

Report of Planning and Economy to the Ordinary Meeting of Council held on Monday 21 August 2017

**PE4 – Stilton Lane Planning Proposal**

**PE4**

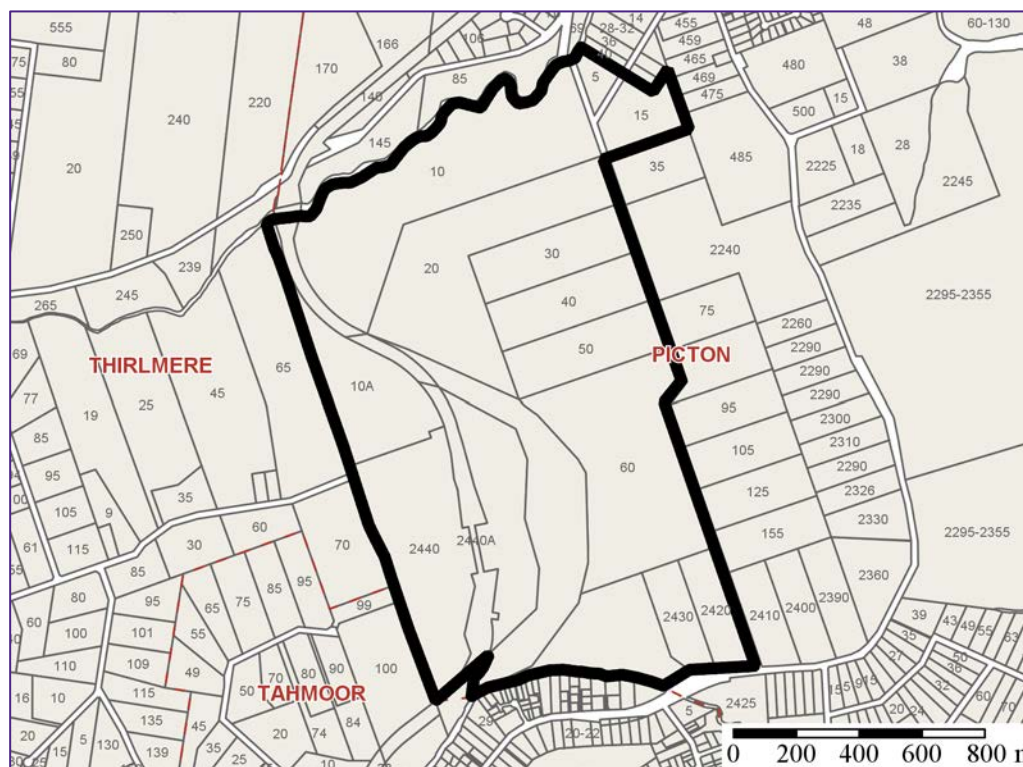
**Stilton Lane Planning Proposal**

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TRIM 7142

**Applicant:** Fountaindale Group  
**Owner:** Mr A R Kent

Planning & Economy



LOCATION MAP N ↑

Stage	Completed
Preliminary notification	8 June to 8 July 2016
Gateway Determination	Not yet completed
Consultation with Public Agencies	Not yet completed
Specialist Studies	Not yet completed
Public exhibition/community consultation	Not yet completed
Referred to Minister for Publication	Not yet completed

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**EXECUTIVE SUMMARY**

- The purpose of this report is to seek Council's position on a draft planning proposal to rezone rural land for residential, environmental, industrial and tourism purposes at Stilton Lane, Picton.
- Council previously considered this proposal at its meeting held on Monday 21 November 2016 and deferred determination subject to a request for additional information which has now been provided.
- Any decision should consider both the report to the November 2016 meeting and this report.
- Under legislation, a person who makes a relevant planning application or public submission is required to disclose any reportable political donations. The disclosure requirements extends to any person with a financial interest in the application or any associate of the person making a public submission. No disclosure of political donation has been made in association with this application.
- It is recommended that Council:
  - Exclude the residential component of the proposal and support the draft planning proposal in an amended form
  - Forward the amended proposal to the Greater Sydney Commission with a request for a Gateway Determination to enable the proposal to proceed
  - Request delegation to make the amendment to Wollondilly Local Environmental Plan 2011.

**REPORT**

**1.1 SITE DESCRIPTION**

The site is located approximately 3 km south west from Picton town centre and has road frontages to Stilton Lane and Henry Street. The site is situated on the western side of Stilton Lane between the three towns of Picton Tahmoor and Thirlmere. It comprises 13 individual lots in a landholding under single ownership of approximately 174 hectares (ha).

