

Fort Wallace, 338 Fullerton Street, Stockton

Planning Proposal

For: Defence Housing Australia
Date: February 2017

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December 2016

Michael Harrison, Director Urban Design and Planning

Revision history

Issue Reference	Issue Date	Issue Status
A	9/12/2016	Draft for internal review
B	16/12/2016	Draft for client review
C	22/12/2016	Draft for client review
D	13/01/2017	Revisions and amendments
E	09/02/1017	Finalisation

File reference	K:\150314.00\Docs\C_Client\PP report\Fort Wallace
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Attachments

Attachment A Proposed Mapping Amendments, Architectus, December 2016

Attachment B Urban Design and Landscape Report, Architectus and Spackman Mossop Michaels, December 2016

Attachment C Proposed Stockton Fort Wallace Site Planning Proposal, Transport Study Report, Better Transport Futures, October 2016

Attachment D Fort Wallace Bushfire Assessment, 338 Fullerton Street, Stockton, Kleinfelder, September 2016

Attachment E Stormwater Management Plan, ADW Johnson, November 2016

Attachment F DHA Fort Wallace Stockton Beach Coastal Engineering Assessment, BMT WBM, December 2016

Attachment G Site Audit Statement, Department of Environment and Climate Change NSW, December 2009

Attachment H Fort Wallace Defence Housing Project Ecological Assessment Report, Umwelt, December 2016

Attachment I Heritage Impact Statement Fort Wallace, Urbis, December 2016

Attachment J Aboriginal Cultural Heritage and Archaeological Assessment Report, February 2017

Attachment K Servicing Report, Fort Wallace, ADW Johnson, December 2016

Attachment L Consultation Report, Fort Wallace, Elton, December 2016

Executive summary

This Planning Proposal is prepared by Architectus on behalf of Defence Housing Australia (DHA) for Fort Wallace at 338 Fullerton Street, Stockton. The site includes two lots legally known as Lot 100 and 101, DP1152115. Fort Wallace is located to the north of the redundant water treatment works and south of the Stockton Centre, approximately 3km north of Stockton and 5km from Newcastle.

To achieve the intended outcomes, the rezoning request seeks to amend the following mapping in the Newcastle LEP 2012:

- *Land Zoning Map – Sheet LZN_004I*, to show part of the subject site appropriate for residential development as R2 Low Density Residential while rezoning the remaining land to RE1 Public Recreation uses; and
- *Height of Buildings Map – Sheet HOB_004I*, to show part of the subject site as O 15m.

It is intended that these legislative amendments would be supported by a site specific DCP.

The site includes a range of buildings and military structures including a gymnasium, a watch tower, a plotting room, gun emplacements, and accommodation. These structures remain from the site's former defence use. The site is currently disused, vacant and secured.

The site is currently zoned SP2 Infrastructure (Defence) under the Newcastle LEP 2012, allowing a range of land uses with consent that are incidental or ancillary to defence requirements. The site is not subject to a maximum building height or lot size, in line with the standard approach to infrastructure zoned and Commonwealth owned sites in NSW.

DHA have a responsibility to provide housing for members of the defence force and their families in proximity to army bases and amenity. In 2015, the site was transferred from Defence to DHA as it was no longer needed for defence purposes. The proximity of the site to the Williamstown base and the amenity of Stockton and Newcastle CBD make it an excellent site for development of housing.

Strategic and technical assessments of the site were undertaken to consider its potential to deliver housing, including urban design and planning; landscape; ecological; indigenous heritage; bushfire; European heritage; coastal engineering; civil engineering; and traffic and transport. The team has consulted with local council, State Government, the community, RMS, and local aboriginal groups.

A concept master plan was developed to demonstrate the site's potential, which showed approximately 100 lots delivered on the site and associated infrastructure. To facilitate the master plan and deliver approximately 50% of housing to defence members and 50% to the private market, as well as opening the valuable historic and landscape elements of the site to the public, a rezoning is required.

This rezoning request proposes that part of the site, intended to be developed for residential uses, be zoned R2 Low Density Residential, permitting a range of dwellings including single dwellings, townhouses and dual occupancies, and apartments on that part of the site. All proposed dwellings and developable area is landward of the 2100 Coastal Hazard line, in accordance with Council's policy. The part of the site to the east, adjoining the existing RE1 Public Recreation area, is proposed to be zoned RE1, accommodating the coast, dune and important heritage items for public enjoyment. This zone retains the

potential to accommodate a small retail offering, such as a café or kiosk, in the context of the heritage items to encourage tourism in the Stockton area and provide amenity for locals in Stockton and Fern Bay.

To ensure that future development responds sensitively to the site, it is proposed that a maximum height of buildings control be introduced. Key objectives of this control would be to facilitate a range of dwellings while maintaining a strong relationship with the heritage on the site and key views. The part of the site zoned for residential development is proposed to be zoned for a maximum height of buildings of 14m.

The site offers a wholly unique opportunity to deliver a sensitive, socially sustainable and diverse community in a high amenity and significant heritage setting that can be enjoyed by the public. The Planning Proposal is strongly supported and recommended to Council for endorsement.



Figure 1 Concept Master Plan Fort Wallace, Architectus



Figure 2 Artist Illustration of the Concept Master Plan, David Wardman

1.0 Introduction

1.1 Preliminary

This rezoning request explains the extent of, and justification for, proposed amendments to Newcastle Local Environmental Plan 2012 (Newcastle LEP 2012). The report has been prepared in accordance with Section 55 of the Environmental Planning and Assessment Act 1979 (the Act) and guidelines published by the Department of Planning and Environment including 'A guide to preparing planning proposals' and 'A guide to preparing local environmental plans'.

This Planning Proposal has been prepared by Architectus on behalf of Defence Housing Australia (DHA) to demonstrate the strategic merit of amending the Newcastle LEP 2012 to facilitate the use of land at 338 Fullerton Street, Stockton, also known as Fort Wallace, for a mixed defence and private housing development.

Specifically, this rezoning request seeks to amend the land use zoning and maximum height of building control for the subject site.

This Planning Proposal should be read in conjunction with the Urban Design and Landscape Report provided at **Attachment B**, prepared by Architectus and Spackman Mossop Michaels.

1.2 Defence Housing Australia

DHA was established as a Statutory Agency in 1988 and became a Government Business Enterprise in 1992 whose principal role is housing Defence members. DHA manages around 18,500 residences nationally, representing approximately \$10 billion worth of housing stock.

DHA currently manages 1,200 dwellings in Newcastle providing housing for Defence Members posted to the Williamstown RAAF base. DHA has an ongoing requirement for additional housing in the Newcastle area to cater for Newcastle based Defence members and their families and to replace existing DHA dwellings that do not meet current standards.

DHA is currently seeking to provide more accommodation on sites that is:

- Within close proximity to the Williamstown RAAF base;
- Are not affected by the airport ANEF contours or other unworkable site or environmental constraints; and
- Within close proximity to services and community infrastructure.



Figure 3 Local site context

1.3 The site context

The site includes two lots legally known as Lot 100 and 101, DP1152115, covering a land area of approximately 32 hectares. Fort Wallace is bound by the Stockton Centre to the north, a redundant water treatment works to the south, Fullerton Road to the west and Stockton Beach to the east. The site is approximately 3km north of the established area of Stockton and approximately 5km north of Newcastle.

The site is part of the Stockton Peninsula, with the town centre of Stockton sitting on the headland located approximately 3km to the south. Stockton town centre is a small community of low and medium density residential, with a mix of uses that serves the day to day needs of residents such as newsagencies, hairdressers and grocers, as well as services such as hardware and real estate agents. The community enjoys amenity from green spaces around the water and the beach, which stretch north to the subject site and on to Port Stephens. Access to the Newcastle City Centre is available via ferry from Stockton, a trip of approximately ten minutes.

The Stockton town centre is served by a single road known as Fullerton Street that runs to the north, defining the western edge of the subject site. The Peninsula is at its narrowest point slightly to the south of the subject site, at what is currently a redundant water treatment plant owned by Hunter Water. The land begins to widen at the southern boundary of the subject site, and then gradually expands to the north. The land is bound to the east by the ocean, and to the west by the Hunter River North Channel, to which Fullerton Street runs parallel. The strip of land between Fullerton Street and the Hunter River North Channel, approximately 35m wide, is a grassed area with a shared pathway that runs to the ferry in the south and approximately to the Stockton Centre in the north.

Fullerton Street joins Nelson Bay Road to the north of the subject site, a major road that provides access to Newcastle through Kooragang and the RAAF Base Williamstown to the

north. The base, which is approximately 30km north, would be the place of employment for many of the residents of the subject site.

The site is currently part of a special uses area that sits between the two residential communities of Stockton and Fern Bay. The special uses include the redundant water treatment plant adjoining the site to the south, the Stockton Centre adjoining the site to the north, a cemetery to the north of the Stockton Centre, and a former rifle range. Some small pockets of private residential uses are interspersed.

The Stockton Centre has been nominated for closure due to facilities not meeting modern requirements. Consultation with the NSW Department of Family and Community Services to understand the future of the centre and ensure that the vision for Fort Wallace responds appropriately to any changing use is described later in this report.

The Rifle Range site, to the north of the cemetery adjoining the Fern Bay community, is currently vacant and disused. The site is also owned by DHA and is subject to a separate planning process with Port Stephens Council.

The subject site may be accessed from Fullerton Street and from the beach, although access is currently restricted.

1.4 History and current use of the site

Consultation with local Aboriginal groups has concluded that the Stockton Peninsula, including the subject site, is considered to have very high Aboriginal cultural value to the Worimi people. No Aboriginal archaeological sites have been documented within or immediately adjacent to the Fort Wallace. Any as yet undocumented evidence which may be present on the site is likely to consist of scatters of shell and artefacts. Fort Wallace may have cultural and historical significance to the local Aboriginal community due to the potential presence of a burial ground in the vicinity.

The original fort was constructed in 1912, including two 6" guns which were installed in 1915. These guns were replaced by 9" guns in 1939/40. In 1967, 130 Squadron moved to Fort Wallace, followed by the construction of new barracks in 1974. Additional construction took place on the Fort Wallace site in 1982 to support 130 Squadron, including stores, workshop, administration, training and amenities buildings. 130 Squadron continued to use the site until the end of 1993.

The most recent use of the site was as accommodation by the Australian Navy, with the 1982 constructed buildings re-fitted as accommodation in 1996.

Defence ceased activity on the site in 2003. Fort Wallace was entered into the Commonwealth Heritage List in June 2006. In 2015, DHA purchased the Fort Wallace from the Department of Defence (DoD). The site is currently vacant, non-operational and secured.

1.5 Land use zoning history

The subject site was zoned 5(a) Special Uses (Defence) under the Newcastle LEP 2003. The objective of the zone was to accommodate major transport networks and facilities; accommodate large scale facilities and services, together with ancillary activities; accommodate large scale community establishments, together with ancillary activities; and require development to be integrated and reasonably consistent in scale and character with surrounding natural, rural or urban environments.

The Newcastle LEP was revised in 2012 in accordance with the Standard Instrument LEP. The site is currently zoned SP2 Infrastructure (Defence) under the Newcastle LEP 2012.

1.6 The vision

The vision for the Fort Wallace site is for a sensitively designed residential community providing housing diversity, best practice design and the creation of new open space and connections, together with the preservation of European and Indigenous heritage and environmental assets for the wider community. The DHA team hopes to use this master planning process to explore opportunities to plan for new types of housing for DHA and exemplar open space and conservation projects.

1.7 Authorship

This report has been prepared by Rachael Nesbitt, Associate, Architectus, and has been reviewed by Jane Freeman, Senior Associate Urban Planning, Architectus.

2.0 Objectives and intended outcomes

2.1 Objectives of the proposed controls

This planning proposal seeks to amend the Newcastle LEP to enable the redevelopment of the former Fort Wallace site for a diversity of residential uses while maintaining the heritage value of the site.

2.2 Intended outcomes

The intended outcomes of this proposal are to:

1. Facilitate the sensitive renewal of a currently underutilised site;
2. Deliver a diversity of high quality housing through a mixture of densities and housing typologies on the site, including townhouses, single dwellings, and multi-dwelling housing;
3. Maintain flexibility in the controls to respond appropriately to changing market and environmental conditions over time;
4. Maintain an appropriate setback to the coast and dune system, including responding to the risk of coastal erosion;
5. Open the site to the community through the delivery of public open space and landscaping; and
6. Ensure orderly development and the clear delineation in the ownership and ongoing management of the site.

3.0 Explanation of provisions

3.1 Amendments to planning provisions

To achieve the intended outcomes, the rezoning request seeks to amend the following mapping in the Newcastle LEP 2012:

- *Land Zoning Map – Sheet LZN_004I*, to show part of the subject site appropriate for residential development as R2 Low Density Residential while rezoning the remaining land to RE1 Public Recreation uses; and
- *Height of Buildings Map – Sheet HOB_004I*, to show part of the subject site as O 15m.

It is intended that these legislative amendments would be supported by a site specific DCP. This is set out in detail in the next section.

3.2 Existing land zoning

The land is currently zoned SP2 Infrastructure (Defence) under the Newcastle LEP 2012.

The objectives of this zone are to:

To provide for infrastructure and related uses.

