

Preliminary Environmental Assessment Report

Residential Subdivision

Gwandalan

Owner:

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1.0 Introduction

Lakeside Living, a Rose Property Group company, owns land within the South Wallarah State Significant Site (SSS) at Gwandalan.

The site is included in the Central Coast Regional Strategy 2008 with a footprint for urban development identified over some 16 ha of the 26 ha site.

The site was first zoned for development under State Environmental Planning Policy (Major Development) 2005 (**SEPP Major Developments**) in 2009. The SEPP was amended in 2010.

As a result of prior Part 3A applications and approval processes for the site, the Proponent has gained the benefit of a detailed understanding of local development issues, with many of these issues being resolved in the previous consultation and assessment process for the prior Part 3A applications.

This document provides a preliminary assessment of the likely effects of subdivision and subsequent urban development over those areas of land at Gwandalan zoned R2 Low Density Residential under SEPP Major Development 2005.

1.1 SITE PLANNING HISTORY

- 1988 Draft SREP 8 identifies the land as Development Precinct 1A with a development potential of 270 standard residential lots.
- 1991 Land Zoned 7(b) Scenic Protection under Wyong LEP 1991.
- 2002 Rose family acquires land. Improvements include 3 dwellings, boat shed, harbour, chapel, orchard, paddocks stables & sheds. Land has approx 200 metre lake frontage. Northern boundary of site is to land controlled by DECCW/NPWS.
- 2002 Draft Wyong Residential Strategy identifies land for “medium term release”, “medium term” defined as 2003 to 2015.
- 2003 Adopted Wyong Residential Development Strategy identifies land for “medium term release”, although provides no definition of “medium term”.
- 2003 Council decides to pursue strategic review of land and other sites as response to land rezoning enquires.
- 2003 September, Wyong Council considers report on Gwandalan/Summerland Point strategic direction and rejects resolution to advise Rosecorp (now Rose Property Group) that land will proceed as medium term development, resolves instead to have community consultation.
- 2004 March, Council considers further report on Gwandalan/Summerland Point land and defers for further report addressing new aspects such as rural residential.
- 2004 June, Rosecorp lodges rezoning application. There is spare local water and sewer capacity.

- 2005 January, Council resolves to:
- notify Rosecorp rezoning won't proceed for 4 years;
 - allow Rosecorp to proceed with flora and fauna studies; and
 - ask Rosecorp to withdraw rezoning application or it will be refused.
- 2005 February, at a meeting with Council, "medium term" identified as 2008 to 2012.
- 2005 April, Council rescission motion on January resolution fails but Council resolves to review planning resources for the rezoning of the land.
- 2005 May, Wyong Council notifies Rosecorp that it will proceed with rezoning. Rosecorp agrees to Councils rezoning conditions including the meeting of all costs for 3rd party consultant to undertake work. Council is to engage a suitable consultant.
- 2006 January, rescission motion on May 2005 for review of strategic planning program, rezoning removed from work program, rezoning abandoned as Council staff haven't engaged consultant as required by the agreement.
- 2007 Land first identified as a State Significant Site.
- 2008 Land zoned under SEPP Major Developments. Concept Plan approved over land (**Concept Plan Approval**). Major Project application for subdivision approved over site (**Project Approval**).
- 2009 Concept Plan Approval and Project Approval declared invalid by the Land and Environment Court. The merits of approvals was not in issue before the Court in those proceedings.
- 2010 Land relisted as State Significant Site and SEPP Major Developments amended.

