

Monteath
& Powys

M &
P



SCOPING REPORT
Cedar Mill Hunter Valley

482 - 542 McDonalds Road, Pokolbin


for
Winarch Capital

M&P CONTACT
Rebecca Boresch
Senior Planner

P (02) 4926 1388
M 0412 667 552
r.boresch@monteathpowys.com


monteathpowys.com.au

Our Ref:	20/0427
Project	Cedar Mill Hunter Valley
Client	Winarch Capital
Author	Rebecca Boresch Senior Planner B U&R P RPIA

Signature 

Certification *I hereby certify that this Scoping Report has been prepared in accordance with the requirement of the Environmental Planning & Assessment Act 1979 and its associated Regulations. I certify that to the best of my knowledge the information contained within this report is neither false nor misleading.*

Reviewer Geoffrey Rock
Director

Signature 

This report was prepared by Monteath & Powys Pty Ltd.

Document Control					
Revision	Date	Revision Details	Author	Verifier	Approver
0	25/01/2022	Draft	RB	GR	GR
	27/01/2022	Client Review	RB	GR	DR
	02/02/2022	Final	RB	GR	DR

Table of Contents

1.	INTRODUCTION	4
2.	SITE DETAILS AND ANALYSIS.....	5
	2.1 Regional Context	6
	2.2 Local Context	7
3.	PROPOSED DEVELOPMENT	10
	3.1 Objectives Of The Proposal.....	10
	3.2 Key Features	11
	3.3 Characterisation.....	14
	3.4 Built Form	17
	3.5 Site Coverage	18
	3.5 Project Alternatives	19
4.	STRATEGIC CONTEXT	20
	4.1 Hunter Regional Plan 2036	21
	4.2 Draft Hunter Regional Plan 2041	21
	4.2 Local Strategic Planning Context – Vineyards District Study.....	24
	4.3 Draft Vineyards District Local Character Statement And Development Control Plan.....	24
5.	STATUTORY CONTEXT.....	24
	5.1 Overview	24
	5.2 Environment Protection And Biodiversity Conservation Act 1999 (Cth)	26
	5.3 Environmental Planning And Assessment Act 1979	26
	5.4 Environmental Planning And Assessment Regulation 2000.....	27
	5.5 Biodiversity Conservation Act 2016 And Biodiversity Conservation Regulation 2017.....	27
	5.6 Hunter Water Act 1991	29
	5.7 Local Government Act 1993.....	29
	5.8 National Parks And Wildlife Act 1974	29
	5.9 Protection Of The Environment Operations Act 1997.....	29
	5.10 Roads Act 1993	30
	5.11 Rural Fires Act 1997	30
	5.12 Water Management Act 2000.....	32
	5.13 State Environmental Planning Policy (Infrastructure) 2007	33
	5.14 State Environmental Planning Policy (Koala Habitat Protection) 2021.....	34
	5.15 State Environmental Planning Policy No 33—Hazardous and Offensive Development.....	34
	5.16 State Environmental Planning Policy No. 55 – Remediation of Land	34
	5.17 State Environmental Planning Policy No 64—Advertising and Signage	35
	5.18 State environmental planning policy (state and regional development) 2011	35
	5.19 Cessnock Local Environmental Plan 2011	36
	5.20 Cessnock Development Control Plan 2010	38
6.	MATTERS AND IMPACTS.....	38
	6.1 Matters Requiring Further Assessment In The EIS	38
7.	CONSULTATION	46
8.	ECONOMIC ANALYSIS	47
9.	SSD CIV ESTIMATE	47
10.	CONCLUSION	48
	APPENDIX A: CLUSTERS DIAGRAM & CHARACTERISATION DIAGRAM	49
	APPENDIX B: CIV REPORT	50

1. INTRODUCTION

1.1 OVERVIEW

This Scoping Report (**Report**) has been prepared by Monteath & Powys Pty Ltd, in association with WPP Pty Ltd, on behalf of Winarch Capital for submission to the NSW Department of Planning and Environment (**DPE**) to gain Secretary's Environmental Assessment Requirements (**SEARs**) for the proposed Cedar Mill Hunter Valley Cultural, Tourism and Conference Centre (**Cedar Mill Hunter Valley**). This Report has been prepared in accordance with the State Significant Development (**SSD**) guidelines – preparing a scoping report (July 2021) as required for State Significant Development.

The proposed development is specified as SSD within Clause 13 (1) for cultural, recreation and tourist facilities under Schedule 1 of *State Environmental Planning Policy (State and Regional Development) 2011*, as the Capital Investment Value (**CIV**) exceeds \$30M and includes land uses that are described in this clause.

Proportionally, the vast majority of the land uses proposed are permitted with consent in the current RU4 Primary Production Small Lots zone under the Cessnock Local Environmental Plan 2011 (Cessnock LEP). A small balance of land uses, while prohibited are critical elements of the proposed development, are complementary and ancillary to the permitted uses. Consent for those land uses which are not permitted in the RU4 zone is sought under Section 4.38 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*. Pursuant to Section 4.38(3), development consent may be granted for SSD despite the development being partly prohibited by an EPI.

The application for SSD includes a Concept Master Plan to guide the phased delivery of the development as it is related to the staged construction phases. Under this application, consent is sought for **all** built form and uses associated with Cedar Mill Hunter Valley, a cultural and tourist related development proposed over 482 – 542 McDonalds Road, Pokolbin (**Subject Site**), having an area of approximately 40 hectares.

This report provides an overview of the proposal, details the relevant planning framework applicable for the SSD approval pathway and identifies the matters requiring further assessment. The intended outcome is for SEARs to be issued which will guide the formal preparation of an Environmental Impact Statement (**EIS**) and confirm the approval pathway.

1.2 PROPONENT

Winarch Capital
C/- Monteath & Powys
PO Box 2270
DANGAR NSW 2309

Contact:

Rebecca Boesch
Phone: 02 4926 1388

1.3 PURPOSE OF THIS REPORT

The purpose of this Report is to provide an overview of the project, its objectives, the statutory planning framework, and SSD approval pathway relevant to Cedar Mill Hunter Valley to facilitate the issuing of SEARs for the project.

This Report describes the following:

- Nature, scale, and extent of the proposal.
- Relevant strategic and statutory context.
- Summary of the results of any early community engagement.
- Scale and nature of the impacts of the project.
- The proposed approach to assessment and community engagement.

2. SITE DETAILS AND ANALYSIS

2.1 LAND TITLE DETAILS

The Subject Site as shown in figure 1 below has a combined area of approximately 41.4 hectares and is legally described as follows:

- Lot 1420 DP 712249 – approximately 23.41 hectares,
- Lot 1421 DP 712249 – approximately 1.55 hectares, and
- Lot 141 DP 755255 – approximately 16.45 hectares.

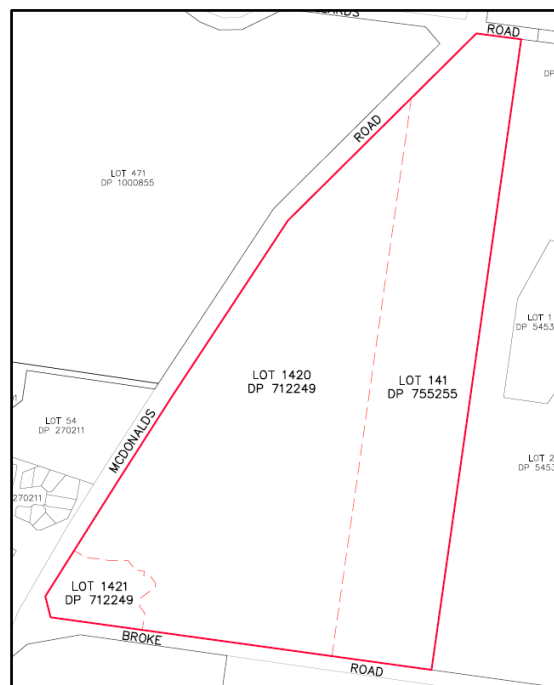


Figure 1: Subject Site

2.2 REGIONAL CONTEXT

The Subject Site is situated in the Pokolbin district of the Cessnock Hunter Valley Wine Tourist Region as highlighted in **Figure 2**. By vehicle, Pokolbin is approximately 15 minutes travel north-west of Cessnock, one hour west of Newcastle and Newcastle Airport and two hours north of Sydney. Accessible from Sydney via the Putty Valley Road and M1 Motorway (multiple carriage way) and for Newcastle and surrounds via the Hunter Expressway (dual carriageway), the locality is well suited for a development of this scale.

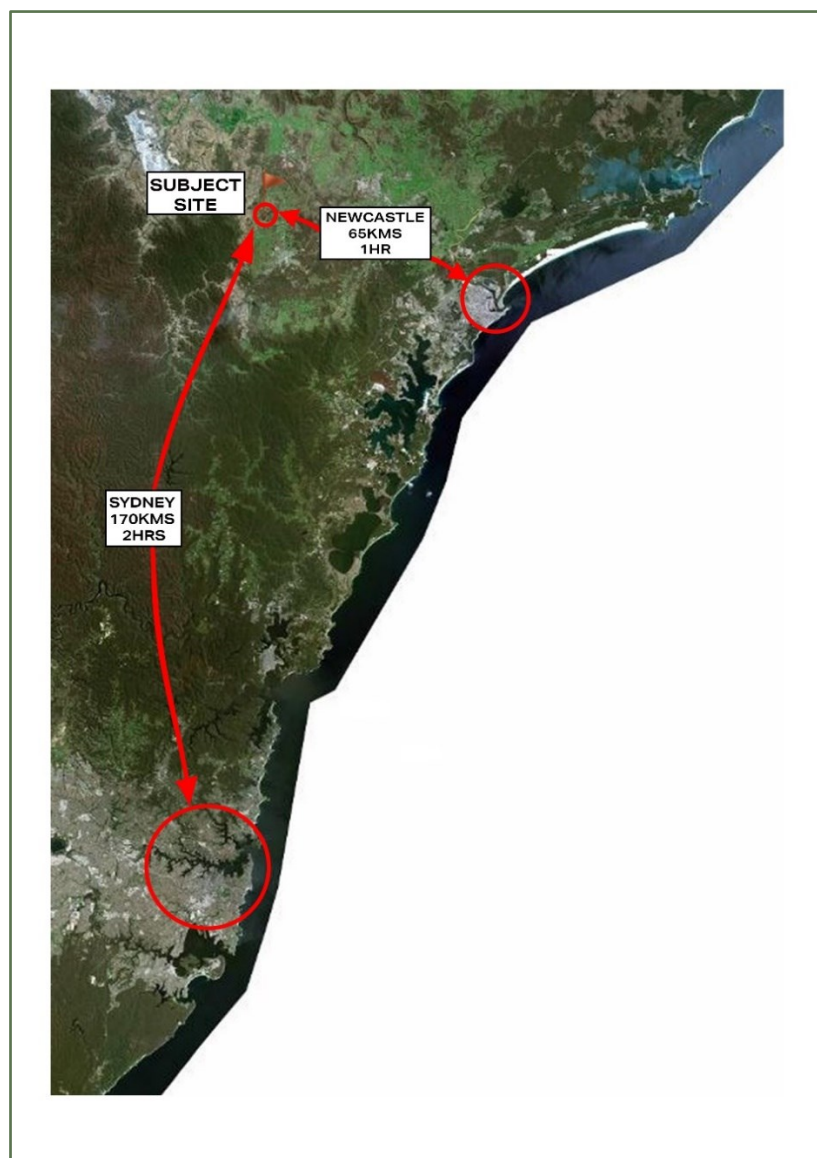


Figure 2: Distance from Sydney and Newcastle (Source: Google Maps 2021)

2.3 LOCAL CONTEXT

The Subject Site is located within the Central Pokolbin Sub Region (**Figure 3**), specifically on the corner of McDonalds and Broke Roads and forms part of the Central Pokolbin tourist node, inclusive of multiple established tourism sites adjacent and nearby.

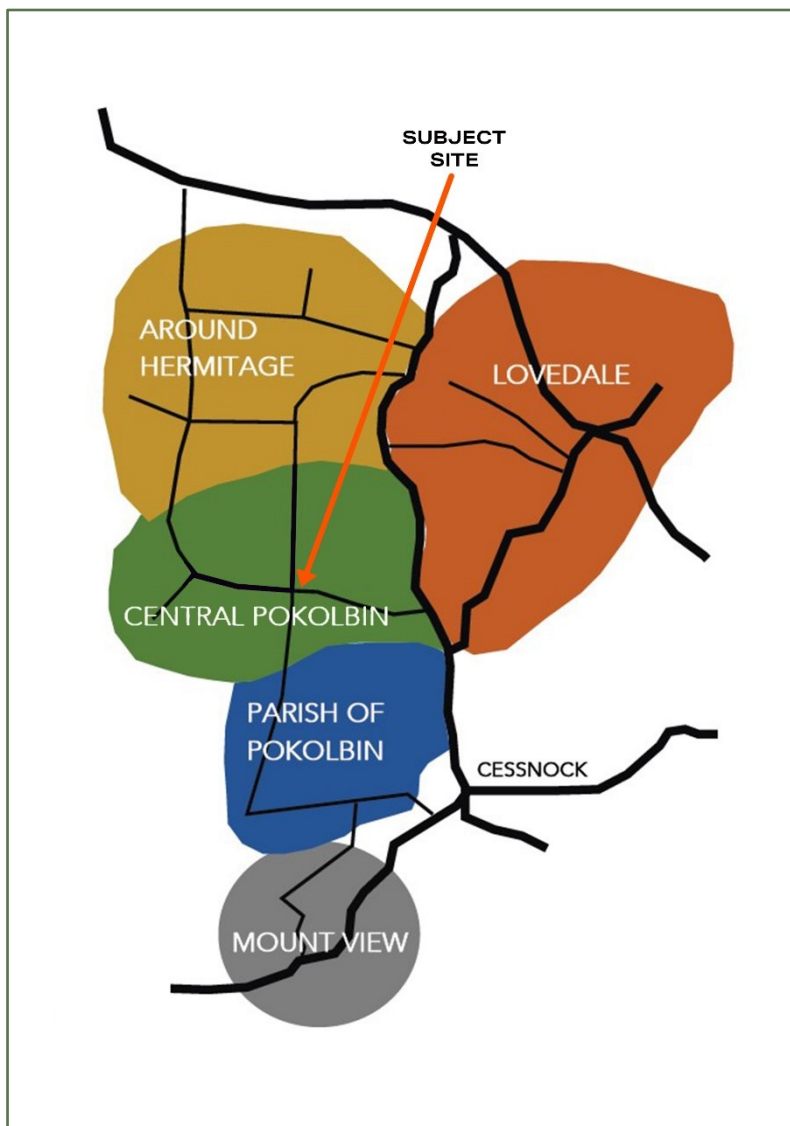


Figure 3: Location of Critical Industry Cluster within Cessnock (Source: RMCG 2017)

As described in the Vineyards District Study prepared by RMCG in 2017, on behalf of Cessnock City Council, the Central Pokolbin Sub Region acts as a node of activity and employment generation and includes established viticultural, tourist and events related developments such as Hope Estate, Roche Estate, McGuigan’s, Hunter Valley Gardens, Mercure, and Leisure Inn,

comprising of existing cellar doors, function centres, recreation facilities, accommodation, restaurants, and cafes.

A number of these developments comprise a range of complementary land uses to deliver a unique experience, and as shown in **Figure 4**. These uses (brewery, distillery, retail, recreation facility) are 'Additional Permitted Uses' under the Cessnock LEP and operate on adjoining properties within 1km of the Subject Site. Further detail on the findings of the RMCG study and relevance to the subject site are provided in Section 4.

