IRF26/5110

Gateway determination report – PP-2026-1942

Port Macquarie Health and Education Precinct

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Acknowledgment of Country

The Department of Planning, Housing and Infrastructure acknowledges the Traditional Owners and Custodians of the land on which we live and work and pays respect to Elders past, present and future.

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Table 1 Key reports and plans supporting the proposal

Relevant reports and plans
Planning Proposal – Mixed Use Health and Education Precinct – King + Campbell – 25 August 2026
Port Macquarie-Hastings Council Ordinary Meeting Agenda – 16 October 2025
Port Macquarie-Hastings Council Ordinary Meeting Minutes – 16 October 2025
Appendix D – Urban Design Report
Appendix E – Traffic and Parking Assessment Report
Appendix F – Aboriginal Cultural Heritage Assessment Report
Appendix I – Phase 1 Environmental Site Assessment
Appendix J – Stormwater Management Plan
Appendix K – Officer to Enter into a Voluntary Planning Agreement
Appendix M – High Environmental Value Land Assessment
Appendix Q – Utility and Infrastructure Servicing Strategy
Appendix R – Hydraulic Report
Water and Sewer Servicing Capacity Statement

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	Port Macquarie
PPA	Port Macquarie-Hastings Council
NAME	Port Macquarie Health and Education Precinct (800-1400 dwellings / 417 jobs)
NUMBER	PP-2026-1942
LEP TO BE AMENDED	Port Macquarie-Hastings LEP 2011
ADDRESS	8 Highfields Circuit, Port Macquarie; 3 & 5 Kulai Place, Port Macquarie; and Lots 1 & 2 DP 262597, 9 & 11 Kingfisher Road, Port Macquarie
DESCRIPTION	Lot 180 DP 1197447, Lots 7 & 8 DP 262597, and Lots 1 & 2 DP 262597
RECEIVED	27/08/2026
FILE NO.	IRF26/5110
POLITICAL DONATIONS	There are no donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no meetings or communications with registered lobbyists with respect to this proposal

1.2 Objectives of planning proposal

The objective of the proposal is to facilitate health, education and residential uses, including key worker and student accommodation, while creating employment opportunities and delivering improved pedestrian connectivity and public domain outcomes across the future Port Macquarie Health and Education Precinct (HEP).

The objectives of this planning proposal are clear and adequate.

1.3 Explanation of provisions

The planning proposal seeks to amend the Port Macquarie-Hastings LEP 2011 (PMHLEP) per the changes below:

Table 3 Current and proposed controls

No.	Control	Current	Proposed
1	Zone	R1 General Residential R2 Low Density Residential	MU1 Mixed Use
2	Maximum height of the building	8.5m	35m
3	Floor space ratio	R1: 0.65:1 R2: N/A	1.15:1
4	Minimum lot size	3,000m^2	Nil
5	Significant urban area	N/A	Identify site on the Significant Urban Areas Map so that clause 7.11A Design excellence applies.
6	Schedule 1 Additional permitted uses	N/A	Permit co-living housing with development consent up to 220 beds. This component of the proposal is unable to be supported as discussed below.
7	Additional local clause	N/A	Introduce a new local clause to restrict the gross floor area for business premises, office premises, health services facilities and educational establishments to a collective 8,010m^2.

The proposal includes a concept masterplan that represents the scale and type of development proposed for the site. In recognition that the final layout and its suitability will be determined as part of any future development application it is recommended that the concept masterplan is revised prior to agency and community consultation to remove detailed information i.e. gross floor area, carparking and residential unit numbers and illustrate only high-level land use outcomes.

Provided the planning proposal is updated consistent with the conditions of the Gateway determination, the explanation of provisions will adequately explain how the objectives of the proposal will be achieved

The proposed changes to the PMHLEP 2011 outlined in Table 3 are detailed to follow.

1. **Amend the Land Zoning Map to rezone land from R1 General Residential and R2 Low Density Residential to MU1 Mixed Use (Figure 1)**

The proposed MU1 zone is considered the most appropriate zoning to achieve the vision for the site, enabling a mix of health, education, employment, residential and supporting retail uses while prohibiting incompatible development. The proposed floor space restrictions are intended to prevent the emergence of a competing business centre and maintain the role of Lake Innes Village Shopping Centre as the principal neighbourhood retail centre within the precinct.

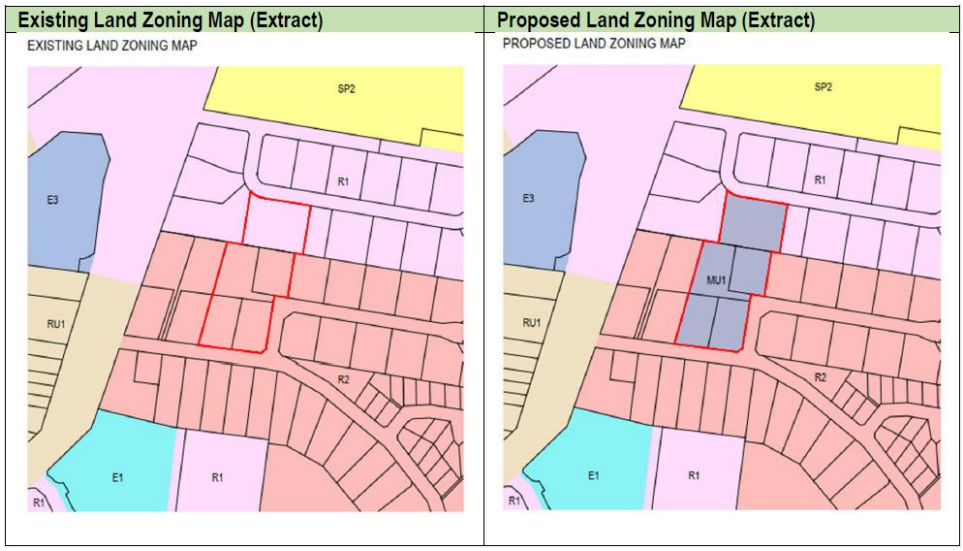


Figure 1 Existing (left) and proposed Land Zoning Map (source: Planning Proposal)

2. **Amend the Height of Buildings Map to allow increased building heights within the precinct up to a maximum of 35 metres (Figure 2)**

The proposal seeks to increase the maximum building height from 8.5 metres to 35 metres to facilitate future development. Although the proposed buildings range from 2 to 7 storeys and up to approximately 23 metres in height, the proposed 35 metre height control is proposed to accommodate topographic variation across the site and standard building elements such as lift overruns, plant and fire stairs. An Economic Demand Analysis is being prepared to support the proposed height controls, and a Gateway condition requires the planning proposal to be updated with the findings of that assessment prior to consultation.

