

File No: IRF18/5755

Report to the Hunter and Central Coast Regional Planning Panel on an application for a site compatibility certificate.

State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004

SITE: 71 Gan Gan Road (Lot 21 DP 718935) and 100 Old Main Road (Lot A DP 360150), Anna Bay.

The site is irregular in shape and has an area of approximately 31.1ha. It has frontage to Nelson Bay Road (a state-classified road) to the north, Gan Gan Road to the southwest and Old Main Road to the south (Figure 1a). The site is accessed via two vehicular driveways on the Gan Gan Road and Old Main Road frontages. The southeastern corner of the land is approximately 350m north-west of the Anna Bay town centre. Nelson Bay is 11.5km to the north-east of the site.

The site rises from the street frontages and a vegetated ridgeline runs through the middle of the site. This ridgeline forms the visual backdrop to the Anna Bay village, and the ridge and the vegetation on it are identified for 'landscape setting protection' in Port Stephens Council's Anna Bay Strategy and Town Plan 2008.

A narrow portion of the land fronting Gan Gan Road and Old Main Road is included in the Anna Bay Strategy for urban development (Figure 3).

The entire site is zoned RU2 Rural Landscape under the Port Stephens Local Environmental Plan 2013. Part of the site is proposed to be rezoned for residential and recreation purposes (Figure 1b).



Figure 1a: Site and surrounding zoning.



Figure 1b: Area affected by Planning Proposal PP_2012_PORTS_001

APPLICANT: KDC Pty Ltd on behalf of Veritas Property

PROPOSAL: The proposal is for a residential care facility (up to 500 beds) and serviced self-care housing (up to 250 dwellings). No detailed concept or development plans have been provided with the application to indicate the location, scale or relationship between buildings on the site or actual numbers of beds and dwellings.

The report in support of the application contains a site compatibility constraints analysis map that identifies two potential developable areas: a small area south of the central ridgeline and a larger area to the north of the ridgeline (Figure 2). The report indicates that the smaller developable area in the southern portion of the site could potentially contain community buildings, the residential care facility, staff/management buildings and general car parking in a community zone, which has an area of approximately 1.2ha. The larger developable area to the north of the ridgeline, with an area of approximately 13.4ha, would accommodate the future serviced self-care housing.

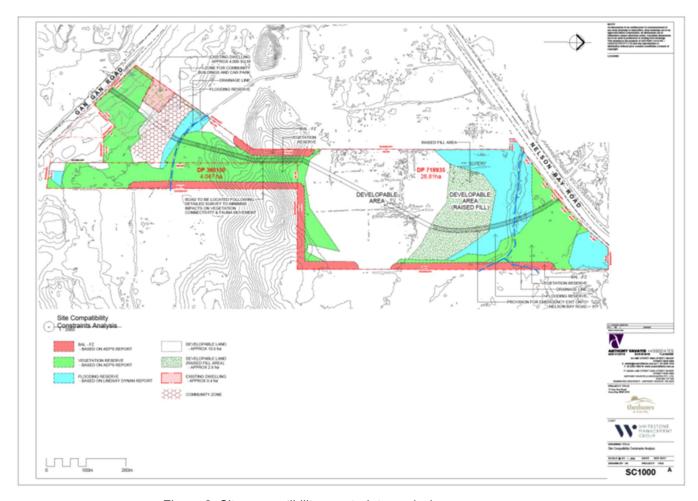


Figure 2: Site compatibility constraints analysis map.

LGA: Port Stephens

PERMISSIBILITY STATEMENT

State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 (Seniors Housing SEPP) applies to land that adjoins land zoned primarily for urban purposes, where it satisfies the requirements of clause 4. In accordance with clause 4, the Seniors Housing SEPP applies to the site as:

- the south-eastern corner of the site (Lot A DP 360150) adjoins land zoned primarily for urban purposes, being land zoned R2 Low Density Residential (clause 4);
- it is zoned RU2 Rural Landscape which permits dwelling houses with development consent (clause 4(1)(a)(i)); and
- is not excluded from the SEPP because it does not contain land defined under Schedule 1 (Clause 4(6)) of the SEPP.

A site compatibility certificate has been sought because the development is proposed to be carried out on land that adjoins land zoned primarily for urban purposes (clause 24(1)) and the proposed development is not permissible with consent on the land under the zoning of another environmental planning instrument being the Port Stephens LEP 2013 (clause 24(1A)).