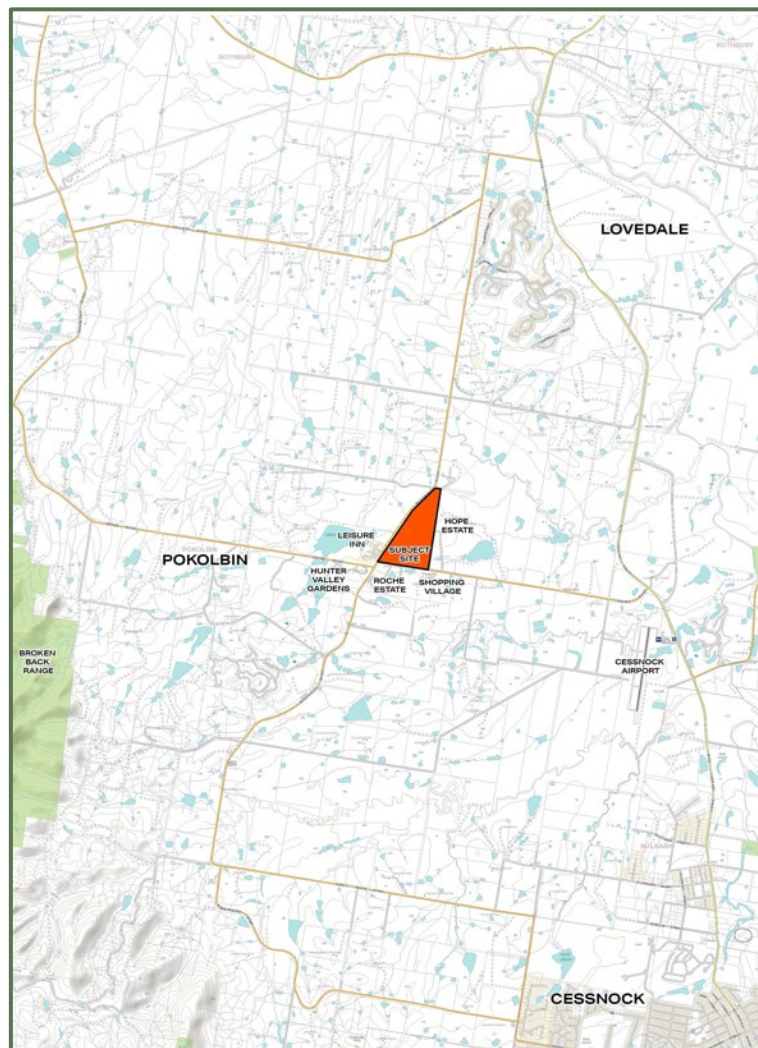


Figure 4: Site Surrounds and Nearby Development within Central Pokolbin
(Source: SIX Maps / Derive 2022)

The Subject Site, shown in **Figure 5**, has an area of approximately 41.4 hectares with a western frontage to McDonalds Road and southern frontage to Broke Road. The highest point of the site is located north-east. The remainder of the site has a moderate slope running from McDonalds Road towards the south-east at Broke Road. With exception of the existing

dwellings, it is vacant cleared land, with existing vegetation along the McDonalds and Broke Road boundaries and south-eastern corner, most of which is proposed to be retained as part of the development.

The site has been vacant pasture for approximately 50 years, with recent investigations confirming that the soil profile is not considered to be Prime Viticultural Land and offers extremely limited capacity for wine grape production. Essential service connections are located at the south-west corner of the site associated with the existing dwelling entitlements, with a farm dam located toward the centre of the site.



Figure 5: Existing buildings (Source: Derive 2022)

3. PROPOSED DEVELOPMENT

3.1 OBJECTIVES OF THE PROPOSAL

Cedar Mill Hunter Valley seeks to enhance the Hunter Valley's reputation as one of the World's premier Wine Tourism destinations. It aims to provide a premier cultural, tourism and convention destination by developing a place that celebrates the region's wine history, that informs and educates visitors on the pioneers and industries within the Hunter Valley that have shaped and continue to drive the region. The project will provide a benchmark setting for holding local, national, and international events, conferences, and conventions.

The proponent's aims and objectives for the development include:

- To enhance the Hunter Valley's reputation as a leading national and international Wine Tourism destination.
- To enrich the servicing offering within the heart of the Pokolbin district.
- To strengthen the tourist node.
- To recognise the merits of the location within a region steeped in history, the proposal seeks to represent the heart of Hunter Valley, acknowledging both world-renowned and boutique operations within a central location.
- To attract major local and international investment and talent to the region.
- To provide ongoing employment opportunities and economic growth within the Hunter.
- To use inspiration from the leading international market concepts and designed to achieve a contemporary open-air wine and tourist related aesthetic.
- To provide from an enviable location, Cedar Mill Hunter Valley, a thoughtful combination of cultural, tourism and conference spaces supported by food, beverages, entertainment, and leisure spaces, defining a new Hunter Valley Precinct.
- To use Cedar Mill Hunter Valley's cultural and commercial spaces to create coveted locations for business events while improving regional engagement and recognition.
- To provide a world class convention centre providing a range of well-connected all-inclusive multi-purpose event spaces (including indoor and outdoor convention, function, and exhibition event spaces, conference and meeting rooms, function rooms, on site tourist accommodation).
- Attractions such as:
 - A wine museum, focussing on the rich history of the local region.
 - Architecturally designed splash pad and playground.
 - Restaurants and cafes.
 - Cellar door style wine retail outlets.
 - On site winery production, boutique brewery and distillery tours.
 - Ancillary retail (clothing, and artisan producers).

3.2 KEY FEATURES

As provided in **Figure 6** and at **Appendix A**, Cedar Mill Hunter Valley Cultural Tourism and Convention Centre Development is arranged within three specific clusters:

1. Museum Cluster.
2. Convention Cluster.
3. Tourism Cluster.

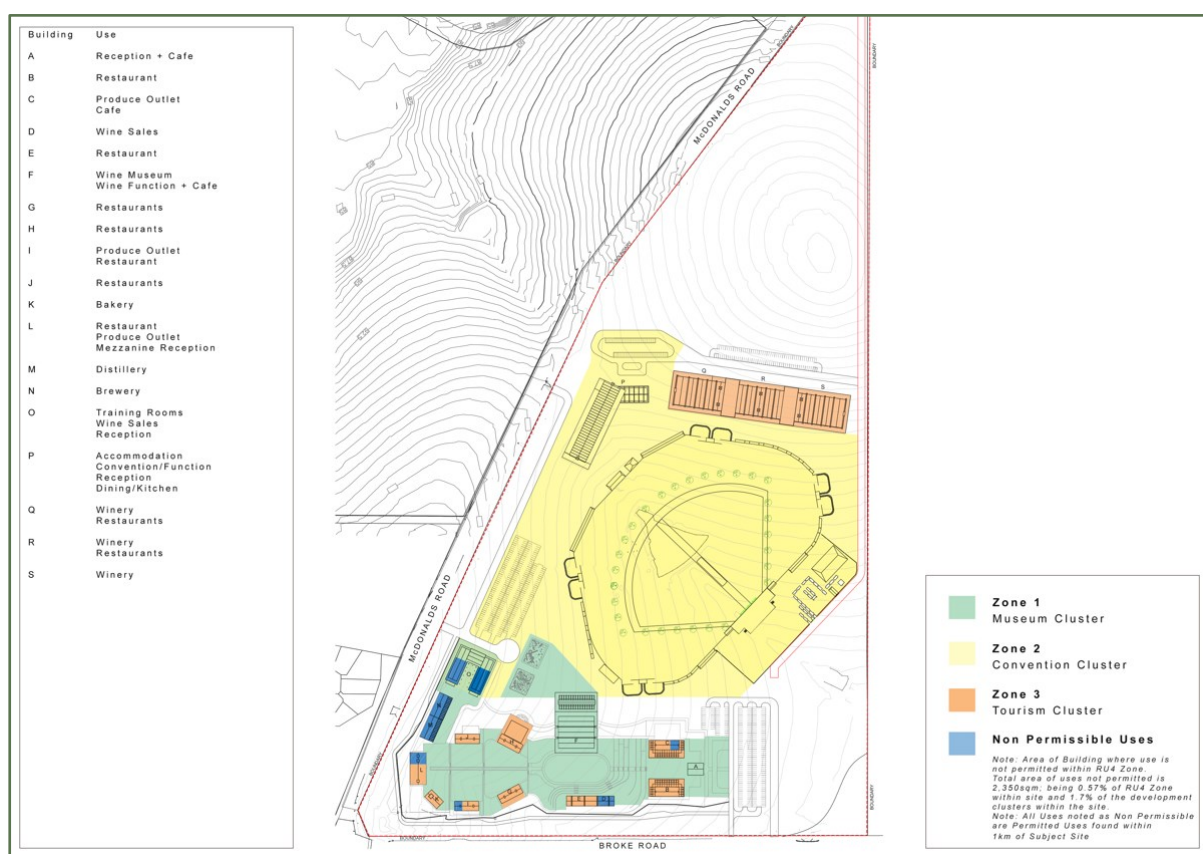


Figure 6: Development Clusters & Permissibility (Source: Derive)

To give an appreciation of the overarching purpose of the development, the following details the composition of each of these zones:

Museum Cluster:

- Museum Building.
- Outdoor Education, Exhibition Area, and landscaping.
- Splashpad and playground.
- Museum Function Centre.
- Museum Café.
- Museum retail.

The purpose of this cluster is to provide visitors with a cultural experience, detailing the rich history of winemaking, along with celebrating the pioneering Vignerons' and distillers that played their part creating the internationally renowned Hunter Valley Vineyards District. The museum cluster provides for an integrated experience of indoor and outdoor exhibition elements to embrace the essence of the district. Within this cluster there is the potential to feature Aboriginal and European heritage, the history of the region, pioneer vignerons and wine making through the decades. Information, features, and exhibitions will be located within the museum building and throughout the landscaped gardens to allow for visual and tactile connections to be made. Museum content may comprise of, but is not limited to:

- Wine history and information.
- Hunter wine families and their histories within the region.
- Aboriginal and European Heritage information
- Wine making tools, vessels, and associated equipment.
- Sculptures, text, art, and photographs.
- Exhibition pieces (representing other Australian Wine Regions and other industries).
- Information about the Hunter's sustainable grape and wine production and other initiatives.
- Industry events providing educational opportunities in art, cooking, brewing, distilling, wine making and hospitality.

Convention Cluster:

- Convention Centre and Outdoor function and exhibition spaces.
- Function Centre.
- Training and Meeting Rooms.
- Accommodation.

The convention cluster provides a unique open-air wine aesthetic and setting capable of hosting events, conferences, and functions and would attract regional, national, and international tourists. The aesthetics and accessibility of the Hunter Valley provides a unique opportunity to incorporate training facilities capable of attracting state, national and international visitors to attend master classes and education sessions hosted at the site. In this way the proposal will further reinforce the role and function of the identified Tourism Node within the Central Pokolbin District. This cluster provides unique multi-purpose convention centre space to provide high end conference, and exhibition opportunities, consistent with other international convention centres such as:

- The La Mola Conference Centre (Spain), which incorporates indoor and outdoor convention and auditorium spaces complemented by hotel accommodation.
- The Vancouver Convention Centre (Canada), which incorporates 5,000m² outdoor plaza event space, exhibition, and information halls, supported by restaurants, retail and public art.
- The Kolkata Convention Centre (India), which across a 40 hectare site, incorporates space for a range of events and exhibitions complemented by mix of land uses including hotel accommodation, office and retail space and restaurant offerings.

While each of the above convention centres have developed in different contexts, the development of such facilities is typified by the provision of both indoor and outdoor exhibition space, supported by other complementary elements such as accommodation, restaurant and dining offerings and retail offerings. The Cedar Mill Hunter Valley Cultural Tourism and Conference Centre will be comparable to the abovementioned international examples, while responding to the unique context of the site and locality

Tourism Cluster:

- Winery.
- Brewery.
- Distillery.
- Restaurants and Cafes
- Artesian produce outlets.
- Artisan Bakery
- Cellar Door retail outlets.

This cluster provides additional tourist activity experienced with similar developments locally and nationally. These uses contribute to the overall experience and support the principal uses being the Museum and Convention cluster.

Importantly, within this cluster the proposal seeks to provide a setting, complementary to other activities on site, within which smaller wine makers, primary producers and artisans who may be based in the region, yet are located some distance from Central Pokolbin, are able to establish a presence and have access to visitors to the region enabling them to inform and sell directly to the visitors who do not have the time, means or desire to travel beyond the central district.

This facet of the project will be complemented by other elements (noted above) which will see Cedar Mill Hunter Valley become a destination as well as providing an opportunity for the smaller Hunter Valley operators to gain valuable exposure to trade in Central Pokolbin. It is envisaged that tourists are provided with a range of cellar door style retail choices which provide the opportunity for visitors unrestricted by travel beyond the central district, to further explore a desired vigneron at their Hunter Valley winery and cellar door within the Vineyards District.

Figure 7 shows the location of the specific land uses. While it is acknowledged that some of the land uses described above are prohibited in the RU4 Primary Production Small Lots zone, they are not out of character or inconsistent with approved development on adjoining and nearby land, which permit activities such as brewing, distilling, winemaking, and retail sales of local produce (including cellar door style retail sales), grown or manufactured elsewhere. For Cedar Mill Hunter Valley, the prohibited land uses represent only a small proportion of the site coverage yet are critically important to the overall cluster and broader development.

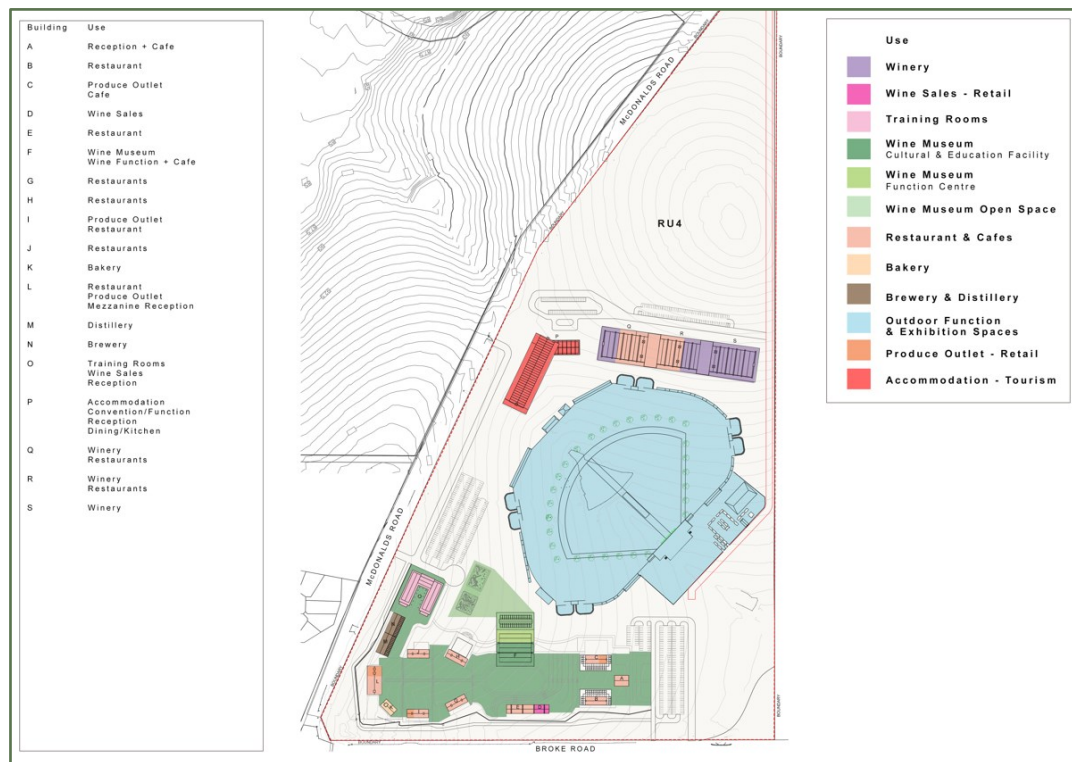


Figure 7: Characterisation Diagram (Source: Derive)

3.3 CHARACTERISATION

Sections 5 of this report provides detailed consideration of the relevant provisions within the *EP&A Act* and *SEPP SRD 2011* and establishes that the proposal constitutes SSD. In characterising development, it is important to consider the purpose of the development, individual land use types, and ancillary land uses to distinguish whether uses are independent land uses or subservient and contributory to the overall purpose of the development.