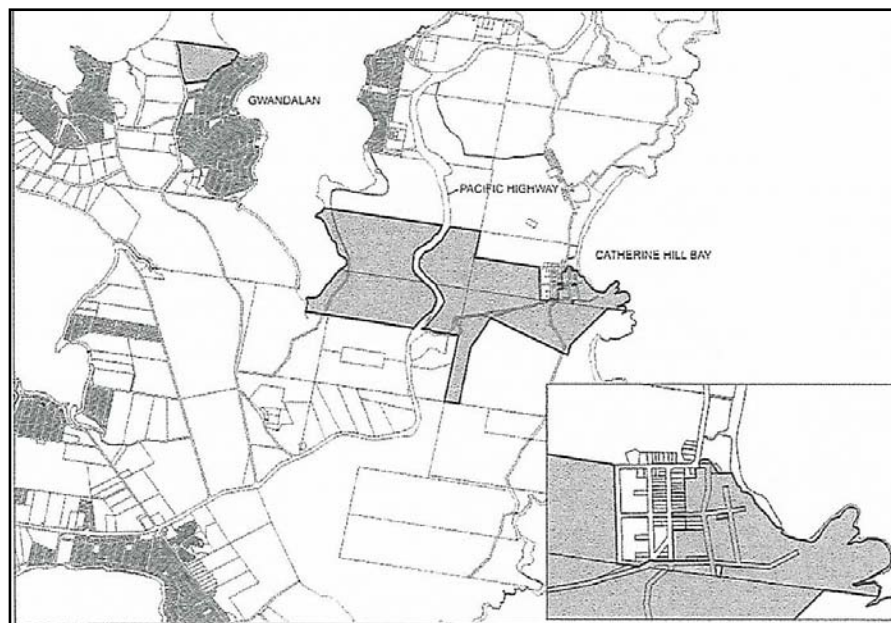


Figure 1: Gazetted Site, 2007

The current zones are as shown in figure 2. An approval for urban development over part of the land under the Commonwealth EPBC Act remains intact, this process being unaffected by the legal decision.