PREVIOUSLY ISSUED SITE COMPATIBILITY CERTIFICATE ON THE LAND A site compatibility certificate has not been previously issued on the land (clause 25(5)(c).

PROXIMITY OF SITE TO WHICH THERE IS A CURRENT SITE COMPATIBILITY CERTIFICATE, OR AN APPLICATION HAS BEEN MADE BUT NOT YET DETERMINED

The land is not next to proximate site land (clause 25(2A). A cumulative impact study (clause 25(2C)) has not been undertaken.

CLAUSES 24(2) AND 25(5)

The panel must not issue a certificate unless the panel:

- (a) has taken into account any written comments concerning the consistency of the proposed development with the criteria referred to in clause 25(5)(b) received from the General Manager of the council within 21 days after the application for the certificate was made; and
- (b) is of the opinion that:
 - (i) the site of the proposed development is suitable for more intensive development; and
 - (ii) the proposed development for the purposes of seniors housing is compatible with the surrounding environment and surrounding land uses having regard to the criteria specified in clause 25(5)(b).

CLAUSES 25(2)(C)

A cumulative impact statement is not required to be prepared because the application is not for land that is next to a proximate site.

COUNCIL COMMENTS

Council has raised concerns (**Attachment C**) about any development to the north of the central ridgeline, noting it is inconsistent with existing strategies (particularly the Anna Bay Strategy and Town Plan 2008) and strategic planning work being undertaken to support the Anna Bay North planning proposal. Council also raises concerns about potentially significant impacts on the environmental values of the site, including through the substantial filling required to deal with flooding issues.

Council provided comments on the relationship with the local strategy, a Planning Proposal underway for part of the site, and general comments about the site.

Anna Bay Strategy and Town Plan 2008

The Anna Bay strategy broadly identifies land in and around Anna Bay for potential investigation for urban purposes. The subject land is included in the strategy. The land identified as suitable for potential investigation is generally limited to the area in proximity to the existing urban footprint and along Gan Gan Road and Old Main Road (Figure 2).

It is a planning principle within the strategy to limit urban development up to the east-west sand ridge to the north of Old Main Road. The SCC development concept does not demonstrate consistency with the potential urban footprint recommended in the Anna Bay strategy, particularly the land beyond the frontage with Gan Gan Road.

Anna Bay North planning proposal

The Anna Bay North planning proposal includes the subject site at its western edge, but the area of investigation is limited to the land south of the central sand ridgeline (Figure 1b). A conditional Gateway determination was issued by the Department on 28 February 2012.

Further investigation of two key matters, flooding and updated environmental information, was essential to help inform a potential urban zone footprint. Obtaining this information has resulted in a significant delay, with the proposal being extended in timeframe on a number of occasions.

Council and the Office of Environment and Heritage commissioned and funded the Anna Bay and Tilligerry Creek Flood Study, adopted by Council in December 2017. The results have been interpreted by Council to develop a drainage reserve draft concept for the Ferntree drain that crosses the land in the planning proposal and the subject site.

The drainage reserve concept is to assist discussion with landowners for a potential revised planning proposal. It identifies land that may have potential for development from a drainage perspective only **(Attachment E** – pink is the proposed drainage channel, red is the drainage catchment). The draft drainage reserve divides the southern portion of the subject land fronting Gan Gan Road in half and presents a further constraint to development of land to the north of Ferntree drain.

Council is assisting the relevant landowners in furthering a planning proposal to facilitate development in Anna Bay, including on the subject land.

General comments

- The SCC concept does not demonstrate consistency with SEPP No 44 Koala Habitat Protection and Council's Comprehensive Koala Plan of Management.
- The SCC concept does not demonstrate consistency with several section 9.1 Directions.
- The preliminary ecological investigation indicates that the environmental values on the site and the impact of the SCC concept, as submitted, may be significant.
- There is limited discussion in the SCC application of the capacity of medical facilities that are available at Anna Bay and on the wider Tomaree peninsula.
- There is limited discussion about the adequacy of regular public transport options.
- It is unclear why Lot A DP 360150 is included in the SCC concept as no seniors housing or essential infrastructure appear to be proposed on this allotment (other than a minor detention basin).
- The SCC concept appears to propose access to Nelson Bay Road. Consultation should occur with Roads and Maritime Services, even if access is limited to satisfy bushfire planning requirements.
- The SCC concept is across an extensive area and is large scale in terms of existing and potential growth, as envisioned in the Anna Bay strategy. This is particularly relevant for the SCC concept on the northern part of the site towards Nelson Bay Road.
- A seniors living development towards the frontage with Gan Gan Road may be more suitable and consistent with the desired future location and scale of development envisioned by the Anna Bay strategy.