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Address Cadastre	Lot//DP	Area in hectares
5 Stilton Lane	10//583245	1.522
10 Stilton Lane	1//583248	28.78
10A Stilton Lane	1//865604	11.88
15 Stilton Lane	2//583247	4.695
20 Stilton Lane	4//1180702	22.65
30 Stilton Lane	53//251857	8.905
40 Stilton Lane	54//251857	8.904
50 Stilton Lane	55//251857	8.907
60 Stilton Lane	1//1180702	24.27
2420 Remembrance Drive	60//979250	4.375
2430 Remembrance Drive	61//979250	3.886
2440 Remembrance Drive	2//1180702	39.76
2440A Remembrance Drive	201//1180801	4.994
		<b>Total 173.528</b>

**1.2 DESCRIPTION OF PROPOSAL**

The Stilton Lane Draft Planning Proposal has five (5) key components all seeking amendments to the *Wollondilly Local Environmental Land 2011* (WLEP 2011) to enable:

1. Residential – residential development for approximately 700 lots (approximately 90 ha) by rezoning land to R2 Low Density Residential and R5 Large Lot Residential and associated changes to the minimum lot size for subdivision (600sqm and 2,000sqm respectively) and maximum building height (9m),
2. Tourism – development of a tourism area with an integrated conference and accommodation facility (approximately 11ha) by rezoning land to SP3 Tourist and associated changes to the maximum building height (9m),
3. Industrial/Employment Lands – a small expansion of the existing Henry Street industrial area for light industrial uses (over 2ha) by rezoning the land to IN2 Light Industrial and associated changes to the minimum lot size for subdivision (1,500sqm) and maximum building height,
4. Environmental Protection – the protection of environmentally sensitive riparian land around Redbank Creek (approximately 20ha) by rezoning land to E2 Environmental Conservation and associated changes to the minimum lot size, and
5. Integrated employment precinct – development of the southern end of the site for education purposes, aged care and/or a hospital (approximately 22ha) by amending the minimum lot size for subdivision to 4ha).

Amendments to the Natural Resources – Biodiversity Map may also be required and will be further refined through specialist studies if the proposal progresses.

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The proponent's current proposed zones are shown on the plan provided at Attachment 3.

**1.3 BACKGROUND**

The Stilton Lane Draft Planning Proposal was originally submitted to Council, under the Gateway Process, in August 2013.

Concerns were raised with the original proposal submitted to Council in 2013 and since that time the proponent has met with Council staff and Councillors a number of times to refine the proposal.

The Draft Proposal was considered by Council for the first time at its Ordinary meeting held on 21 November 2016. A copy of the report considered by Council is provided at Attachment 1. The report at Attachment 1 provides detail on:

- the outcome of consultation with the community, public agencies and Council staff;
- a preliminary assessment of the draft proposal in terms of the relevant regional and state policies; and
- a preliminary assessment in terms of Council's *Growth Management Strategy 2011* (GMS 2011).

At the November 2016 meeting Council resolved:

*"That consideration of the Stilton Lane Planning Proposal be deferred to permit further discussion with the proponent regarding the constraint issues raised by Council. The further report to Council shall also include detail relating to:*

- a) *Comments received from the Roads & Maritime Services in relation to the planning proposal*
- b) *Comments received from the Subsidence Advisory Board NSW regarding the co-existence of mining and urban development*
- c) *The cost of preparing an Employment Lands Study and possible funding arrangements*
- d) *Analysis of the Picton Thirlmere Tahmoor precinct showing spatial separation between the towns and villages as a result of land zoning and minimum lot size provisions*
- e) *Further analysis of the options to protect the Cumberland Plain Woodland community found in the western quadrant of the site*
- f) *Further analysis of how the proposal will enable growth whilst retaining consistency with the concept of "Rural Living" outlined in the Wollondilly Growth Management Strategy.*
- g) *Further analysis of how the proposal can minimise land use conflicts, particularly at the interface between the low density residential area and adjoining industrial zone.*

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Since then the applicant has met with Council staff, provided additional information to support their draft proposal and made a presentation to a Councillor Workshop. Council has also commenced an Industrial Employment Land Audit which, in part to inform a decision on this proposal, and this is discussed in further detail later in this report. Further, the draft South West District Plan was released in November 2016.

**1.4 ASSESSMENT OF ADDITIONAL INFORMATION SINCE REPORT TO COUNCIL IN NOVEMBER 2016**

The additional information has been assessed with regard to the matters raised in the Council resolution.

a. *Comments received from the Roads & Maritime Services in relation to the planning proposal*

There are concerns with the cumulative impact of the draft planning proposal in terms of the capacity of the transport network given the significant number and scale of planning proposals to rezone rural land to enable residential development which have been supported in the Picton Thirlmere, Tahmoor area. This landowner/developer interest to rezone land is expected to continue.