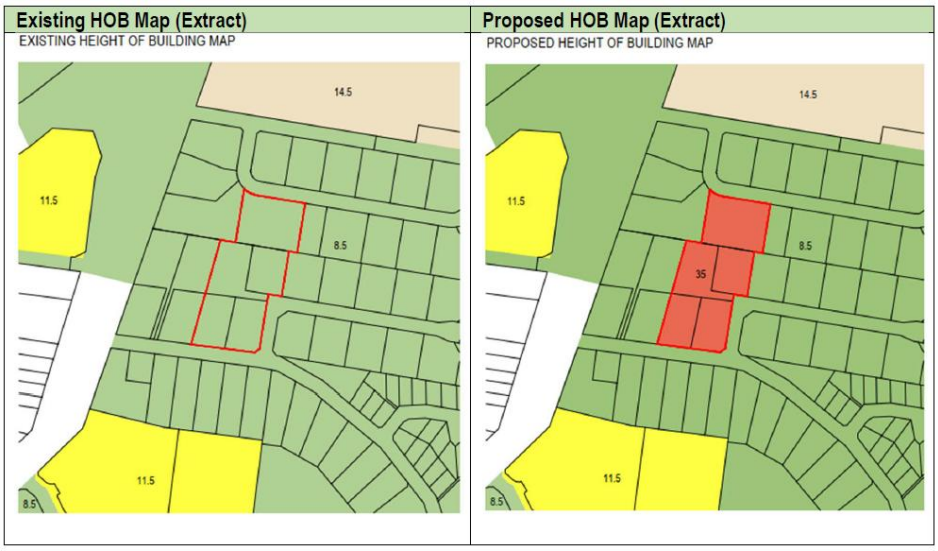


Figure 2 Existing (left) and proposed Height of Buildings Map (source: Planning Proposal)

3. Amend the Floor Space Ratio Map to 1.15:1 to facilitate the development types proposed within the precinct (Figure 3)

A precinct-wide development yield analysis undertaken by Council has identified the floor space required to support the long-term vision and staging of the HEP. The existing 0.65:1 FSR applying to the northern part of the site is not considered sufficient to facilitate the intended development outcomes. A uniform 1.15:1 FSR is therefore proposed across the site to accommodate the desired scale of development, align with the Concept Masterplan prepared by the proponent (contained within the Urban Design Report at Appendix D) for the site, and provide flexibility for future redevelopment without the constraints of multiple FSR controls.

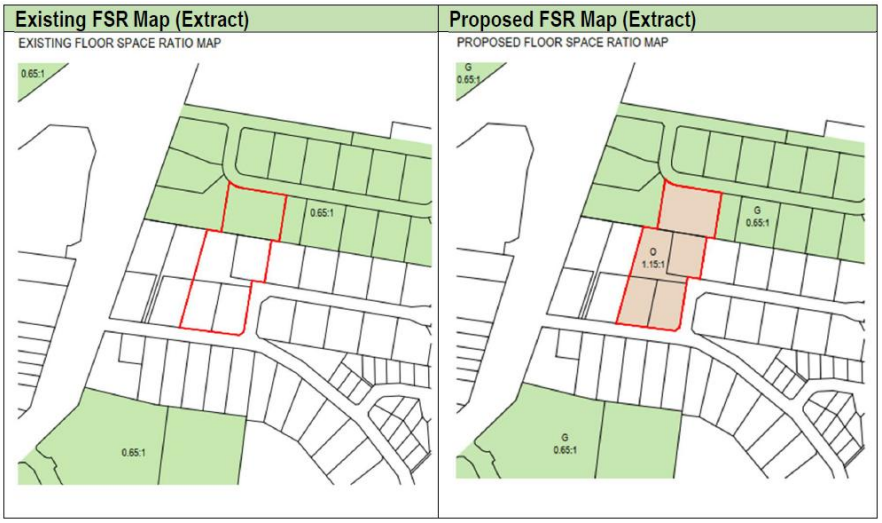


Figure 3 Existing (left) and proposed Floor Space Ratio Map (source: Planning Proposal)

4. Amend the Lot Size Map to remove minimum lot size requirements, which will assist in providing greater flexibility for redevelopment (Figure 4).

The proposal seeks to remove the minimum lot size control to provide greater flexibility for mixed-use development and to align with other MU1 zoned land within the Port Macquarie-Hastings LGA. The removal of the lot size control is intended to facilitate efficient subdivision outcomes, avoid unnecessary planning provisions, and support the intended development of the HEP.

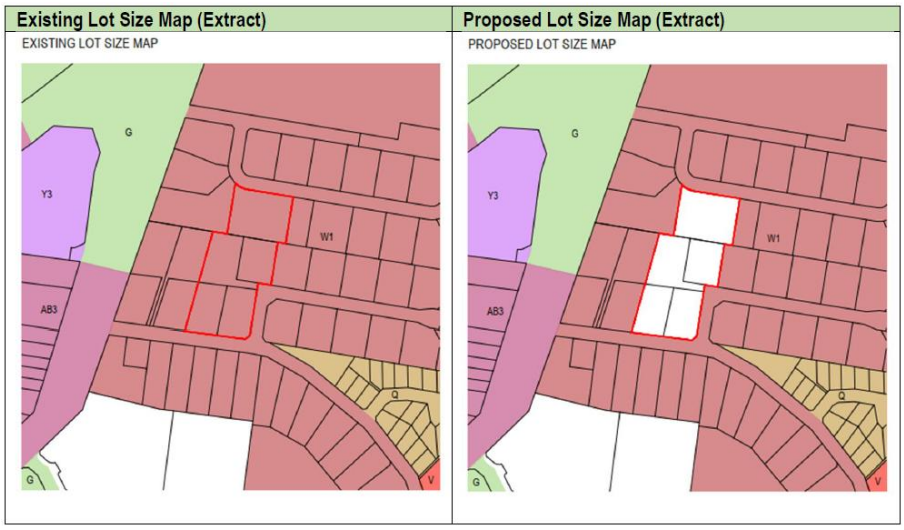


Figure 4 Existing (left) and proposed Lot Size Map (source: Planning Proposal)

5. **Amend the Significant Urban Areas Map (Figure 5) to ensure the design excellence provisions within Clause 7.11A of the Port Macquarie-Hastings LEP 2011 apply to the proposed development:**

Clause 7.11A of the PMHLEP 2011 relating to design excellence is proposed to apply to the site, recognising its significance within the HEP and the proposed delivery of key public domain elements, including the pedestrian spine, road link and public plaza. No changes are proposed to the wording of the design excellence clause as part of this proposal.