SUITABILITY FOR MORE INTENSIVE DEVELOPMENT

The panel must not issue a certificate unless the panel is of the opinion that the site of the proposed development is suitable for more intensive development (clause 24(2)(a)):

1. The site of the proposed development is suitable for more intensive development (clause 24(2)(a))

The site is considered unsuitable for development of the size and scale proposed in this application.

The part of the site north of the central ridgeline is unsuitable for more intensive development because it will:

- be incompatible with the existing and desired future character of the locality as outlined in the Anna Bay local strategy;
- be remote from the existing services provided on the site and in the Anna Bay town centre;
- o be adjacent to, and have access via, bushfire-prone land;
- have an access road and emergency egress road crossing high-hazard floodways and drainage reserves, with no certainty that any emergency egress will be permitted via Nelson Bay Road;
- have an emergency egress road that will cross and impact an endangered ecological community (Swamp Oak Rushland Forest); and
- potentially impact preferred and supplementary koala habitat and koala habitat corridor and link areas as identified in the Port Stephens Comprehensive Koala Plan of Management.

The part of the site south of the central ridgeline and fronting Gan Gan Road has been identified by Council studies as having potential for urban purposes. This part may be suitable for some form of more intensive development, but the limited amount of developable area unconstrained by flooding and protected vegetation, and the lack of any detailed concept plan indicating the ability of the part of the land to accommodate a viable seniors housing development, make its use for this form of more intensive development unsuitable.

COMPATIBILITY WITH THE SURROUNDING ENVIRONMENT AND LAND USES

The panel must not issue a certificate unless the panel is of the opinion that the proposed development for the purposes of seniors housing is compatible with the surrounding environment and surrounding land uses having regard to the following criteria (clause 25(5)(b)) and clause 24(2)(b)):

1. The natural environment (including known significant environmental values, resources or hazards) and the existing and approved uses of land in the vicinity of the proposed development (clause 25(5)(b)(i))

Environmental values

The environmental values of the site have been assessed through a preliminary ecological investigation undertaken by Anderson Environment and Planning having regard to an early proposed development plan, which would have required the clearing of most of the remnant vegetation on the site. The current proposed development plan submitted with the SCC application now indicates that most of the vegetation is to be retained.

The most significant impact on ecological values that can be identified from the constraints analysis map (Figure 2) is the construction of an access and emergency

exit road that runs the length of the site between Gan Gan Road and Nelson Bay Road.

Seasonal and/or targeted searches for threatened flora and fauna were undertaken as part of the investigation for the early proposed development plan. The ecological investigation indicates there are three main vegetation map units on the site:

- MU40 Swamp Oak Rushland Forest total area 1.8ha;
- MU37 Swamp Mahogany Paperbark Forest total area 5.4ha; and
- MU33 Coastal Sand Apple Blackbutt Forest total area 5.2ha.

Swamp Oak Rushland Forest and Swamp Mahogany - Paperbark Forest are identified as endangered ecological communities (EEC) under the *Biodiversity Conservation Act 2016*.

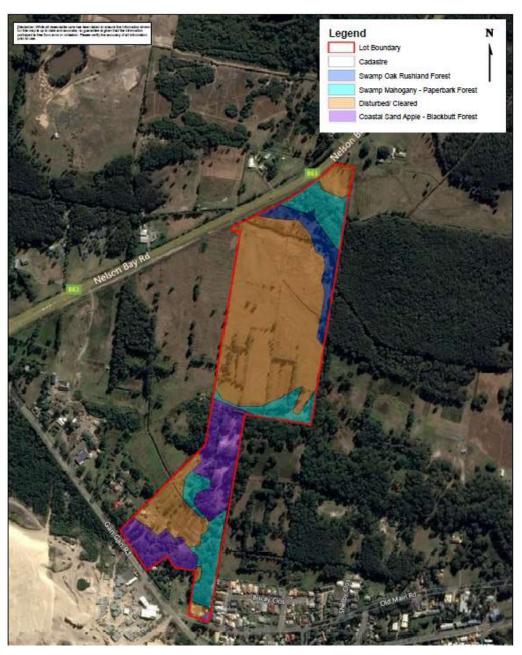


Figure 3: Vegetation map from preliminary ecological investigations, March 2018

The vegetation on-site is identified in the Anna Bay local strategy as significant vegetation due to its habitat value, corridor value and presence of EECs and as a corridor (Figures 3 and 4).