The impact of this residential growth in the medium to long term has seen the pressure build to consider the need, timing and planning for a Picton By-Pass.

To assist deliberations the Roads and Maritime Services were requested to provide advice on the transport implications of this planning proposal.

The RMS advised that a Traffic Impact Assessment would be required.

The RMS also advised that consideration needs to be given as to how any required infrastructure upgrades will be delivered and ensuring that appropriate mechanisms are in place for funding of required infrastructure upgrades. If appropriate planning mechanisms to obtain contributions for the upgrades are not established at rezoning stage, the opportunity for developers to contribute to necessary upgrades may be lost. This is likely to lead to unacceptable impacts to the road network.

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The RMS supports the inclusion of the proposed development area on the Urban Release Map which forms part of the WLEP 2011, to ensure that required contributions for provision of state infrastructure are met by the developer. The RMS also supports increased use of sustainable modes of travel, buses, bicycles and walking to reduce car dependency. In this regard the RMS support the NSW Government – Premiers Council for Active Living which aims to achieve improved health, environmental and social objectives.

Planner's comments: The RMS has outlined the need for a Traffic Impact Assessment and this would be undertaken if the planning proposal is supported and a positive Gateway Determination is received. To ensure there is adequate funding for future transport infrastructure such as a Picton By-Pass a planning agreement with the applicant would likely be required.

The RMS support sustainable living and a reduction in car dependency. As the site (from the Henry Street end) is located almost 3 kms from Picton Town Centre and from the southern end almost 2kms from Tahmoor Town Centre it is likely that future residents would be car dependent. The applicant has attempted to mitigate this to some extent through incorporating proposed pathways through the site, under the railway line and along Redbank Creek and at the rear of the industrial sites in Henry Street. The practicality of these pathways would require further investigation.

Additionally, it is noted that there has been a traffic study undertaken for Picton considering the Picton East, Abbotsford, Mushroom Tunnel and Stonequarry Commercial Planning proposals. The results of this study will be presented to Councillors at a workshop in August or September.

b. Comments received from the Subsidence Advisory Board NSW regarding the co-existence of mining and urban development

The applicant has provided advice about the timing of the undermining of the site by Tahmoor Colliery which is currently underway and should be completed prior to any rezoning of the site.

Subsidence Advisory NSW advises that proposed reforms to the Mine Subsidence Compensation Act 1961, announced in October 2016, will see mining operators become financially liable for compensation costs arising from subsidence damage from their mining activity. Under these reforms, costs for subsidence damage to development in this area would be borne by Tahmoor Coal should it continue to extract coal in this area.

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Their concern is that should urban development occur prior to mining, there may be subsidence damage to urban improvements such as houses and infrastructure and support a staged development where urban development occurs in due course once mining is completed. As mining is almost completed under the site, development is unlikely to occur prior to completion of mining activities.

Subsidence Advisory NSW recommends that the applicant liaise with Tahmoor Coal to consider how best to sequence development in this area so that subsidence damage to future development is avoided. The applicant would be able to undertake this liaison subsequent to a Gateway Determination should the planning proposal proceed.

c. *The cost of preparing an Employment Lands Study and possible funding arrangements*

The November 2016 report questioned whether the land should be rezoned to industrial given its location adjoining the Henry Street industrial area.

In response an Industrial Employment Land Audit has been undertaken in-house to provide an assessment of the current supply and suitability of industrial land throughout the shire. The Audit will also include an analysis component to inform future planning. This project commenced in February this year and has so far involved a literature review, industrial land audit, mapping and a survey of current industrial businesses and the broader community. So far this project has been funded from an existing allocation in the Economic Development budget.

The industrial land audit examined all industrial zones within the Shire in terms of land use, building age & condition, land constraints and supply of industrial land.

The Study is still being finalised and will be reported to a future meeting of Council. However, the preliminary findings provide some insight to the existing industrial area at Henry & Bridge Street, Picton which is located adjacent to the proposal site.

In terms of the Henry Street/Bridge Street industrial area the audit found a varied range of businesses that provide a significant contribution to the local economy. There is little vacant undeveloped land in this industrial area and this does restrict potential industrial development. However there is industrial land identified in the Growth Management Strategy 2011 nearby and undeveloped industrial land at Maldon which businesses surveyed nominated as a preferred location for industry.

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Businesses require good vehicular access to the wider transport network. While around 20-30 ha of the Stilton Lane site would be suitable for industrial purposes being flat and cleared, the lack of good access to regional road transport connections and the issues with the current road infrastructure around the Picton town centre suggest it would not be suitable as a major expansion of the existing industrial area. Most businesses surveyed indicated that rail freight transport is not a priority.

