoning from SP3 Tourist to Medium Density Residential responds to the housing strategy adopted by Council.

Although our client's site is currently zoned SP3 Tourist under the Greater Taree LEP 2010, the land is currently not utilised for tourism purposes. While our client's site has had previous approval for tourist accommodation (37/2008/DA approved on 14 November 2008), the development did not eventuate as it is difficult to secure financing for tourism development. The rezoning of the site from SP3 Tourist to Medium Density Residential will provide development opportunities for our client's site, specifically, the development of housing within a medium density residential zoning.

DA Support

It is noted that there is currently a DA lodged for a townhouses and community title subdivision development at 391 Diamond Beach Road, Diamond Beach (DA2021/1724). We are in support of this proposed development as it will help enable medium density residential housing in an area proposed to be rezoned for residential purposes.

Should you require any additional information please do not hesitate to contact me.

Kind regards,
Roberto Bianco
Town Planner
GAT & Associates
Plan 2067

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Suite 15, Level 1
469-475 Parramatta Rd
Leichhardt NSW 2040

• **Brisbane Office**
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TOWN PLANNERS • BASIX/ENERGY ASSESSORS



Saltwater Shores Pty Ltd
ABN: 82 645 101 506

info@saltwatershores.com.au
www.saltwatershores.com.au

Ref: SWS-1011/A
09 March 2022

MidCoast Council
At: Richard Pamplin – Principal Land Use Planner
Yalawanyi Ganya
2 Biripi Way
Taree NSW 2430

By email: Richard.Pamplin@MidCoast.nsw.gov.au

Dear Richard

NORTH DIAMOND BEACH: MEDIUM DENSITY ZONING

Further to our meeting 7 March 2022, we have outlined below why we support the change of zoning from tourist to medium density for our property at 391 Diamond Beach Road, Diamond Beach. Notwithstanding our commercial interests in the site, we also believe our proposed development under the medium density zone will provide significant short term economic value to the region during construction and long-term benefits resulting from permanent residents investing in the long-term appeal of the area.

Tourist Zone (SP3) Alternative:

The current SP3 Tourist Zone does not permit more than 30% permanent occupancy across the site and results in difficulties for any owner-occupiers to obtain finance for housing within the zone. The site has a current DA approval (250/2009/DA/D) for the construction of a Caravan Park. It is not our intention to develop a caravan park or sell the site to a caravan park operator should the zoning be changed to medium density in the near future.

Medium Density (R3) Alternative:

We have developed a detailed multi-disciplined master plan for the site which contains coastal themed terrace style housing internally and detached housing along the beachfront. The initial stage of this proposal is currently being assessed by Council under DA2021/1724. Although the built form within the proposed DA is allowed under the current zoning, the long-term viability of the development requires the zone changed to medium density to unlock the availability of permanent housing and to ensure purchasers can obtain finance.

The proposed terrace architecture, finishes and inclusions, along with the development's infrastructure is well proportioned and of a high quality to reflect the rare opportunity and value this coastal site presents. We will also seek to have the development sustainably accredited under the EnviroDevelopment



Saltwater Shores Pty Ltd
ABN: 82 645 103 306

saltwatershores.com.au
saltwatershores.com.au

Certification process. This means to project will seek to meet or exceed all six environmental standards applied to the construction and the operation of the buildings and associated infrastructure.

Comparison of Alternatives

We believe the terrace style development of Saltwater Shores provides a significantly better outcome for this highly sort after coastal site. The attractiveness of the coastal architecture coupled with individual owners who are invested in the surrounding community will, in our opinion, be a much better outcome than the development of a caravan park. The terrace style development is aligned with the theme of the adopted MidCoast Council Housing Strategy.

Public access to the coastline will still be enhanced over the area through the construction of a 3m wide footpath at the eastern edge of the site which will form part of the North Diamond Beach public access strategy.

The terrace style housing under the medium density zoning will in part contribute to alleviating the current acute shortage of housing supply within the regional areas of NSW. We are a motivated developer with the intention to realise the potential of the site. Should the zoning change be initiated soon, we will not hesitate to move forward with the project to ensure new housing stock can be brought to market in the shortest time possible.

Should you require any further information, please don't hesitate to contact the undersigned.