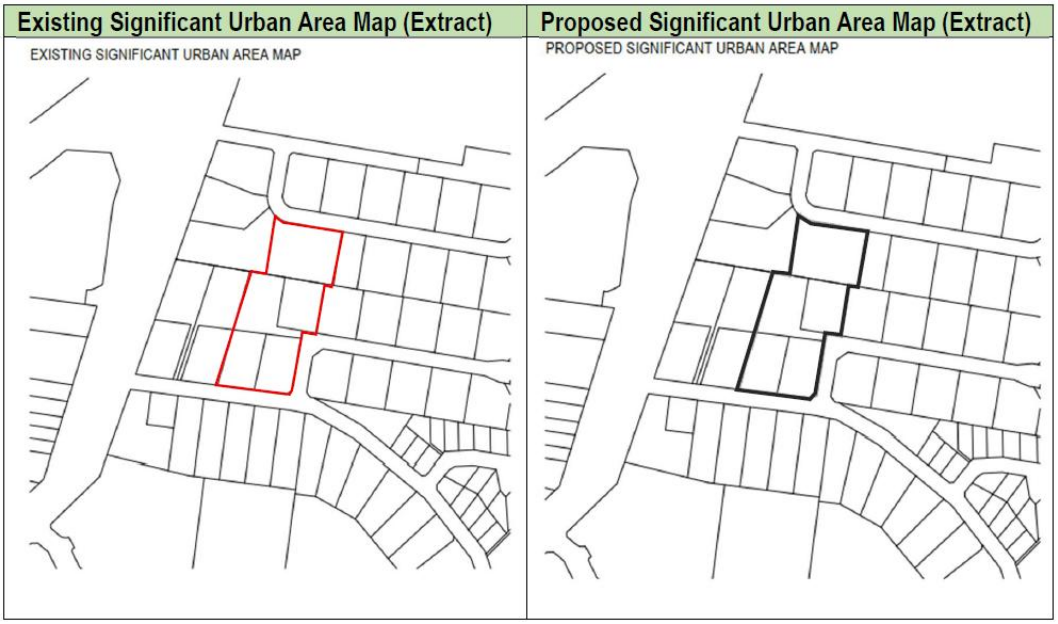


Figure 5 Existing (left) and proposed Significant Urban Area Map (source: Planning Proposal)

6. **Amend the Additional Permitted Uses Map to cap the total gross floor area for business premises, office premises, health services facilities and educational establishments to a collective 8,010m^2 (Figure 6)**

The proposal seeks to permit co-living housing as an additional permitted use in Schedule 1 of the PMHLEP 2011, with a cap of 220 beds to align with the scale envisaged by the proponent's Concept Masterplan. This amendment is intended faciliate student accommodation on the site.

Co-living housing is already permitted on the land under the State Environmental Planning Policy (Housing) 2021 with consent as the PMHLEP 2011 permits shop top housing in the MU1 zone.

As the land use is already permitted by the Housing SEPP and the development standards for co-living housing contained in the Housing SEPP prevail over any inconsistent LEP provision, a locally imposed limit on the number of beds would have no practical effect. As such, a Gateway condition requires the removal of this component of the planning proposal prior to public exhibition.

Existing Additional Permitted Uses Map (Extract)	Proposed Additional Permitted Uses Map (Extract)

Figure 6 Existing (left) and proposed Additional Permitted Uses Map (source: Planning Proposal)

7. Include an Additional local clause under Part 7 of the PMHLEP 2011.

A site-specific local provision is proposed to support the strategic health, education and employment functions of the site by capping the combined gross floor area of business premises, office premises, health services facilities and educational establishments at 8,010m². The provision is intended to ensure development remains consistent with the scale, bulk and traffic assumptions underpinning the proponent's Concept Masterplan and is considered an appropriate mechanism to guide future development of the mixed-use site.

Clause 7.12 of the PMLEP 2011 limits specialised retail premises, hardware and building supplies, and shops, being forms of commercial premises, to a maximum gross floor area of 250m^2 on land zoned MU1. The interaction between clause 7.12 and the proposed site-specific clause will need to be considered during the legal drafting process to ensure the provisions operate as intended.

1.4 Site description and surrounding area

The site (Figure 7) comprises five properties as follows:

- Lot 180 DP 1197447 – 8 Highfields Circuit, Port Macquarie
- Lot 7 DP 262597 – 3 Kulai Place, Port Macquarie
- Lot 8 DP 262597 – 5 Kulai Place, Port Macquarie
- Lot 1 DP 262597 – 11 Kingfisher Road, Port Macquarie
- Lot 2 DP 262597 – 9 Kingfisher Road, Port Macquarie

The above allotments have a combined area of 2.078 hectares.

The subject land is currently used for residential purposes and contains a number of mature trees and exotic gardens. The locality is currently in transition from low density residential to medical centres, education facilities, age care facilities and higher density student housing. Part of the subject land fronting Highfields Circuit was previously cleared for a development that did not proceed.

Figure 7 Subject site (source: Planning Proposal, from Nearmap 24 November 2024)

1.5 Mapping

The planning proposal includes mapping showing the proposed changes to the Port Macquarie-Hastings LEP 2011 maps (see section 1.3 of this report), which are suitable for community consultation.

Prior to agency and community consultation, the existing and proposed Additional Permitted Use Maps will need to be removed as the co-living housing component of the proposal cannot be supported to proceed.

2 Need for the planning proposal

The planning proposal is the result of the following strategies:

- North Coast Regional Plan 2041 (NCRP) and Port Macquarie Regional City Action Plan (RCAP) 2036;
- Local Strategic Planning Statement (LSPS) – Shaping Our Future 2040; and
- Port Macquarie-Hastings Urban Growth Management Strategy 2017-2036 (UGMS).