Predominantly comprising of land uses which are permitted in the RU4 Primary Production Small Lots Zone under the Cessnock LEP 2014, the proposal does consist of some land uses which are not permitted in the zone. Notwithstanding, this Report describes how such land uses are integral components of, and sufficiently related to the identified 'overarching purpose.'

Having regard to the overarching purpose of the development, and as further refined in the description of the 'clusters,' comprising a mix of buildings and outdoor settings, the proposal is found to comprise a mix of land uses, with two 'dominant uses' being 'Information and education facility' (Museum Cluster) and 'Function centre' (Convention Cluster). The definition of each land use, as provided in the Standard Instrument Local Environmental Plan 2011 (SILEP), is provided as follows:

Information and education facility means a building or place used for providing information or education to visitors, and the exhibition or display of items, and includes an art gallery, **museum**, library, visitor information centre and the like.

Function centre means a building or place used for the holding of events, functions, conferences, and the like, and includes **convention centres**, exhibition centres and reception centres, but does not include an entertainment facility.

Importantly, both definitions describe a land use which occurs in a building or place rather than limiting the activity to the confines of a building. With reference to those components characterised as a function centre (e.g., the convention cluster), we note the proposal does not constitute or include an entertainment facility, which, as described below is confined within a building such as a theatre, cinema, and other types of buildings, rather than a 'place.'

Entertainment facility means a theatre, cinema, music hall, concert hall, dance hall and the like, but does not include a pub or registered club.

We also note that most uses are permissible within the zone (see **Table 1**) and those that are not, are both integral and subservient to the dominant uses while remaining consistent with objectives of the zone, in this instance being:

'Zone RU4 Primary Production Small Lots

1 Objectives of zone

- *To enable sustainable primary industry and other compatible land uses.*
- *To encourage and promote diversity and employment opportunities in relation to primary industry enterprises, particularly those that require smaller lots or that are more intensive in nature.*
- *To minimise conflict between land uses within this zone and land uses within adjoining zones.*
- *To maintain prime viticultural land and enhance the economic and ecological sustainability of the vineyards district.*
- *To encourage appropriate tourist development (including tourist-related retail) that is consistent with the rural and viticultural character of the vineyards district.*
- *To enable the continued rural use of land that is complementary to the viticultural character of the land.'*

As provided in **Table 1** the land uses attributed are integral to the overarching purpose being a cultural tourism and convention centre.

Table 1: Land Use Permissibility and Relationship

USE	CESSNOCK LEP CHARACTERISATION	PERMITTED IN RU4 ZONE	SUFFICIENTLY RELATED
Winery	<i>Agricultural produce industry, type of rural industry.</i>	✓	Tourist related development. Is subservient to the dominant uses. The amount of area associated with the use is minor, relative to the dominant uses and is consistent with the objectives of the zone.
Wine Sales – Retail	<i>Retail Premises and subsequently a commercial premises.</i>	✗	Tourist related retail. Is subservient to the dominant uses. The amount of area associated with the use is minor, relative to the dominant uses. Is consistent with the objectives of the zone.
Training Rooms	<i>Function centre – Convention Centre.</i>	✓	Forms part of a dominant use and identified with SEPP SRD 2011.
Wine Museum	<i>Information and education facility</i>	✓	Forms part of a dominant use and identified with SEPP SRD 2011.
Wine Museum Function Centre	<i>Information and education facility / Function centres.</i>	✓	Forms part of a dominant use and identified with SEPP SRD 2011.
Restaurants and Cafes	<i>Food and drink premises, type of retail premises and subsequently a commercial premises.</i>	✓	Is subservient to the dominant uses. The amount of area associated with the use is minor, relative to the dominant uses. Is consistent with the objectives of the zone.
Bakery	<i>Takeaway food and drink premises.</i>	✓	Is subservient to the dominant uses. The amount of area associated with the use is minor relative to the dominant uses. Is consistent with the objectives of the zone.
Splash pad and Adventure Playground	<i>Information and education facility.</i>	✓	Forms part of a dominant use and identified with SEPP SRD 2011.
Brewery and distillery	<i>Artisan food and drink industry, type of light industry.</i>	✗	Tourist related development. Is subservient and sufficiently related to the dominant uses. The amount of area associated with the use is minor, relative to the dominant uses. Is consistent with the objectives of the zone.
Convention Centre and Outdoor Exhibition Centre	<i>Function centres.</i>	✓	Forms part of a dominant use and identified with SEPP SRD 2011.

USE	CESSNOCK LEP CHARACTERISATION	PERMITTED IN RU4 ZONE	SUFFICIENTLY RELATED
Produce Outlet – Retail	<i>Retail Premises and subsequently a commercial premises.</i>	✘	Tourist related retail. Is subservient and sufficiently related to the dominant uses. The amount of area associated with the use is minor, relative to the principal uses. Is consistent with the objectives of the zone.
Accommodation	<i>Tourist and visitor accommodation</i>	✔	Function Centre related development within the Convention Cluster. Is consistent with the objectives of the zone.

Both of the dominant land uses are included in the description of 'Cultural, recreation and tourist facilities' included in Clause 13(1), Schedule 1 of SEPP SRD 2011, as provided in Section 8 amount to a CIV of greater than 30 million. As such the proposal constitutes SSD as provided in Clause 8 of SEPP SRD 2011.

3.4 BUILT FORM

The initial concepts for the built form have been prepared by Newcastle based award winning architects - Derive Architecture & Design. The buildings will be designed cognisant of the rural character and located on the site to take advantage of existing sight lines to and from the site and minimising the visual impacts for existing development. The main vehicular access is proposed off Broke Road, with an alternative off McDonalds Road for events. Landscaping designed by the renowned landscape architect Paul Bangay provided throughout the development including the allocated car parking areas to soften and blend into the rural landscape.

The built form will be rural in character drawing on the regional locality and distinctive Australian native landscape context. The material palette includes use of local stones, hardwoods, steel, and the like to form a response to place and pay homage to the region's history. The buildings are proposed to range from single (1) to three (3) storeys ranging between 9.5m-10.5m and exhibiting a height up to 24.5m. Built form has been arranged across the site to balance cut and fill whilst also carefully responding to the natural topography.

The expansive area of landscaping surrounding the buildings is a central design strategy to provide a characteristic relationship between built elements and open space. Landscaping designed by well renowned Landscape Designer Paul Bangay is provided throughout the development including the allocated car parking areas to soften and blend into the rural landscape. The buildings are located on the site to take advantage of existing sight lines to and from the site and minimising the visual impacts for existing development. The main vehicular access is proposed off Broke Road, with an alternative off McDonalds Road. The Architectural Design prioritises environmentally sustainable design principles where active systems may include energy production via photovoltaics and heat exchange, rainwater harvesting with on-site re-use.

3.5 SITE COVERAGE

Cedar Mill Hunter Valley is designed to optimise the opportunities of the site in a scale and nature appropriate to the location and local context. The render by Derive and landscape design by Paul Bangay in **Figure 8** provides visual and spatial context of the proposed development in respect to the 41.4 hectare site. The view is from the south, looking towards the site across Broke Road.



Figure 8: Site Render (Source: Derive & Bangay 2021)

Given the scale and nature of the development, consideration of Gross Floor Area (**GFA**) and the percentage of site coverage are conducive metrics to measure the characterisation of the project. In this instance site coverage is considered the most appropriate metric for assessment in respect of the environmental constraints of the site, the zoning and associated land uses. **Figure 6** provides an assessment using both metrics for consideration. Based on the calculations, in respect of the whole site, the uses that are prohibited are nominal in relation to site coverage when compared to the principle uses associated with the development. They provide confirmation of how the prohibited uses are nominal yet, sufficiently related to the overarching purpose of the development.

The prohibited uses are minor in scale and are not out of character with additional permitted uses currently operating within the immediate locality. They are sufficiently related, in respect of meeting a need or purpose that are supportive to the overall project. See section 5.3 of this report for further discussion.

3.5 PROJECT ALTERNATIVES

In accordance with the guidelines, alternative considerations pertaining to the extent of development and pathway options were considered and are detailed in the table below.

ALTERNATIVE CONSIDERATIONS	RATIONALE
No development	<p>The site is a key location within the Hunter Valley, Central Pokolbin Tourist Precinct. By not completing the development:</p> <ul style="list-style-type: none"> • The opportunity for a high quality cultural and tourist development is lost. • An alternative cultural and tourist development highlighting the heritage of the region will be missed. • Economic benefits of conference, event and education opportunities will not be realised. • Retention of existing dwellings and vacant land not viable in the longer term, resulting in the underutilisation of a prominent location • The environmental constraints of the site are not conducive to viticultural production and provides limited primary production value. <p>This alternative is not an option, the land was purchased with the intention for a cultural tourist development sited in the Hunter Valley.</p>
Carry out development without the ancillary uses not permissible within the zone	<p>These elements are supportive and integral to the principal uses and assist in achieving the vision of the development. The potential to include and highlight local vigneron is limited if they are not included. Additional educational experiences are associated with the artisan and recreational components in achieving the vision and experience. Niche retail experiences are expected in tourist developments and assist in drawing patrons to the site and celebrating the area.</p> <p>This alternative is not an option. All aspects of the development are necessary to achieve the vision and add to the vitality of the development.</p>
Carryout development application parallel with a planning proposal to enable additional permissible uses or rezoning.	<p>It is understood that Cessnock Council are reviewing the zoning and permissible uses for the precinct to enable a broader range of land uses to maximise the potential of the Tourist Node, however, a firm timeframe for delivery of this process has not been established.</p> <p>As the proposal satisfies the SSD thresholds prescribed in Clause 13(1) of Schedule 1 of SEPP SRD, and allows for development that is partially prohibited, a pathway involving a planning proposal is not necessary, and can therefore be discounted.</p>
State Significant Development (SSD)	<p>The proposal has key elements and features that satisfy the criteria for SSD. The development satisfies the CIV values, principal uses are identified as significant within this pathway. This approval pathway enables consideration of the uses prohibited within the zone which are nominal overall within the development and in respect of the permissibility of the development.</p> <p>This option is considered the most appropriate and efficient option to achieve the overall objectives of the development along with the</p>

ALTERNATIVE CONSIDERATIONS	RATIONALE
	economic benefits to the locality and region with the inclusion of all elements of the development and reduction in delays within the approval pathway.

4. STRATEGIC CONTEXT

The proposed site location and proposed development are aligned with strategic policy documents at the Community, Local and State Government Level as referenced below.

- Hunter Regional Plan 2036.
- Draft Hunter Regional Plan 2041.
- The Vineyards District Study.
- Hunter Valley Visitor Economy Destination Management Plan.
- Cessnock Local Strategic Planning Statement and Action Plan 2036.
- Vineyards District Community Vision Community Consultation Report.

The site is situated in the heart of Pokolbin and has been identified by the Department, Council, and Vineyards District Community Groups as an important tourist node within the Hunter Regional Plan, in the Viticulture Critical Industry Cluster. The critical industry clusters identified by the Department aims to protect areas of concentrated industry from the impacts of coal seam gas (CSG) and mining activities. The intersection of Broke Road and McDonalds Road is at the core of the vineyards district which strategically attracts much of the passing tourist traffic trade and accommodates many of the major tourist related events in the Hunter Valley region.

Table 3: Document Summary

DOCUMENT	AUTHORITY / AUTHOR	STRATEGIC REFERENCE TO SITE	SCALE
Hunter Regional Plan 2036	<u>DPE</u>	Direction 9 Tourism Direction 19 – Identify and Protect Regions Heritage	State / Regional
Draft Hunter Regional Plan 2041	<u>DPE</u>	Viticulture Growth Area Strategic agricultural land Tourist node investigation area Visually significant areas	State / Regional
<u>Vineyards District Study</u>	<u>Council/RCMG</u>	McDonald Road / Broke Road intersection focal point for tourism	Local
Draft Vineyards District Local Strategic Planning Statement	Council	Hunter Valley Wine Country Unknown	Local
Vineyards District Vision Community Consultation Report	Edge Land Planning	McDonald Road / Broke Road intersection	Community
Draft Vineyards District DCP	Edge Land Planning	Vineyards District	Local

4.1 HUNTER REGIONAL PLAN 2036

The Hunter is the leading regional economy in Australia, with thriving communities and a biodiversity-rich natural environment. It is home to more than 760,000 people and is still growing. The vision acknowledges the opportunities provided by natural resources and strong communities and sets the following regionally focused goals:

- A strong and dynamic regional economy.
- A healthy environment with pristine waterways.
- Strong infrastructure and transport networks for a connected future.
- Attractive and thriving communities.

The proposal is aligned with the Hunter Regional Plan 2036, specifically Directions 9 and 19 below:

Direction 9 – Grow tourism within the region

- *Promote small business and tourism through growth and innovation within the industry providing education, exposure and introductions for business not directly located within the main tourist routes.*
- *Educational opportunities complementary tourist activities within a specifically designated locality to promote the region.*

Direction 19 – Identify and protect the regions heritage

- *One of the priorities for Cessnock is to investigate opportunities to leverage the heritage character of the centre and growth in wine tourism in Pokolbin.*
- *Being the oldest wine making region in Australia important to leverage emerging macro trends in the innovation of education and tourism in a unique location. Opportunity to detail the discovery and history of wine making locally, regionally, and nationally.*

4.2 DRAFT HUNTER REGIONAL PLAN 2041

The Draft Hunter Regional Plan 2041 (**Draft Plan**) “sets the strategic land use framework for continued economic transformation in one of Australia’s most diverse and liveable regions.

Innovation and diversification are what makes this regional plan unique. It embraces new investments, housing choices and lifestyle opportunities to retain the Hunter’s position as a leading regional economy in Australia.”

“The draft regional plan is about setting up a future with the right components for success:

- *A long-term vision for the region.*
- *Objectives to pursue the vision.*
- *District and growth area approaches to meet the objectives.*
- *Commits state and local governments and key stakeholders to see it through.”*

The Draft Plan identifies Regionally Significant Growth Areas. The Subject Site is located within one of these Growth Areas, known as the Viticulture Growth Area, and identified as a 'Tourism node investigation area' (refer Figure 5). The plan describes these areas as follows:

"Regionally Significant Growth Areas

Viticulture Growth Area

The viticulture growth area's unique landscape is a major appeal, with visitors enjoying expansive views of vineyards stretching across gently undulating hills set against the rugged backdrop of the valley's walls. It is this scenic amenity and rural character which has created a growing tourism industry and employment opportunities.

As the tourism industry continues to expand, the rural landscape will come under more pressure. This development may risk the scenic amenity and grape growing elements of the vineyards which underpin its success. Development proposals should support the amenity and production value of the landscape, so tourism growth is sustainable over the long term.

The viticulture growth area supports a range of biodiversity from large areas of native vegetation to riparian corridors and tree-lined streets. Enhancing and connecting these areas will improve ecosystems, sustain wildlife habitat, and contribute to local amenity.

Opportunities to expand active transport networks should be explored. Reducing private vehicle usage in the vineyards, region will enhance the rural amenity and allow visitors to better engage with the landscape.