Yours faithfully
for and behalf of Edgewater Shores Pty Ltd

Joe Coca
Director

Encl.

Serenity Diamond Beach Rezoning proposal from Tourist to Residential

To all owners Serenity neighbourhood Association

Hi All

The Serenity management has been approached by Joe Coco the proposer of the Saltwater Shores development seeking a view from adjacent landholders in respect to his application to have the area rezoned. I was able to have a discussion with Mr Coco on Monday 4 April on which he was very open about his application and has provided the attached draft master plan.

Mr Richard Pamplin of Mid Coast Council has been very helpful in explaining the current situation and the process going forward

The current tourist zoning allows a maximum of 30% full time occupancy at Serenity which has been fully subscribed, a rezone would open the opportunity for all units in serenity to full time occupancy while retaining the ability to continue to operate the resort as is currently the case.

Mr Coco has lodged an application to rezone the area shown in the attached documents. Mr Coco has an approved DA to construct a Caravan Park which is permitted under the current zoning however this is not his preferred option. He has lodged a further development application for his land subject to the rezoning.

Council asked him to consult with the landholders in the immediate area hence his approach.

A Map of the relevant area is attached.

We are informed Seashells and Summerland Estate have expressed support for the process to proceed.

The Executive are not able to express an opinion as landholders, that is a matter for individual owners. This will not impede the process going forward.

The Process Going Forward

It is anticipated that Mid Coast Council will consider referring the Zoning application to the NSW Government around the end of May 2022

NSW Government will undertake a "Gateway" analysis resulting in a decision to approve with guidelines and conditions or deny further action on the proposal

On Approval Mid Coast Council will commence the Public Exhibition and consultation phase

This process could take 6 to 9 months depending upon the conditions set by the NSW Govt in the gateway process and other matters which may arise

Mid Coast Council will then decide to alter the Zoning /or not

In the event that Zoning is changed property owners seeking to alter the status of their property to the new zoning criteria will need to make an application to Council

We will keep you informed as information comes to hand

Rod Harrison

Chair Serenity Neighbourhood Association

ATTACHMENT 2 - LETTER FROM DEPARTMENT OF PLANNING AND ENVIRONMENT



Department of Planning and Environment

Mr Adrian Panuccio
General Manager
MidCoast Council
PO BOX 482
TAREE NSW 2430

IRF22/2432

Dear Mr Panuccio

Request for a rezoning review – RR-2022-15 – 391 Diamond Beach Road, Diamond Beach

I am writing to notify Council that a request for a rezoning review, dated 28 July 2022, has been submitted for consideration by the Hunter and Central Coast Regional Planning Panel.

The rezoning review request made by Joe Coco of Saltwater Shores PTY LTD, seeks to amend the *Greater Taree Local Environmental Plan 2010* to rezone land at North Diamond Beach from SP3 Tourism to R1 General Residential and R3 Medium Density Residential.

The proponent is seeking a rezoning review because Council has failed to indicate its support for the proposal 90 days after the proponent submitted a request to prepare a planning proposal. A copy of all information that was submitted with the rezoning review request can be accessed from pp.planningportal.nsw.gov.au.

Council is invited to comment on the proposal and/or provide a response detailing why the original request to Council was not progressed. It would be appreciated if Council could confirm that the proposal which has been submitted for a rezoning review is the same proposal that was considered by Council. Council's comments will be considered by the panel when making a decision on whether the proposal should proceed to Gateway.

A response must be submitted to hunter@planning.nsw.gov.au at the Department of Planning and Environment within 21 days of the date of this letter. Council's response may be made publicly available on the Department's website.

As part of the assessment process, the panel may contact you for further information. You will be advised of the panel's decision once its assessment has been completed.

Department of Planning and Environment

Central Coast and Hunter Region Level 4, 6 Stewart Avenue, Newcastle West, NSW 2302 PO Box 1226 Newcastle 2300 T 02 4904 2700
www.planning.nsw.gov.au

Should you have any further enquiries about this matter, I have arranged for Ms Amy Pryor of the Department to assist you. Ms Pryor can be contacted on 9274 6367.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Dan Simpkins', with a long horizontal line extending to the right.

16/8/22

Dan Simpkins
Director, Central Coast and Hunter
Planning and Land Use Strategy