The NCRP 2041, RCAP 2036, LSPS and UGMS all recognise and support the HEP as a strategically significant employment, health, education and innovation hub. Collectively, these documents promote the development of the precinct to support economic diversification, employment growth, housing choice and the delivery of regional health and education services.

On this basis, it is considered appropriate for the planning proposal to proceed to community and agency consultation to enable further assessment of its site-specific merits.

3 Strategic assessment

3.1 State Plan

The planning proposal is generally consistent with the State Plan, released in August 2026, as it supports diverse housing within the existing urban area of Port Macquarie and reinforces the role of the health and education sectors in delivering jobs and economic growth.

3.2 Regional Plan

The following table provides an assessment of the planning proposal against relevant aspects of the NCRP 2041 and RCAP 2036.

Table 4 Regional Plan assessment

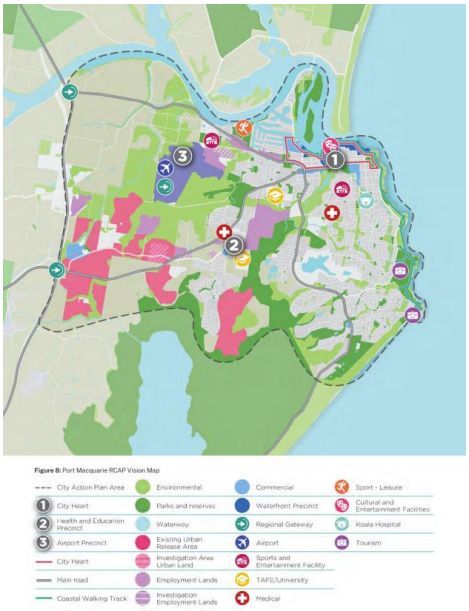
Regional Plan Objectives	Justification
North Coast Regional Plan 2041	The subject land is within the Health and Education Precinct as identified in the NCRP 2041 (see '2' in Figure 8 below): *Objective 1 – Provide well located homes to meet demand* The HEP represents an infill area that has opportunities to enable a diverse range of housing. The planning proposal seeks to enable the development of student housing and residential flat buildings providing housing close to employment within the HEP, which aligns with this objective.  **Figure 8 Port Macquarie Regional City Action Plan (RCAP) (source: North Coast Regional Plan 2041)** *Objective 2 – Provide for more affordable and low-cost housing* As part of Council's Local Housing Strategy (LHS), a Port Macquarie-Hastings Affordable Housing Plan was adopted. Council has not yet developed any further planning controls or criteria to incentivise affordable housing. However, the planning proposal will assist in the delivery of high density and diverse housing types, which aligns with this objective. *Objective 3 – Protect regional biodiversity and areas of high environmental value* The subject land is mapped as containing potential High Environmental Value (HEV) land under the NCRP 2041 (Figure 9):

Figure 9 Mapped High Environmental Value (HEV) land (source: Northern Region Viewer, amended in red)

A High Environmental Values Land Assessment has been prepared by Biodiversity Australia (Appendix M) which concluded the site is not HEV land when assessed against the criteria contained in the North Coast Regional Plan 2041.

Notwithstanding, it is recommended consultation occurs with the Development Coordination Authority (DCA) in relation to biodiversity to confirm the suitability of the proposal. A condition is included on the Gateway determination in this regard.

The potential ecological impacts of the proposal are discussed in further detail in section 4.1 of this report.

Objective 4 – Understand, celebrate and integrate Aboriginal culture

The planning proposal is supported by an Aboriginal Cultural Heritage Assessment Report prepared by Everick Heritage Pty Ltd which concluded that no Aboriginal sites are known to occur within the project area and it is not considered that the proposed works will impact on Aboriginal objects. A number of recommendations were provided as a precautionary measure to mitigate impacts to potential Aboriginal heritage values.

It is recommended consultation with Birpai Local Aboriginal Land Council (LALC) to confirm the suitability of the proposal. A condition is included on the Gateway determination in this regard.

Objective 5 – Manage and improve resilience to shocks and stresses

A Strategic Bushfire Study was prepared by David Pensini Building Certification and Environmental Services to support the planning proposal. However, since the report was completed, the subject land is no longer mapped as bushfire prone land and the planning proposal is therefore considered to align with this objective. References to the land being bushfire prone within the planning proposal should be removed and this forms and condition of the Gateway determination.

	The subject land is not identified as subject to flooding. *Objective 15 – Improve state and regional connectivity* A Traffic Impact Assessment (TIA) was prepared by TEF Consulting (Appendix E) to consider the impact of the concept development on the Oxley Highway/Lake Road/Sherwood Road and Oxley Highway/John Oxley Drive/Wrights Road intersections. The TIA concluded that both intersections currently operate at poor levels of service during peak hours and are already identified for future upgrades. Traffic matters are further discussed in section 4.3 of this report. Consultation with Transport for NSW (TfNSW) is required to confirm the suitability of the proposal. A condition is included on the Gateway determination in this regard. *Objective 16 – Increase active public transport usage* The planning proposal seeks to enable housing and student accommodation in close proximity to health services, education and research facilities. This will enable residents to walk to work and retail services reducing their reliance on vehicles. Further, the fine grain road and pedestrian network will allow greater permeability to move between precincts. *Objective 18 – Plan for sustainable communities* This objective outlines the aims and strategies for the preparation of local land use planning strategies and statements that identify the location of future settlements. The objective also summarises the RCAP for Port Macquarie, which identifies the HEP one of the three important precincts for Port Macquarie. The RCAP is discussed further below. Given the HEP has been identified in Council's adopted growth strategies including the Community Strategic Plan, LSPS and UGMS, the planning proposal is not inconsistent with this objective. *Objective 19 – Public spaces and green infrastructure support connected and healthy communities character* The planning proposal seeks to provide a north/south pedestrian and fine grain road link to provide a linear open space, aligned with the vision for the HEP. This open space includes active and passive recreation areas, green separation between vehicles and pedestrians, café and ground floor commercial uses. • *Port Macquarie-Hastings (Local Narrative)* The planning proposal is consistent with the narrative as it will enable the development of the HEP through unlocking one of the catalyst sites which can deliver a significant part of the north/south pedestrian and fine grain road link.
Port Macquarie Regional City Action Plan 2036 (RCAP)	The RCAP 2036 directly recognises the importance of the HEP under the goal 'Work' and objectives 5 and 7 which seek to: *5 – Maximise Port Macquarie's regional specialisations in the health and education* *7 – Deliver local jobs through the city's employment lands and industry sectors* The planning proposal is considered to align with the goals of the RCAP 2036 as it will enable the development of a catalyst site within the HEP, delivering not only health and education facilities but also housing, student housing and a north/south pedestrian link.