3. Strategic agricultural land

- *Ensure non-agricultural development proposals consider potential for land use conflict with existing and future agricultural uses of land in the vicinity of the site.*
- *Direct residential subdivision and other development incompatible with the vineyards' rural landscape and scenic amenity towards centres outside the vineyards.*

2. Tourism node investigation area

- *Investigate a tourism node to be the location for larger scale tourism developments.*
- *Ensure development proposals are sympathetic to the rural amenity and the local character of the area.*
- *Create active transport networks to connect the tourism node to tourism activities and landscape features.*

3. Visually significant areas

- *Review visually significant areas mapping to ensure it reflects landscape values.*
- *Ensure non-agricultural development has suitable infrastructure and can be accommodated in the landscape setting.*

- *Ensure design requirements set out siting, bulk, scale and built form suitable for the setting.*
- *Ensure development proposals on land adjoining scenic areas consider how they may affect the landscape values of the vineyards and be adapted accordingly.”*

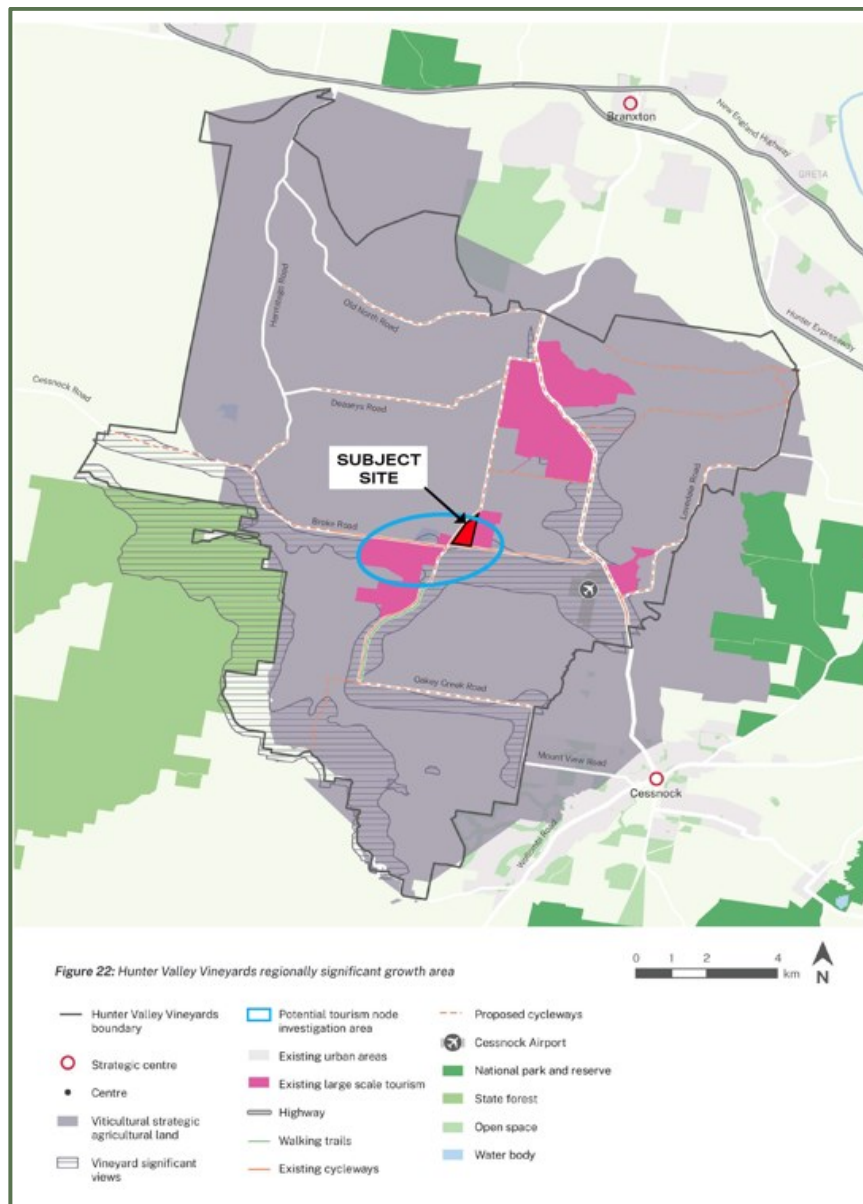


Figure 10: Extract from Draft Hunter Regional Plan 2041

The proposed development is consistent with the intent of the tourism node investigation area and the inclusion of this location within this plan is notable making consideration of this proposal as SSD pertinent.

4.2 LOCAL STRATEGIC PLANNING CONTEXT – VINEYARDS DISTRICT STUDY

The Vineyards District Study 2017 (RCMG) commissioned by Cessnock City Council provides the following commentary concerning the future desired character, intended land use and development outcomes for the site and immediate surrounds:

'Tourism will continue to play a major role in the character of the landscape, with the continuation of vineyards and cellar doors, established resort-style complexes, accommodation, and restaurants. The Broke Road / McDonalds Road Precinct and intersection will be a focal point for tourism services. Future development should focus on increasing the diversity of experiences that augment and complement established wine tourism'.

The proposed development clearly aligns with the findings and outcomes of this study.

4.3 DRAFT VINEYARDS DISTRICT LOCAL CHARACTER STATEMENT AND DEVELOPMENT CONTROL PLAN

Based on engagement with Cessnock Council, it is understood that Council is undertaking the preparation of a draft Local Character Statement (LCS) and Development Control Plan (DCP) for the Cessnock Vineyards District. Based on feedback from council, we anticipate the proposal will be consistent with the vision for the local character and planning strategy for the Vineyards District, however the draft has not yet been placed on public exhibition. Should it become available during the preparation of the EIS, its relevance and content will be addressed in the EIS.

5. STATUTORY CONTEXT

5.1 OVERVIEW

This section assesses and responds to the legislative and policy requirements for the project in accordance with the *Environmental Planning and Assessment Act 1979 (EP&A Act)*. The legislation and environmental planning instruments relevant and applicable to the subject site and proposal include:

- Environment Protection and Biodiversity Conservation Act 1999 (Cth).
- Environmental Planning and Assessment Act 1979.
- Environmental Planning and Assessment Regulation 2000.
- Biodiversity Conservation Act 2016.
- Biodiversity Conservation Regulation 2017.
- Hunter Water Act 1991.
- Local Government Act 1993.
- National Parks and Wildlife Act 1974.

- Protection of The Environment Operations Act 1997.
- Roads Act 1993.
- Rural Fires Act 1997.
- Water Management Act 2000.
- State Environmental Planning Policy (Infrastructure) 2007.
- State Environmental Planning Policy (Koala Habitat Protection) 2021.
- State Environmental Planning Policy No 33—Hazardous and Offensive Development.
- State Environmental Planning Policy No. 55 – Remediation of Land.
- State Environmental Planning Policy No 64—Advertising and Signage.
- State Environmental Planning Policy (State and Regional Development) 2011.
- Cessnock Local Environmental Plan 2011; and
- Cessnock Development Control Plan 2010.

A summary of key statutory requirements is provided in the table below and discussed in more detail in the following sections.

Table 4: Overview of key statutory requirements

MATTER	COMMENT
Approval pathway	<p>The proposed development is specified as State Significant Development (SSD) within Clause 13 (1) of Schedule 1 of State Environmental Planning Policy (State and Regional Development) 2011, as the Capital Investment Value (CIV) of the 'information and education facility' and 'convention centre' components of the development exceed \$30 million.</p> <p>Pursuant to Clause 8(2) of the SEPP, all components of the proposal are considered 'sufficiently related' to the principle uses to enable consideration as a single SSD. The application for SSD would comprise a Development Application, pursuant to Part 4 of the EP&A Act. The consent authority for this SSDA will be a delegate of the Minister for Planning or the Independent Planning Commission (depending on Council support and the number of submissions received).</p>
Permissibility	<p>The key uses proposed are permitted with consent in the RU4 zoning applying across the site, with the balance of uses being sufficiently related and ancillary to the permitted uses. The SSD would meet the requirements of Section 4.38(3) of the EP&A Act, and therefore consent may be granted despite the development being partly prohibited.</p>
Other approvals	<p>The following approvals and / or licences are likely to be required to facilitate the development:</p> <ul style="list-style-type: none"> • Roads Act 1993. • Local Government Act 1993 – sewage. • Hunter water. • Environmental Protection Licence for operation of a sewage treatment system It is not anticipated that an approval under the EPBC Act would be required. • Utilities (Electricity, Telco, Gas etc. as required) • Liquor license <p>The following approvals could potentially be required for the development if it were not SSD:</p> <ul style="list-style-type: none"> • Aboriginal Heritage Impact Permit (AHIP) under section 90 of the National Parks and Wildlife Act 1974. • Bushfire Safety Authority under Section 100B of the Rural Fires Act 1997.

5.2 ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION ACT 1999 (CTH)

The *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* (**EPBC Act**) is the Commonwealth Government's central piece of environmental legislation. It provides a legal framework to protect and manage nationally and internationally important flora, fauna, ecological communities, and heritage places, defined in the EPBC Act as Matters of National Environmental Significance (MNES). Under the EPBC Act, it is an offence, without an approval under the Act, take an action that has, will have or is likely to have, a significant impact on a MNES. These MNES are listed as:

- The world heritage values of a declared World Heritage property.
- The ecological character of a declared Ramsar wetland.
- A threatened species or endangered community listed under the Act.
- A migratory species listed under the Act.
- The environment in a Commonwealth marine area or on Commonwealth land.

Given the modified nature of the site as a result of previous land clearing and farming uses, it is considered highly unlikely that the site would contain any MNES. Notwithstanding, it is acknowledged that an Ecological Assessment would be required as part of the SSDA to confirm there would be no unacceptable impact on any MNES.

5.3 ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

The EP&A Act provides the framework for environmental planning and development approvals and includes provisions to ensure that the potential environmental impacts of a development are assessed and considered in the decision-making process. Section 4.36(2) of the EP&A Act provides that:

State environmental planning policy may declare any development, or any class or description of development, to be State significant development.

The proposed development has been identified as SSD under the SRD SEPP as outlined in Section 5.18 of this report. Section 4.12(8) of the EP&A Act stipulates that:

A development application for State significant development or designated development is to be accompanied by an environmental impact statement prepared by or on behalf of the applicant in the form prescribed by the regulations.

Accordingly, an Environmental Impact Statement (**EIS**) would be prepared in support of the SSDA. As outlined in Section 3.3 of this report, the proposal includes some land uses which are not currently permitted in the RU4 – Primary Production Small Lots zoning applying across the site under the Cessnock LEP. To address the permissibility restrictions, and considering the significance of the proposal, it is proposed to utilise Section 4.38 of the EP&A Act. Relevantly, section 4.38(3) provides as follows:

Development consent may be granted despite the development being partly prohibited by an environmental planning instrument.

Accordingly, development consent may be granted for the proposed SSD despite the development being partly prohibited by an EPI. In this respect, the key uses proposed are permitted with consent in the RU4 zone applying across the site, with the balance of uses being complementary and ancillary to the permitted uses. Refer to Section 5.19 of this report for further discussion, including a detailed breakdown of the CIV for each component of the proposed development. The application for SSD would comprise a Concept Development Application, for all built elements and land uses pursuant to Part 4 of the EP&A Act.

5.4 ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2000

The *Environmental Planning and Assessment Regulation 2000* (**EP&A Regulation**) prescribes requirements for an EIS in Schedule 2. Pursuant to Schedule 2 Clause 3, prior to an EIS being prepared, a written application must be made to obtain SEARs. This report will form part of the application for the request for SEARs.

5.5 BIODIVERSITY CONSERVATION ACT 2016 AND BIODIVERSITY CONSERVATION REGULATION 2017

The *Biodiversity Conservation Act 2016* (**BC Act**) and *Biodiversity Conservation Regulation 2017* (**BC Regulation**) aim to maintain a healthy, productive, and resilient environment for the greatest well-being of the community, now and into the future, consistent with the principles of ecologically sustainable development. Part 7 of the BC Act and Regulation relate to biodiversity assessment and approvals under the EP&A Act. Pursuant to Section 7.2(1) of the BC Act, development or an activity is likely to significantly affect threatened species if:

- (a) *it is likely to significantly affect threatened species or ecological communities, or their habitats, according to the test in section 7.3, or*
- (b) *the development exceeds the biodiversity offsets scheme threshold if the biodiversity offsets scheme applies to the impacts of the development on biodiversity values, or*
- (c) *it is carried out in a declared area of outstanding biodiversity value.*

With respect to Subclauses (b) and (c) under Section 7.2(1) of the BC Act, it is relevant to refer to the BC Regulation. Pursuant to Clause 7.1 of the BC Regulation, proposed development exceeds the biodiversity offsets scheme threshold for the purposes of Part 7 of the BC Act if it involves:

- (a) *the clearing of native vegetation of an area declared by clause 7.2 as exceeding the threshold, or*
- (b) *the clearing of native vegetation, or other action prescribed by clause 6.1, on land included on the Biodiversity Values Map published under clause 7.3.*

Any development that exceeds the biodiversity offsets scheme threshold would trigger the requirement for a Biodiversity Development Assessment Report (**BDAR**). Notwithstanding the above, Section 7.9 relates to biodiversity assessment for State significant development or infrastructure, and stipulates as follows:

- (1) *This section applies to—*
- (a) *an application for development consent under Part 4 of the Environmental Planning and Assessment Act 1979 for State significant development, and*
 - (b) *an application for approval under Division 5.2 of the Environmental Planning and Assessment Act 1979 to carry out State significant infrastructure.*
- (2) *Any such application is to be accompanied by a biodiversity development assessment report unless the Planning Agency Head and the Environment Agency Head determine that the proposed development is not likely to have any significant impact on biodiversity values.*
- (3) *The environmental impact statement that accompanies any such application is to include the biodiversity assessment required by the environmental assessment requirements of the Planning Agency Head under the Environmental Planning and Assessment Act 1979.*

While much of the site has been previously cleared, some remnant vegetation remains along McDonalds Road and Broke Road. In addition, a small portion of the south-eastern corner of Lot 141 DP 755255 is mapped as comprising 'biodiversity value' in the Biodiversity Values Map Values map (shaded purple in Figure 11 below). The proposal would retain and protect most of the vegetation within the site, including the entire area mapped as comprising 'biodiversity value.' Ecological investigations are underway, inclusive of vegetation mapping across the site, and would be reported as part of the SSDA. Given the site history and the minor extent of significant vegetation proposed to be cleared, it is anticipated that a BDAR Waiver would be sought.

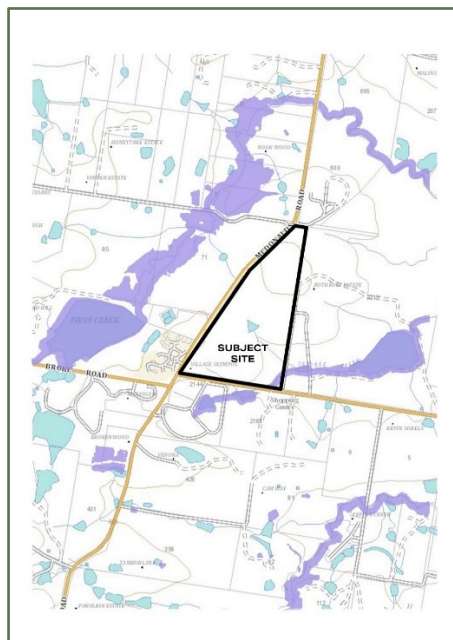


Figure 11: Vegetation Mapping of Site (Source: NSW planning Portal 2022)

5.6 HUNTER WATER ACT 1991

Cessnock City Council is identified within the Hunter Water Corporation (**HWC**) Operation area and HWC is considered the relevant water supply Authority. Under Division 7 of the Hunter Water Act new development under Part 4 of the EP&A Act requires application for a compliance certificate under Section 49, for approval to complete construction works and connect to the HWC network. Preliminary enquiries have been made with HWC and further detail will be provided within the EIS to satisfy the requirements of this Act.