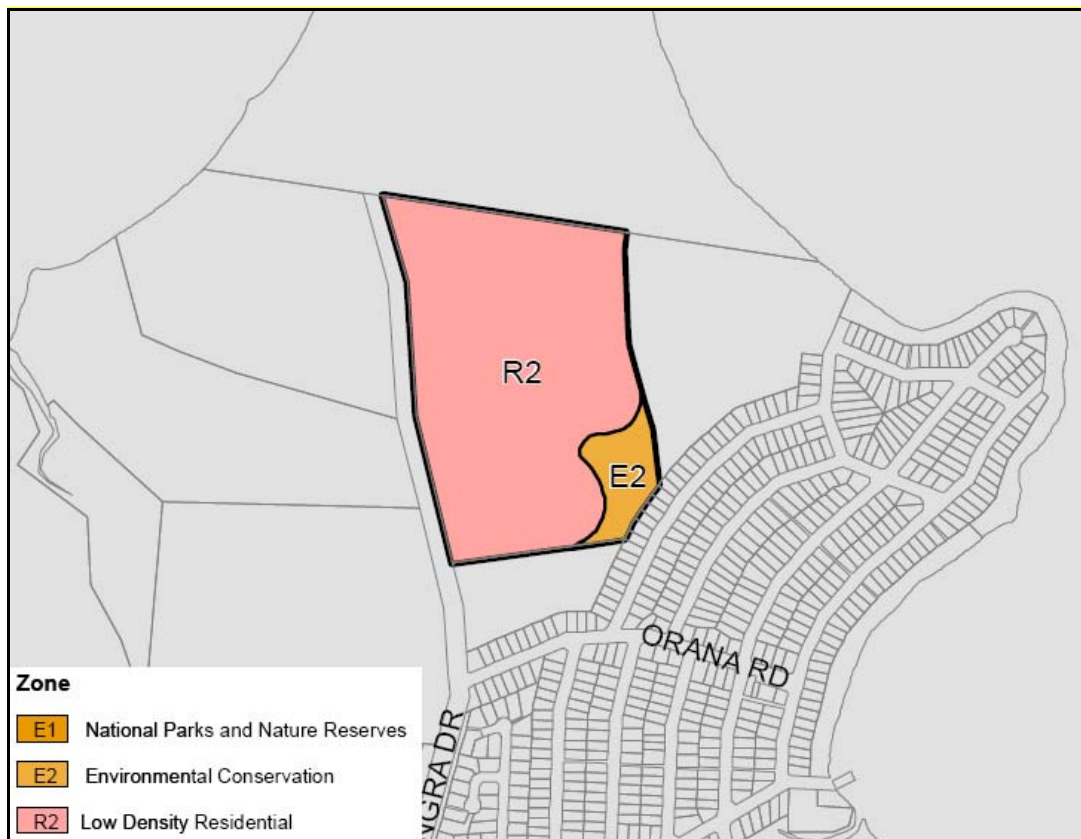


Figure 2 Extract from SEPP Major Developments Zoning Map

Prior Studies of the Land

The site has been studied extensively over the past eight years. The issues of development and environmental offsets have been thoroughly investigated by experts and largely resolved. The suitability of land for development and the conservation values have been confirmed by the prior studies and assessment processes.

This document revisits the site issues. The area studied extensively corresponds to the site gazetted in 2007.

The scale of development previously assessed in previous expert reports relating to the site is that of residential subdivision over some 16 ha of low density residential zoned land.

The current proposal for development is over an almost identical footprint of the 16 hectares of R2 zoned land previously assessed. The revised planning controls effectively address most site issues. The development proposal is very similar to that previously assessed.

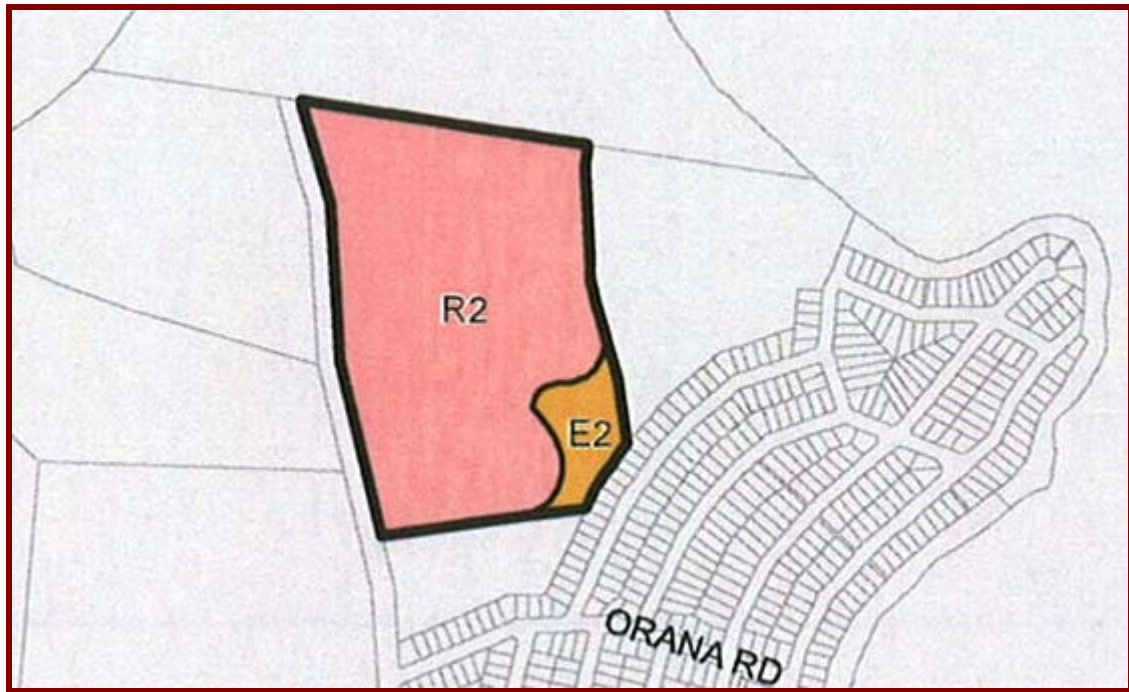


Figure 3: Previously assessed and approved development footprint 2008



Figure 4: Aerial photograph of site

2.0 Site Details

Lakeside Living Pty Ltd, a Rose Property Group company, owns land within the South Wallarah State Significant Site at Gwandalan.