3.3 Local

The proposal identifies consistency with several local plans and strategies, however the UGMS is the only strategy that has been endorsed by the Department.

Table 5 Local strategic planning assessment

Local Strategies	Justification
Local Strategic Planning Statement (LSPS) – Shaping Our Future 2040	The planning proposal directly aligns with the LSPS which specifically identifies the development of a Health and Education Precinct in this location, which will support a mix of uses and will increase opportunities for ancillary health and education services, retail, commercial and accommodation uses.
Community Strategic Plan (CSP) – Imagine 2050	The planning proposal aligns with the identified themes and objectives within the CSP which identifies health and education as industries with increasing demand.
Urban Growth Management Strategy (UGMS) 2017-2036	The planning proposal directly aligns with the UGMS which was conditionally endorsed by the Department on 2 November 2018. The UGMS identifies the subject site within the Health and Education Precinct (Figure 10), which is a key action of the Strategy. The subject site is not mapped as being medium-high priority biodiversity area or high-priority koala habitat in the UGMS **Figure 10 Health and Education Precinct (source: Port Macquarie-Hastings Council UGMS)**

Local Housing Strategy (LHS) – Living and Place Strategy (August 2024)	The LHS was adopted by Council in August 2024 and recognises the need for the provision of more diverse housing choice within the LGA. Other priorities of the LHS include: • infrastructure which supports sustainable growth • deliver liveable and connected neighbourhoods which are safe, sustainable and resilient to natural hazards • local residential development in well-planned growth precincts and infill areas • increase availability of affordable housing The planning proposal seeks to facilitate a number of the LHS priorities, including the provision of diverse housing within a liveable and connected neighbourhood incorporating both passive and active open space areas.
Local Housing Delivery Plan (LHDP) (August 2024)	The LHDP was adopted by Council in August 2024 and recognises the HEP in providing a wide variety of accommodation offerings for key workers and students through infill development and purpose-built accommodation. In this regard, the planning proposal is not inconsistent with the LHDP.
Affordable Housing Plan (August 2024)	The Affordable Housing Plan was adopted by Council in August 2024 and aims to encourage and facilitate the funding and delivery of affordable housing and expand a diverse range of affordable housing that meets the spectrum of housing needs for very low, low to moderate income households. One initiative of the plan is to amend local planning controls to facilitate delivery of lower cost and diverse housing in infill or renewal areas. The planning proposal is consistent with this initiative as the site is considered to be infill/renewal within the HEP and seeks to convert residential zones to a mixed-use zone, which will enable high density and diverse housing types amongst employment generating development. The mixed-use zone will also provide opportunity for affordable housing under SEPP (Housing) 2021.
Health and Education Precinct Masterplan (HEP) (September 2019	The HEP Master Plan, prepared by Architectus was adopted by Council in September 2019. The Masterplan is intended to guide land use, infrastructure and urban design outcomes to support employment growth, key worker and student accommodation, healthcare services, education facilities and high-quality public spaces. The Masterplan identifies the site as a catalyst site that is strategically positioned to deliver the initial stages of the precinct's key elements. The proposal will contribute to the delivery of several key outcomes of the Masterplan, including the north-south pedestrian spine, a central civic plaza, key worker and student accommodation, and a mix of health, education and supporting land uses. However, it does not fully align with the Masterplan's vision, particularly in relation to a pedestrian-first environment and the bulk and scale of future development. These departures are considered to be justified by Council. Allowing the proposal to proceed to the consultation stage will provide the community and agencies the opportunity to review and comment on the proposal to determine the appropriateness of the proposed changes.

3.4 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is discussed below.

This planning proposal was lodged via the Planning Portal on 27 August 2026 and addressed the previous Section 9.1 Ministerial Directions, applicable to planning proposals lodged prior to 1 July 2026. A condition is included on the Gateway determination requiring the planning proposal to be updated to include an assessment of the updated Ministerial Direction relevant to planning proposals lodged after 1 July 2026. An assessment of the available information has also confirmed that the proposal is consistent with the relevant Direction priorities except as discussed below in Table 6.

Table 6 9.1 Ministerial Direction assessment

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
P2.1 Housing	Justifiably Inconsistent	The proposal is inconsistent with this direction as it rezones R1 land to MU1 which will have the effect of prohibiting caravan parks which are currently permitted in the R1 zone. Given the small size of the affected allotments and that caravan parks will continue to be permissible in other zones within the Port Macquarie-Hastings LGA, it is not considered the planning proposal will adversely reduce the opportunity for the development of caravan parks and manufactured home estates. The inconsistency with this Direction is therefore considered to be of minor significance.
P4.1 Integrating Land Use and Infrastructure	Unresolved	This Direction applies as the planning proposal affects urban zoned land. A Traffic Impact Assessment (TIA) prepared by TEF Consulting (Appendix E) concluded that the Oxley Highway/Lake Road/Sherwood Road and Oxley Highway/John Oxley Drive/Wrights Road intersections currently operate at poor levels of service during peak hours and are already identified for future upgrades. While preliminary consultation has been undertaken with TfNSW which has allowed the proposal to progress to the Gateway stage, it is recommended that this priority remain unresolved until further consultation with TfNSW has been undertaken.

P5.2 Conservation	Unresolved	Although the subject land is not identified on the Biodiversity Values Map, the land is mapped as containing potential High Environmental Value (HEV) land under the NCRP 2041. It is recommended that consistency with this priority remain unresolved until such time as consultation has been undertaken with the DCA in relation to biodiversity.

3.5 State environmental planning policies (SEPPs)

The planning proposal is consistent with all relevant SEPPs.

4 Site-specific assessment

4.1 Environmental

The following table provides an assessment of the potential environmental impacts associated with the proposal.