Figure 4: Significant vegetation and corridor map from Anna Bay Strategy and Town Plan 2008

Nine threatened flora species have been recorded and/or predicted to occur within the locality of the site, but none were observed during site inspections for the ecological investigation. However, the report states that some of the vegetated areas on the site may contain suitable habitat for threatened orchids, and that surveys for these species would need to be undertaken during appropriate survey periods.

Thirty-three threatened fauna species have been recorded and/or predicted to occur within the locality of the site, but none were observed during site inspections for the ecological investigation. The report identifies records of note for:

- koala (locality and on-site);
- grey-headed flying-fox (locality and on-site);
- powerful owl (locality and on-site);
- masked owl (locality and on-site); and
- squirrel glider (locality, but with vegetation on-site identified as potential foraging and corridor habitat).

All the vegetation on the site is identified as either preferred, supplementary or part of a link to koala habitat under the Port Stephens Comprehensive Koala Plan of Management (CKPoM) (Figure 5). The CKPoM describes Anna Bay as one of the most significant koala habitats on the Tomaree peninsula.

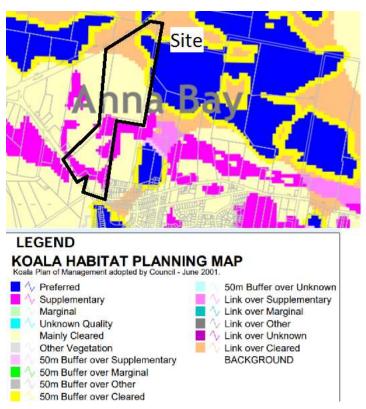


Figure 5: Koala habitat planning map, Port Stephens Comprehensive Koala Plan of Management, 2007

The proposed access road passes through supplementary koala habitat, habitat corridor and link areas, across two high-hazard floodways and through the Swamp Oak Rushland Forest EEC at the northern end of the site as it exits onto Nelson Bay Road. The constraints analysis map (Figure 2) shows the parts of the roadway that impact vegetated areas as hatched, with a notation stating: "Road to be located following detailed survey to minimise impacts on vegetation connectivity & fauna movement."

In the absence of a detailed concept plan, it is difficult to assess the potential impact on environmental values, but from the information provided on the constraints analysis map it appears there may be a negative impact on protected vegetation, including koala habitat, particularly if the development extends beyond the central ridgeline to the northern part of the site.

Natural hazards

Flooding

Most of the site is identified as flood-prone land (Figure 6). It consists of low-lying floodplain, divided by the central ridgeline. Two drainage channels run across the site: the Anna Bay main drain in the northern portion and the Ferntree drain in the southern portion.

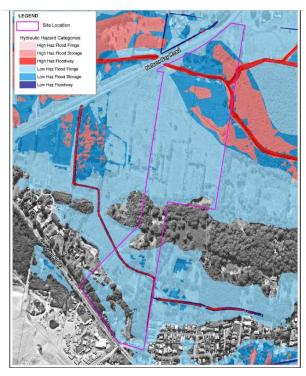


Figure 6: Existing hydraulic hazard category, BMT WBM report, March 2018

A flood assessment prepared by BMT WBM Pty Ltd accompanies the SCC application report. Council adopted the Anna Bay and Tilligerry Creek Flood Study in late 2017, which covers the subject site and surrounding locality. The flood assessment is based on this study, which identifies that a significant portion of the northern and southern parts of the site are inundated in a 1% AEP. The site is categorised as a combination of low-hazard flood fringe and low-hazard flood storage, with localised areas of high-hazard flood storage and high-hazard floodway (the two drainage channels).