5.7 LOCAL GOVERNMENT ACT 1993

The *Local Government Act 1993* provides the legal framework and systems of local government in NSW, and it confirms its role as an approval authority for certain activities and functions. Consideration of Chapter 6, Part 3, Division 2, confirms that as the site forms part of the land with the operations of Hunter Water Corporation (Hunter Water Act 1991), Council are not the authority for water supply works, in accordance with section 56(1)(b).

Under Chapter 7, Part 1, Section 68, Part C requires consideration as the site is not connected to reticulated sewerage system. Part C5 and C6 require consideration, as an on-site wastewater management system will be required. Should the generation of waste be less than 750kL per day, consent will be required from Cessnock City Council under Section 68 based on Section 68A Meaning of "operate a system of sewerage management".

Investigations and calculations will be completed as part of the EIS to confirm the approval requirements pursuant to this Act.

5.8 NATIONAL PARKS AND WILDLIFE ACT 1974

The *National Parks and Wildlife Act 1974* (**NPW Act**) aims to conserve nature and cultural heritage, including (but not limited to) places, objects, and features of significance to Aboriginal people. Pursuant to Part 6, it is an offence to harm an Aboriginal object or place, unless an Aboriginal Heritage Impact Permit (**AHIP**) has first been obtained under section 90 of the NPW Act. An AHIP may be issued by the Chief Executive in relation to a specified Aboriginal object, Aboriginal place, land, activity, or person. It is noted that, pursuant to Section 4.41 of the EP&A Act, an AHIP is not required for SSD.

Notwithstanding, it is acknowledged that an Aboriginal Cultural Heritage Assessment Report (**ACHAR**) will be required as part of the SSDA to confirm whether the site contains any Aboriginal places, objects, or features that would be affected by the proposed development. Consultation with Registered Aboriginal Parties is ongoing and will inform the scope of the ACHAR.

5.9 PROTECTION OF THE ENVIRONMENT OPERATIONS ACT 1997

Schedule 1 of the *Protection of the Environment Operations Act 1997* (**POEO Act**) contains a core list of activities that require an Environmental Protection Licence (**EPL**) before they may be carried out. Clause 5 of Schedule 1 lists 'brewing and distilling' as a scheduled activity if it has a capacity to produce more than 30 tonnes of alcohol or alcoholic products per day or 10,000 tonnes of alcohol or alcoholic products per year. The proposal distillery and micro-brewery will produce less than the above threshold. Accordingly, the nature of the works

proposed on the subject site are not prescribed in Schedule 1 of the POEO Act 1997 and an EPL is not required.

Under Clause 36 of Schedule 1, the operation of a sewage treatment system (including the treatment works, pumping stations, sewage overflow structures and the reticulation system) that involve the discharge of wastes or by-products to land or waters that has a processing capacity that exceeds 2,500 persons equivalent or 750kl per day is a scheduled activity and triggers the requirement for an EPL.

Preliminary wastewater generation estimates prepared for the project indicate that the relevant thresholds are not likely to be exceeded, meaning an EPL will not be required. It is acknowledged that a comprehensive wastewater report prepared by a suitably qualified and experienced environmental wastewater consultant will be prepared in support of the EIS. The report will be prepared in consultation with the NSW Environmental Protection Authority (EPA) to determine an appropriate solution for the development.

For the avoidance of doubt, none of the other proposed uses or activities are listed in Schedule 1 as 'scheduled activities' for the purpose of the POEO Act.

5.10 ROADS ACT 1993

The *Roads Act 1993* (**Roads Act**) regulates the opening, closing, and carrying out of various activities on public roads, and confers certain functions on Transport for New South Wales (**TfNSW**) and on other roads authorities. Pursuant to Section 138 of the Roads Act, consent is required to carry out any of the following, and where in relation to a classified road, the concurrence of TfNSW is also required:

- (a) *erect a structure or carry out a work in, on or over a public road, or*
- (b) *dig up or disturb the surface of a public road, or*
- (c) *remove or interfere with a structure, work, or tree on a public road, or*
- (d) *pump water into a public road from any land adjoining the road, or*
- (e) *connect a road (whether public or private) to a classified road.*

It is acknowledged that the Roads Act would need to be addressed as part of the SSDA, through a detailed Traffic Assessment Report. While Broke Road is currently a regional road, it directly connects to the state road network and, at the time of writing, it has been nominated for reclassification as a State Road. A formal meeting with TfNSW was held in November 2019. Further consultation with TfNSW in relation to the project, including any required external improvement works, will be undertaken during preparation of the EIS.

5.11 RURAL FIRES ACT 1997

The *Rural Fires Act 1997* (**Rural Fires Act**) aims to prevent, mitigate, and suppress bushfires to protect people, infrastructure, and the environment.

Pursuant to Section 100B, a Bush Fire Safety Authority is required for residential (or rural residential) subdivision and/or development for Special Fire Protection Purposes on bushfire prone land. Special Fire Protection Purposes include the following:

- (i) *a school,*
- (ii) *a childcare centre,*
- (iii) *a hospital (including a hospital for the mentally ill or mentally disordered),*

- (iv) a **hotel, motel, or other tourist accommodation**,
- (v) a building wholly or principally used as a home or other establishment for mentally incapacitated persons,
- (vi) seniors housing within the meaning of State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004,
- (vii) a group home within the meaning of State Environmental Planning Policy No 9—Group Homes,
- (viii) a retirement village,
- (ix) any other purpose prescribed by the regulations.

The site comprises designated bushfire prone land based on both NSW Rural Fire Service (**RFS**) and Council Bushfire Prone Land Maps (refer extract at **Figure 12**). The proposal includes development for Special Fire Protection Purposes, being hotel, motel, and other tourist accommodation. It is noted that, pursuant to Section 4.41 of the EP&A Act, a Bushfire Safety Authority is not required for SSD. Notwithstanding, it is acknowledged that a Bushfire Assessment would be required to support the SSDA. The assessment would be prepared in consultation with the RFS.

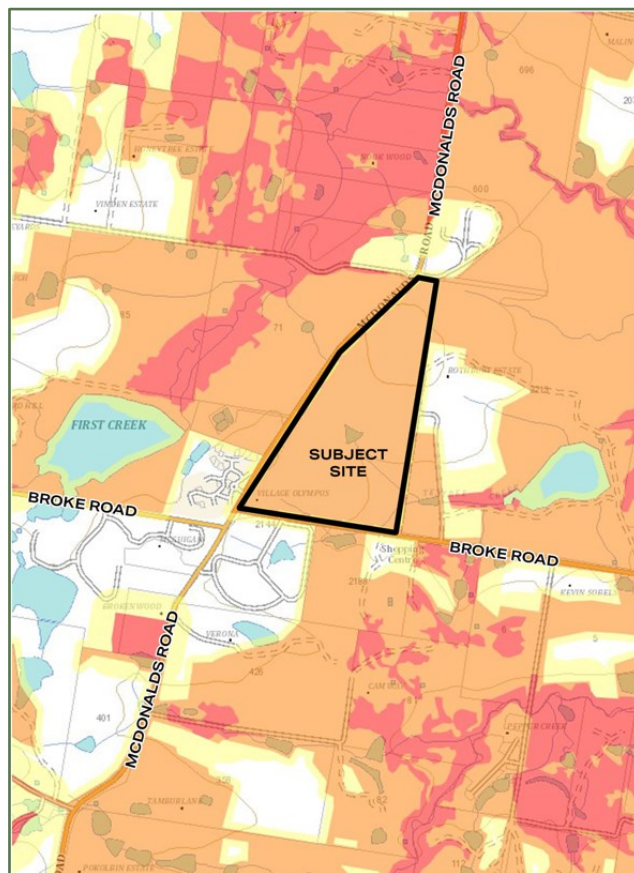


Figure 12: Bushfire Mapping of Site (Source: NSW Planning Portal 2022)

5.12 WATER MANAGEMENT ACT 2000

The *Water Management Act 2000* (**Water Management Act**) aims to provide for the sustainable and integrated management of the water sources of the State for the benefit of both present and future generations.

Section 91 relates to Activity Approvals and outlines that a Controlled Activity Approval confers a right on its holder to carry out a specified controlled activity at a specified location in, on or under waterfront land. For the purposes of the Water Management Act, 'controlled activity' means:

- (a) the erection of a building or the carrying out of a work (within the meaning of the Environmental Planning and Assessment Act 1979), or
- (b) *the removal of material (whether or not extractive material) or vegetation from land, whether by way of excavation or otherwise, or*
- (c) *the deposition of material (whether or not extractive material) on land, whether by way of landfill operations or otherwise, or*
- (d) *the carrying out of any other activity that affects the quantity or flow of water in a water source.*

'Waterfront land' means:

- (a) *the bed of any river, together with any land lying between the bed of the river and a line drawn parallel to, and the prescribed distance inland of, the highest bank of the river, or*
- (b) *the bed of any lake, together with any land lying between the bed of the lake and a line drawn parallel to, and the prescribed distance inland of, the shore of the lake, or*
- (c) *the bed of any estuary, together with any land lying between the bed of the estuary and a line drawn parallel to, and the prescribed distance inland of, the mean high-water mark of the estuary, or*
- (d) *if the regulations so provide, the bed of the coastal waters of the State, and any land lying between the shoreline of the coastal waters and a line drawn parallel to, and the prescribed distance inland of, the mean high-water mark of the coastal waters,*

where the prescribed distance is 40 metres or (if the regulations prescribe a lesser distance, either generally or in relation to a particular location or class of locations) that lesser distance. Land that falls into 2 or more of the categories referred to in paragraphs (a), (a1) and (a2) may be waterfront land by virtue of any of the paragraphs relevant to that land.

2

Although the planning layers map three watercourses (see **Figure 13**), site inspection and NRAR assessment indicated that only one of the mapped watercourses meets the definition under the act.

It is noted that, pursuant to Section 4.41 of the EP&A Act, an activity approval is not required for SSD. Notwithstanding, for impact assessment purposes, NRAR Waterfront Land Assessment Inspection Records have been prepared for each mapped watercourse. The reports confirm that two of the mapped watercourses do not meet the definition of a 'watercourse,' and no works are proposed within 40 metres of the high bank of the remaining watercourse. As such, even if the proposal was not SSD, a Controlled Activity Approval would not be required. Notwithstanding, it is acknowledged that a Stormwater Management Plan and Flood Assessment Report would be required to support the SSDA.

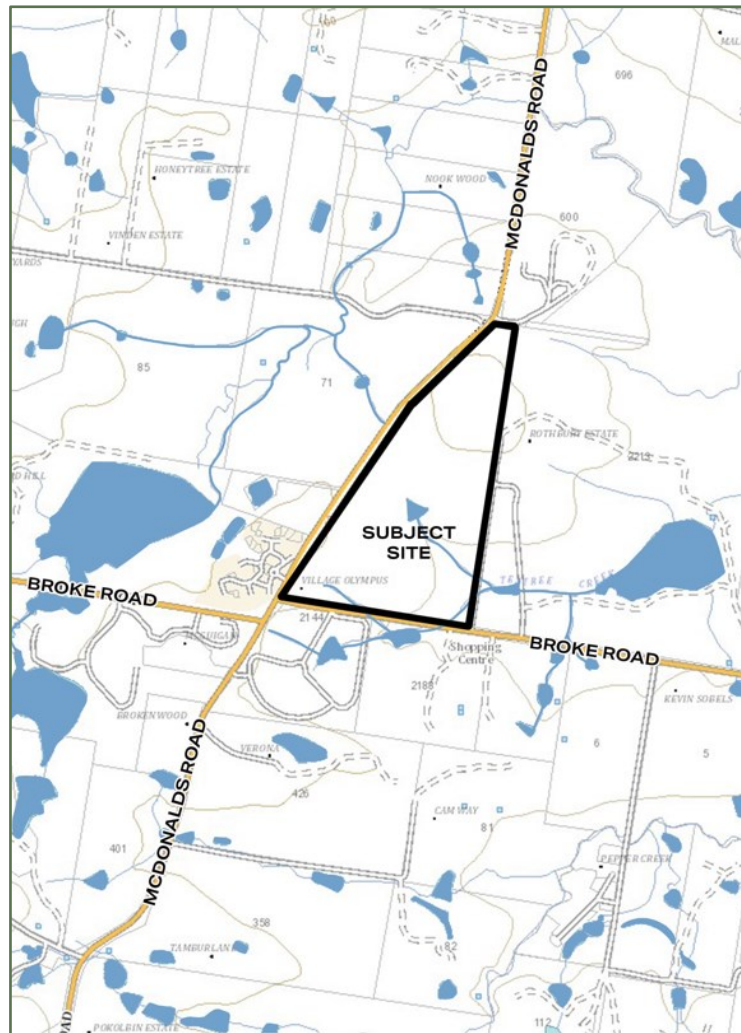


Figure 13: Water Courses (Source: NSW Planning Portal 2022)

5.13 STATE ENVIRONMENTAL PLANNING POLICY (INFRASTRUCTURE) 2007

State Environmental Planning Policy (Infrastructure) 2007 (Infrastructure SEPP) aims to facilitate the effective delivery of infrastructure across NSW. The Infrastructure SEPP provides for certain proposals, known as Traffic Generating Development, to be referred to TfNSW for concurrence. Schedule 3 lists the types of development that are defined as Traffic Generating Development. It is anticipated that the Traffic Generating thresholds would be exceeded and referral to TfNSW would be required. A formal meeting with TfNSW was held in November 2019.

Further consultation with TfNSW in relation to the project, including any required external improvement works, will be undertaken during preparation of the EIS, along with preparation of a Traffic Impact Assessment.

5.14 STATE ENVIRONMENTAL PLANNING POLICY (KOALA HABITAT PROTECTION) 2021

State Environmental Planning Policy (Koala Habitat Protection) 2020 (Koala SEPP) aims to encourage the appropriate conservation and management of areas of natural vegetation that provide habitat for koalas to support a permanent free-living population over their present range and reverse the current trend of koala population decline. The Koala SEPP applies to Local Government Areas (LGAs) listed in Schedule 1, which includes the Cessnock Local Government Area. Part 2 of SEPP KHP 2021 provides for the development assessment process for koala habitat.

Cessnock City Council has not prepared a Koala Plan of Management in accordance with Part 3 of the Koala SEPP. Clause 11 of Part 2 of the Koala SEPP provides for the development assessment process for koala habitat where there is no approved koala plan of management for land. It only applies to land with an area of more than 1 hectare, which includes the site.

Pursuant to Clause 11 of the Koala SEPP, the council must assess whether the development is likely to have any impact on koalas or koala habitat. It is acknowledged that an Ecological Assessment would be required as part of the SSDA to determine the presence of any koalas or koala habitat within the site and confirm there would be no unacceptable impact on any such habitat. Notwithstanding the requirement for further assessment, given the highly modified and cleared nature of the site and history of agricultural and development activities, it is considered unlikely that the site would provide koala habitat.

5.15 STATE ENVIRONMENTAL PLANNING POLICY NO 33—HAZARDOUS AND OFFENSIVE DEVELOPMENT

State Environmental Planning Policy No. 33 – Hazardous and Offensive Development (SEPP 33) defines and outlines provisions for hazardous, potentially hazardous, offensive, and potentially offensive industry, as well as hazardous and offensive storage establishments. The future development is unlikely to be subject to the provisions of SEPP 33, considering the land uses that are proposed.

5.16 STATE ENVIRONMENTAL PLANNING POLICY NO. 55 – REMEDIATION OF LAND

SEPP 55 requires that land contamination be considered whenever a planning authority considers a development where the new use may increase risk from contamination if it is present. This means that the consent authority must routinely consider whether land is suitable for a proposed use in terms of the risk from contamination.