Table 7 Environmental impact assessment

Environmental Impact	Assessment
Ecological impacts	Although the subject land is not identified on the Biodiversity Values Map, the land is mapped as containing potential HEV land under the NCRP 2041. A HEV Assessment was prepared by Biodiversity Australia in support of the planning proposal (Appendix M). Targeted surveys were undertaken to examine the likely presence of threatened species on the site. The assessment concluded that no threatened flora or fauna species were identified. However, five species were identified as 'may occur' and are known to occur in the surrounding landscape: • Koala (*Phascolarctos cinereus*) • Grey-headed flying-fox *(Pteropus poliocephalus)* • Squirrel Glider *(Petaurus norfolcensis)* • Swift Parrot *(Lathamus discolor)* • Little Lorikeet *(Glossopsitta pusilla)*

	The assessment noted that these species widely occur within the Port Macquarie region and are known to utilise patches of Eucalypt vegetation. The mature Eucalypt vegetation along the Kingfisher Road reserve was most likely to be utilised and contains two hollow bearing trees (HBTs). However, this vegetation does not require removal to facilitate the proposed development. No HBTs were recorded on the subject land. The site contains a number of koala food trees (KFTs), however the HEV Assessment confirmed that these KFTs do not comprise Core Koala Habitat. Eucalypts along Kingfisher Road were only used from time to time by koalas in seasonal events as a movement pathway between Lake Innes Nature Reserve and a nature reserve parallel to the Oxley Highway. These Eucalypts are mostly within the Kingfisher Road reserve and are not required to be removed as part of the future development of the site. The HEV Assessment concluded the planning proposal is therefore unlikely to result in any adverse impact upon any critical habitat or threatened species, populations or ecological communities, or their habitats. However, it is recommended consultation occurs with the DCA in relation to biodiversity to confirm the suitability of the proposal. A condition is included on the Gateway determination in this regard.
Visual impact / bulk and scale	The current height of buildings control is 8.5 metres, consistent with the R1 and R2 zones throughout the Port Macquarie-Hastings LGA. The planning proposal seeks to apply a maximum building height control of 35 metres to facilitate the buildings proposed within the HEP. Specifically, the proposed development comprises buildings ranging from 2 to 7 storeys, with heights between 6.5 metres and 23 metres as follows: • Health and Education buildings – 6 storeys (23 metres); • Key Worker Residential buildings – 4 and 7 storeys (13 metres and 22.6 metres); • Student Accommodation buildings – 4 and 7 storeys (14.6 metres and 22.8 metres); and • Café building – 2 storeys (8 metres). <u>Site topography and impacts of perceived building height</u> The 2 x 6 storey (23 metres) health and education buildings are located at the highest point of the site on the northern edge, and the 2 x 7 storey buildings (22.6 metres) are positioned on the centre and southern edge of the site, where the natural ground levels fall significantly. The long section of the proponent's concept development indicates that the 7-storey student accommodation building (left) has lower floor to ceiling heights than the 6-storey health and education buildings (right) but maintains the same height plane (Figure 11). The section in Figure 12 indicates the actual surveyed ground levels and its effect on the perceived height of the 6 storey (23 metres) health and education buildings. When viewed from Highfields Circuit at street level (right), the perceived building height is 22.66 metres.

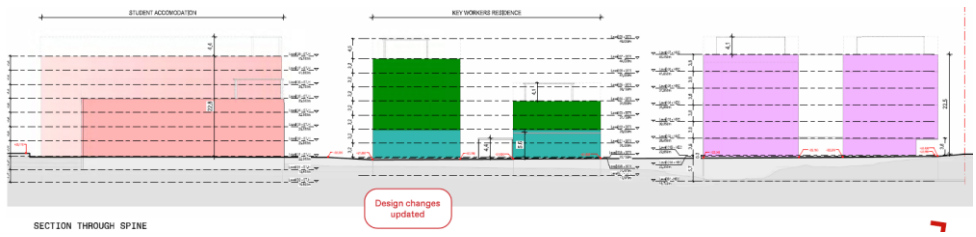


Figure 11 Section through pedestrian spine (source: Urban Design Report)

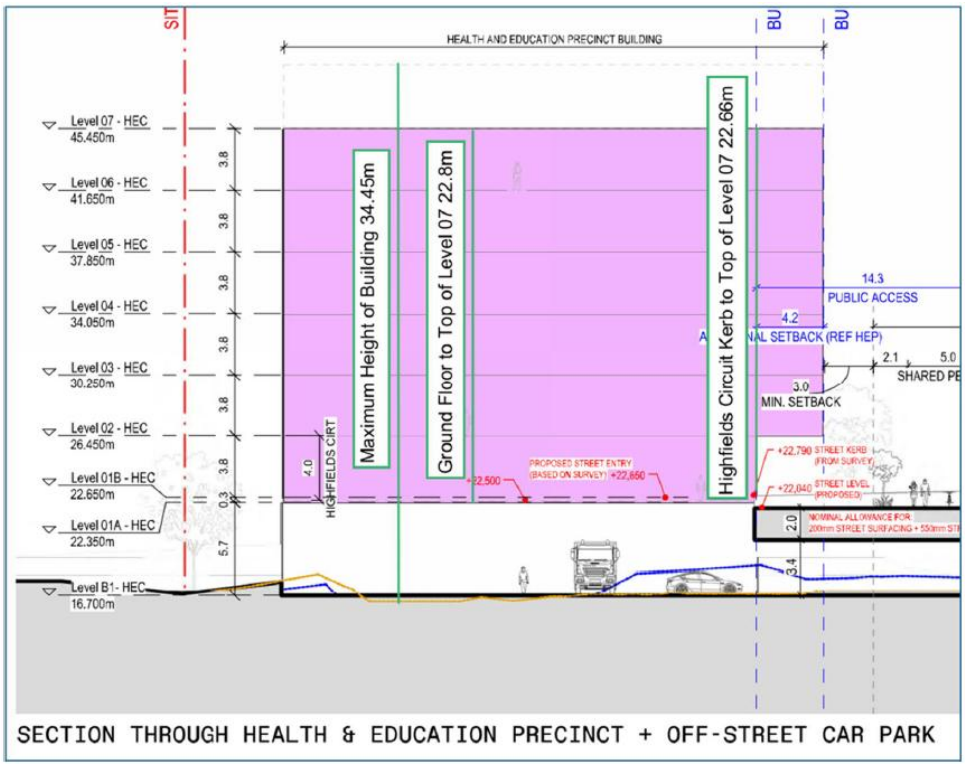


Figure 12 Section of tallest buildings proposed on the site (source: Urban Design Report)

Once surveyed conditions are applied, a 6 to 7 storey mid-rise typology naturally results in built form heights in the order of 30m to 35m when measured from the lowest point of natural ground level. The planning proposal states that this is driven by standard and performance-based building requirements, including:

- floor-to-ceiling heights for clinical, educational and commercial uses (proposed 3.8 metres per level);
- compliant floor heights for residential and student accommodation (proposed 3.2 metres, ground 3.6 metres);
- lift overruns, fire stairs, roof plant and acoustic screening (typically 3 metres – 5 metres); and
- the significant natural fall across the site that increases built form when measured from the lowest surveyed point.