All the developable area identified on the site compatibility constraints analysis map is proposed to be filled to a level above the 1% AEP flood event. The flood assessment models two filling scenarios; one where filling is limited to areas of low-hazard flood fringe and a second, the preferred scenario for the proposal, which extends filling into areas of low and high-hazard flood storage. The filling would occur on parts of the site with koala habitat.

The modelling indicates there are negligible impacts on flooding in the northern part of the site under both raised fill scenarios. There are increases of 0.02–0.03m in peak flood levels on adjoining properties to the east and west in the southern portion of the site.

The flood assessment concludes that these impacts can likely be mitigated by altering the location of the fill and/or the inclusion of drainage infrastructure at the development stage.

The access road indicated on the site compatibility constraints analysis map (Figure 2) crosses the two drainage channels, identified as high-hazard floodway, for access to and emergency egress from the site.

Council has provided mapping of the drainage reserve it will require adjacent to the Ferntree drain in the south of the site and which would be crossed by the main

access road to the development (Figure 7). The reserve is approximately 120m wide at the indicative location of the proposed road.

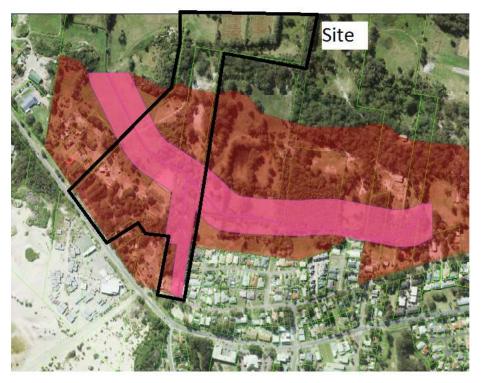


Figure 7: Proposed drainage channel, provided by Port Stephens Council March 2018 (Pink is the channel, Red is the catchment)

Modelling of future road location and design for the site would need to be undertaken to ensure construction and operation of a crossing of the drainage channel do not impede flows and/or cause unacceptable back-up flooding on adjacent properties during peak flows.

The proposed development would require significant flood mitigation and ongoing drainage land management. The impact of this mitigation is minor on the surrounding land uses in terms of changes to flood effect, it will be significant and incompatible with the koala habitat and retention of other native vegetation.

Bushfire-prone land

Most of the site is bushfire-prone land mapped as vegetation category 1 and vegetation buffer (Figure 8). The preliminary bushfire investigation included in the SCC application was prepared for an earlier development concept, which envisaged clearing of most of the vegetation on the site. The investigation and the resulting APZ and BALs map are therefore not relevant to the smaller developable areas indicated on the site compatibility constraints map (Figure 2).





Figure 8: Port Stephens Bushfire Prone Land map, 2004

The preliminary bushfire investigation notes that, as the proposal constitutes a special fire protection purpose pursuant to section 100B of the *Rural Fires Act* 1997, it:

- is integrated development under section 4.46 of the *Environmental Planning and Assessment Act 1979*:
- will require a Bush Fire Safety Authority to be obtained from the NSW Rural Fire Service; and
- will be subject to heightened requirements, including larger APZs.

A revised bushfire investigation will be required when detailed plans are available, assessing the impact from the on-site vegetation to be retained and identifying which parts of the developable areas are impacted by APZs and BALs. The management of the bushfire hazard may require loss of koala habitat and other native vegetation, which would not be compatible with the surrounding land and vegetation corridors.

Contamination

The SCC application report does not address whether any contamination issues are relevant to the site due to past uses of the land.

Coastal management

Preparation of the SCC application report predates commencement of State Environmental Planning Policy (Coastal Management) 2018 (Coastal Management SEPP) on 3 April 2018. Mapping associated with the SEPP identifies all the land to the north of the central ridgeline on the site as coastal environment area. Land around the Anna Bay main drain at the northern end of the site is mapped as coastal use area.

While not a constraint to the issuing of an SCC pursuant to clause 4 of the Seniors Housing SEPP, classification of part of the site as coastal environment area and coastal use area places additional requirements on any development of the land to ensure impacts on coastal areas are avoided or minimised.

The Coastal Management SEPP requires consideration of the surrounding coastal and built environment and the bulk, scale and size of the proposed development during development assessment.