To prevent development that is not compatible with or that may detract from the provision of infrastructure.

The following land uses are permitted without consent:

Roads

The following land uses are permitted with consent:

The purpose shown on the Land Zoning Map, including any development that is ordinarily incidental or ancillary to development for that purpose.

The purpose shown in the Land Zoning Map is Defence.

The following uses are prohibited on the site:

Any development not specified as permitted without consent or permitted with consent.

Proposed Coastal Area

In accordance with the precedent set to the south and north of Fort Wallace and the objectives for the land, it is proposed that the coast and dune system portions of the lot would be zoned RE1 Public Recreation. This distinction would be made primarily on the basis of the coastal hazard (almost certain) line to promote the clear management of land and to distinguish the intended outcomes of land in relation to residential uses. The existing lot line (between Lot 100 and 101) would not achieve these objectives. The zoning

would depart from the coastal hazard line to meet the existing lot boundary in the centre of the site to define a heritage park including the main heritage items. This is demonstrated in the map of proposed land use zoning below.

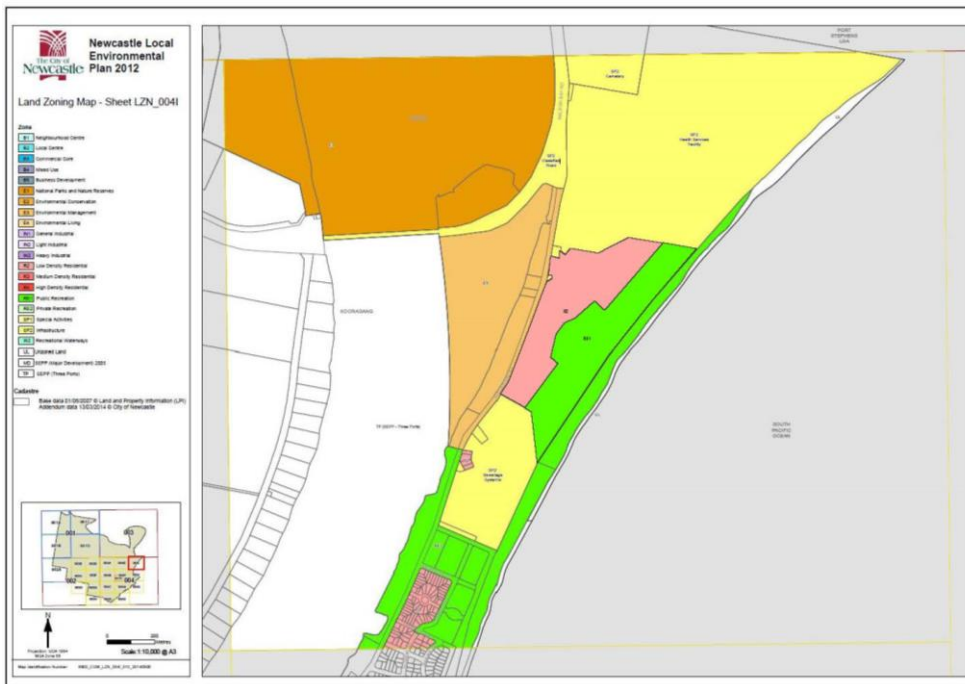


Figure 4 Proposed land use zoning map.

It is intended that this land be dedicated to Council. Additional land may be dedicated to Council, to be negotiated through the planning proposal process.

The RE1 zone would permit a range of community and recreation uses, including facilitating complementary uses such as restaurants and cafes that could support public enjoyment of the site.

The objectives of the RE1 Public Recreation zone are:

- To enable land to be used for public open space or recreational purposes.*
- To provide a range of recreational settings and activities and compatible land uses.*
- To protect and enhance the natural environment for recreational purposes.*

The following land uses are permitted without consent:

Environmental facilities; Environmental protection works.

The following land uses are permitted with consent:

Boat launching ramps; Boat sheds; Camping grounds; Car parks; Caravan parks; Charter and tourism boating facilities; Child care centres; Community facilities; Emergency services facilities; Information and education facilities; Jetties; Kiosks; Marinas; Markets; Moorings; Passenger transport facilities; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Registered clubs; Respite day care centres; Restaurants or cafes; Roads; Water recreation structures.

The following land uses are prohibited:

Any development not specified as permitted without consent or permitted with consent.

Consideration was given to the primary objectives for the land and the appropriate zoning

to respond to the environmental sensitives of the coast and its ecology. In NSW, there are four environmental protection zoned use specifically for land where the primary focus is the conservation and / or management of environmental values. These zones are as follows:

- E1 National Parks and Nature Reserves. This zone is used for existing national parks, nature reserves and conservation areas, or new areas proposed for reservation that have been agreed with the NSW government. This zone would not be appropriate for the site as it does not meet these criteria;
- E2 Environmental Conversation. This zone is used for areas with high ecological, scientific, cultural or aesthetic values outside national parks and nature reserves. Under the Newcastle LEP 2012, dwelling houses are permitted with consent in the E2 zone. Retail premises are prohibited;
- E3 Environmental Management. This zone is for land where there are special ecological, scientific, cultural or aesthetic attributes or environmental hazards / processes that require careful consideration and management. Under the Newcastle LEP 2012, dwelling houses are permitted with consent within the E3 zone, while retail premises are prohibited;
- E4 Environmental Living. This zone is for land with special environmental or scenic values, and accommodates low impact residential development. Under the Newcastle LEP 2012, dwelling houses and neighbourhood shops are permitted within the E4 zone.

The objectives for the land that runs along the coast, primarily defined by the dunes and beach, are:

- to allow public access to and enjoyment of the beach and dunes for activities such as walking and fishing;
- to protect and ensure the ongoing management of the ecological communities of the dunes and remnant vegetation;
- to facilitate community enjoyment and appreciation of the heritage aspects of the site, particularly the gun emplacements and watch tower; and
- to create the basis for a heritage park which may support small scale retail, such as a café.

In accordance with coastal management legislation and policy, it is intended that there is no development of the land for residential uses.

An ecological assessment has also been undertaken of the site (provided in full at **Attachment H**). While the site contains native vegetation communities and there have been recordings of some threatened species present on the site, the habitats on the site are considered to be moderately to highly disturbed and degraded. The site has not been considered to be highly environmentally significant or valuable.

Given the ecological significance of the site, the primary objectives of the land, and the intended dedication of this land to Council, the appropriate zoning for the land to the east of the coastal hazard (almost certain) line is considered to be an RE1 Public Recreation zoning.

Proposed Development Area

The site analysis and consultation resulted in the identification of a development footprint to the west of the site. This part of the site, and the adjoining APZs and communal open space, are proposed to be zoned R2 Low Density Residential. The objectives of the zone are:

- *To provide for the housing needs of the community within a low density residential environment.*
- *To enable other land uses that provide facilities or services to meet the day to day needs of residents.*

- *To accommodate a diversity of housing forms that respects the amenity, heritage and character of surrounding development and the quality of the environment.*

The following uses are permitted without consent:

Environmental protection works; Home occupations.

The following uses are permitted with consent:

Boarding houses; Child care centres; Community facilities; Dwelling houses; Educational establishments; Emergency services facilities; Exhibition homes; Exhibition villages; Flood mitigation works; Group homes; Home-based child care; Hospitals; Neighbourhood shops; Recreation areas; Residential accommodation; Respite day care centres; Roads; Tourist and visitor accommodation.

The following uses are prohibited:

Backpackers' accommodation; Hostels; Rural workers' dwellings; Serviced apartments; Any other development not specified in item 2 or 3.

This zone allows for diverse types of housing proposed and the objectives will ensure sensitive renewal of the significant site.

3.3 Height of buildings

The site is not affected by a maximum height of buildings control under the current LEP. In order to control the development capacity of the land, and manage potential for visual impact from surrounding areas, a maximum height is proposed to be applied to part of the site within which residential development would be permitted. The height of buildings controls would appropriately relate to the proposed land use zoning.

Proposed Coastal Area

In accordance with the precedent set on public land to the east and south of the subject site, it is proposed that the land to the site east, intended to be zoned RE1 Public Recreation, retain the existing no maximum height of buildings. Development outcomes would be controlled by a standard Plan of Management for public lands and the objectives of the RE1 zone.

Proposed Development Area

Land to the west, intended to be zoned R2 Low Density Residential, is proposed to be zoned to permit a maximum height of buildings of 14m (N). This is intended to facilitate a diversity of housing forms, including single dwellings, townhouses, cluster homes and apartments. Accommodating this diversity is a core objective of the R2 Low Density Residential Zone, reflected in the permissibility of all dwelling types in the zone with consent.

A maximum height of buildings of N 14m would facilitate built form up to 4 storeys, based on a floor to floor height of 3.1m in accordance with SEPP65 and the Apartment Design Guide (ADG). The limit also provides for a roof form (up to 2.6m).

The master plan shows 4 storey buildings in limited locations, where the height can be mitigated by the site topography, as shown below.

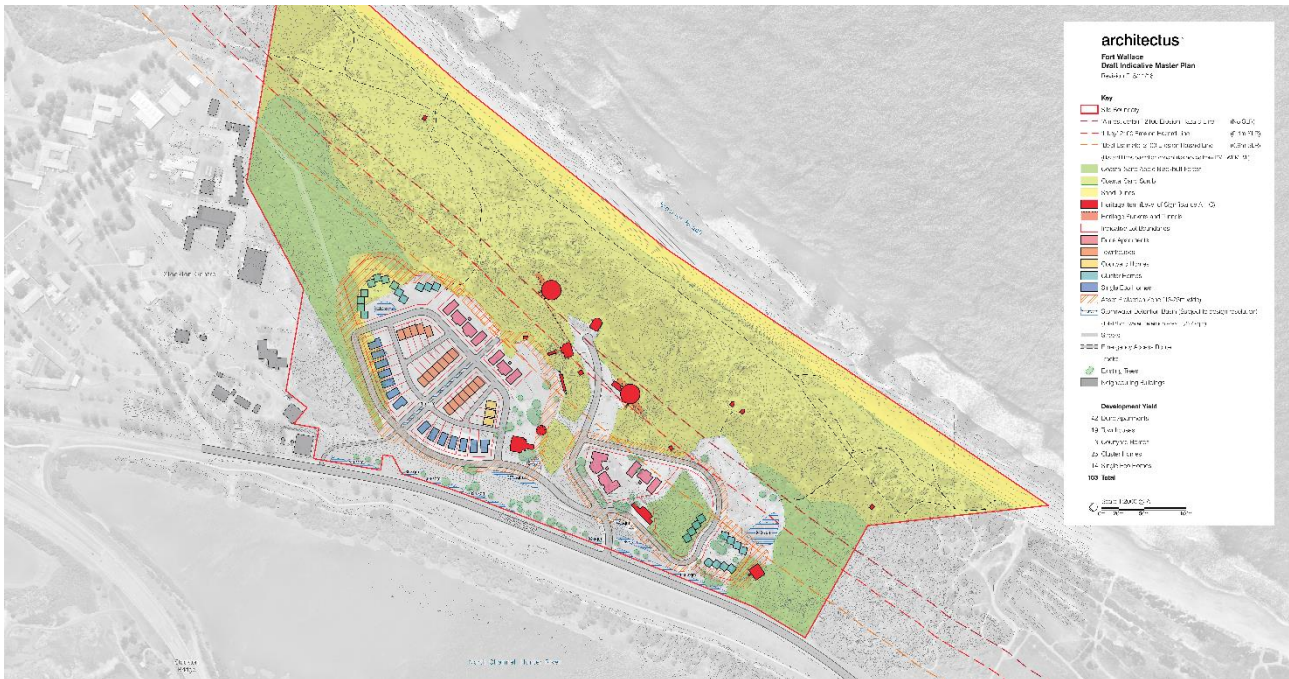


Figure 5 Concept Master Plan Fort Wallace, Architectus

Detailed built form typologies have been developed by Architectus in the Urban Design and Landscape Report to inform the concept master plan for the site, which this planning proposal seeks to facilitate. The Dune Apartment typology is intended to be a primarily three storey form, with the built form lifted on stilts in some places to allow for undercroft parking, respond to the topography in some locations, and promote passive cooling of the building. These outcomes are intended to be controlled through the site specific DCP, including a requirement for carefully designed at grade parking with basement parking prohibited. The housing typologies, including plans and precedents, are provided in detail in the Urban Design and Landscape Report.

The Conservation Management Plan (CMP) for the site, prepared in 1994, provides general guidance on an appropriate scale of development as two to three storeys. The scale of development is stated to be an approximation with the caveat that it may be appropriate for some development to exceed this height and that some parts of the site may accommodate built form of a larger scale. While the CMP was prepared at a time when the function and vision for the site was substantially different, and a more recent Heritage Management Strategy has been prepared (GML, 2008) which does not reference a specific scale of development, the key objectives of the CMP should be considered.

The key objective of this scale as referenced in the CMP is to preserve view lines in, around and through the site. Specifically, the general two to three storey development scale seeks to restrict the height of any new development in order to *'avoid any obstruction to the panoramic views available from the site, particularly from the Observation Tower'* (Section 7.3.3.1). It is further stated that *'no specific dimension is considered an appropriate height limit for the whole site'* (Section 7.3.3.1).