The major parts of the site are not suitable for industrial development due to slope and other constraints and aren't ideal in terms of providing large sites for industrial development. The proposal includes a small expansion of the existing Henry Street/Bridge Street industrial area and this should be supported as the land can be easily serviced and would provide opportunities for new small local industries.

d. Analysis of the Picton Thirlmere Tahmoor precinct showing spatial separation between the towns and villages as a result of land zoning and minimum lot size provisions

In response the applicant has prepared two maps, a context map and a minimum lot size context map to illustrate the separation between the three towns of Picton, Tahmoor and Thirlmere. These are provided at Attachment 2A and 2B.

The applicant has indicated that the two prepared maps illustrate the following

- Context Map (Attachment 2A) – the location of the site and the green separation between the three towns,
- Minimum Lot Size Context Map (Attachment 2B) – the land separating the three towns is in fragmented ownership.

It is noted that the Context Map does not appear to accurately reflect the land use zones shown in the key. In particular it does not accurately reflect land rezoned R5 Large Lot Residential in the area known as PTTAG to the west of the site. It also does not appear to show the extent of R5 land proposed within its own boundary. The effect of these two (2) omissions is that the separation between the towns is overstated and appears larger than what it is in reality.

The applicant's analysis noted that *"the three towns are currently separated by a mix of land use zones and minimum lot sizes, which has resulted in a primarily rural residential character separating the existing urban areas"*.



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It is considered that it is likely that some of the site could probably be developed without impacting on the perceived visual separation between the three towns. This would likely be a portion of the residential development in the northern part of the site which is not visible from Remembrance Driveway looking towards the site from the south or east.

It is also worth mentioning that the proposed minimum lot size for the R5 Large Lot Residential component of the draft planning proposal (2,000sq.m) is significantly smaller than other existing smaller sized rural residential properties in the area. It is also smaller than the standard R5 Large Lot minimum lot size which tends to be 4,000sq.m and which will apply to the nearby PTTAG area. The relevance is that the proposed R5 area within the Stilton Lane site will have a different character, one which is more dense than other rural setting/transition areas and this will impact on the perceived separation of the towns, particularly, lots proposed on the more prominent hillside parts of the site.

It is acknowledged that the applicant has proposed the 2,000sqm lot size because they intend to connect these lots to a private reticulated wastewater management system. However, the capability of the lots in terms of servicing is a different matter to the character.

In relation to the Minimum Lot Size Context Map the applicant argues that the fragmentation of land “*secures the green separation between the three towns by restricting development potential and limiting other land uses from operating that may be incompatible with the green separation (i.e. earthwork companies, plant nurseries etc)*”.

The applicant highlights that the proposal site is important to the growth of the area as it is the only large land holding in single ownership. It could be argued that this characteristic equally highlights the sites importance in maintaining and securing a separation between the towns.

While the single ownership of a large landholding is a valid attribute when considering opportunities for growth, there is no established need for additional housing at present in the Picton Tahmoor Thirlmere area with housing targets easily being met by other proposals already rezoned and by proposals with gateway approval.

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e. Further analysis of the options to protect the Cumberland Plain Woodland community found in the western quadrant of the site

There are significant stands of remnant Cumberland Plain Woodland including Shale Sandstone Transition Forest a critically endangered ecological community. Vegetation along Redbank Creek is proposed to be included within an E2 Environmental Conservation area and other sensitive areas are proposed to be protected by inclusion on the Natural Resources Biodiversity Map.

The applicant proposes to maintain vegetation on the western side of the railway line in private ownership with protection in perpetuity through a Vegetation Management Plan. Further detailed flora and fauna studies are proposed by the applicant post Gateway determination which is generally when such studies would be required. If these studies identify additional environmentally sensitive areas then consideration would be given to protection by an environmental protection zone or inclusion on the Natural Resources Biodiversity Map and associated clause within the WLEP 2011.

f. Further analysis of how the proposal will enable growth whilst retaining consistency with the concept of "Rural Living" outlined in the Wollondilly Growth Management Strategy

The concept of rural living outlined in the *Wollondilly Growth Management Strategy 2011* (GMS 2011) aims to ensure growth is consolidated around towns and villages allowing rural uses and landscape character to be retained.

An analysis of the proposal against the GMS 2011 was provided in the November 2016 report to Council which is included at Attachment 1.

The amended approach is considered to remain substantially the same as the proposal considered at the November 2016 meeting and so the site's suitability against the GMS 2011 is also the same.