The Rose Property Group holding currently comprises some 26 ha of land fronting Lake Macquarie and with a northern boundary to the Lake Macquarie State Conservation Area. Approximately 16 hectares of land is zoned R2 Low Density Residential and is suitable for subdivision.

2.1 THE SITE

The overall site is some 26 hectares of land partly developed for residential purposes. Approximately half of the site has been cleared. Improvements include site roads, major residence, manager's residence, boat shed, chapel, games room, dams and ponds, paddocks, an orchard and native gardens.

The site adjoins residential housing and Lake Macquarie to the east and south east; the local public school to the south; Kanangra Drive to the west; part of a State Conservation Area to the north; and vacant land to the north and west.

2.2 LOCAL COMMUNITY FACILITIES

There is a significant range of local facilities and services including a primary school, sporting fields, shops, doctors and a dentist in Gwandalan. There is also a large and well appointed local Bowling Club.

2.3 CURRENT ZONING

The zonings applying to the site are under SEPP Major Developments.

Summary of residential zonings applying to the site.

Purpose	Zone	Area (approx)	Consistency with Regional Strategy
Urban Development	R2 Low density residential	16.4 ha	Yes

3.0 Key Issues

As a result of prior assessment, the issues applying to the site are very well known and have mostly been resolved through the process assessment process including studies, consultation and amended planning controls.

There have been two concept plans prepared that included the site and major project application approved for subdivision for the area with environmental assessment by an Independent Panel.

The previous assessment processes for the previous Part 3A applications for the site identified a number of key issues for the site. The current status of these key issues in relation to the current application, relative to the development footprint provided by SEPP Major Development is outlined below.

3.1 SITE PLANNING ISSUES

The range of matters to be addressed in designing subdivision on the site were:

- Existing water courses and drainage;
- Integration with surrounding areas;
- Location and retention of significant trees;
- Occurrence of endangered species;
- Proper road design and layout; and
- The provision of public access to the water front.

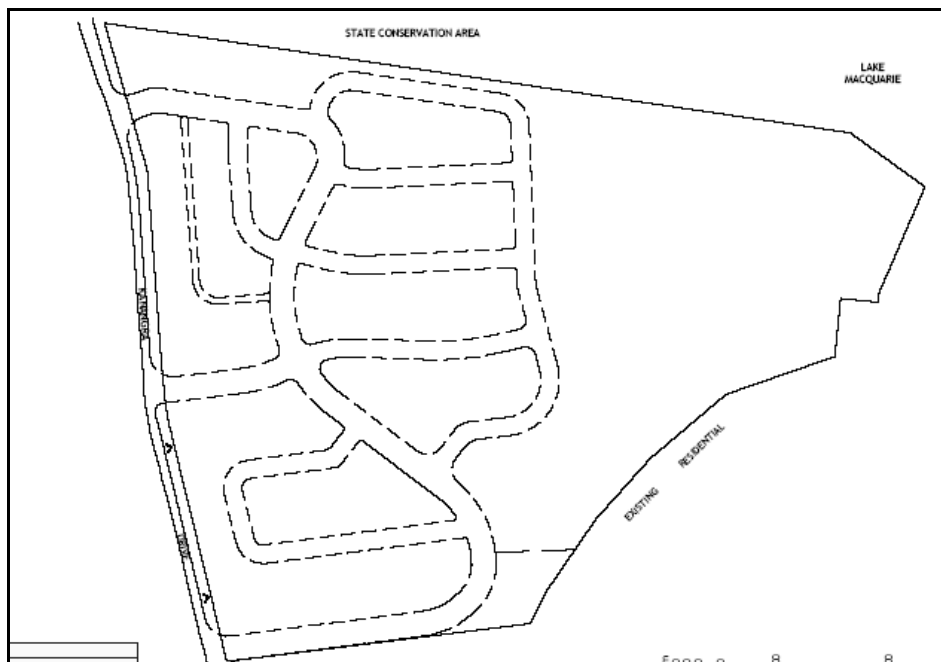


Figure 5: Previously approved subdivision layout responding to site planning issues

3.2 EPBC ACT CONTROLLED ACTION

The impacts of development within the footprint established the site zonings have been assessed under the “bilateral agreement” between the Commonwealth and NSW Governments.