The Urban Design and Landscape Report, prepared by Architectus and Spackman Mossop Michaels and dated December 2016, demonstrates the performance of the concept master plan built form on the views to, through and from the site. The view analysis shows that a built form of up to 4 storeys and 14m can, in some instances across the site, achieve the objectives set out in the CMP for built form scale. For example, the topography of the site means that a 3 storey built form with stilts and undercroft parking located to the south-west of the Observation Tower would sit almost level with the ground level of the tower itself, retaining all views to the west.

It is crucial that the height limit allow for the buildings to sit lightly on the land and respond

to sites with steep topography. In these instances, it may be appropriate for the built form to sit above the natural ground level on some or all parts of the lot on stilts. The height limit applicable to the site should allow for an appropriate amount of flexibility in this respect so not to encourage a bulkier building footprint.

The proposed 14m maximum height of buildings would achieve the objectives of the R2 Low Density Residential land use zone as follows:

- *To provide for the housing needs of the community within a low density residential environment.* The proposed 14m height limit would provide for the housing needs of the community by supporting an apartment dwelling form, as permitted in the R2 Low Density Residential Zone. Dwelling densities are not established by the permissible dwelling heights. Rather, dwelling densities on the site are generally limited by the relationship to services such as sewage, electricity, and water. In addition, guidelines for density and dwelling diversity should be established for the site in the DCP to ensure that development of the site respects the objective of a low density environment.
- *To enable other land uses that provide facilities or services to meet the day to day needs of residents.* The proposed 14m height limit would allow for the delivery of a range of services and facilities.
- *To accommodate a diversity of housing forms that respects the amenity, heritage and character of surrounding development and the quality of the environment.* Detailed assessment of the heritage, urban character and ecological context of the site have been undertaken. The relationship of the proposed height limit with the CMP has been discussed, and the height has been considered to be acceptable by the heritage assessment in some parts of the site so long as key views are retained. The proposed height would have no adverse impacts on adjoining properties or public areas with respect to amenity impacts such as overshadowing or view loss. The proposed height limit would provide for a diversity of housing forms to be delivered on the site.

It is considered that the proposed height limit would appropriately respond to the context and could achieve the key objectives of the CMP and heritage values of the site, delivering a diverse range of dwelling typologies to address the needs of the community.

4.0 Justification and process

4.1 Process

Methodology

This Planning Proposal is supported by a suite of specialist assessments of the site that have informed consideration of the site's potential for redevelopment, including coastal engineering, ecology, heritage, landscape, transport, stormwater, bushfire and servicing assessments.

These assessments have been used as the basis of master plan options and the development of a recommended master plan, which has subsequently informed proposed revised planning controls for the site with respect to land use and height of buildings.

The concept master plan has been used as a demonstration of how the site could appropriately accommodate residential uses in response to best practice urban design and planning principles.

Proposed Planning Framework

A rezoning process is considered to be the most appropriate process to achieve the objectives for the site and orderly planning. The intended planning framework would be as follows:

- An amended LEP, controlling the permissible land uses and height of buildings on the site;
- A site specific DCP, providing guidance on the development of the site to ensure that it is sensitively managed; and
- A voluntary planning agreement.

As set out in this report, the Newcastle LEP 2012 would be amended to include changed land use and height of buildings controls for the site.

It is intended that the planning proposal be accompanied by a site specific development control plan (DCP) that sets out the key objectives for the development of the site and urban design and planning guidelines to achieve these objectives in order to provide more certainty around built form outcomes, ensure sensitive parts of the site are adequately managed, and complement zoning controls. The DCP is expected to be set out as follows:

- a) Objectives;
- b) Site history;
- c) A vision for Fort Wallace;
- d) Urban structure; and
- e) Site planning and built form.

The aims of the DCP are to:

- a) Provide appropriate development control principles for the development of the site;
- b) Guide the delivery of a diversity of housing on the site to serve the needs of the community;
- c) Ensure that development of the site is sensitive to the heritage and ecological significance of the site.

The principles of the DCP would be to provide guidance on issues including:

- a) Lot size. To encourage an orderly development outcome in line with the urban design principles for the site, it is intended that guidelines for minimum lot sizes in the different areas of the site would be provided in the DCP. The minimum lot size, applicable in the densest part of the site, would be 200sqm. The minimum lot size on the outer edges would be approximately 500sqm. A diversity of lot sizes to accommodate a range of dwelling forms would be a key objective of the control.
- b) Fences. In principle, fences would be minimised across the site. Landscaping would be encouraged as an alternative treatment. Where fencing is necessary, low visual impact fencing would be encouraged.
- c) Key views. Key views on the site include those from the observation tower to the west towards the river and to the east to the ocean; views between the observation tower and the gun emplacements; and views from within public spaces on the site to the observation tower. These views would be mapped and a key objective of the control would be to maintain these views with no obstruction from development.
- d) The relationship of development and heritage items. An appropriate development curtilage should be defined to ensure that new development respects the heritage significance of the site. A map of key heritage and archaeological items will be included in the DCP and development locations as defined in the concept masterplan.¹

Voluntary Planning Agreement

It is intended that the land to be zoned RE1 Public Recreation would be dedicated to Newcastle Council for ongoing ownership, control, care and management. This land comprises mainly the coast, beach, and dunes and adjoins the existing publicly owned and maintained beach area zoned RE1 to the east of the site.

The key terms of DHA's proposal are set out below:

- a) The parties to the planning agreement. The parties to the agreement will be Defence Housing Australia, as the land owner and developer, and Newcastle Council.
- b) The land the subject of any planning agreement. The planning agreement would apply to land at Lot 100 and 101, DP1152115, known as 338 Fullerton Street, Stockton.
- c) The kinds of contributions to be provided under the Planning Agreement. The planning agreement would relate to works in kind and dedication of land.
- d) Time frames and milestones for the provision of the contributions. DHA will provide to Council its expected timeframe for delivery of the project.
- e) Registration of Planning Agreement. The planning agreement will be registered to the title to the land held by the Land and Property Information Division.

There are a number of heritage items that fall within the proposed zone for dedication. It is considered appropriate that these items be held in perpetuity by Council considering their public importance and their potential to be experienced and enjoyed by the public. It is proposed that DHA would make the buildings and structures safe and secured to the

satisfaction of Council before dedication, but would not undertake any interpretation or adaptive reuse of the structures. The Urban Design and Landscape Report, provided at **Attachment B**, shows how the structures could be incorporated into a broader landscape strategy over time.

It is intended that the land dedicated and the works undertaken would replace any requirement for DHA to pay Section 94A Contributions to Council at subdivision or development stage.

It is also intended that the roads servicing development of the site, to be planned and delivered by DHA with appropriate approvals to Council's standards, be dedicated as public roads to Council.

The detail of a Letter of Offer to enter into a Voluntary Planning Agreement will be discussed and agreed with Council as the rezoning request progresses.

Relationship with other instruments

State Environmental Planning Policy No 71—Coastal Protection applies to the site. Under this SEPP, a master plan must be prepared and approved by the Minister prior to the subdivision of land zoned residential into 25 or more lots. As set out in Clause 20 of the SEPP 71, such a master plan should illustrate:

- a) *'design principles drawn from an analysis of the site and its context,*
- b) *desired future locality character,*
- c) *the location of any development, considering the natural features of the site, including coastal processes and coastal hazards,*
- d) *the scale of any development and its integration with the existing landscape,*
- e) *phasing of development,*
- f) *public access to and along the coastal foreshore,*
- g) *pedestrian, cycle and road access and circulation networks,*
- h) *subdivision pattern,*
- i) *infrastructure provision,*
- j) *building envelopes and built form controls,*
- k) *heritage conservation,*
- l) *remediation of the site,*
- m) *provision of public facilities and services,*
- n) *provision of open space, its function and landscaping,*
- o) *conservation of water quality and use,*
- p) *conservation of animals (within the meaning of the Threatened Species Conservation Act 1995) and plants (within the meaning of that Act), and their habitats,*
- q) *conservation of fish (within the meaning of Part 7A of the Fisheries Management Act 1994) and marine vegetation (within the meaning of that Part), and their habitats.'*

However, Clause 18 Section 2 (a) provides that the Minister may waive the need for a master plan to be adopted because of the adequacy of other planning controls that apply to the proposed development. In accordance with this Clause, it is considered that a DCP that sets out the objectives and principles of the master plan developed for the site would meet the objectives for the SEPP 71 and provide adequate planning controls relating to the proposed subdivision and development of the site.

4.2 Need for the planning proposal

Is the planning proposal a result of any strategic study or report?

The proposed rezoning achieves the goals of the Hunter Regional Plan 2036, released November 2016, including supporting the leading regional economy in Australia, a biodiversity-rich natural environment, thriving communities and greater housing choice and jobs. The Hunter Regional Plan seeks to deliver more housing and better housing choice in well serviced areas with high amenity, supporting the renewal of the strategically placed site. The directions of the Hunter Regional Plan are discussed in further detail in the next section.

This Planning Proposal has been prepared to provide greater certainty and clarity on future development on the Fort Wallace site, and continue to implement the aims of the Newcastle LEP 2012. The need for the planning proposal has resulted from consideration of specialist assessments prepared to assess the site's potential to deliver housing for defence members, including the following reports:

- Urban Design and Landscape Report, Architectus and Spackman Mossop Michaels, December 2016;
- Heritage Impact Statement Fort Wallace, Urbis, December 2016
- Fort Wallace Defence Housing Project Ecological Assessment Report, Umwelt, December 2016
- DHA Fort Wallace Stockton Beach Coastal Engineering Assessment, BMT WBM, December 2016
- Fort Wallace Bushfire Assessment, 338 Fullerton Street, Stockton, Kleinfelder, September 2016
- Proposed Stockton Fort Wallace Site Planning Proposal, Transport Study Report, Better Transport Futures, October 2016
- Draft Aboriginal Cultural Heritage and Archaeological Assessment Report, December 2016
- Servicing Report, Fort Wallace, ADW Johnson, December 2016
- Consultation Report, Fort Wallace, Elton, December 2016
- Stormwater Management Plan, ADW Johnson, November 2016

The planning proposal responds to the site opportunities and constraints identified in the technical specialist reports, and seeks to enable the recommended development scenario. Each report is discussed in detail in relevant sections of this report.

Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

There is potential under the site's current land use zoning to deliver uses that are ancillary to Defence uses. This may include housing for members of the Defence force.

However, the DHA delivery model of 50% housing for defence members and 50% housing available to the public to promote a diverse and socially sustainable community would not be considered to be ordinarily ancillary to defence uses and, subsequently, a planning proposal is considered to be necessary. A comprehensive master planning and rezoning approach is also a responsible method of renewing this sensitive site.

It is also considered that a land use rezoning would recognise the changing ownership and nature of the site and ensure that the community had realistic expectations of the sites

future.

A planning proposal to rezone part of the site for residential uses is therefore considered to be the best means of achieving the objectives for the site. The accompanying height amendment is intended to support the changing land use by setting appropriate parameters for future development.

4.3 Relationship to strategic planning framework

Is the planning proposal consistent with the objectives and actions of the applicable regional, sub-regional or district plan or strategy (including any exhibited draft plans or strategies)?

This section provides a summary of the strategic planning framework within which the Planning Proposal outcomes for the site have been considered. It should be noted that only those relevant to the subject site have been identified below.

Hunter Regional Plan 2036

Overall, the growth strategy in the Hunter Regional Plan supports the renewal of the site to deliver a diversity of housing, serving the housing needs of the local population and supporting the defence base while making the most efficient use of existing social and physical infrastructure.

The Planning Proposal would achieve the goals of the Hunter Regional Plan 2036 by:

1. Supporting strategically important local employment through a relationship with DHA and the Williamstown RAAF base, and contributing to the Hunter region being the leading regional economy in Australia;
2. Protecting a biodiversity-rich natural environment by increasing the sustainability of funding sources for site management and introducing a zoning which would protect the ecological value of the site;
3. Increasing the diversity and sustainability of the local community by increasing the population and accommodating a broad range of age groups, supporting local retail and services such as the local school at Fern Bay; and
4. Allowing the renewal of the site with controls that facilitate a diverse range of housing typologies, supporting greater housing choice in the region.

However, there are several mapping inconsistencies in the Regional Plan with relation to the site, which create difficulties in interpreting the strategic direction particularly when considering the DPE's position on residential and employment uses on the site as part of a strategy for the region. Specifically, the Hunter Regional Plan includes seven maps showing conflicting/inconsistent information for the Stockton area, as follows:

- Figure 3: Hunter 2036, showing the overall strategy for the Hunter region including growth areas, transport corridors, and biodiversity corridors. The Fort Wallace is shown as part of the Indicative Greater Newcastle Metropolitan Area. Part of the Fort Wallace site appears to be considered residential and employment land.

Figure 3: Hunter 2036

- Strategic Centre
- Centre
- Indicative Greater Newcastle Metropolitan Area
- Newcastle Airport - Global Gateway
- Port of Newcastle - Global Gateway
- Railway
- Inter-regional Road
- Major Road
- Inter-regional Connection
- Growth Area
- Biodiversity Corridor
- National Park and Reserve /State Forest
- Residential and Employment Land
- Waterway



Figure 7 Excerpt from Hunter Regional Plan 2036, Figure 3: Hunter 2036

- Figure 4: Greater Newcastle 2036, showing the overall strategy for the Greater Newcastle region. The Fort Wallace site is shown as part of the Indicative Greater Newcastle Metropolitan Area. Part of the Fort Wallace site appears to be considered residential and employment land, while the western part appears to be indicatively identified as a transport gateway.