The policy states that land must not be developed if it is unsuitable for a proposed use because it is contaminated. If the land is unsuitable, remediation must take place before the land is developed. 'Managing Land Contamination Planning Guidelines SEPP 55–Remediation of Land' provides a decision-making framework to assist authorities carrying out planning functions under the EP&A Act 1979 and guidance for proponents pursuing a rezoning, development consent or modification under the Act. In the case of the subject application, the planning authority is to consider whether the land is suitable or can and will be made suitable through remediation.

It is acknowledged that a Phase 1 Environmental Site Investigation would be required to support the SSDA for the site, with further assessment requirements and any required remediation to be addressed therein.

5.17 STATE ENVIRONMENTAL PLANNING POLICY NO 64—ADVERTISING AND SIGNAGE

State Environmental Planning Policy No 64—Advertising and Signage (SEPP 64) aims to regulate the quality and positioning of signage, including advertising. It applies to all signage within NSW that is permissible with or without development consent under another environmental planning instrument, and that is visible from any public place.

Pursuant to Clause 3, as relevant to the project, the SEPP 64 aims:

- (a) *to ensure that signage (including advertising):*
 - (i) *is compatible with the desired amenity and visual character of an area, and*
 - (ii) *provides effective communication in suitable locations, and*
 - (iii) *is of high-quality design and finish.*

Any signage proposed as part of the SSDA will be sited and designed having regard to the provisions, aims and objectives of SEPP 64. The relevant provisions of this SEPP, including the assessment criteria in Schedule 1, will be addressed in the EIS.

5.18 STATE ENVIRONMENTAL PLANNING POLICY (STATE AND REGIONAL DEVELOPMENT) 2011

The overarching purpose of the development, and the capital investment value, are conducive to a State Significant Development (SSD) under the circumstances. It is deemed the proposal would be captured as SSD being 'cultural, recreation and tourist facility' as described in Schedule 1 of *State Environmental Planning Policy (State and Regional Development) 2011* as provided below:

- (1) *Development that has a capital investment value of more than \$30 million for any of the following purposes—*
 - (a) *film production, the television industry or digital or recorded media,*
 - (b) *convention centres and exhibition centres,*
 - (c) *entertainment facilities,*
 - (d) *information and education facilities, including museums and art galleries,*
 - (e) *recreation facilities (major),*
 - (f) *zoos, including animal enclosures, administration and maintenance buildings, and associated facilities.*

As provided in Clause 8 of SEPP (State and Regional Development) 2011, the proposal is declared to be SSD given the proposal is not permissible without consent and meets the criteria of a development under Schedule 1. Details pertaining to the CIV are discussed further Section 6 this report.

5.19 CESSNOCK LOCAL ENVIRONMENTAL PLAN 2011

The Subject Site, along with several other adjoining and nearby key viticultural and tourist related developments, is currently situated in RU4 Primary Production Small Lots Zone under the Cessnock Local Environmental Plan 2011 (CLEP) as Shown in **Figure 14**.

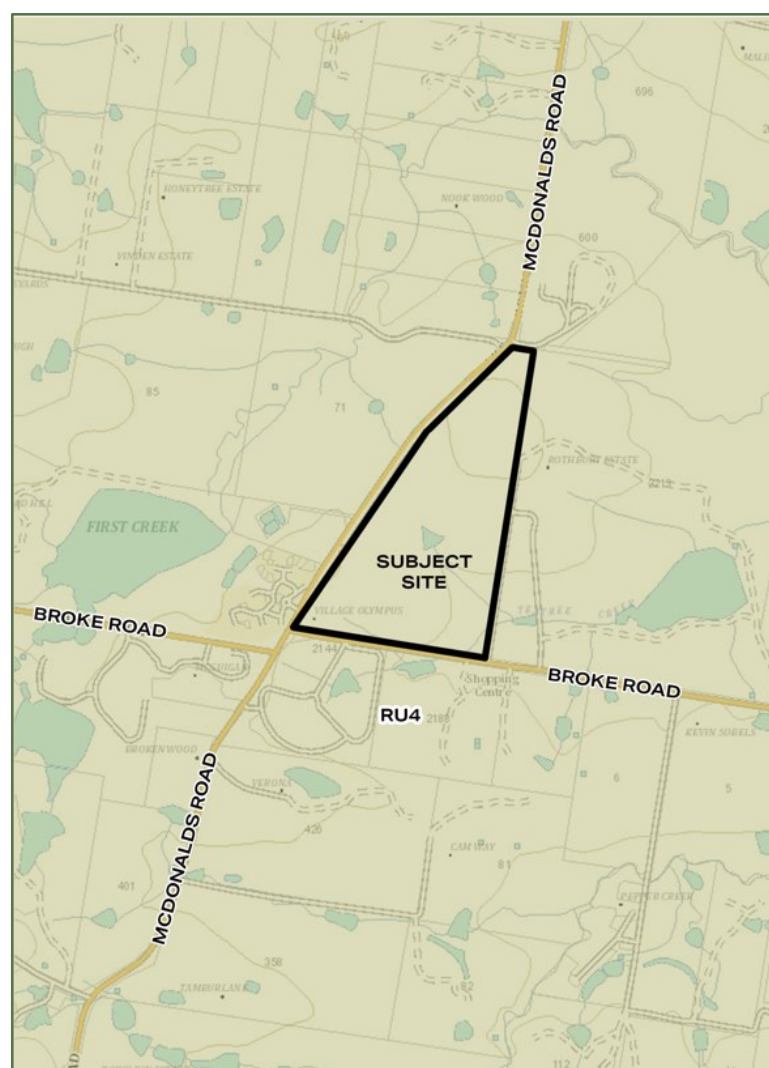


Figure 14: Zoning (Source: NSW Planning Portal 2022)

The objectives of the zone are as follows:

- *To enable sustainable primary industry and other compatible land uses.*
- *To encourage and promote diversity and employment opportunities in relation to primary industry enterprises, particularly those that require smaller lots or that are more intensive in nature.*
- *To minimise conflict between land uses within this zone and land uses within adjoining zones.*
- *To maintain prime viticultural land and enhance the economic and ecological sustainability of the vineyards district.*
- *To encourage appropriate tourist development (including tourist-related retail) that is consistent with the rural and viticultural character of the vineyards district.*
- *To enable the continued rural use of land that is complementary to the viticultural character of the land.*

Importantly, investigations undertaken show the subject land to have limited value as viticultural land and is therefore not considered to be prime viticultural land. The proposed development is deemed consistent with the objectives of the zone.

Permissibility is discussed in Section 3.

Development standards and other provisions relevant to the proposal are summarised within the table below.

PROVISION	CONSIDERATION
Clause 5.21 - Flood planning	The flood planning area is defined under the <i>Floodplain Development Manual</i> as 'the area below the Flood Planning Level and thus subject to flood related development controls.' Parts of the site are affected by the 1 in 100-year flood, which constitute a 'flood planning area' and therefore this clause would apply. A Stormwater Management Plan and Flood Assessment Report would be required to support the SSDA and would address the requirements of this clause.
Clause 7.2 - Earthworks	Detailed civil plans, geotechnical reporting and an Aboriginal Heritage Assessment would be required to support the SSDA and would address the requirements of this clause.
Clause 7.4 - Airspace operations	The site is not identified as being Airspace Affected Land.
Clause 7.5 - Development in areas subject to airport noise	The site is not identified on the Noise Exposure Forecast Map as being subject to a noise exposure contour shown as an ANEF contour.
Clause 7.6 - Tourist and visitor accommodation in certain rural and environmental zones	The site has an area more than 10 hectares and therefore complies with this clause.

5.20 CESSNOCK DEVELOPMENT CONTROL PLAN 2010

Cessnock Development Control Plan (**CDCP**) 2010 provides detailed provisions to guide development that requires Council approval. However, Clause 11 of the SEPP SRD 2011SEPP provides that:

Development control plans (whether made before or after the commencement of this Policy) do not apply to:

(a) *State significant development*

Accordingly, CDCP 2010 would carry no weight in the assessment due to the proposal being SSD.

6. MATTERS AND IMPACTS

The Scoping Worksheet prepared by DPE was used to determine the key environmental matters requiring detailed assessment in the EIS, and those matters which will not require further detailed assessment. It is noted that as part of the EIS a comprehensive analysis of impacts will be provided in accordance with the appropriate guidelines and provisions. A summary of the Scoping Worksheet is detailed in the table below, describes the potential impact of the key matters identified and how further assessment will be undertaken during the EIS.

A screening analysis of the environmental issues applicable to the proposal is presented below. This risk-based analysis has been used to assist with the preparation of SEARs for the proposed development by identify the key environmental issues requiring further assessment and those matters that require no further assessment.

6.1 MATTERS REQUIRING FURTHER ASSESSMENT IN THE EIS

The analysis is based on preliminary environmental assessment of the site only. The EIS would fully address these items and other environmental issues relevant to the proposal, supported by technical input where required. In preparation of the EIS and supported documentation, consideration will also be given to the surrounding land uses and any cumulative impacts will be considered.

GROUP	SPECIFIC MATTERS	COMMENT
Access	Access to property	The proposed development has the potential to generate significant levels of traffic, with potential impacts on the surrounding local, regional and state road network. Traffic generation, access arrangement, parking, and servicing, would be addressed within a detailed Traffic Impact Assessment as part of the SSDA. The assessment would address the following key matters: <ul style="list-style-type: none"> • Details of road transport routes and access to the site.
	Traffic and parking	
	Road and rail facilities	

GROUP	SPECIFIC MATTERS	COMMENT
		<ul style="list-style-type: none"> Road traffic predictions for the development during construction and operation. Swept path diagrams depicting vehicles entering, exiting, and manoeuvring throughout the site. An assessment of impacts to the safety and function of the road network and the details of any road upgrades required for the development. <p>The assessment would be prepared having regard to relevant government guidelines and policies, including but not limited to the following:</p> <ul style="list-style-type: none"> Guide to Traffic Generating Developments Version 2.2 (RTA, 2002). Relevant Australian Standards. Relevant council Guidelines. <p>Discussions with TfNSW and Council are ongoing in relation to the traffic implications of the project.</p>
Amenity	Noise	<p>The vast size of the site allows for separation of activities from the nearest sensitive receivers. Notwithstanding, certain components of the proposed development, including the outdoor function and exhibition spaces and traffic generated, have the potential to result in adverse acoustic impacts.</p> <p>A detailed noise impact assessment would form part of the EIS, with appropriate mitigation measures incorporated into the design and operation as required. The assessment would address the following key matters:</p> <ul style="list-style-type: none"> A description of all potential noise sources during construction and operation, including road traffic noise A noise assessment in accordance with the relevant Environment Protection Authority guidelines, including cumulative acoustic impacts (i.e., events on nearby properties). A description and appraisal of noise mitigation and monitoring measures. <p>The assessment would be prepared having regard to relevant government guidelines and policies, including but not limited to the following:</p> <ul style="list-style-type: none"> Construction Noise Strategy (Transport for NSW, 2012). Interim Construction Noise Guideline (Department of Environment, Climate Change and Water, 2009). NSW Industrial Noise Policy (Environment Protection Authority, 2000).

GROUP	SPECIFIC MATTERS	COMMENT
	<p>Odour</p>	<ul style="list-style-type: none"> NSW Road Noise Policy (Environment Protection Authority, 2011). <p>The vast size of the site allows for separation of activities from the nearest sensitive receivers.</p> <p>Notwithstanding, certain components of the proposed development (particularly the micro-brewery) have the potential to result in adverse odour emissions. An odour impact assessment would form part of the EIS, with appropriate mitigation measures incorporated into the design and operation as required.</p> <p>The assessment would address the following key matters:</p> <ul style="list-style-type: none"> A description of all potential odour sources during construction and operation An odour assessment in accordance with the relevant Environment Protection Authority guidelines A description and appraisal of odour mitigation and monitoring measures. <p>The assessment would be prepared having regard to relevant government guidelines and policies, including but not limited to the following:</p> <ul style="list-style-type: none"> Technical framework: Assessment and management of odour from stationary sources in NSW
	<p>Visual</p>	<p>The proposal would result in the introduction of additional built form in an area of high rural amenity, potentially resulting in direct and cumulative impacts in a sensitive visual environment.</p> <p>A detailed Landscape and Visual Impact Assessment, supported by 3D renders and photomontages, would be prepared in support of the EIS. The assessment would assess the sensitivity and value of the site's visual context and consider the potential direct and cumulative impacts of the proposal from a range of viewpoints.</p> <p>The assessment would be prepared in accordance with relevant Council requirements and character guidelines for the vineyards district.</p>
<p>Biodiversity</p>	<p>Conservation areas</p>	<p>The site is identified as comprising a small area of 'biodiversity value' in the Biodiversity Values Map and contains some remnant vegetation along McDonalds Road and Broke Road. Notwithstanding, most of the site has been significantly disturbed in association with previous farming uses.</p>
	<p>Terrestrial flora and fauna</p>	<p>Accordingly, it is anticipated that a BDAR Waiver would be sought, subject to the ecological investigations which are underway. The assessment supporting the waiver request would address the following key matters:</p>
	<p>Aquatic flora and fauna</p>	<ul style="list-style-type: none"> A description of any potential vegetation clearing needed to undertake the proposal.

GROUP	SPECIFIC MATTERS	COMMENT
		<ul style="list-style-type: none"> A detailed assessment of the potential impacts on any threatened species, populations, endangered ecological communities or their habitats, groundwater dependent ecosystems and any potential for offset requirements. <p>The assessment would be prepared having regard to relevant government guidelines and policies, as well as the following legislation:</p> <ul style="list-style-type: none"> Environment Protection and Biodiversity Conservation Act 1999 (Cth). Biodiversity Conservation Act 2016. Biodiversity Conservation Regulation 2017. State Environmental Planning Policy (Koala Habitat Protection) 2021.
Built environment	Private property	Removal of the existing dwellings and infrastructure will be addressed as part of the EIS.
	Public land	Any infrastructure and considerations raised in the SEARs will be identified and addressed as part of the EIS.
	Public infrastructure	<p>A servicing strategy would be formulated as part of the EIS. Consultation with Ausgrid is ongoing.</p> <p>All necessary measures would be incorporated in the design to ensure the protection of the existing infrastructure and services.</p>
	Design quality	<p>The EIS would address the height, density, bulk, and scale of the proposed development within the context of the site and surrounding locality. The proposal would clearly demonstrate how the design and layout achieve a prominent level of functionality and amenity for the various future users and surrounding properties, and how the proposal integrates with the local environment.</p> <p>Architectural and landscape design would respond to the visual character of the site, and would achieve visual interest whilst being sympathetic to, and respectful, of the rural amenity and the character of the locality.</p>
Economic	Natural resource use	A quantity surveyor has estimated the total CIV for the proposed development at \$192 million with a significant benefit to the region upwards of \$140 million identified within the local and regional economy. Preliminary research and cost benefit analysis undertaken by MacroPlan found that the proposal would result in several quantitative and qualitative economic benefits. These include notable local job creation in both the construction and operational phases, creation of a stronger tourism offering, a more diverse economic base, the benefits of training and knowledge sharing and the promotion of the overall profile of the Hunter Valley region, locally and internationally.
	Livelihood	
	Opportunity cost	<p>An economic assessment provided to the applicant by Council has indicated this development alone will provide to the local and regional economy:</p>