In particular, the Structure Plans for Picton and Tahmoor & Thirlmere which form part of the GMS 2011 are not consistent in how they apply to the subject site. Part of the site is identified for when expansion on the Picton Structure Plan but none is identified on the Tahmoor & Thirlmere Structure.

One of the key concerns with the residential component of the proposal is its poor connectivity with the existing Picton urban area, particularly physical connections such as vehicular, walking and cycling connections which will be through an industrial area.

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When considered against criteria within the GMS 2011 the residential component of the proposal is not;

- contiguous to the Picton town edge
- located within practical walking distance of an existing centre. The access through an industrial area is likely to make this an unlikely choice due to poor amenity  
The proposal cannot achieve physical or visual integration with existing residential areas as the industrial area cuts it off
- The proposal has not established that it is the most suitable use for the land within the context of the land uses within the area.

Previous versions of the draft planning proposal for Stilton Lane were based around the concept of a mixed use village with a substantial mixed use/commercial area at its core surrounded by a significant area of medium density housing (253 dwellings), some low density residential development and rural residential . The minimum lot size for the medium density was between 250sq.m and 450sq.m. This “village” concept approach was subject to preliminary consultation in 2013. It was determined that such an approach was not appropriate for the Stilton Lane site as the commercial component would have created a new village and would challenge the current town and village hierarchy, given it had the potential to contain more commercial floor area than Thirlmere.

If Council was inclined to support the ‘principle’ of residential development at Stilton Lane in some form then a significantly scaled back version of the former ‘village style’ concept may provide a better outcome for the future community by providing a focal point/hub within the site and this would result in walkability within the site.

However, even with such an approach the proposal would establish a car dependent standalone community isolated from existing centres and is not the approach recommended by this report.

The applicant argues that the proposed layout and urban design with larger lots along ridgelines would ensure that the concept of rural living is maintained. Most of Wollondilly’s R5 Zones have a 4000m<sup>2</sup> lot size and this results in separation between dwellings, significant tree cover and enough land for waste water disposal. A 2000m<sup>2</sup> lot size is likely to result in large dwellings but less visual separation between dwellings than 4000m<sup>2</sup> would achieve. The 2000m<sup>2</sup> lots are proposed for more scenic parts of the site.

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- g Further analysis of how the proposal can minimise land use conflicts, particularly at the interface between the low density residential area and adjoining industrial zone.*

The main access to the site from Picton is along Henry Street through the existing industrial area. The proposal also includes housing in close proximity to the industrial area.

The resulting mix of residents and industrial land uses has the potential for land use conflict around issues of smell, noise, dust, visual amenity, traffic safety for domestic vehicles, pedestrians and cyclists. Land use conflict can compromise the long term viability of the industrial area.

The applicant has indicated that the Henry Street site is characterised as “light industrial” which is consistent with the IN2 Light Industrial land use zone. However, there are at least two (2) known businesses, a concrete batching plant and a pool manufacturer, which would need to be considered along with other potential conflict sources if the residential component of the proposal was to proceed.

In response to this matter the applicant has indicated that potential land use conflict can be mitigated through the provision of a vegetated buffer and large lots adjoining the industrial area. It is agreed that most of the land use conflicts can be ameliorated through careful design and further investigation of the potential conflicts and mitigation measures would be undertaken if the residential component of the proposal progresses. However, it may be difficult to mitigate the potential traffic related conflicts. Further, the risk of conflict is difficult to justify when housing targets are able to be met in locations without such conflict.

**1.5 OTHER MATTERS FOR CONSIDERATION**

**BUSHFIRE HAZARD & POTENTIAL DEVELOPMENT**

The November 2016 report questioned the suitability of some parts of the site for the proposed tourism and residential land uses given the bushfire hazard on bushfire prone land.

The applicant has proposed liaising with the NSW Rural Fire Service and preparing a bushfire assessment to determine the sites suitability, the amount of vegetation clearance and the detailed planning of mitigation measures if the proposal was to progress.

Questions remain over the practicability of widening the railway bridge to accommodate 2 lanes and the potential vehicular connection through to Tickle Drive to the west which are necessary to provide an adequate evacuation route.

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Ideally given the concerns for this site, a bushfire assessment should be undertaken up front to determine whether development can be accommodated on the site. However, given the length of time the proposal has been with Council this is now considered an unreasonable request and if the proposal proceeds it can be assessed post gateway.

Any bushfire assessment would need to be undertaken by a suitably qualified professional and would need to demonstrate that the required Asset Protection Zone's (APZ's) can be met on the development site and that the road network can provide a two way access compliant with planning for Bushfire Protection and can support indicative occupant numbers in the event of an emergency.