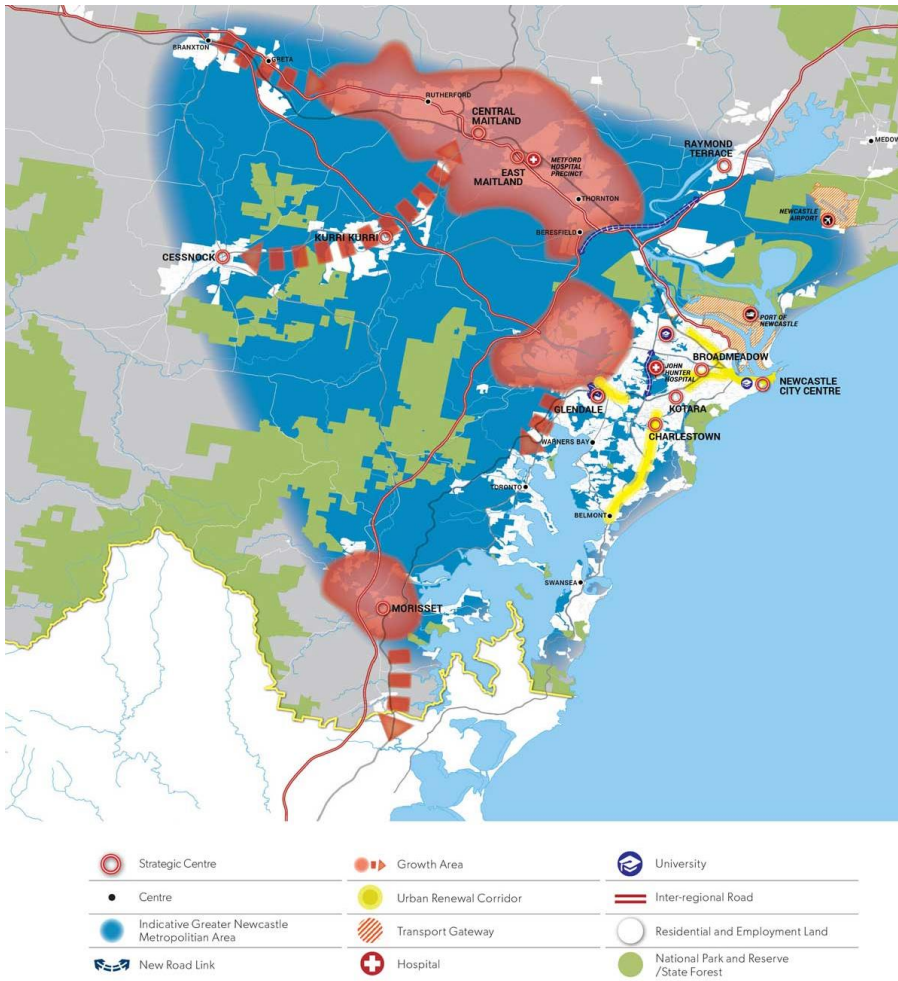


Figure 8 Excerpt from Hunter Regional Plan 2036, Figure 4: Greater Newcastle 2036

- Figure 5: Greater Newcastle Strategic Centre Connectivity, showing the intended transport connectivity improvements. It is shown that the Fort Wallace is in the path identified to be strengthened, which runs from Newcastle City Centre north to the airport.

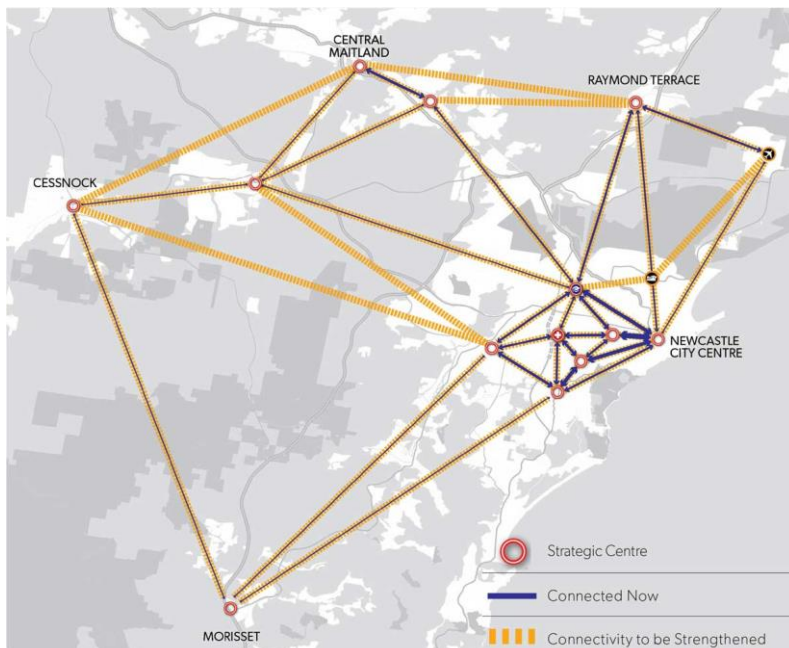


Figure 9 Excerpt from Hunter Regional Plan 2036, Figure 5: Greater Newcastle Strategic Centre Connectivity

- Figure 9: Coal Mining and Renewable Energy, showing the locations of existing energy centres and potential areas to collect solar energy. Fort Wallace is indistinguishable as the water is not shown.

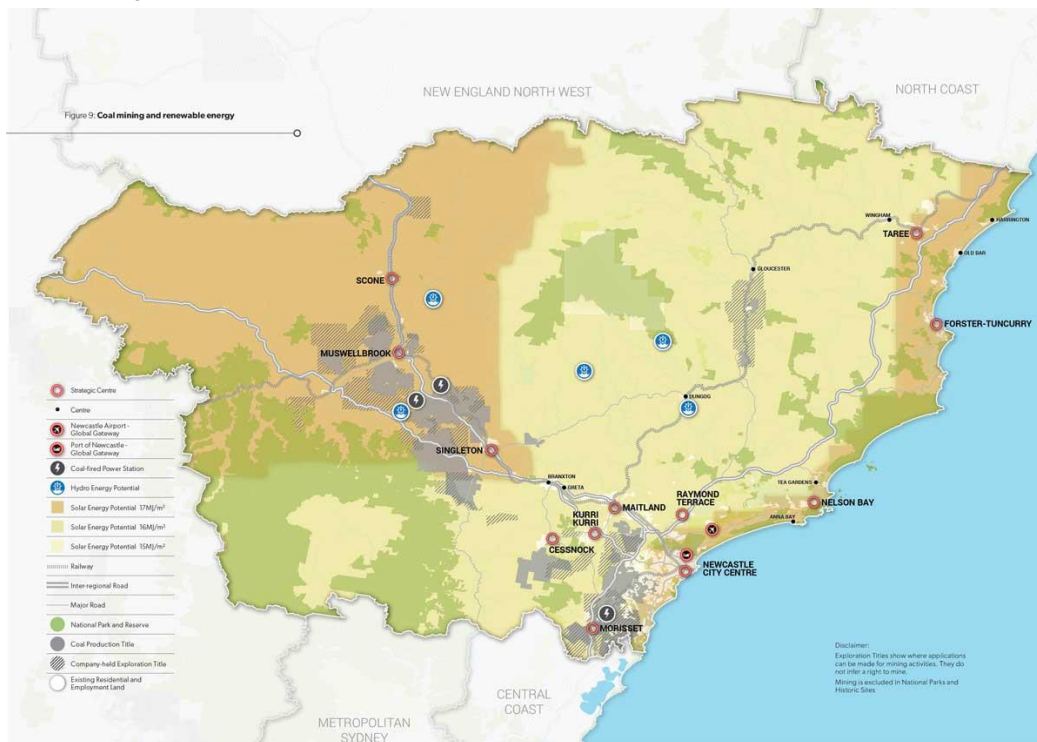


Figure 10 Excerpt from Hunter Regional Plan 2036, Figure 9: Coal Mining and Renewable Energy

- Figure 10: Proposed Biodiversity Corridors, showing the proposed biodiversity corridors. It appears that the Fort Wallace site is marked as existing residential and employment land.

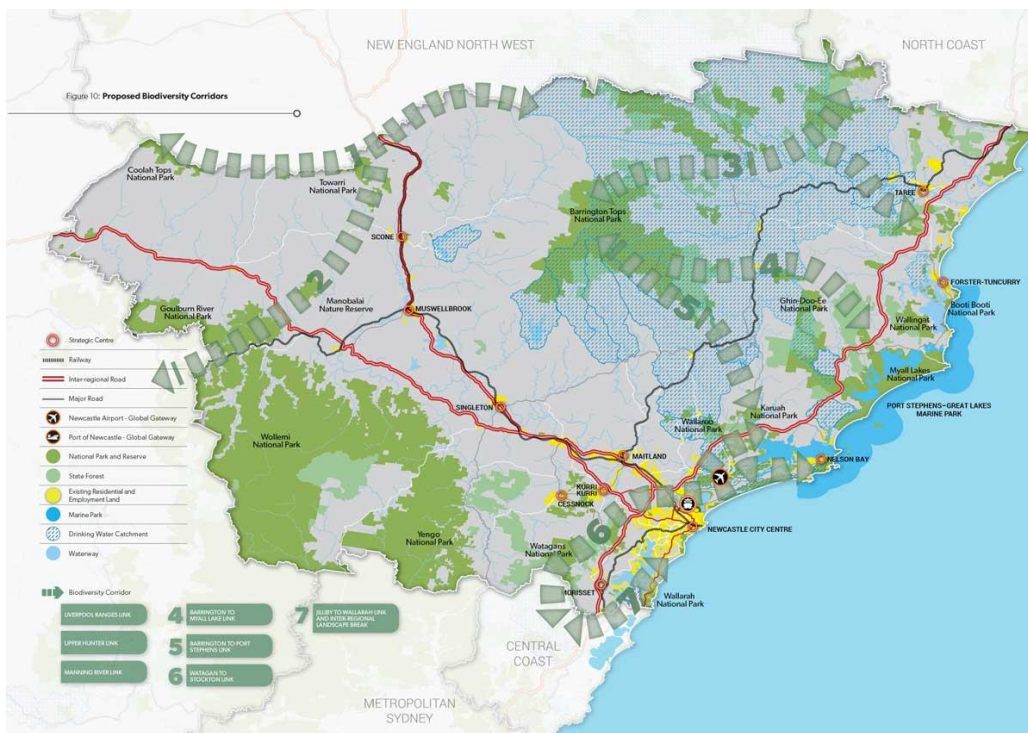


Figure 11 Excerpt from the Hunter Regional Plan 2036, Figure 10: Proposed Biodiversity Corridors

- Figure 11: Greater Newcastle Settlement Pattern, showing the intended urban release and settlement areas. The Fort Wallace site is identified as existing residential and employment land.

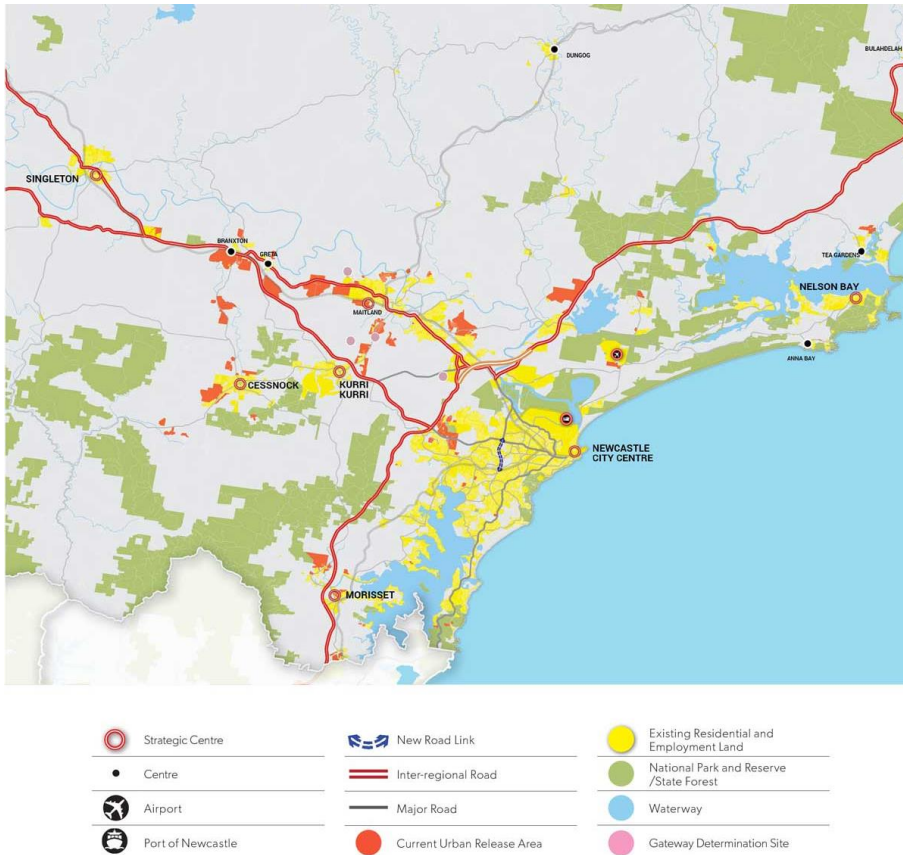


Figure 12 Excerpt from the Hunter Regional Plan 2036, Figure 11: Greater Newcastle Settlement Pattern

- Figure 14: Inner Newcastle, showing the settlement pattern in Newcastle. The Fort Wallace site appears to be unspecified (shown in grey).