GROUP	SPECIFIC MATTERS	COMMENT
		<ul style="list-style-type: none"> The construction will cause an additional \$79.4 million in output due to the supply chain and \$21.1 million due to the consumption effects, making the total output increase by up to \$207.5 million. The creation of 500 jobs during the construction phase and 344 indirect jobs within the supply chain. The project is estimated to bring an additional 68,045 visitors to the Hunter region, resulting in an additional \$33 million per annum in tourism related expenditure. This will result in an additional 235 tourism related jobs being created. <p>A formal economic analysis would form part of the EIS.</p>
Hazards and risks	Bushfire	<p>The site comprises designated bushfire prone land.</p> <p>A Bushfire Assessment would be required to support the SSDA. The assessment would be prepared having regard to relevant government guidelines, policies and legislation including:</p> <ul style="list-style-type: none"> Planning for Bush Fire Protection 2019 (RFS). Rural Fires Act <p>The assessment would also consider any recommendations in the biodiversity assessment, including vegetation retention.</p>
	Dams safety	<p>Dam wall not 15m and is a dam of low significance. No further assessment is considered to apply.</p>
	Flooding	<p>Parts of the site are affected by the 1 in 100-year flood.</p> <p>A Stormwater Management Plan and Flood Assessment Report would be required to support the SSDA, with flooding and stormwater to be managed accordingly.</p> <p>The flood assessment would address the flood risk at the site and any potential impacts of the proposal on flood behaviour. It would be prepared in accordance with relevant council guidelines and the Floodplain Development Manual 2005.</p>
	Groundwater contamination	<p>A Phase 1 Environmental Site Investigation would be required to support the SSDA for the site, with further assessment requirements and any required remediation to be addressed therein. The investigation would be prepared in accordance with SEPP 55 and the associated Guidelines.</p>
	Land contamination	<p>A Phase 1 Environmental Site Investigation would be required to support the SSDA for the site, with further assessment requirements and any required remediation to be addressed therein. The investigation would be prepared in accordance with SEPP 55 and the associated Guidelines.</p>
	Land movement	<p>A Geotechnical Assessment would be prepared to support the SSDA for the site, with any required remediation to be addressed therein.</p>

GROUP	SPECIFIC MATTERS	COMMENT
	Waste	<p>Waste generated during construction would be managed through a Construction Management Plan that makes provision for waste minimisation, storage, separation, transportation, and off-site disposal.</p> <p>Operational waste would be managed in accordance with an Operational Waste Management Plan.</p> <p>The proposal involves the operation of an on-site sewage treatment system. Preliminary wastewater generation estimates have already been prepared for the project and a comprehensive wastewater report prepared by a suitably qualified and experienced environmental wastewater consultant will be prepared in support of the EIS. The report will be prepared in consultation with the NSW Environmental Protection Authority (EPA) to determine an appropriate solution for the development.</p>
Heritage	Aboriginal	<p>The majority of site has previously been disturbed due to its use for grazing. Notwithstanding, the site does include a natural watercourse and small number of undisturbed vegetated areas.</p> <p>While the proposal seeks to retain and protect most of this area, an Aboriginal Cultural Heritage Assessment Report (ACHAR) will be prepared, and an Unexpected Finds Protocol developed. Consultation with Registered Aboriginal Parties is ongoing and will inform the scope of the ACHAR.</p>
Land	Stability	<p>Geotechnical Investigations would be undertaken supporting the SSDA and proposed construction methodology.</p>
	Soil chemistry	<p>Bulk earthworks would be designed to minimise the extent of cut and fill and allow the balance of soil to be re-used on-site.</p>
	Land capability	
	Topography	
Social	Way of life	<p>The proposal has the potential to result in several positive social impacts, and no negative social impacts are anticipated.</p> <p>Preliminary research undertaken by MacroPlan found that the proposal would result in the following key social benefits:</p> <ul style="list-style-type: none"> Improved training and education outcomes and knowledge acquisition benefit all visitors and those who attend conferences and events.
	Community	
	Culture	
	Health and wellbeing	
	Surroundings	
	Livelihoods	

GROUP	SPECIFIC MATTERS	COMMENT
	Decision-making systems	<ul style="list-style-type: none"> Increased interest and knowledge in the local Hunter Valley food and beverage (wine, beer, and spirits) offerings and the local agribusiness and manufacturing sectors including wine, beer, and spirits production. Increased capacity to host community and corporate events locally. Improved ability for the local business to elevate their profile and to be part of events and functions e.g., sponsorship etc. Access to a more F&B and function facilities in the Hunter Valley and the ability therefore to host events in the local area for the local community, rather than having to travel further afield; and An additional venue for the entertainment sector for live music and concert performances. <p>A Social Impact Assessment will form part of the EIS to be prepared in accordance with DPE’s Social Impact Assessment Guideline for State Significant Projects (July 2021).</p> <p>In addition, CPTED measures have been integrated into the preliminary design and siting of the development to assist in minimising the incidence of crime and contribute to perceptions of increased public safety. These measures will continue to be implemented as the design progresses.</p> <p>A formal CPTED report would also form part of the EIS. It is envisaged that the development can be appropriately managed to minimise the potential risk of crime and to maximise public safety.</p>
	Accessibility	An Access Statement would be prepared by a qualified Accessibility Consultant to ensure the proposed development would be capable of providing universal access in accordance with relevant standards.
Water	Hydrology	A Stormwater Management Plan and Impacts Assessment would be required to support the SSDA, with and stormwater to be managed accordingly. Matters addressed in the assessment would include:
	Water quality	
	Water availability	<ul style="list-style-type: none"> A description of local soils, topography, drainage, and landscapes. Details of water usage for the proposal including existing and proposed water licencing requirements in accordance

GROUP	SPECIFIC MATTERS	COMMENT
		<p>with the Water Act 1912 and/or the Water Management Act 2000.</p> <ul style="list-style-type: none"> An assessment of potential impacts on floodplain and stormwater management and any impact to flooding in the catchment details of sediment and erosion controls A detailed site water balance An assessment of potential impacts on the quality and quantity of surface and groundwater resources Details of the proposed stormwater and wastewater management systems (including sewage), water monitoring program and other measures to mitigate surface and groundwater impacts Characterisation of the nature and extent of any contamination on the site and surrounding area A description and appraisal of impact mitigation and monitoring measures. <p>During construction, an Erosion and Sediment Control Plan would be implemented to protect the downstream drainage system and receiving waters from sediment-laden runoff.</p>

6.2 MATTERS REQUIRING NO FURTHER ASSESSMENT IN THE EIS

GROUP	SPECIFIC MATTERS	COMMENT
Access	Port and airport facilities	The site is significantly separated from Cessnock Airport and is not mapped as being impacted by airport noise or obstacle surface limitations. Accordingly, no further assessment is considered necessary.
Air	Atmospheric emissions	Due to the nature of the proposed development, it is not anticipated that there would be any unacceptable air quality impacts.
	Gases	
	Particulate matter	During construction, air quality would be managed through appropriate dust mitigation measures incorporated in a Construction Management Plan.
Amenity	Vibration	<p>Due to the nature of the proposed development, it is not anticipated that there would be any unacceptable vibration impacts.</p> <p>During construction, vibration would be managed through appropriate mitigation measures incorporated in a Construction Management Plan.</p>
Hazards and risks	Biosecurity	No aspects of the proposal are considered likely to present a biosecurity hazard.
	Coastal hazards	The site is located outside the NSW Coastal Zone and is not known to be subject to any coastal hazards.
	Dangerous goods	The proposal does not involve the storage of dangerous goods on site.

GROUP	SPECIFIC MATTERS	COMMENT
	Environmental hazards	There are no other known environmental hazards associated with the proposed development.
	Hazardous and offensive development	The future development is unlikely to be subject to the provisions of SEPP 33, considering the land uses that are proposed.
Heritage	Historic	The site is not identified as a heritage item or heritage conservation area, and due to its disturbed nature, is unlikely to support any archaeology items of significance. Therefore, further assessment of European heritage would not be required.
	Natural	The site is not identified as a natural heritage item and is not otherwise known to have any such significance. Therefore, further assessment of natural heritage would not be required.

7. CONSULTATION

7.1 STAKEHOLDER ENGAGEMENT

Ongoing consultation and engagement have been underway since 2019. Stakeholders to date have included:

STAKEHOLDER	DATE	TYPE OF ENGAGEMENT
Cessnock City Council	February 2021	<ul style="list-style-type: none"> Pre-DA Meeting with discussion brief and presentation. Meeting with Tony Chadwick – Economic Development Officer. Meeting with Council Executive
	22 July 2021	
	19 August 2021	
Regional NSW	04 August 2021	<ul style="list-style-type: none"> Online Meeting.
DPE	04 August 2021	<ul style="list-style-type: none"> Online Meeting. Online Meeting. Online Meeting
	10 August 2021	
	23 December 2021	
Registered Aboriginal Parties	14 July 2021	<ul style="list-style-type: none"> Notification of project proposal and registration of interest under Heritage NSW Aboriginal Cultural Heritage Consultation Requirements or Proponents 2010. Information package sent to RAPs inviting registration for interest in the project.
	10 August 2021	
Transport for NSW	27 November 2019	<ul style="list-style-type: none"> Pre-DA Meeting and project brief.
Ausgrid	15 November 2021	<ul style="list-style-type: none"> Preliminary Infrastructure Enquiry.
Community		<ul style="list-style-type: none"> Newspaper articles and news story. Social media posts.

7.2 COMMUNITY VIEWS

As noted in 7.1, there have been various articles, news stories and social media posts in relation to the Cedar Mill Hunter Valley proposal. In addition to these, Cedar Mill Hunter Valley representatives have undertaken informal consultation with a range of stakeholders and representatives of various community and industry groups. The feedback from this preliminary consultation has been encouraging and supportive.

It is noted that a formal stakeholder engagement process will be undertaken as part of the preparation of the EIS.

7.3 ENGAGEMENT TO BE COMPLETED AS PART OF EIS

Based on the overarching support for the development additional stakeholder and community engagement will be completed in the form of:

- Written notification to immediate property owners and noise receptors.
- Further engagement with Registered Aboriginal Parties.
- Public meetings (one - two) on site to share the vision and receive feedback.
- Discussions with Destination NSW.
- Social Media Posts.

8. ECONOMIC ANALYSIS

A quantity surveyor has estimated the total CIV for the proposed development at \$192 million with a significant benefit to the region upwards of \$140 million identified within the local and regional economy. An economic assessment provided to Winarch by Council has indicated this development alone will provide to the local and regional economy:

- The construction will cause an additional \$79.4 million in output due to the supply chain and \$21.1 million due to the consumption effects, making the total output increase by up to \$207.5 million.
- The creation of 500 jobs during the construction phase and 344 indirect jobs within the supply chain.
- The project is estimated to bring an additional 68,045 visitors to the Hunter region, resulting in an additional \$33 million per annum in tourism related expenditure. This will result in an additional 235 tourism related jobs being created.

9. SSD CIV ESTIMATE

The proposed developments that are considered to meet the criteria set-out in Clause 13 (1) of Schedule 1 of SEPP SRD 2011 for which the CIV exceeds \$30 million.

Aplas Group Quantity Surveyors have prepared an estimate of the CIV for the SSD elements consistent with the provisions under Clause 13 (1) of Schedule 1 (refer to **Appendix B**).

The elements included in the CIV consist of the following:

- Museum building, terraces, and landscaping.
- Training Rooms.
- Convention Centre.
- Site Preparation.
- Site Services and Infrastructure.
- Car Parks and Access Roads.
- Broke Road Intersection.
- Planning and Staging.
- Professional, Consulting and Design Fees.

10. CONCLUSION

This Scoping Report has been prepared to gain SEARs for the proposed State Significant Development Application for a cultural and tourist related development proposed over 482 – 542 McDonalds Road Pokolbin.

The information provided confirms the proposal is consistent with the provisions and CIV requirements for consideration under Schedule 1, Clause 13(b), and Clause 13(d) of SEPP SRD 2011. The proposal is consistent with directions under the current Hunter Regional Strategy, identified within the Draft Hunter Regional Strategy and aligned with Local Strategies and investigations compiled by Cessnock City Council.

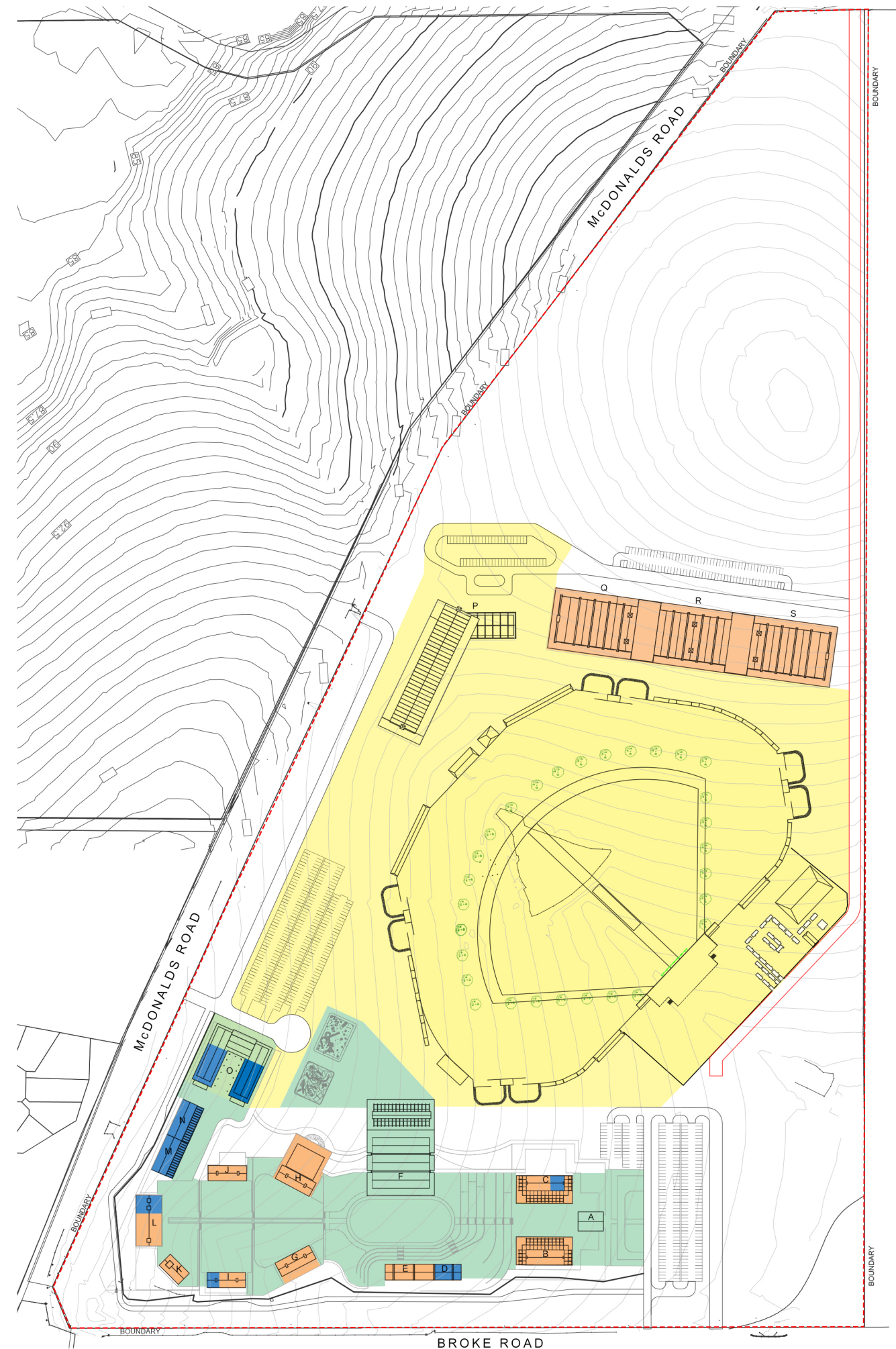
DPE's Scoping Worksheet was used to determine the key environmental matters requiring detailed assessment in the EIS, and those matters which will not require further detailed assessment.