The proposal could progress so long as an independent bushfire assessment is provided post Gateway after consultation with the NSW Rural Fire Service. If it is found that the site cannot accommodate development in bush fire prone areas, these aspects of the proposal could be removed.

ECONOMIC DEVELOPMENT & TOURISM

The Economic Development & Tourism team supports the recommendation of this report and encourages further investigation into the potential employment land possibilities of this valuable site, with respect to safe guarding and activating land for employment purpose within the Picton – Tahmoor – Thirlmere precinct.

DRAFT SOUTH WEST DISTRICT PLAN (NOVEMBER 2016)

Since the November 2016 report to Council, the Greater Sydney Commission released the Draft South West District Plan. The Draft District Plan seeks to provide a vision and district level planning direction that connects local planning with the longer-term metropolitan planning for Greater Sydney and needs to be considered as part of the assessment of a draft planning proposal.

The following relevant matters from the District Plan are provided below:

**Housing**

The Draft District Plan outlines priorities including improving housing choice, diversity and affordability and establishes five-year minimum housing targets for local government areas. For Wollondilly, the housing target in the draft Plan is 1,550 houses for the first 5 years. Wollondilly is expected to easily meet this target.

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It is also noted that the housing targets for Picton, Tahmoor and Thirlmere for the period up to 2031-2036 within the Wollondilly Growth Management Strategy 2011 are likely to be easily met by land already rezoned and not yet developed. In the absence of evidence of a housing supply shortage there is no need to rezone additional land for housing at Stilton Lane on the grounds of housing supply.

Wollondilly will need to prepare a local housing strategy as required by the Draft South West District Plan and A Plan for Growing Sydney, and this may identify a need for different housing types, to address housing diversity and affordability. A timeline has not yet been identified for the preparation of the housing strategy and further guidance is expected on its preparation from the NSW Government.

**Metropolitan Rural Area (MRA)**

The Draft South West District Plan also provides direction on the sustainability of the Metropolitan Rural Area (MRA) by discouraging urban development. The MRA includes much of the Shire, including the draft planning proposal site.

The District Plan indicates that “*conversion of rural land to suburban development does not form part of the housing targets for ... individual local government areas*”. Further that planning proposals affecting rural zoned land should not be supported unless these are in “*areas identified in a regional plan or a district plan as urban investigation areas*” or have been identified as part of strategic planning which considers the environmental, social and economic values of the MRA. It is likely, though not clear at present, whether this would involve a review of the current GMS, in any case such an assessment has not been undertaken for the Draft Proposal.

Council’s resolution in response to Notice of Motion No.11 at its meeting made on 16 June 2017 indicated Council’s commitment and support to the MRA in the Draft South West District Plan boundaries in its current form and requests that no further reductions are made to its boundaries within Wollondilly.

The application of the South West District Plan and the MRA has already been tested with the Sydney South West Planning Panel citing a sites location within the MRA as one of the reasons for a proposal lacking strategic merit in its decision on the draft planning proposal at Clearview, Picton earlier this year. A similar position was adopted by the panel for a site south of The Oaks.

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**Scenic Landscapes**

The Draft District Plan advocates for the protection of high scenic value by implementing development controls to prohibit opportunities for development on ridgelines that would diminish their scenic quality. It is likely that Councils, including Wollondilly, will be required to identify and map areas with high scenic value and develop policy mechanisms to protect them. An assessment of Wollondilly and what scenic landscapes should be protected has not been undertaken. However, the recent decision by Sydney South West Planning Panel for the Clearview site also cited the Clearview sites “visually prominent location which is integral to the rural character and setting of the town of Picton” and its “adverse impact on this visual landscape” as one of the reasons for the proposal lacking strategic merit. The hills on the Stilton Lane planning proposal site are similar to those on the Clearview site.

**Liveability**

As the Stilton Lane Planning Proposal is relatively isolated from town centres, medium density is not included and standard and larger lots are proposed. This is unlikely to improve housing choice, diversity or affordability. It is acknowledged that smaller lots were part of the original proposal.

**INCLUSION OF ADDITIONAL LAND**

The Main Southern Railway line passes through the site and was recently realigned. The land zone within the WLEP 2011 reflects the old alignment and an opportunity exists to correct the zones by rezoning the previous alignment to reflect the relevant elements of the draft proposal (i.e. SP3 Tourist and rezoning the remainder to RU2 Rural Landscape to be consistent with adjoining land) and also to rezone the new alignment to SP2 Infrastructure from the current rural zoning.

Consultation will be required with the relevant authority(s) before these changes could be finalised.