2. The impact that the proposed development is likely to have on the uses that, in the opinion of the panel, are likely to be the future uses of that land (clause 25(5)(b)(ii))

Future use of the land continues to be considered by Council and local landowners through the outcomes of the Anna Bay Strategy and Town Plan and the Anna Bay North planning proposal. The part of the site south of the central ridgeline has potential for urban purposes, with the Anna Bay strategy suggesting standard residential development for the Gan Gan Road frontage of Lot 21 DP 718935 and villa and townhouses for the Old Main Road frontage of Lot A DP 360150.

Seniors housing comprising a residential care facility and/or serviced self-care housing would be compatible with likely future uses of the land south of the central ridgeline on the site.

The Anna Bay Strategy and Town Plan and more recent strategic work underpinning the Anna Bay North planning proposal do not propose any change to existing land uses for the part of the site to the north of the central ridgeline. The land fronting Nelson Bay Road has a predominantly rural character of cleared grazing land dissected by swathes of protected vegetation (preferred and supplementary koala habitat). Filling of this land to enable development of up to 250 serviced self-care dwellings is not considered compatible with the current and future uses.

3. The services and infrastructure that are or will be available to meet the demands arising from the proposed development (particularly, retail, community, medical and transport services having regard to the location and access requirements set out in clause 26) and any proposed financial arrangements for infrastructure provision (clause 25(5)(b)(iii))

Location and access to facilities

The eastern edge of the part of the site from which access will be gained to Gan Gan Road is approximately 400m from the B2-zoned Anna Bay town centre. No pathway exists along Gan Gan Road, but this could be provided at acceptable gradients. The developable areas shown on the site compatibility constraints analysis map are approximately 500m and 900m from the Anna Bay town centre, the latter across the central ridgeline, which has slopes exceeding 25%.

Anna Bay town centre includes a medical centre, post office, supermarket, pharmacy, newsagent, service station (with ATM facility), liquor store and tavern.

Higher-order retail and services are available at Salamander Bay shopping centre, approximately 10km from the site.

The closest bus stop is within 400m of the access point to the site on Gan Gan Road near the Anna Bay town centre. Regular daily services are available to Salamander Bay shopping centre, Nelson Bay and Newcastle. The report included in the SCC application indicates that a private bus service will "be provided within the proposed seniors living development, transporting residents to and from their accommodation to Salamander Bay shopping centre and other relevant places, with regular daily shuttles". It also states that a small shop/café offering daily conveniences will be provided on-site.

While none of the developable areas on-site are within 400m walk of the facilities required by clause 26 of the Seniors Housing SEPP, a requirement for a private bus service as part of any consent and as proposed in the application could be achieved, and this would be necessary if any development was permitted to the north of the central ridgeline due to the long distances and very steep grades.

Infrastructure

The capacity of infrastructure to accommodate a seniors housing development of up to 500 beds and 250 self-care dwellings is not addressed in the report included in the SCC application. However, the report states there is a dwelling on the site, serviced by essential infrastructure, and that "the applicant will be responsible for funding any augmentation of infrastructure services within the site to facilitate the proposal".

The Anna Bay strategy indicates there is insufficient water supply capacity and limited wastewater treatment capacity to serve the total number of new dwellings anticipated for the entire strategy area, nominated at 200 additional dwellings. Development of the site to the maximum number of beds and dwellings indicated in the application would therefore likely require service augmentation.

Current investigations into the urban capacity of the land fronting Gan Gan Road, through the Anna Bay North planning proposal, will address infrastructure provision and capacity for development of land south of the central ridgeline and could inform any future development application on the subject site.

4. In the case of applications in relation to land that is zoned open space or special uses—the impact that the proposed development is likely to have on the provision of land for open space and special uses in the vicinity of the development (clause 25(5)(b)(iv))

Not applicable.

5. Without limiting any other criteria, the impact that the bulk, scale, built form and character of the proposed development is likely to have on the existing uses, approved uses and future uses of land in the vicinity of the development (clause 25(5)(b)(v))

While no detailed site layout or building form/location is provided with the SCC application, it is considered that a seniors housing development on the part of the land south of the central ridgeline fronting Gan Gan Road could be compatible with the existing and proposed future land uses, building forms and character of land in the vicinity of the site as expressed through documentation in the Anna Bay strategy and Anna Bay North planning proposal.