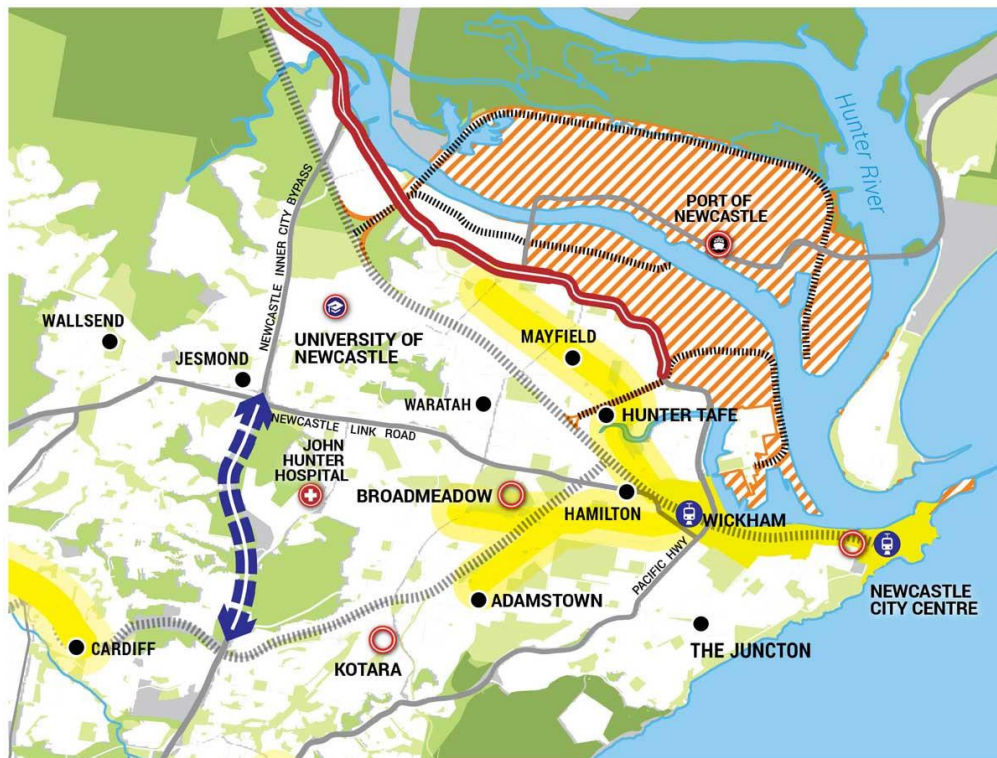


Figure 13 Excerpt from the Hunter Regional Plan 2036, Figure 14: Inner Newcastle

Preliminary consultation with the DPE indicates that the mapping was based on existing zoning and is intended to provide a high level strategic framework, and does not provide direction in relation to particular sites. The DPE advised that the Regional Plan will be supported by local planning in order to provide direction on a site specific basis. There is nothing in the plan, in the view of Architectus, which would preclude the merit assessment of a planning proposal to rezone the site for residential uses.

We understand that the DPE, in briefing councils on the Regional Plan, has indicated that planning proposals should be assessed with particular consideration of Directions 20 – 24. The Planning Proposal would contribute to achieving the objectives of the plan as summarised below.

Table 1 Response to Hunter Regional Plan 2036 Directions

Direction	Consistent	Comment
Direction 20: Revitalise existing communities. This direction relates to the concentration of development in existing areas to revitalise communities and focus social and physical infrastructure.	Yes	The Fort Wallace site lies between the Stockton Town Centre and the Fern Bay Town Centre, both of which provide a range of social and physical infrastructure which would efficiently service the residential development of the Fort Wallace site. Key infrastructure includes the Fern Bay public school and the ferry between

Stockton and Newcastle CBD.		
<p>Direction 21: Create a compact settlement. This direction seeks to focus development in locations with established services and infrastructure. One identified action is for Councils to identify opportunities for urban redevelopment or renewal in urban locations with access to public transport and services in the Greater Newcastle metropolitan area and where there may no longer be a need for employment land.</p>	Yes	<p>The renewal of the Fort Wallace site for residential uses would support an alignment of infrastructure delivery in the area by permitting residential uses on a well located site in close proximity to both the Fern Bay and Stockton communities. It is important also for DHA to provide housing for defence members in close proximity to the Williamtown Base. When compared to other sites in the 30km radius of the Williamtown Base, the subject site is very well serviced and the most appropriate location for additional housing.</p>
<p>Direction 22: Promote housing diversity. This direction relates to the need to provide diverse housing to accommodate the diverse needs of the community, including housing for older people, adaptable housing, and social and affordable housing. A key action is to respond to the demand for housing for resource industry personnel, and encourage housing diversity, including studios and one and two bedroom dwellings.</p>	Yes	<p>Housing diversity is a key objective of the master plan for the site, which has informed the planning proposal. The R2 Low Density Residential zoning in the Newcastle LEP permits a broad range of housing to be delivered on the site. It is intended that housing diversity in accordance with the master plan and residential typologies developed in the Urban Design and Landscape Report (Attachment B) would be promoted as an objective for the site in the site-specific DCP. In addition, the delivery of housing for defence personnel would support social diversity and affordability for these key workers in the region.</p> <p>The residential typologies that would be accommodated on site would allow for a diverse community, including defence members with families and single defence members. This is a good social outcome compared to the typical options for housing around the base.</p> <p>The DHA model also seeks to provide 50% defence housing on the site and 50% of housing available for private sale to members of the public. This again encourages a diverse community.</p>
<p>Direction 23: Grow centres and renewal corridors. Concentration of development in strategic centres, urban renewal corridors and locally significant centres.</p>	Yes	<p>Fern Bay is identified as a locally significant centre under the Hunter Regional Plan 2036. The proposal would contribute to the Fern Bay centre through the creation of new open spaces, a diverse and cohesive community to support local retail and services, and through the interpretation of a heritage site.</p>
<p>Direction 24: Protect the economic functions of employment land. This direction encourages the promotion and protection of industry through land</p>	Yes	<p>The proposed rezoning would support the function of the nearby Williamtown RAAF base and the sustainability of the Defence force in the region by delivering housing</p>

use and infrastructure planning.	stock for Defence personnel and contributing to financial outcomes for DHA. The site has not been required by Defence for defence purposes in some time and the use of the site in its current situation does not contribute to employment in the region.
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The Hunter Regional Plan 2036 also includes Local Government Narratives which are intended to guide councils in investigation and implementation of the plan in order to achieve outcomes on the ground. The alignment of the planning proposal with key priorities of relevance to Fort Wallace are discussed below.

Table 2 Response to Hunter Regional Plan 2036 Local Priorities

Local Priority	Consistent	Comment
Provide a buffer to the Port of Newcastle operations through appropriate zoning to safeguard its future.	Yes	The Port of Newcastle is an increasingly important global gateway to the region. The planning proposal would not impact the sustainability of the Port of Newcastle in its continued operations. The site is located in an existing residential and special use area and is considered suitable for residential uses. Land buffers to the Port of Newcastle are appropriately zoned (IN1 and IN2). The subject site is not within the identified buffer zone.
Provide small-scale renewal and redevelopment of larger sites for infill housing.	Yes	The planning proposal would enable renewal of a currently underutilised site in a key location, with strong links to Newcastle and the airport, and provide increased, diverse housing to meet the needs of the community.

The planning proposal is considered to align with the Hunter Regional Plan 2036.

Is the planning proposal consistent with a council’s local strategy or other local strategic plan?

The Newcastle Local Planning Strategy (LPS) was adopted by Council 28 July 2015. The LPS is a comprehensive land use strategy to guide the future growth and development of Newcastle, underpinning the Newcastle LEP 2012, implementing the land use directions of the Newcastle 2030 Community Strategic Plan.

Appendix A of the LPS provides the neighbourhood visions and objectives for Stockton. The consistency of the planning proposal with the vision and objectives is assessed in the following table.

Table 3 Response to the Newcastle Local Planning Strategy

<i>Neighbourhood vision</i>	
<p>The existing beach and harbour side character and historic identity of Stockton will be protected and enhanced.</p>	<p>The planning proposal will contribute to the retention and enjoyment of the coast at Fort Wallace and the buildings and structures remnant from the site's former Defence use, which are listed on the Commonwealth register. The planning proposal would allow the site to be opened to the public with a landscape and management strategy appropriate for the site.</p> <p>The current zoning does not allow for the feasible renewal of the site. Under this regime, the site would remain vacant and underdeveloped.</p> <p>The primary issue with the current zoning is that it is not sustainable for DHA to manage the heritage items and sensitive ecological communities in the long term with no use of the site by Defence. Management of the site is an ongoing and expensive exercise without any development or use of the site to justify to support the maintenance. In its current state, the site is under constant threat of vandalism and misuse, with the heritage items overrun with invasive vegetation.</p> <p>The Planning Proposal would support this objective in several ways:</p> <ul style="list-style-type: none"> - Renewal of the site to generate income to restore, protect and manage the sensitive heritage and ecology; - Development of the site to promote active and passive surveillance, as well as enjoyment, of heritage items; - Enabling access to the site and its heritage identity to both locals and visitors.
<i>Objectives</i>	
<p>Encourage development that is sympathetic to the existing character of Stockton.</p>	<p>The Stockton Town Centre is primarily low to medium density residential development with a mix of uses along the main streets and near the Ferry terminal. There is a currently separation between the site and the existing Stockton Town Centre that facilitates a unique approach to the site. The planning proposal is sympathetic to the existing character of Stockton in its scale, diversity of dwellings and landscape character.</p> <p>The proposed scale is considered appropriate as the built form:</p> <ul style="list-style-type: none"> - Is not visible over the dunes from the beach; - Taller buildings are proposed in locations where they appropriately respond to the site typology; - Taller built form will result in a smaller built form, enabling a respectful setback to heritage items across the site.

Facilitate redevelopment in the commercial centre that both improves local services and attracts visitors.	The Planning Proposal will not directly impact the existing commercial centre. However, the planning proposal is likely to increase patronage to the local centre, facilitating renewal and increased quality of local services by contributing to a critical mass, while also drawing visitors to enjoy the site's heritage and landscape value. The Planning Proposal would facilitate this outcome.
Promote Stockton as a tourism destination without reducing its appeal as a place to reside.	A key intended outcome of the planning proposal is to promote Stockton as a tourism destination by rezoning a large portion of the site for public recreation, facilitating the enjoyment of the buildings and structures remnant from the defence use of Fort Wallace by the public in a landscape setting. Small scale retail and a coastal walk would also be facilitated in the zoning, intending to connect visitors from the Stockton Ferry to the site and to the Rifle Range in the north. With the heritage significance of the former Defence structures, the site itself could become a destination, like Fort Scratchley of the Memorial Boardwalk.
Protect and enhance public harbour side reserves.	The Planning Proposal does not contravene this objective. The proposal seeks to enhance public access to and enjoyment of the coast adjoining the Fort Wallace site. The walkway on the site would contribute to a long term continuation along the coast, building on the shared way at Pirate Point.
Future development considers coastal erosion processes.	The Planning Proposal seeks to zone all land to the east of the 'almost certain' hazard line for non-residential uses. In accordance with Council policy, all dwellings located in the concept master plan are located landward of the 2100 coastal hazard line. The proposed zoning also seeks to ensure that a clear management responsibility for APZs is maintained.

Is the planning proposal consistent with applicable State Environmental Planning Policies?

The consistency of this planning proposal with current State Environmental Planning Policies (SEPPs) considered applicable to the Planning Proposal are outlined in the table below. SEPPs which have been repealed or were not finalised are not included in this table.