**2.1 PREPARATION OF A PLANNING PROPOSAL**

Should Council resolve to support the application, a Planning Proposal will be prepared in accordance with Section 55 to the *Environmental Planning and Assessment Act, 1979* and guidelines published by the Department of Planning and Environment. The Planning Proposal is then forwarded to the Minister for Planning and Environment for a Gateway Determination.

In deciding to forward a Planning Proposal to the Gateway process, Council is endorsing the Planning Proposal and it is deemed to be *Council's* Planning Proposal.

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Council's options are:

1. Resolve to support the proposal in a form based around a "village" concept. It is suggested that if Council is inclined to support this approach that a further report be requested to further outline the form such a proposal should take prior to forwarding the proposal for a Gateway request.
2. Resolve to support the proposal in the current form as submitted by the proponent (Attachment 3) and prepare a Planning Proposal accordingly. Matters can be more fully investigated and resolved with future specialist studies as determined by the Gateway process.
3. Resolve to support a proposal in an amended reduced form different to that proposed by the applicant (shown at Attachment 4 and as described in Section 2.13 of this report) and prepare a Planning Proposal accordingly. Matters can be more fully investigated and resolved with future specialist studies as determined by the Gateway process.
4. Resolve not to support a Planning Proposal for this site. The applicant can choose to apply for a Pre-Gateway Review as a result of this option.

Note that the application has been with Council for more than 90 days. The applicant can apply for a pre-Gateway review in accordance with the Environmental Planning & Assessment Regulations, 2000 if Council fails to indicate support for the application within 90 days of receiving the application.

Option 3 is the recommendation of this report.

**2.2 CREATE WOLLONDILLY COMMUNITY STRATEGIC PLAN 2033**

The Create Wollondilly Community Strategic Plan (CSP) 2033 is Council's highest level long term plan. It identifies and expresses the aspirations held by the Community of Wollondilly and sets strategies for achieving those aspirations. The CSP focuses on 5 key themes as follows:

- Sustainable and balanced growth
- Management and provision of infrastructure
- Caring for the environment
- Looking after the community
- Efficient and effective Council

Council's priority focus for growth under the CSP will be the development of a new town at Wilton and Council will only support appropriately scaled growth within and around its existing towns and villages that respects the character, setting and heritage of those towns and villages. Stilton Lane Planning Proposal is not entirely consistent with this vision of growth in the CSP.



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An assessment of the Planning Proposal against the 5 themes is provided below:

- Sustainable and balanced growth

The Planning Proposal is not entirely consistent with Council’s position on growth as it proposes significant growth in an area that is only partially identified within Council’s current Growth Management Strategy.

- Management and Provision of Infrastructure

The anticipated growth would impact on the local transport network. It is not clear that appropriate road infrastructure would be provided to serve future development of the site or whether additional road linkages and/or upgrades are required.

- Caring for the Environment

This applicant has indicated that the planning proposal would incorporate measures to conserve and protect important biodiversity on the site.

- Looking after the community

The future anticipated growth would impact on community services and facilities which are currently stretched to capacity.

- Efficient and Effective Council

Council will continue to work to ensure that the proposal is consistent with the planning for long term growth within the Shire.

**2.3 WOLLONDILLY LOCAL ENVIRONMENTAL PLAN, 2011 (WLEP 2011)**

Following consideration of responses from initial consultation and notification and preliminary assessment of the application, it is considered that the Planning Proposal should take the form as detailed below.

Component	Approach to be taken
Residential	The residential component of the proposal is not supported as it is not considered to have strategic planning merit.
Tourism	There are concerns with the suitability for tourism given the bushfire hazard. Given the applicant’s confidence that this constraint can be resolved it is considered that this component could be supported so that an

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Component	Approach to be taken
	independent bushfire assessment can be undertaken post-Gateway. If such an assessment confirms the site is not suitable than this aspect of the proposal would be removed.
Industrial/Employment Lands	This component is recommended for support.
Environmental Protection	This component is recommended for support.
Integrated employment precinct	The proposed development of the site for these purposes appears to be speculative. The applicant is only seeking changes to the minimum lot size as there are statutory provisions already in place which enable the site to be developed for the suggested uses. The lot changes are considered unnecessary. Changes to the lot size, if required, could be considered as a planning proposal concurrently with a development application at such time as an occupant is identified and there is more certainty.
Inclusion of additional land – Main Southern Railway	It is proposed to correct the land zones to reflect the new alignment of the railway.