However, any development on the land north of the central ridgeline, fronting and viewed from Nelson Bay Road, will be incompatible with the character of the landscape, land uses and building forms in that locality. The necessity of accessing the land via a road over the steep central ridgeline, filling of the entire developable area above the 1% flood level and construction of up to 250 serviced self-care dwellings would have a significant adverse effect on the character of the locality.

Such development would be inconsistent with the strategic directions indicated in the Anna Bay strategy for this land (Figure 9).

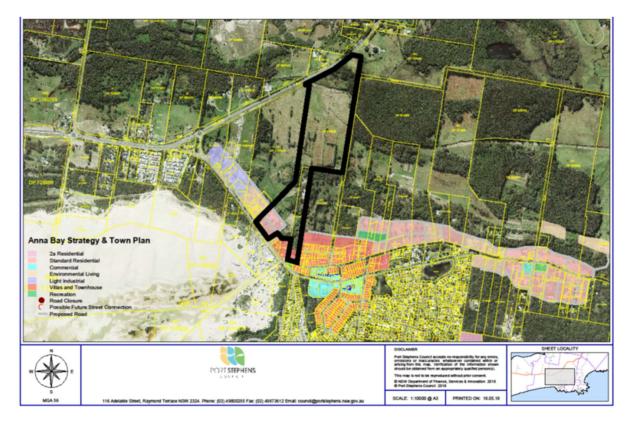


Figure 9: Relationship of site (outlined in black) to Anna Bay strategy outcomes.

The work undertaken on the Anna Bay North planning proposal indicates that future urban development in Anna Bay should be limited to the areas south of the central ridgeline on the site. The northern part of the site beyond the central ridgeline is considered unsuitable for a seniors housing development.

6. If the development may involve the clearing of native vegetation that is subject to the requirements of section 12 of the *Native Vegetation Act* 2003—the impact that the proposed development is likely to have on the conservation and management of native vegetation (clause 25(5)(b)(vi))

The Native Vegetation Act 2003 has been repealed and replaced by the Biodiversity Conservation Act 2016. Clearing of EECs identified under the Act and clearing of koala habitat appears likely given the information shown on the site compatibility constraints analysis map, which indicates an access road passing through vegetated areas on the site, with a notation on the map advising: "Road to be located following detailed survey to minimise impacts on vegetation connectivity & fauna movement."

In the absence of a detailed concept plan to allow assessment of the impact on ecological values, the impact the development is likely to have on the conservation and management of native vegetation cannot be assessed. The preliminary ecological investigation report provides a description of the approval pathways that will have to be followed should protected vegetation be impacted by the proposed development. This would include approvals under the NSW *Biodiversity Conservation Act 2016* and the federal *Environment Protection and Biodiversity Conservation Act 1999* should koalas and the Swamp Oak Rushland Forest EEC be impacted.

7. The impacts identified in any cumulative impact study provided in connection with the application for the certificate (clause 25(5)(b)(vii))

Not applicable.

CONCLUSION

- The site is considered unsuitable for more intensive use for the purposes of a residential care facility and serviced self-care dwellings for seniors, having regard to the criteria set out in clause 25(5)(b) of the Seniors Housing SEPP.
- Most of the site the part of the land to the north of the central ridgeline on the site and fronting Nelson Bay Road – is non-compliant with clause 26 of the SEPP, and the ability to provide compliant transport services to this part of the site has not been adequately demonstrated.
- Any future consideration of the suitability of the southern part of the site fronting
 Gan Gan Road for more intensive urban/seniors housing purposes should be
 informed by the outcomes of strategic planning work being undertaken by Council
 for the wider Anna Bay North locality, or by more comprehensive investigations
 undertaken by the proponent to support a clear proposal addressing:
 - provision and funding of necessary infrastructure;
 - matters relating to bushfire and potential impacts of necessary APZs on EECs and koala habitat; and
 - provision of compliant transport services for future residents and/or confirmation that access to and capacity of services within 400m of the site is adequate for the number of residents anticipated on the site and compliant with clause 26 of the Seniors Housing SEPP.

Report prepared by Neil Selmon Hunter Region Ph: 4904 2700

ATTACHMENTS

Attachment A – SCC assessment report (this document)

Attachment B - SCC application package

Attachment C – Port Stephens Council comments

Attachment D – Site map

Attachment E – Drainage reserve concept