Economic Demand Analysis

An Economic Demand Analysis is currently being prepared which will consider the suitability of the proposed building height controls. A condition is included on the

	Gateway determination requiring the planning proposal to be updated prior to agency and community consultation to include the relevant findings of the Economic Demand Assessment, particularly in relation to the justification of the proposed building height controls. However, having regard for the justification provided, the planning proposal is considered suitable to proceed to public exhibition.
Contamination	A Phase 1 Environmental Site Assessment (which includes a contamination assessment) was prepared by Epic Environmental Pty Ltd in support of the planning proposal (Appendix I). The site's history did not reveal potential sources of significant contamination on site or in the surrounding environment. It was recommended that a hazardous materials survey of the building be carried out and that any identified hazardous materials (e.g. asbestos or lead paints) be removed and disposed of in accordance with the relevant SafeWork NSW and NSW EPA requirements prior to the demolition of the building. Based on the findings of the Phase 1 Preliminary Site Investigation, the planning proposal is considered suitable to proceed to Gateway determination.
Heritage	An Aboriginal Cultural Heritage Assessment Report prepared by Everick Heritage Pty Ltd has been submitted with the planning proposal (Appendix F). The assessment concluded that ground disturbing works within the project area are unlikely to impact on Aboriginal objects and will not impact on any known places or sites of cultural significance to the Aboriginal community. Recommendations were provided in relation to measures to be implemented during site works. Notwithstanding, it is recommended consultation occurs with Birpai LALC to confirm the suitability of the proposal. A condition is included on the Gateway determination in this regard.

4.2 Social and economic

The following table provides an assessment of the potential social and economic impacts associated with the proposal.

Table 8 Social and economic impact assessment

Social and Economic Impact	Assessment
Economic	The planning proposal has the potential to result in positive economic impacts. The planning proposal indicates that the construction phase of the development will generate 1,289 jobs and is estimated to add a total of $234.1 million to the economy. Once the development is operational, 417 ongoing jobs will be generated by health, education, retail and accommodation operations. The annual economic output is expected to total $44 million.

Social	The planning proposal has the potential to result in positive social impacts through the delivery of a key component of the Port Macquarie HEP. The planning proposal identifies the need for sufficient worker housing to support the expanded capacity of Port Macquarie Base Hospital, particularly as Port Macquarie continues to experience acute housing and rental shortages. The proposed worker housing will significantly assist Port Macquarie Base Hospital in being able to be fully staffed and sustain the expanded clinical services currently being delivered. The proposed north-south pedestrian link will provide public spaces for social interaction and connectivity, supporting wellbeing for residents and workers within the precinct.

4.3 Infrastructure

The following table provides an assessment of the adequacy of infrastructure to service the site and the development resulting from the planning proposal and what infrastructure is proposed in support of the proposal.

Table 9 Infrastructure assessment

Infrastructure	Assessment
Sewer	A Hydraulic Report (Appendix R) has been prepared by NAS Hydraulic Consulting for the planning proposal and assesses the impact of the proposed development in relation to water and sewer services. The planning proposal identifies that the subject land is currently located within the catchment of the Port Macquarie Wastewater Treatment Plan, which is nearing capacity. Council's solution to these capacity issues is to construct the Thrumster Wastewater Treatment Plant. The planning proposal has been accompanied by a Voluntary Planning Agreement (VPA) offer which includes a proposed staging arrangement for the development (Attachment K). Specifically, the offer ensures that as development progresses, subsequent development that generates wastewater demand beyond existing available capacity will be appropriately sequenced with the delivery of the Thrumster Wastewater Treatment Plant. Council has advised in writing that as the water and sewer authority, they are satisfied that the subject site can be serviced and adequate arrangements have been proposed for infrastructure provision.
Water	The planning proposal states that water main augmentation will likely be required to service the HEP, based on information provided by Council and modelling carried out by NAS Hydraulic Consulting. In relation to anticipated demand from the planning proposal, it has been identified that the following augmentation is likely to be required: • upgrade of approximately 20m of existing 150mm diameter main in Kingfisher Road and approximately 60m of existing 100mm diameter main in Kulai Place to 200mm; and

	• upgrade of approximately 100m of existing 150mm diameter main in Highfields Circuit and approximately 20m of 150mm diameter main in Wrights Road to 200mm. In addition to the above, a 200mm water main connection will be required between the mains in Highfields Circuit and the mains in Kulai Place. In addition to the infrastructure upgrade works, NAS Consulting has identified the anticipated service lines and metering arrangements to provide for the envisaged development lots. The proposed water main layout is illustrated in the Utility & Infrastructure Servicing Strategy (Appendix Q).
Telecommunications and electricity	Electricity infrastructure is currently available to the site via overhead cables. An existing electrical substation is also located in the north-eastern corner of the Site. It is likely that the proposed spine road and pedestrian link will require the electricity infrastructure to be underground. Detailed electricity design for the future development of the site will require consideration at the development application stage. It is recommended consultation occurs with Essential Energy to confirm if any upgrades of current electricity infrastructure will be required to support the planning proposal. The subject land is serviced by fixed line NBN Fibre to the Node (FTTN). The planning proposal nominates that consultation will be undertaken with NBN Co and Essential Energy to confirm any required infrastructure for the proposed spine road/pedestrian link.
Traffic, access and parking	A Traffic Impact Assessment (TIA) has been prepared by TEF Consulting for the planning proposal (Appendix E). The TIA concluded that the proposed development would result in some increase in traffic volumes at nearby intersections. Specifically, the Oxley Highway/Lake Road/Sherwood Road roundabout currently operates at poor levels of service during peak hours and is already identified for future upgrades. For the 2025 base traffic case, the proposed development produces only minor changes at this intersection. Future year assessment can be undertaken when the upgrade design information for this intersection is available from Transport for NSW (TfNSW). The Oxley Highway/John Oxley Drive/Wrights Road roundabout currently experiences congestion during the afternoon commuter peak hour for the right turn from Wrights Road. While additional development traffic may further impact this movement, the overall intersection performance is already constrained. The TIA identifies that the proposed internal connector road provides an alternative southward route for site traffic and a share of hospital traffic, which reduces pressure on the constrained eastern Wrights Road approach. Modelled cases for the 2025 base traffic volumes show that the all-approaches average delay at the roundabout remains within Level of Service (LoS) B with the connector road in place, regardless of the assumed diversion share.