**2.13.1 CONCLUSION AND PROPOSED AMENDMENTS**

The proposed amendments to WLEP 2011 recommended by staff are described below:

The amendment apply to Lot 10 DP 583245 (5 Stilton Lane), part Lot 2 DP 583247 (15 Stilton Lane), part Lot 2 DP 1180702 (2440 Remembrance Driveway), part Lot 201 DP 1180801 (previously Main Southern Railway) and Lot 3 DP 1180702 (Main Southern Railway) and as indicated on the revised site area map provided as Attachment 4.

- Amend the Land Zoning Map to:
  - Rezone part of the land currently zoned RU2 Rural Landscape to IN2 Light Industrial, SP3 Tourist and E2 Environmental Conservation,
  - Rezone part of the land currently zoned SP2 Infrastructure to RU2 Rural Residential and SP3 Tourist, and
  - Rezone part of the land currently zoned RU2 Rural Landscape to SP2 Infrastructure
- Amend the Lot Size Map from a minimum lot size category of 16 hectares to a minimum lot size of 1500 sq.m for IN2 Light Industrial and no minimum lot size for E2 Environmental Conservation or SP3 Tourist.

**PE4 – Stilton Lane Planning Proposal**

The Proponent's proposal to rezone the land for residential purposes is not supported given:

- 1) The 5 year housing target for Wollondilly in the Draft South West District Plan will be met by land recently rezoned but not yet developed.
- 2) The proposal is not consistent with the Draft South West District Plan given it is not located in an investigation area, only part of the land is identified for possible urban expansion in Council's Growth Management Strategy 2011 and the land is mapped for protection as Metropolitan Rural Area.
- 3) At its meeting held 16 June 2017, Council resolved to support the Metropolitan Rural Area contained in the Draft South West District Plan and requested that no further reductions are made to its boundaries within Wollondilly.
- 4) In terms of any Pre-Gateway Review the South West Planning Panel is unlikely to support the proposal given previous decisions relating to the Clearview and Montpellier Road Planning Proposals.

Amendments are potentially also required for the Natural Resources – Biodiversity maps. However, the details of the changes will not be known until specialist studies are completed.

**FINANCIAL IMPLICATIONS**

Funding for this project to date has been achieved through the adopted Planning Proposal fees and charges, although these fees have not covered all of Council's costs. Since this proposal was submitted, planning proposal fees have increased significantly.

A Voluntary Planning Agreement is to be investigated to address matters specific to the Planning Proposal.

Council has experienced a record increase in the number of Planning Proposals submitted in addition to the Wilton Growth Priority Area project. Note that the Wilton New Town project is not a planning proposal but has had significant impact on Strategic Planning resources. All proposals which result in an increased intensity of land use within the Shire shall also lead to increased demand for Council services and facilities over time. Council will need to consider this in the adopted budget and forward estimates.

**PE4 – Stilton Lane Planning Proposal**

**ATTACHMENTS INCLUDED IN A SEPARATE BOOKLET**

1. Report to Ordinary Meeting of Council November 2016.
- 2A. Maps to illustrate Spatial Separation between towns – Context Map.
- 2B. Maps to illustrate Spatial Separation between towns – Minimum Lot Size Context Map.
3. Applicant's proposed land use zones for Stilton Lane Draft Planning Proposal.
4. Planner's recommended zoning and approach for Stilton Lane Draft Planning Proposal.

**RECOMMENDATION**

1. That Council support the Stilton Lane Draft Planning Proposal in a form different to that proposed by the applicant.
2. That a Planning Proposal be prepared in an amended form for land being:

Lot 10 DP 583245, part Lot 2 DP 583247, part lot 2 DP 1180702 and Lot 3 DP 1180702 being numbers 5, & 15 Stilton Lane, Picton, 2440 Remembrance Driveway and the previous and current Main Southern Railway.

To amend Wollondilly Local Environmental Plan, 2011 as follows:

- Amend the Land Zoning Map to rezone land from:
    - RU2 Rural Landscape to IN2 Light Industrial, SP3 Tourist and E2 Environmental Conservation,
    - SP2 Infrastructure to RU2 Rural Residential and SP3 Tourist, and
    - RU2 Rural Landscape to SP2 Infrastructure
  - Amend the Lot Size Map from a minimum lot size category of 16 hectares to a minimum lot size of 1500 sqm for IN2 Light Industrial and no minimum lot size for E2 Environmental Conservation or SP3 Tourist.
  - Amend the Natural Resources Biodiversity Map in accordance with the findings of a flora and fauna study.
3. That the Planning Proposal be forwarded to the Greater Sydney Commission for a Gateway Determination.
  4. That Council request the Minister to grant Council delegation to make the amendments to Wollondilly Local Environmental Plan, 2011 in accordance with Section 59 to the Environmental Planning and Assessment Act, 1979.
  5. That the applicant and submitters be notified of Council's Resolution.