The EIS will be prepared in accordance with DPE's (July 2021) Draft 'Preparing an environmental impact statement' and will address the matters within the SEARs.

On this basis, it requested that DPE issue formal project specific SEARs for the preparation of an EIS for the proposed development. Should you have any further questions regarding this report please contact Rebecca Boesch on 0412 667 552.

APPENDIX A: CLUSTER DIAGRAM & CHARACTERISATION
DIAGRAM

Building	Use
A	Reception + Cafe
B	Restaurant
C	Produce Outlet Cafe
D	Wine Sales
E	Restaurant
F	Wine Museum Wine Function + Cafe
G	Restaurants
H	Restaurants
I	Produce Outlet Restaurant
J	Restaurants
K	Bakery
L	Restaurant Produce Outlet Mezzanine Reception
M	Distillery
N	Brewery
O	Training Rooms Wine Sales Reception
P	Accommodation Convention/Function Reception Dining/Kitchen
Q	Winery Restaurants
R	Winery Restaurants
S	Winery

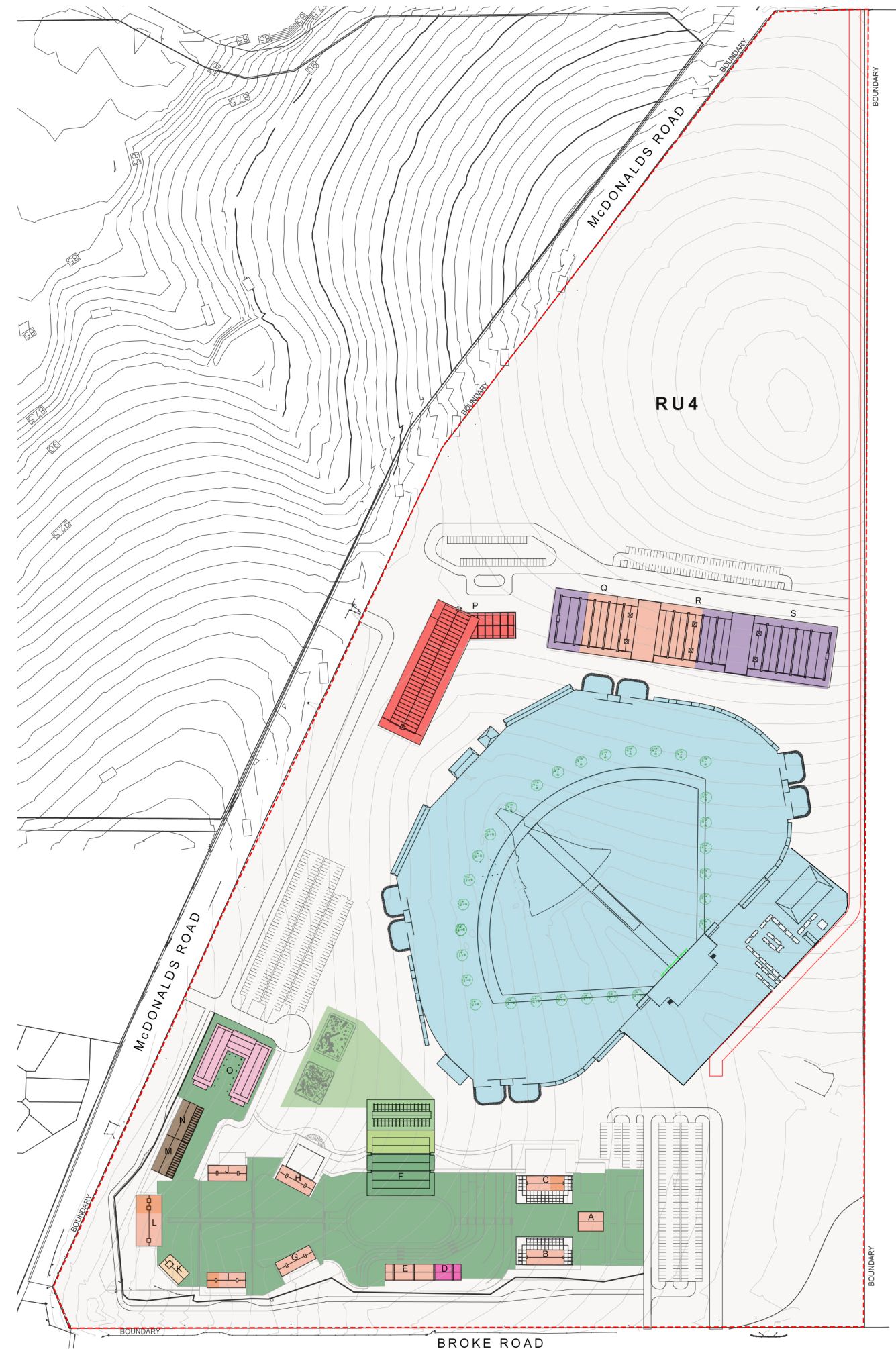


	Zone 1 Museum Cluster
	Zone 2 Convention Cluster
	Zone 3 Tourism Cluster
	Non Permissible Uses

Note: Area of Building where use is not permitted within RU4 Zone. Total area of uses not permitted is 2,350sqm; being 0.57% of RU4 Zone within site and 1.7% of the development clusters within the site.

Note: All Uses noted as Non Permissible are Permitted Uses found within 1km of Subject Site

Building	Use
A	Reception + Cafe
B	Restaurant
C	Produce Outlet Cafe
D	Wine Sales
E	Restaurant
F	Wine Museum Wine Function + Cafe
G	Restaurants
H	Restaurants
I	Produce Outlet Restaurant
J	Restaurants
K	Bakery
L	Restaurant Produce Outlet Mezzanine Reception
M	Distillery
N	Brewery
O	Training Rooms Wine Sales Reception
P	Accommodation Convention/Function Reception Dining/Kitchen
Q	Winery Restaurants
R	Winery Restaurants
S	Winery



Use
 Winery
 Wine Sales - Retail
 Training Rooms
 Wine Museum Cultural & Education Facility
 Wine Museum Function Centre
 Wine Museum Open Space
 Restaurant & Cafes
 Bakery
 Brewery & Distillery
 Outdoor Function & Exhibition Spaces
 Produce Outlet - Retail
 Accommodation - Tourism

APPENDIX B: CIV REPORT

31 January 2022

Winarch Capital
c/- Monteath & Powys
125 Bull Street
Newcastle West NSW 2303

Attention: Andrew Phillips
Email: a.phillips@monteathpowys.com.au

Capital Investment Value (CIV)
Quantity Surveyor's Certificate of Cost
Cedar Mill, Hunter Valley Cultural Tourism & Convention Centre
482-542 McDonalds Road, Pokolbin NSW 2320 (Lot 1420, 1421 DP712249 & Lot 141 DP755255)

We have prepared this Quantity Surveyors Certificate of Cost to verify the Capital Investment Value (CIV) of the proposed *Cedar Mill, Hunter Valley Cultural Tourism & Convention Centre – 482-542 McDonalds Road, Pokolbin NSW*, prepared in accordance with the definition contained in the *State Environment Planning Policy (State and Regional Development) 2011*.

Under that Policy the Capital Investment Value has the same meaning as in Clause 3(1) of the *Environmental Planning Assessment Regulation 2000* which provides the following:

capital investment value of a development or project includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment, other than the following costs -

- a) amounts payable, or the cost of land dedicated or any other benefit provided, under a condition imposed under Division 7.1 or 7.2 of the Act or a planning agreement under that Division,
- b) costs relating to any part of the development or project that is the subject of a separate development consent or project approval,
- c) land costs (including any costs of marketing and selling land),
- d) GST (within the meaning of A New Tax System (Goods and Services Tax) Act 1999 of the Commonwealth).

Based on this definition, we advise that our Estimate of Capital Investment Value for this development is **\$191,250,708 excluding GST** and is summarised as follows:

Please refer to Appendix 1 for a Breakdown of our estimate.

We note this estimate is prepared for the purpose of calculating the developments Capital Investment Value only and is *not* to be used for project budgeting or any other purpose.

In accordance with the CIV definition, our estimate excludes allowances for the following items;

- Development Application and Construction Certificate fees
- Other Authority fees and charges
- Finance costs
- Works subject to separate Development Application(s)
- Land costs
- Project Contingency
- Loose FF & E items
- Fitout of Tenancies
- Brewery & Distillery fitout
- Temporary facilities, buildings and equipment
- Goods and Services Tax (GST)

We confirm our estimate is based on the following information:

- DA Architectural Plans prepared by DERIVE Architecture Recv'd 11/11/21, as follows:
 - A-000(P1), A001(E), A310(P1), A315(P1), A318(P1), A320(P1), A325(P1), A335(P1), A340(P1), A345(P1), A350(P1), A355(P1), A360(P1), A365(P1), A370(P1), A375(P1), A380(P1), A381(P1), A385(P1), A386(P1), A950(P1).
 - Building A-O and Q-S floor plans received 11/11/21 (No Rev noted).
 - DD318 CEDARMILL HV TENANCY PLANS V4 (Pgs. 1-70)
 - DD318 CEDARMILL HV V5 R2 (Pgs. 1-32)
 - Area Schedule – Dated 18/08/21.
- Landscape Plans prepared by Paul Bangay dated 16/02/20, as follows:
 - Landscape Concept (C-4)
- Civil Plans prepared by Northrop Engineers as follows:
 - NL211575-02-CSK11_Rev2, NL211575-02-CSK12_Rev2, NL211575-02-CSK13_Rev2, NL211575-02-CSK14_Rev2 – Dated 15/10/21.
 - NL211575-CSK03_INT_BROKE RD_Rev1 & NL211575-CSK04_INT_MCDONALDS RD_Rev1 – Dated 23/9/21.
- Onsite Sewer Management advice from Whitehead & Associates Environmental Consultants email dated 01/11/2021.
- Electrical HV Infrastructure Review & Supply Strategy Cedar Mill Hunter Valley Report – Version B (20/10/21) & Version C (11/11/2021)
- Survey Plans prepared by Monteath & Powys dated 14/10/21, as follows:
 - 200427B (02)

I, the undersigned, confirm this estimate has been prepared by an Associate Member of the Australian Institute of Quantity Surveyors and I certify that I have to the best of my knowledge:

- Inspected the plans the subject of the application for development consent or construction certificate (as per those provided above).
- Prepared and attached an elemental estimate generally prepared in accordance with the Australian Cost Management Manuals from the Australian Institute of Quantity Surveyors.
- Calculated the development costs in accordance with the definition of development costs in Clause 25J of the Environmental Planning and Assessment Regulation 2000 at current prices.
- Included GST in the calculation of development costs.
- Measured gross floor areas in accordance with the Method of Measurement of Building Area in the AIQS Cost Management Manual Volume 1, Appendix 2.

Most sincerely,



Aaron Satchell BConMgt(Hons1), AAIQS, MRICS

Quantity Surveyor | Director

APLAS Group Pty Ltd

m: +61 2 4961 0420

e: aaron@aplasgroup.com.au

w: aplasgroup.com.au

APPENDIX 1

**Quantity Surveyors Certificate of Cost
Capital Investment Value**

Quantity Surveyor's Certificate of Cost

A362 - Capital Investment Value (CIV) Estimate
for **Winarch Capital c/- Monteath & Powys**

31/01/2022

Cedar Mill - Hunter Valley

Description	Quantity	Unit	Rate	Total
SITE PREPARATION & CIVIL WORK (South Precinct)				\$819,141.56
SITE PREPARATION & CIVIL WORKS (North Precinct)				\$4,810,572.60
SITE SERVICES & INFRASTRUCTURE				\$8,984,156.63
BUILDING A: RECEPTION & CAFE	301.72	m2	\$5,726.02	\$1,727,655.57
BUILDING B: RESTAURANT	375.89	m2	\$6,120.95	\$2,300,804.22
BUILDING C: PRODUCE OUTLET - RETAIL, CAFE	375.89	m2	\$6,120.95	\$2,300,804.22
BUILDING D: CELLAR DOORS (x6)	369.04	m2	\$4,575.11	\$1,688,398.15
BUILDING E: RESTAURANT	456.37	m2	\$4,502.89	\$2,054,983.59
BUILDING F: MUSEUM, CONFERENCE, CAFE	1,733.18	m2	\$3,865.16	\$6,699,009.54
MUSEUM TERRACES & LANDSCAPING				\$10,177,976.61
BUILDING G: RESTAURANT 1 & 2	386.77	m2	\$7,267.05	\$2,810,675.84
BUILDING H: RESTAURANT 1 & 2	386.77	m2	\$7,662.55	\$2,963,642.78
BUILDING I: PRODUCE OUTLET - RETAIL, RESTAURANT	386.77	m2	\$6,630.99	\$2,564,669.91
BUILDING J: RESTAURANT 1 & 2	386.77	m2	\$7,351.19	\$2,843,221.41
BUILDING K: BAKERY	218.34	m2	\$7,725.00	\$1,686,677.13
BUILDING L: RESTAURANT, RETAIL, MEZZANINE RECEPTION	902.92	m2	\$7,117.95	\$6,426,937.51
BUILDING M: DISTILLERY	388.4	m2	\$5,534.54	\$2,149,614.65
BUILDING N: BREWERY	388.4	m2	\$5,534.54	\$2,149,614.65
BUILDING O: RECEPTION, CELLAR DOOR (x8), L1 TRAINING ROOMS	3,051.06	m2	\$3,597.88	\$10,977,340.99
BUILDING P: ACCOMMODATION - TOURISM	7,100	m2	\$4,832.06	\$34,307,643.75
BUILDING Q: RESTAURANT & PART WINERY CELLAR	3,099.36	m2	\$4,017.89	\$12,452,891.54

Description	Quantity	Unit	Rate	Total
BUILDING R: WINERY	3,513.13	m2	\$3,336.48	\$11,721,498.02
BUILDING S: WINERY	3,099.36	m2	\$4,017.89	\$12,452,891.54
GENERAL SITE LANDSCAPING				\$347,350.24
SPLASH PAD & PLAYGROUND				\$5,985,658.21
OUTDOOR FUNCTION & EXHIBITION SPACES				\$15,159,534.44
LANDSCAPING TO OUTDOOR FUNCTION & EXHIBITION SPACES				\$1,687,186.48
CARPARKS & ACCESS ROADS				\$6,767,977.64
BROKE ROAD INTERSECTION #1				\$1,240,799.40
MCDONALDS ROAD INTERSECTION #2				\$1,213,850.16
MCDONALDS ROAD INTERSECTION #3				\$1,269,596.21
PLANNING & STAGING ALLOWANCE				\$2,711,141.63
PROJECT CONTINGENCY (Excluded)				
PROFESSIONAL, CONSULTING & DESIGN FEES				\$7,796,791.46
AUTHORITY FEES & CHARGES (Excluded)				
LAND, LEGAL, SALES & LEASING FEES (Excluded)				
FINANCE COSTS (Excluded)				
OTHER ALLOWANCES (Excluded)				
ESCALATION (Excluded)				
			Subtotal	\$191,250,708.26
			G.S.T [0%]	\$0.00
			Total	\$191,250,708.26

APLAS Group Pty Ltd

ABN 21 613 199 036

Tonella Commercial Centre
Suite 10, 125 Bull Street
Newcastle West, NSW, 2302

PO Box 246
Hamilton NSW 2303

t: +61 2 4961 0420
e: info@aplasgroup.com.au
w: aplasgroup.com.au

APLAS GROUP
Quantity Surveyors

Monteath & Powys

ABN 94 000 861 110

13/125 Bull Street
Newcastle West NSW 2302

PO Box 2270
Dangar NSW 2309

P (02) 4926 1388
info@monteathpowys.com.au

monteathpowys.com.au