Table 4 Response to State Environmental Planning Policies

State Environmental Planning Policy	Consistency	Comment
SEPP 1 – Development Standards	Yes	Clause 1.9 of the Newcastle LEP 2012 excludes the application of SEPP 1. Clause 4.6 of the LEP 2012 is the alternative mechanism, for varying development standards. Clause 4.6 provides a comprehensive merit test to ensure design excellence is achieved. The Planning Proposal will not contradict or hinder the application of this SEPP.
SEPP 14 – Coastal Wetlands	Yes	The Planning Proposal will not contradict or hinder the application of this SEPP.
SEPP 26 – Littoral Rainforests	Yes	The consistency of the Planning Proposal with SEPP 26 has been assessed by the Ecological Assessment prepared by Umwelt, provided in

		Attachment H. The assessment concludes that no littoral rainforest communities were recorded or are likely to occur within the study area, and there is no potential for these communities to be impacted by the proposal.
SEPP 44 – Koala Habitat Protection	Yes	The SEPP applies to land in the Newcastle LGA. The consistency of the Planning Proposal with SEPP 44 has been considered in detail in the Ecological Assessment prepared by Umwelt, provided in Attachment H . The assessment concludes that the site does not constitute potential koala habitat. No evidence of koala occupation was recorded in the area.
SEPP 55 – Remediation of Land	Yes	The Planning Proposal will not contradict or hinder the application of this SEPP. A Site Audit Statement has been prepared and provided at Attachment G that demonstrates that the site is considered to be suitable for the uses set out in the Planning Proposal. Application of the SEPP at DA stage and further work will ensure that the land is developed in accordance with the SEPP.
SEPP 64 – Advertising and Signage	Yes	The Planning Proposal will not contradict or hinder the application of this SEPP if and when signage is proposed under future development.
SEPP 65 – Design Quality of Residential Flat Development	Yes	The Urban Design Study for the site has been informed by SEPP 65 Principles. The Planning Proposal is not considered to hinder the application of this SEPP or the accompanying Apartment Design Guide.
SEPP 71 – Coastal Protection	Yes	The Planning Proposal will not contradict or hinder the application of this SEPP. It is expected that a site-specific DCP would negate the need for a master plan for the site to be adopted prior to subdivision.
SEPP (Building Sustainability Index: BASIX) 2004	Yes	The Planning Proposal will be consistent with the application of this SEPP. Future residential use on the site will be required to achieve minimum BASIX requirements (lighting, heating, cooling, and ventilation) to qualify for a BASIX Certificate and compliance with SEPP BASIX.
SEPP (Exempt and Complying Development Codes) 2008	Yes	The Planning Proposal will not contradict or hinder the application of this SEPP.
SEPP (Infrastructure) 2007	Yes	The Planning Proposal will not contradict or hinder the application of this SEPP.

It is noted that the Department of Planning and Environment, with the Office of Environment and Heritage, is developing a new Coastal Management Framework, including the draft Coastal Management SEPP which will support the implementation of the management objectives set out in the Coastal Management Act 2016. Given the significance of coastal management on this site and that future development applications will be subject to the new Coastal Management Framework it has been considered in this Planning Proposal.

The draft SEPP is intended to repeal SEPP 14 – Coastal Wetlands, SEPP 26 – Littoral Rainforests, and SEPP 71 – Coastal Protection, which have been considered above. The objects of the Coastal Management Act 2016, which will commence once consultation on the draft SEPP is completed, are to manage the coastal environment of New South Wales in a manner consistent with the principles of ecologically sustainable development for the social, cultural and economic well-being of the people of the State. The aims of the SEPP are to promote an integrated and co-ordinated approach to land use planning in a manner consistent with the objects of the Coastal Management Act 2016.

Provisions of the Coastal Management Act 2016 and draft Coastal Management SEPP generally apply to the considerations to be given by Council in the assessment of development, to which future development applications on the site. Nothing in this planning

proposal will contradict or hinder the application of this Act or draft SEPP.

The Planning Proposal is considered to be consistent with the objectives of the Act and draft SEPP with the proposed residential zoning generally located landward of the 2100 hazard line. Land to the east of this area is proposed to be dedicated to Newcastle Council for ongoing public enjoyment, with works prior to dedication to be agreed through the development of an agreed landscape and heritage interpretation strategy for the site.

Is the planning proposal consistent with applicable Ministerial Directions (s.117 directions)?

The consistency of the Planning Proposal with the applicable State Environmental Planning Policies is discussed below.

Table 5 Response to Section 117 Directions

No.	Direction	Application / Controls	Consistency	Comment
1	Employment and Resources			
1.1	Business and Industrial Zones	<i>Application</i> This direction applies when a relevant planning authority prepares a planning proposal that will affect land within an existing or proposed business or industrial zone (including the alteration of any existing business or industrial zone boundary).	N/A	The planning proposal does not seek to affect land within an existing or proposed business or industrial zone.
1.2	Rural Zones	<i>Application</i> This direction applies when a relevant planning authority prepares a planning proposal that will affect land within an existing or proposed rural zone (including the alteration of any existing rural zone boundary).	N/A	The Planning Proposal does not affect land within an existing or proposed rural zone.
1.3	Mining, Petroleum Production and Extractive Industries	<i>Application</i> This direction applies when a relevant planning authority prepares a planning proposal that would have the effect of: (a) prohibiting the mining of coal or other minerals, production of petroleum, or winning or obtaining of extractive materials, or (b) restricting the potential development of resources of coal, other minerals, petroleum or extractive materials which are of State or regional significance by permitting a land use that is likely to be incompatible with such development.	N/A	The Planning Proposal does not relate to the mining of coal or other materials, production of petroleum or extractive materials.
1.4	Oyster Aquaculture	<i>Application</i> This direction applies to Priority Oyster Aquaculture Areas and oyster aquaculture outside such an area as identified in the NSW Oyster Industry Sustainable Aquaculture Strategy (2006) ("the Strategy"). The planning authority must consider the potential impacts of the planning proposal on the oyster aquaculture areas consult with the Director General of the Department of Primary Industries (DPI).	Yes	The NSW Oyster Industry Sustainable Aquaculture Strategy (2006) identifies a 'Priority Oyster Aquaculture Area' in the Hunter River, in close proximity to the site but separated by a Council owned reserve along Fullerton Street. A stormwater assessment has been undertaken to consider the rezoning request and possible residential development of the site which has concluded that the site is capable of adequately treating stormwater within the limits of the site. There is not expected to be any impact on the oyster aquaculture area by the planning proposal or potential residential development of the site.
1.5	Rural Lands	<i>Application</i> This direction applies when: (a) a relevant planning authority prepares a planning proposal that will affect land within an existing or proposed rural or environment protection zone (including	N/A	The Planning Proposal does not apply to an existing or proposed rural or environmental protection zone.

		the alteration of any existing rural or environment protection zone boundary) or (b) a relevant planning authority prepares a planning proposal that changes the existing minimum lot size on land within a rural or environment protection zone.		
2	Environment and Heritage			
2.1	Environmental Protection Zones	<p><i>Controls</i></p> <p>4) A planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas.</p> <p>5) A planning proposal that applies to land within an environment protection zone or land otherwise identified for environment protection purposes in a LEP must not reduce the environmental protection standards that apply to the land (including by modifying development standards that apply to the land). This requirement does not apply to a change to a development standard for minimum lot size for a dwelling in accordance with clause (5) of Direction 1.5 "Rural Lands".</p>	Yes	The Planning Proposal complies with this direction in that does not apply to land within an environmental protection zone or identified for environmental protection purposes.
2.2	Coastal Protection	<p><i>Application</i></p> <p>This direction applies when a relevant planning authority prepares a planning proposal that applies to land in the coastal zone.</p>	Yes	The consistency of the planning proposal with key coastal planning policies has been assessed in detail in the Coastal Engineering Report, provided at Attachment F . The planning proposal gives effect to the relevant legislation and guidelines.
2.3	Heritage Conservation	<p><i>Controls</i></p> <p>A planning proposal must contain provisions that facilitate the conservation of:</p> <p>(a) items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, social, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area,</p> <p>(b) Aboriginal objects or Aboriginal places that are protected under the National Parks and Wildlife Act 1974, and</p> <p>(c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey prepared by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people.</p>	Yes	<p>The planning proposal complies with this Direction in that it seeks to conserve buildings, structures and relationships of heritage significance on the site through the zoning of a public recreation area and a landscape strategy that responds to the heritage value of the site.</p> <p>The assessment of European heritage conservation has been undertaken in detail in the attached Heritage Impact Assessment, provided at Attachment I. The assessment concludes that the Planning Proposal appropriately manages the heritage value of the site.</p> <p>An Aboriginal Cultural Heritage and Archaeological Assessment Report has also been prepared to inform this Planning Proposal, provided at Attachment J.</p> <p>The assessment concludes that the planning proposal appropriately manages the aboriginal cultural heritage value of the site.</p>
2.4	Recreation Vehicle Areas	<p><i>Controls</i></p> <p>A planning proposal must not enable land to be developed for the purpose of a recreation vehicle area (within the meaning of the Recreation Vehicles Act 1983):</p> <p>(a) where the land is within an environmental protection zone,</p> <p>(b) where the land comprises a beach or a dune adjacent to or adjoining a beach,</p> <p>(c) where the land is not within an area or zone referred to in paragraphs (4)(a) or (4)(b) unless the relevant planning</p>	Yes	The planning proposal does not seek to enable land to be developed for the purposes of a recreation vehicle area.

authority has taken into consideration:
 (i) the provisions of the guidelines entitled Guidelines for Selection, Establishment and Maintenance of Recreation Vehicle Areas, Soil Conservation Service of New South Wales, September, 1985, and
 (ii) the provisions of the guidelines entitled Recreation Vehicles Act, 1983, Guidelines for Selection, Design, and Operation of Recreation Vehicle Areas, State Pollution Control Commission, September 1985.

3 Housing, Infrastructure and Urban Development				
3.1	Residential Zones	<p><i>Controls</i></p> <p>A planning proposal must include provisions that encourage the provision of housing that will:</p> <p>(a) broaden the choice of building types and locations available in the housing market, and</p> <p>(b) make more efficient use of existing infrastructure and services, and</p> <p>(c) reduce the consumption of land for housing and associated urban development on the urban fringe, and</p> <p>(d) be of good design.</p> <p>(5) A planning proposal must, in relation to land to which this direction applies:</p> <p>(a) contain a requirement that residential development is not permitted until land is adequately serviced (or arrangements satisfactory to the council, or other appropriate authority, have been made to service it), and</p> <p>(b) not contain provisions which will reduce the permissible residential density of land.</p>	Yes	<p>The planning proposal is consistent with this Direction. Housing diversity is a key objective of the master plan for the site, which has informed the planning proposal. The R2 Low Density Residential zoning in the Newcastle LEP permits a broad range of housing to be delivered on the site. It is intended that housing diversity in accordance with the master plan and residential typologies developed in the Urban Design and Landscape Report (Attachment B) would be promoted as an objective for the site in the site-specific DCP. In addition, the delivery of housing for defence personnel would support social diversity and affordability for these key workers in the region.</p> <p>The location of the site, in close proximity to the Stockton Centre and Newcastle CBD, will ensure that residential development is well serviced and contributes to the efficient use of existing infrastructure.</p> <p>This Planning Proposal does not contain provisions which would reduce the permissible residential density of land.</p>
3.2	Caravan Parks and Manufactured Home Estates	<p><i>Controls</i></p> <p>In identifying suitable zones, locations and provisions for caravan parks in a planning proposal, the relevant planning authority must:</p> <p>(a) retain provisions that permit development for the purposes of a caravan park to be carried out on land, and</p> <p>(b) retain the zonings of existing caravan parks, or in the case of a new principal LEP zone the land in accordance with an appropriate zone under the Standard Instrument (Local Environmental Plans) Order 2006 that would facilitate the retention of the existing caravan park.</p>	Yes	<p>The planning proposal does not relate to the location or provision for caravan parks or manufactured homes.</p>
3.3	Home Occupations	<p><i>Controls</i></p> <p>Planning proposals must permit home occupations to be carried out in dwelling houses without the need for development consent.</p>	Yes	<p>The planning proposal does not seek to change the permissibility of home occupations in dwelling houses.</p>
3.4	Integrated Land Use and Transport	<p><i>Controls</i></p> <p>A planning proposal must locate zones for urban purposes and include provisions that give effect to and are consistent with the aims, objectives and principles of:</p> <p>(a) Improving Transport Choice – Guidelines for planning and development (DUAP 2001), and</p> <p>(b) The Right Place for Business and Services – Planning Policy (DUAP 2001).</p>	Yes	<p>The Planning Proposal is informed by a Transport Study undertaken by Better Transport Futures, provided at Attachment C. The study considers how a residential development of the site under the proposed planning controls would impact the surrounding transport network. The study concludes that the site is well serviced by public transport infrastructure and that local roads have the capacity to accommodate the additional vehicles that may result from a residential land use and is appropriate for</p>