An approval for residential, retail and commercial purposes, the “action”, over 16 hectares of the site was granted under the Commonwealth EPBC Act in February 2009. The approval requires the action to be under taken “*generally as described in the final Catherine Hill Bay and Gwandalan Concept Plan.....including the dedication of lots 104, 105 and 107 as conservation area*”. The land dedications were the environmental offsets for the development (actions) at Catherine Hill Bay and Gwandalan. Even though the Concept Plan Approval was declared invalid by the Court, the land dedications as environmental offsets have already taken place in accordance with the Concept Plan Approval. The land dedicated as offsets is shown in attachment 1.

As approval for a controlled action has been granted there are no longer any issues in this respect. However, there are conditions of approval that still need to be complied with.

3.3 HERITAGE

An Aboriginal Heritage report was prepared for the development footprint by ERM in 2007.

No items or sites of aboriginal cultural significance were found on the R2 zoned areas. Some sites were identified outside the development footprint on the Lake Macquarie foreshore.

No ongoing management requirements have been identified.

3.4 FLORA AND FAUNA

A number of flora and fauna assessments have been conducted since 2003 over this part of the State Significant Site with all results consolidated into a single report by RPS 2010.

Development within the R2 zoned area will result in the clearing of approximately 10 ha of native vegetation.

No threatened fauna species were located in development areas. Habitat potential for owls and nesting black cockatoos has been extensively examined and no use of the site found.

The threatened flora species *Tetratheca juncea* was found on the site. Targeted surveys have failed to find any orchid species on the site.

The impacts of residential, commercial and retail development within the R2 footprint were assessed via the Commonwealth / NSW bilateral agreement relating to Environmental Impact Assessment. An EPBC Act approval was issued in 2009.

Consistent with the EPBC approval, 293 hectares of land, comprising the balance of South Wallarah SSS at Catherine Hill Bay, was publicly dedicated by Rose Property Group in late 2008. This land is now in the ownership of the NSW Minister for the Environment. The conservation value of this land is detailed in the RPS report and the dedication has provided the environmental offset for the loss of vegetation on the site.

There are no new flora and fauna issues for the site arising from the proposed development and environmental offsets for vegetation loss are already in place.

3.5 UTILITIES AND INFRASTRUCTURE

Provision for water and sewer services to the site can be made by extensions of the existing Gwandalan system.

Electricity supplies can be provided by augmentation of the existing network.

The stormwater management principles for the site have been established in accordance with the principles of water sensitive urban design and coastal management requirements. All required stormwater detention and treatment will be provided onsite.

3.6 MINING ACTIVITIES

Access to coal under the site is not compromised by the development as there are potentially other access locations. PELs 5 and 446 which affect the site are not compromised by the proposal.

All development on the site will have to meet Mine Subsidence Board technical requirements. Approval by the Board was provided for previous subdivision proposals.

3.7 CONTAMINATION AND GEOTECHNICAL

There are no contamination issues for the site.

Surface geotechnical studies have been conducted. No significant constraints to urban development have been identified.

There are potential acid sulphate soils on lower areas of the site where drainage controls may be located.

3.8 URBAN DESIGN AND BUILT FORM

The R2 zone footprint has been located to avoid, and minimise, the effects of new development.

Subdivision of the R2 zone will provide the urban structure and be the primary influence on public access and streetscape, protection of adjoining land, addressing of hazards and overall amenity. As it is proposed to have a single subdivision approval over the entire R2 zone, an integrated urban design outcome is achievable without specific controls.

Primary controls over built form will be provided by SEPP (Exempt and Complying Development Codes). Additional controls, if required, can be provided via a DCP including adoption of local Wyong Council controls as appropriate.