	The TIA included an analysis of the likely parking demand from the planning proposal based on parking rates identified in Transport for NSW (2024) Guide to Transport Impact Assessment and the Port Macquarie Development Control Plan. It has been assessed that the total number of car parking spaces proposed with the DCP requirements overall, and minor shortfalls within the Health and Education Centre and Student Accommodation buildings can be offset by additional on-street and on ground parking provision. Car parking requirements will be further considered as part of the development application stage. TfNSW has undertaken a preliminary review of the proposal and not objected to its proceeding to the Gateway stage. Formal consultation with TfNSW is now required to occur to confirm the suitability of the proposal as condition of the Gateway determination.
Stormwater	A Stormwater Management Plan (SMP) has been prepared by King & Campbell for the planning proposal. The SMP identifies that the lawful point of discharge from the site is via an existing pit and pipe stormwater network which conveys runoff from Highfields Circuit and Kulai Place, through the subject site and adjoining properties to its ultimate point of discharge at John Oxley Drive. The concept development layout has been used to design a potential pit and pipe stormwater drainage network, which will discharge to a proposed 300m^3 on-site detention basin. Modelling has confirmed the on-site detention is capable of ensuring the post-development flows entering John Oxley Drive are less than the pre-development flows for a range of storm events. The provision of a gross pollutant device and Atlan basin for each of the three development sites (i.e. health and education centre, key worker residential accommodation and student accommodation) has been assessed as suitable to achieve the required water quality objectives.

5 Consultation

5.1 Community

The planning proposal is categorised as standard under the LEP Making Guidelines (July 2026). Accordingly, a community consultation period of a minimum of 20 working days is recommended in and this forms part of the conditions to the Gateway determination.

5.2 Agencies

It is recommended the following agencies be consulted on the planning proposal and given at least 30 working days to comment:

- Development Coordination Authority – Environment, Biodiversity and Heritage Advisory (biodiversity)
- Transport for NSW
- NSW Health
- Birpai Local Aboriginal Land Council

6 Timeframe

The LEP Making Guidelines (July 2026) establishes maximum benchmark timeframes for planning proposal by category. This planning proposal is categorised as a standard.

An LEP completion date of 9 months is recommended in line with the Department's commitment to reducing processing times and with regard to the benchmark timeframes. A condition to the above effect is recommended in the Gateway determination.

7 Local plan-making authority

Council has advised that it would like to exercise its functions as a local plan-making authority.

It is recommended that Council not be authorised to be the local plan-making authority for this proposal due to the regional importance of the HEP and the potential infrastructure issues.

8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- it demonstrates sufficient strategic merit to warrant further site-specific assessment through the Gateway process, noting alignment with the North Coast Regional Plan 2041, Port Macquarie Regional City Action Plan 2036, Port Macquarie-Hastings LSPS – Shaping Our Future 2040 and Port Macquarie-Hastings Urban Growth Management Strategy 2017-2036;
- it has potential to deliver significant economic, employment and community benefits for Port Macquarie and the broader region; and
- it facilitates housing in proximity to health and education sector employment opportunities.

Based on the assessment outlined in this report, the proposal must be updated before community and agency consultation to:

- include an assessment of the updated Ministerial Directions relevant to planning proposals lodged after 1 July 2026;
- include the relevant findings of the Economic Demand Assessment, particularly in relation to the justification of the proposed building height controls;
- remove the proposed amendment to the Schedule 1 – Additional permitted uses for co-living and the associated amendments to the Additional Permitted Uses Map from the planning proposal;
- revise the concept masterplan to remove detailed information and illustrate only high-level land use outcomes for the site; and
- remove references to the land being mapped as bushfire prone.

9 Recommendation

It is recommended the delegate of the Secretary:

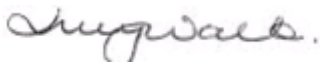
- agree that any inconsistencies with section 9.1 Direction P2.1 Housing is minor or justified; and

- note that the consistency with section 9.1 Direction P4.1 Integrating Land Use and Infrastructure P5.2 Conservation are unresolved and will require justification.

It is recommended the delegate of the Minister determine that the planning proposal should proceed subject to conditions.

The following conditions are recommended to be included on the Gateway determination:

1. The planning proposal is to be updated prior to agency and community consultation to:
   (a) include an assessment of the updated Ministerial Directions relevant to planning proposals lodged after 1 July 2026;
   (b) include the relevant findings of the Economic Demand Assessment, particularly in relation to the justification of the proposed building height controls;
   (c) remove the proposed amendment to the Schedule 1 – Additional permitted uses for co-living and the associated amendments to the Additional Permitted Uses Map from the planning proposal;
   (d) revise the concept masterplan to remove detailed information and illustrate only high-level land use outcomes for the site; and
   (e) remove references to the land being mapped as bushfire prone.
2. Consultation is required with the following public authorities:
   - Development Coordination Authority – Environment, Biodiversity and Heritage Advisory (biodiversity)
   - Transport for NSW
   - NSW Health
   - Birpai Local Aboriginal Land Council
3. The planning proposal should be made available for community consultation for a minimum of 20 working days.
4. The timeframe for the LEP to be completed is within 9 months of the date of the Gateway determination.



24 September 2026

_____ *(Signature)* _____ *(Date)*

Lucy Walker

Manager, Hunter and Northern Region

Local Planning and Council Support

25/9/26

_____ *(Signature)* _____ *(Date)*

Craig Diss

Director, Hunter and Northern Region

Local Planning and Council Support

Assessment officer

Georgia Weallans

Planning Officer, Hunter and Northern Region

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