3.5	Development Near Licenced Aerodromes	<p><i>Application</i></p> <p>This direction applies when a relevant planning authority prepares a planning proposal that will create, alter or remove a zone or a provision relating to land in the vicinity of a licenced aerodrome.</p>	N/A	<p>residential development under the relevant transport legislation and guidelines.</p> <p>The planning proposal does not relate to land in proximity to an aerodrome. ANEF contours for the Williamstown base were assessed as part of the environmental assessment of the introduction of F-35A aircraft (Coffey, 2014). The diagram to the left demonstrates the extent of the ANEF contours, which do not impact the site. It is important to note that a substantial portion of land that could facilitate dwellings for defence staff in proximity to the base is affected, constraining the land available for these uses.</p>
<p>Figure 14 RAAF Base Williamtown and SAAWR ANEF noise contours before and after the introduction of the F-35A aircraft, Coffey, 2014</p>				
3.6	Shooting Ranges	<p><i>Application</i></p> <p>This direction applies when a relevant planning authority prepares a planning proposal that will affect, create, alter or remove a zone or a provision relating to land adjacent to and/ or adjoining an existing shooting range.</p>	N/A	<p>The planning proposal does not seek to affect, create, alter or remove a zone or provision relating to land adjacent to or adjoining an existing shooting range.</p>
<p>4 Hazard and Risk</p>				
4.1	Acid Sulfate Soils	<p><i>Application</i></p> <p>This direction applies when a relevant planning authority prepares a planning proposal that will apply to land having a probability of containing acid sulfate soils as shown on the Acid Sulfate Soils Planning Maps.</p>	Yes	<p>The planning proposal relates to land with an Acid Sulfate Soil Class of 4 and 5. This planning proposal does not contradict or hinder application of acid sulphate soils provisions in the NLEP 2012.</p>
4.2	Mine Subsidence and Unstable Land	<p><i>Application</i></p> <p>This direction applies to land that:</p> <ul style="list-style-type: none"> (a) is within a Mine Subsidence District proclaimed pursuant to section 15 of the Mine Subsidence Compensation Act 1961, or (b) has been identified as unstable land. 	N/A	<p>The planning proposal does not apply to land that is within a mine subsidence district or that has been identified as being unstable.</p>
4.3	Flood Prone Land	<p><i>Application</i></p> <p>This direction applies when a relevant planning authority prepares a planning proposal that creates, removes or alters a zone or a provision that affects flood prone land.</p>	N/A	<p>The land is not flood prone land.</p>
4.4	Planning for Bushfire Protection	<p><i>Application</i></p> <p>This direction applies when a relevant planning authority prepares a planning proposal that will affect, or is in proximity to land mapped as bushfire prone land.</p>	Yes	<p>The planning proposal is consistent with this Direction. The proposal has been assessed for its compliance with bushfire protection legislation and policy in detail in the Bushfire Risk Assessment Report, provided at Attachment D. The report concludes that the planning proposal does not preclude development that meets bushfire protection</p>

			standards.
5	Regional Planning		
5.1	Implementation of Regional Strategies	<p>This direction applies to land to which the following regional strategies apply:</p> <ul style="list-style-type: none"> (a) Far North Coast Regional Strategy (b) Lower Hunter Regional Strategy (c) Illawarra Regional Strategy (d) South Coast Regional Strategy (e) Sydney–Canberra Corridor Regional Strategy (f) Central Coast Regional Strategy, and (g) Mid North Coast Regional Strategy. 	<p>N/A</p> <p>The Hunter Regional Plan 2036 applies to the site. While the Hunter Strategy is ambiguous in its recommendations for the site specifically, generally the planning proposal is considered to be consistent with the Directions of the plan. The consistency of the Planning Proposal with the Hunter Regional Plan 2036 is addressed in Tables 1 and 2 of this report.</p>
5.2	Sydney Drinking Water Catchment	<p><i>Application</i></p> <p>This Direction applies to the Sydney drinking water catchment in the following local government areas:</p> <ul style="list-style-type: none"> - Blue Mountains - Campbelltown - Cooma Monaro - Eurobodalla - Goulburn Mulwaree - Kiama - Lithgow - Oberon - Palerang - Shoalhaven - Sutherland - Upper Lachlan - Wingecarribee - Wollondilly - Wollongong. 	<p>N/A</p> <p>The planning proposal does not apply to land in the Sydney drinking water catchment.</p>
5.3	Farmland of State and Regional Significance on the NSW Far North Coast	<p><i>Application</i></p> <p>This direction applies to:</p> <ul style="list-style-type: none"> (a) Ballina Shire Council, (b) Byron Shire Council, (c) Kyogle Shire Council, (d) Lismore City Council, (e) Richmond Valley Council, and (f) Tweed Shire Council, <p>except within areas contained by a “town and village growth boundary” in the Far North Coast Regional Strategy.</p>	<p>N/A</p> <p>The planning proposal does not apply to land in the nominated Council areas.</p>
5.4	Commercial and Retail Development along the Pacific Highway, North Coast	<p><i>Application</i></p> <p>This Direction applies to those council areas on the North Coast that the Pacific Highway traverses, being those council areas between Port Stephens Shire Council and Tweed Shire Council, inclusive.</p>	<p>N/A</p> <p>The planning proposal does not apply to land in Council areas on the north Coast.</p>
5.8	Second Sydney Airport: Badgerys Creek	<p><i>Application</i></p> <p>This direction applies to land shown within the boundaries of the proposed airport site and within the 20 ANEF contour as shown on the map entitled "Badgerys Creek–Australian Noise Exposure Forecast–Proposed Alignment–Worst Case Assumptions", this being found in Appendix U of the Second Sydney Airport Site Selection Program Draft Environmental Impact Statement within Fairfield City Council, Liverpool City Council, Penrith City Council and</p>	<p>N/A</p> <p>The planning proposal does not apply to land in the vicinity of Badgerys Creek.</p>

		Wollondilly Shire Council local government areas.		
5.9	North West Rail Link Corridor Strategy	<i>Application</i> This Direction applies to Hornsby Shire Council, The Hills Shire Council and Blacktown City Council.	N/A	The Planning Proposal does not apply to land within the Hornsby Shire, Hills Shire or Blacktown Council areas.
6	Local Plan Making			
6.1	Approval and Referral Requirements	<i>Controls</i> A planning proposal must: (a) minimise the inclusion of provisions that require the concurrence, consultation or referral of development applications to a Minister or public authority, and (b) not contain provisions requiring concurrence, consultation or referral of a Minister or public authority unless the relevant planning authority has obtained the approval of: (i) the appropriate Minister or public authority, and (ii) the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General), prior to undertaking community consultation in satisfaction of section 57 of the Act, and (c) not identify development as designated development unless the relevant planning authority: (i) can satisfy the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) that the class of development is likely to have a significant impact on the environment, and (ii) has obtained the approval of the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) prior to undertaking community consultation in satisfaction of section 57 of the Act.	Yes	This is a matter for consideration by during the assessment of the Planning Proposal. This Planning Proposal does not contravene the objectives of this Direction.
6.2	Reserving Land for Public Purposes	<i>Controls</i> A planning proposal must not create, alter or reduce existing zonings or reservations of land for public purposes without the approval of the relevant public authority and the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General). (5) When a Minister or public authority requests a relevant planning authority to reserve land for a public purpose in a planning proposal and the land would be required to be acquired under Division 3 of Part 2 of the Land Acquisition (Just Terms Compensation) Act 1991, the relevant planning authority must: (a) reserve the land in accordance with the request, and (b) include the land in a zone appropriate to its intended future use or a zone advised by the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General), and (c) identify the relevant acquiring authority for the land.	Subject to discussion	The purpose of this Direction is to ensure that any land to be dedicated for public use is the result of proper consultation and approved by the relevant authorities. DHA has undertaken preliminary design work for areas to be dedicated and undertaken preliminary consultation with Newcastle Council. At this stage, it is proposed that the coastal area and new open spaces be dedicated to Council. Council have expressed in principle support for this approach, subject to further design work and consultation as part of the planning proposal process.

		<p>(6) When a Minister or public authority requests a relevant planning authority to include provisions in a planning proposal relating to the use of any land reserved for a public purpose before that land is acquired, the relevant planning authority must:</p> <p>(a) include the requested provisions, or</p> <p>(b) take such other action as advised by the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) with respect to the use of the land before it is acquired.</p> <p>(7) When a Minister or public authority requests a relevant planning authority to include provisions in a planning proposal to rezone and/or remove a reservation of any land that is reserved for public purposes because the land is no longer designated by that public authority for acquisition, the relevant planning authority must rezone and/or remove the relevant reservation in accordance with the request.</p>		
6.3	Site Specific Provisions	<p><i>Controls</i></p> <p>A planning proposal that will amend another environmental planning instrument in order to allow a particular development proposal to be carried out must either:</p> <p>(a) allow that land use to be carried out in the zone the land is situated on, or</p> <p>(b) rezone the site to an existing zone already applying in the environmental planning instrument that allows that land use without imposing any development standards or requirements in addition to those already contained in that zone, or</p> <p>(c) allow that land use on the relevant land without imposing any development standards or requirements in addition to those already contained in the principal environmental planning instrument being amended.</p> <p>(5) A planning proposal must not contain or refer to drawings that show details of the development proposal.</p>	Yes	The planning proposal does not propose any unnecessarily restrictive site specific planning controls. Alterations to the DCP would be required to achieve the proposed master plan.
7	Metropolitan Planning			
7.1	Implementation of the Metropolitan Plan for Sydney.	<p><i>Controls</i></p> <p>Planning proposals shall be consistent with:</p> <p>(a) the NSW Government's A Plan for Growing Sydney published in December 2014.</p>	N/A	The planning proposal does not relate to land within the area of Metropolitan Sydney.

4.4 Environmental, social and economic impact

Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

A detailed ecological assessment has been undertaken to inform this planning proposal. The assessment, undertaken by Umwelt (Australia) Pty Limited (Fort Wallace Defence Housing Project Ecological Assessment Report, November 2016, provided at **Attachment H**) has undertaken a desktop analysis, review of previous surveys and records, site surveys and recordings to identify the flora and fauna communities present or likely to be present on

site. The vision for the site is to retain and protect significant vegetation whenever possible.

In order to consider the likely impacts that a residential development may have on the site if the planning proposal were to be supported, an assessment has been undertaken of a concept master plan for the site prepared by Architectus. Technical assessments of the master plan demonstrate how a residential development may be appropriately facilitated on the site.

The ecological assessment has found that the Fort Wallace site contains three native vegetation communities and one exotic vegetation community being Frontal Dune Blackbutt-Apple Forest, Coastal Tea-tree – Banksia Scrub, Bitou bush-dominated Scrub and Fore-dune Spinifex. A wide range of flora and fauna species have been recorded within and surrounding the Study Area as part of previous ecological surveys. Generally, the habitats in the Fort Wallace site are moderately to highly disturbed and degraded as a result of previous disturbances and weed invasion.

Three threatened species listed under the Threatened Species Conservation Act and/or EPBC Act have been recorded on the site being pied oystercatcher (*Haematopus longirostris*), grey-headed flying-fox (*Pteropus poliocephalus*) and east coast freetail-bat (*Mormopterus norfolkensis*).

The assessment concludes that residential development of the site in accordance with the concept master plan would have minimal impacts on local biodiversity and threatened species. It is considered unlikely that redevelopment of the site for residential uses would result in a significant impact on threatened species occurring or with the potential occur on the site.

It is noted that future development applications will be required to be accompanied by a report assessing the significance of the development on the ecological significance of the site.

Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The Planning Proposal is not likely to result in development that will create any significant adverse environmental effects.

A range of technical assessment have been undertaken to ensure that potential impacts of the rezoning are acceptable, including the ecological assessment summarised in the previous section of this report.

The following assessments, commissioned by DHA, have been prepared to inform the planning proposal.

Proposed Stockton Fort Wallace Site Planning Proposal, Transport Study Report, October 2016, prepared by Better Transport Futures, Attachment C

A transport study was prepared by Better Transport Futures to assess the high level potential of the transport network to accommodate residential development of the site. In order to understand what the impacts of the development might be and what development levels may be possible, a notional development yield of 100 lots, as shown in the concept master plan, has been assumed.

Forecast traffic flows would be in the order of 156 trips AM and 172 trips PM for the Fort Wallace site. The existing flow levels on Fullerton Street coupled with the initial predictions of site traffic flows suggest the site will need an intersection configuration with an Auxiliary Left (AUL) turn lane, and a Channelised Right short turn slot to cater for predicted site movements onto and from Fullerton Street.

The assessment concludes that the external road network is more than capable of absorbing these levels of additional trips, while remaining at a very good operational level of service. It is recommended that further consultation be undertaken with Newcastle City Council to determine the most appropriate form of road and intersection improvements to service the site through the planning proposal process and subsequent DAs.

The assessment has also considered the cumulative impacts of the potential rezoning of both the Fort Wallace and Rifle Range sites (in Port Stephens LGA and subject to a separate planning proposal). It is concluded that the impact of the possible Rifle Range rezoning does not impact the outcomes of the assessment and that the Nelson Bay Road roundabout will continue to perform at the highest level of service, being LoS 'A'.

Heritage Impact Statement, Fort Wallace, December 2016, Urbis, Attachment I

A heritage impact statement was prepared by Urbis to assess the likely heritage impacts of the planning proposal on the European heritage on the site, with a separate aboriginal cultural heritage and archaeological assessment undertaken by Umwelt. A survey of heritage items and their condition has been undertaken and each item has been mapped and categorised. Previous studies and relevant documentation such as the conservation management plan and heritage management strategy for the site have been considered.

Fort Wallace has heritage significance due to its former defence use and the structures remaining on the site associated with those uses. Fort Wallace was the third fort constructed for the defence of Newcastle in 1912, and is a relatively rare example of three consecutive defence phases on the one site.

The assessment concludes that the planning proposal is supported in principle and recommends that key aspects of the concept master plan be incorporated into a site specific DCP or Stage 1 DA, including setbacks from heritage items and key views.

Future LEP amendments should include a local heritage listing of the site once the use, design and management of the open spaces has been better defined.

Fort Wallace Bushfire Assessment, 338 Fullerton Street, Stockton, September 2016, prepared by Kleinfelder, Attachment D

An assessment of bushfire risk with respect to the development of the site for residential uses was undertaken by Kleinfelder, demonstrating how the concept master plan could implement appropriate bushfire risk mitigation measures. The report found that the predominant bushfire hazard is located in the north, east and south boundaries of the subject site.