3.9 ECOLOGICALLY SUSTAINABLE DEVELOPMENT

ESD principles will apply to the proposal through appropriate design including stormwater management, and application of BASIX to residential building construction. ESD been incorporated into the proposal through application of the NSW Coastal Policy. The site planning controls and zones have been influenced by the need to protect natural resources.

3.10 TRAFFIC AND TRANSPORT

Extensive traffic assessment has been carried out by Masson Wilson Twiney. It has been established that traffic increases arising from the development will require contributions towards road improvements. All roads will be designed and constructed to Wyong Council standards.

3.11 BUSHFIRE

A bushfire hazard is posed by all local natural vegetation. An assessment of likely bushfire hazard has been undertaken in accordance with the Planning for Bushfire Protection Guidelines. Adequate bushfire protection for residential development can be provided within the site.

3.12 IMPACT ON CROWN LAND

The development footprint adjoins part of the Lake Macquarie State Conservation area. Discussions on appropriate treatment of the interface with the high conservation value land has been ongoing with DECCW and NPWS officers. There are potential land management conflicts arising between the need to minimise edge effects, including public access, and bushfire protection requirements.

The management objectives for the adjoining Lake Macquarie State Conservation Area are:

- Conservation of biodiversity;
- Protection of visual and aesthetic values;
- Provision of low impact recreational activities; and
- Increase environmental education opportunities for visitors.

3.13 SITE PREPARATION WORKS

Development within the footprint will require substantial site preparation works. Adequate documentation of levels and cut and fill requirements will be required.

3.14 SUBDIVISION

Fully documented plans showing staging arrangements and titling arrangements will be required. Public open space and public roads will be identified.

3.15 PRIOR CONSULTATIONS

There has been extensive prior public consultation over development of the site.

The main community issues were non compliance with the NSW Coastal Policy, environmental impacts and effects on the local community.

The main issues from NSW authority consultations were bushfire and open space needs.

4.0 Conclusion

A subdivision is proposed within the R2 zoned area of the Gwandalan section of the South Wallarah Peninsula State Significant Site. The current R2 zone covers the same as the footprint as subdivision previously assessed and approved for the site.

The subdivision yield may be up to 200 dwellings. This also corresponds with prior site assessments prepared for the previous Part 3A applications for the site. The suitability of the development footprint and the likely cumulative effects of its development have been comprehensively investigated and understood. The environmental management measures required for the site are well established.

Consistent with the EPBC approval for the site, environmental offsets for the effects of development have been provided by the dedication of lands identified in the Lower Hunter Regional Conservation Plan.

Issues adequately resolved by current planning controls, the existing EPBC approval over the site, negotiations with statutory authorities and prior assessments of ongoing validity are:

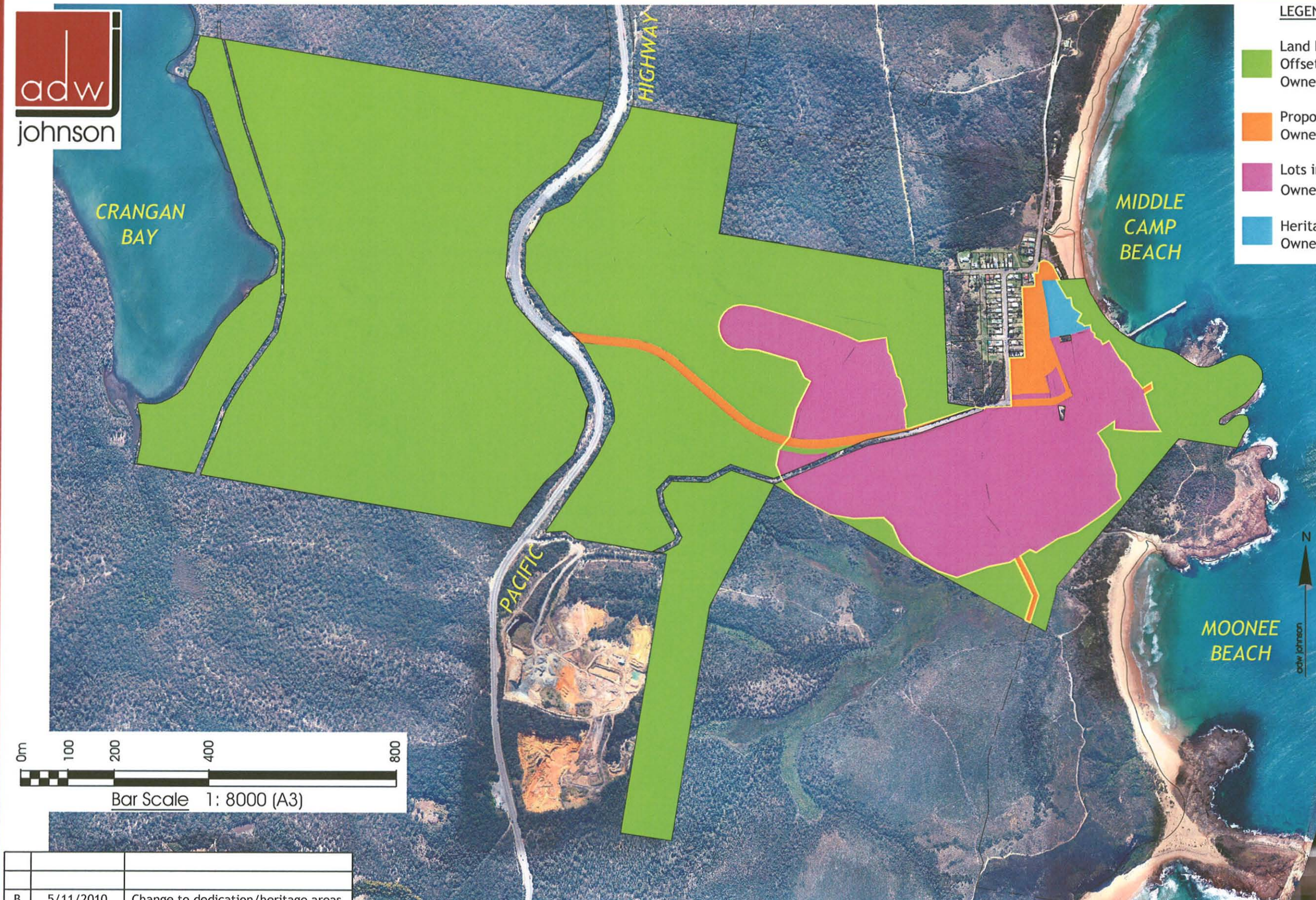
- Coastal policy requirements;
- Traffic and transport issues;
- Geotechnical and acid sulphate soils issues;
- Aboriginal heritage issues;
- Flora, fauna, and environmental offsets;
- Impacts on adjoining conservation lands;
- Development footprint and site planning principles and
- Major infrastructure.

The environmental assessment focus for a new proposal for the site should be as follows:

- Subdivision design and layout;
- Compliance with SEPP Major Developments and other relevant planning controls;
- Bushfire; and
- Stormwater.

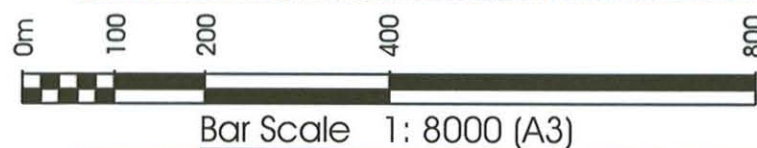
Attachment 1

Plan of environmental offsets land

**LEGEND**

- Land Dedicated as Environmental Offset (Dec 2008).
Owner: Minister for Environment
- Proposed Public Dedication
Owner: Rose Property Group
- Lots in Development Area
Owner: Rose Property Group *
- Heritage Lot
Owner: Rose Property Group

* Or in process of transfer to Rose Property Group



Ver.	Date	Comment
B	5/11/2010	Change to dedication/heritage areas
A	8/09/2010	Initial Layout

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