The assessment concludes that the master plan and associated design principles can comply with all performance criteria's outlined for integrated (residential subdivision) development and minimum construction requirements at detailed design stages. The assessment also finds that the proposed design provides for suitable access and water provisions for emergency management.

Stormwater Management Plan, November 2016, prepared by ADW Johnson, Attachment E

The Stormwater Management Plan specifically addresses stormwater quantity and quality. It has addressed the impacts of the development of the site on the existing drainage regime, determined the stormwater discharge constraints and identified proposed stormwater device measures to adequately treat the stormwater prior to discharging to receiving waters.

Based on review of the existing site topography, it has been identified that stormwater discharging from the site will be conveyed to Fullerton Street and discharge across Fullerton Street and Council reserve to the Hunter River South Arm.

A MUSIC model was used to simulate pollutant source elements for the concept master plan to confirm that stormwater could be adequately treated within the limits of the development in the case of a residential development of the site. The results from this study demonstrate that there is adequate capacity within the site to achieve the required performance objectives of the stormwater management.

DHA Fort Wallace Stockton Beach Coastal Engineering Assessment, December 2016, prepared by BMT WBM, Attachment F

Changes to the coastal system to the east of the Fort Wallace site have been investigated to assess the potential impacts of short and long term erosion, sea level rise, and ongoing recession. The assessment, prepared by BMT WBM, demonstrates three scenarios for erosion by 2100 and the impact of each scenario on the Fort Wallace site, considering specifically the concept master plan as an example of a potential residential development of the site.

The three scenarios are as follows:

- an 'almost certain' erosion scenario including short and medium term erosion, ongoing recession (due to the Newcastle Harbour breakwaters), but excluding the impacts of sea level rise;
- a 'likely' erosion scenario including short and medium term erosion, ongoing recession, and future recession due to sea level rise of 0.4 m by 2100 (equivalent to the current rate of sea level rise); and
- an 'unlikely' erosion scenario including short and medium term erosion, ongoing recession, and future recession due to sea level rise of 0.9 m by 2100 (equivalent to highest emission scenario along which we are tracking). The 'unlikely' scenario is the typical conservative estimate used for planning purposes in NSW.

In accordance with Council policy and best practice planning for residential subdivision and development potentially at risk from coastal hazards, all residential development in the concept master plan is located westward of the 2100 'unlikely' hazard line. In order to encompass the bushfire asset protection zones and ensure a clear delineation of management, some of the proposed residential zone is within the 'medium' risk zone. It is noted that assessment of development applications would consider the suitability of dwellings in this location in accordance with Council policy at a DA stage. The report recommends that the proposed rezoning be supported.

Draft Aboriginal Cultural Heritage and Archaeological Assessment Report, November 2016, Umwelt, Attachment J

An assessment of the aboriginal cultural values and archaeology of the site was undertaken by Umwelt in consultation with local aboriginal parties. Notifications of work on the site were developed and publicly displayed, with four parties registering their interest in ongoing consultation, being:

- Kuruah Indigenous Corporation;
- Mur-Roo-Ma Inc;
- Nur-Run-Gee Pty Ltd; and
- Worimi Local Aboriginal Land Council.

A pedestrian survey of the site was undertaken with all groups. In summary, the survey response noted that the burial hill site is a well-known Aboriginal burial site and has significance to the local people, and should not be disturbed during construction, and that the site is within the Fern Bay Aboriginal site complex and is in general of significance. The recommendations have been incorporated into the master plan for the site and subsequent proposed controls.

It is noted that this report is in a draft format and is currently being reviewed by the registered aboriginal parties in accordance with requirements.

Has the planning proposal adequately addressed any social and economic effects?

The Planning Proposal is intended to facilitate the residential redevelopment of the site and deliver substantial open space and recreation areas for public and communal use. Considering the current zoning and previous use of the site accommodated a substantial number of defence personnel comparable to a residential development of the site, the planning proposal will not necessarily result in a greater demand for services than under the current zoning.

The planning proposal would deliver some important social benefits, as described below:

- New and unique public domain. The planning proposal is intended to facilitate a substantial area of public recreation, including the beach and area around the heritage precinct. They will also provide habitat for local flora and fauna, as described in the Ecological Assessment Report provided in **Attachment H**, and ensure the ongoing protection and public enjoyment of heritage items, as described in the Heritage Impact Statement provided in **Attachment I**;
- The proposed planning controls are based on principles for sustainable development, including ensuring that built form delivers high levels of amenity for future residents. Redevelopment of the site would result in approximately 100 dwellings of different sizes and typologies, catering for a diverse range of residents. Approximately 50% of these would be available to the market, with 50% reserved for defence personnel to be retained and managed by DHA. DHA provides subsidised housing for members of defence and their families, generally focusing on defence personnel with dependants (with single defence personnel often renting privately, which also receives some subsidy). This model ensures that appropriate, affordable housing is supplied in proximity to amenity and members places of work. The model also seeks to integrate private and defence housing in a socially and financially sustainable development; and
- The planning proposal would open a currently secured site to the public for recreation and to experience the site's heritage;
- Residential development of the site would increase demand for local retail and commercial uses, increasing the feasibility of a wide range of local businesses, particularly in the Stockton Town Centre.

Social and community infrastructure in the area has been reviewed and mapped as shown in the following figures. The site is in close proximity to essential emergency services, including a fire station and police station, in Stockton Town Centre.

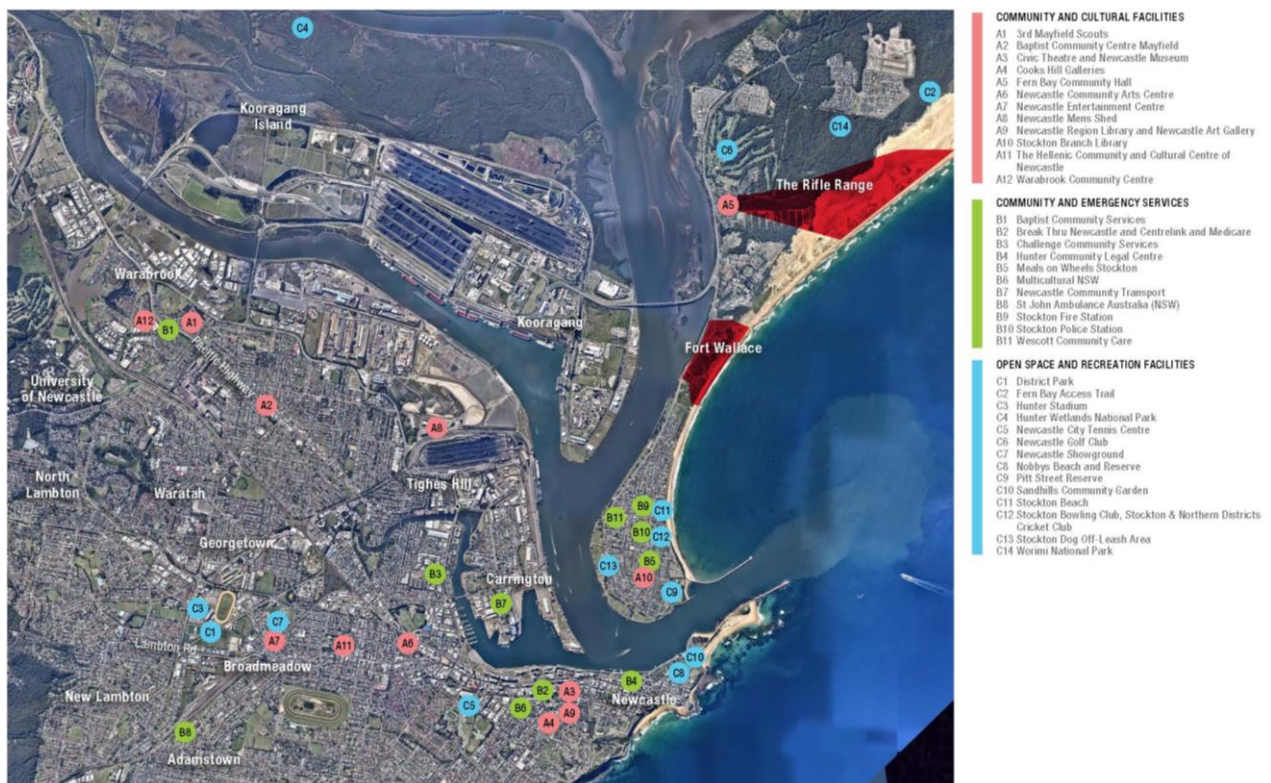


Figure 15 Social Infrastructure – Community and Cultural, Emergency and Recreation Facilities

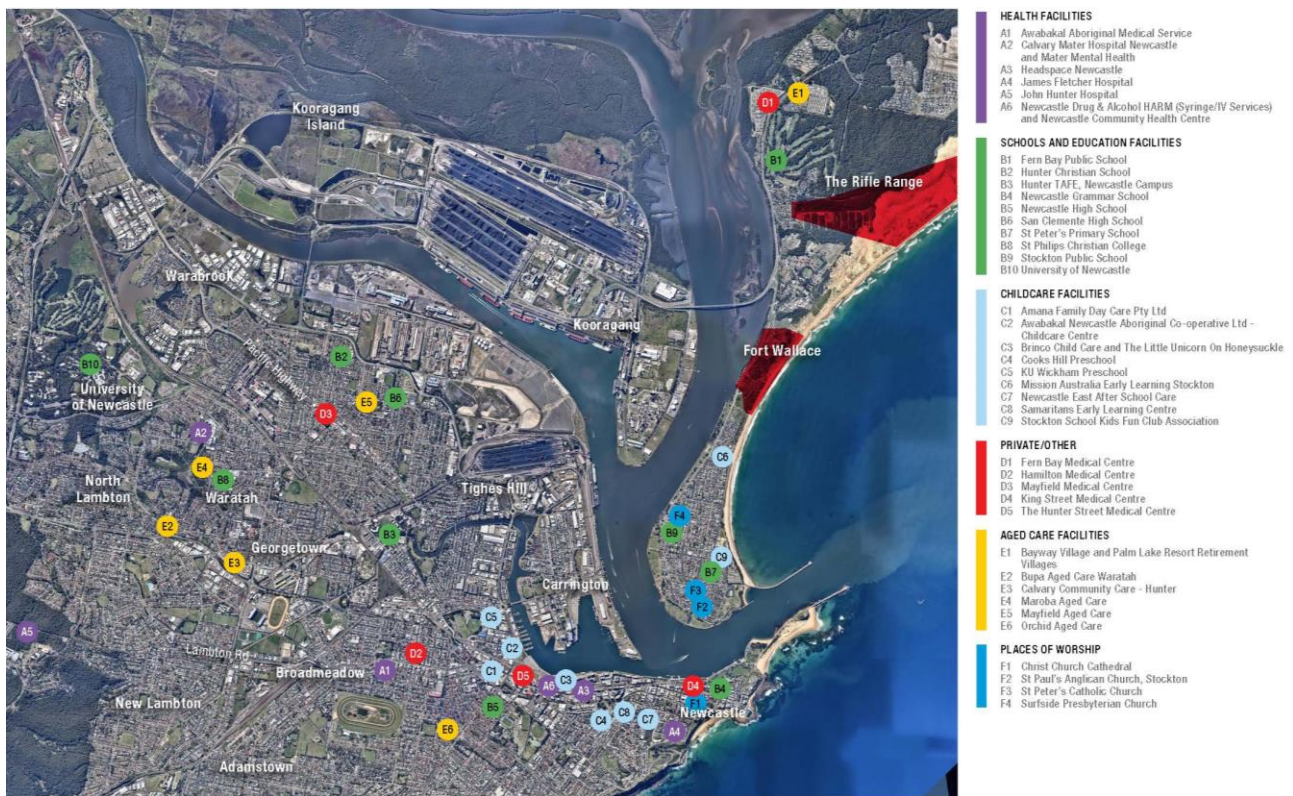


Figure 16 Social Infrastructure – Health, Education, Care and other Facilities

4.5 State and Commonwealth interests

Is there adequate public infrastructure for the planning proposal?

An assessment of the capacity of key services has been undertaken to inform the development of the concept master plan and rezoning request. The assessment of services has been prepared by ADW Johnson, and includes consideration of portable water supply, sewer, electricity, telecommunications, and gas. The report has been provided in **Attachment K** of this planning proposal.

The assessment has concluded that residential development of the site under an R2 and RE1 zone would be adequately serviced by surrounding infrastructure and as such there are no constraints to the proposed rezoning due to the provision of services. Some further assessment and potential upgrades to the Stockton 4 Waste Water Pump Station is likely to need to be undertaken at subdivision and development stages.

What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

The Gateway Determination will identify the public authorities to be consulted as part of the planning proposal process and any views expressed will be included in this planning proposal following consultation.

Preliminary consultation has been undertaken with Roads and Maritime Services (RMS), as summarised in the Transport Study.

Given the site's heritage status, it is considered likely that consultation with the NSW Office of Environment and Heritage will need to be undertaken.

The applicant is a commonwealth authority. As such, a referrals process to the Department of the Environment and Energy in relation to the site heritage and ecology has been initiated. This referral is expected to run concurrently to the Planning Proposal.

5.0 Mapping

The following mapping amendments are requested. These are provided in Attachment A.

Newcastle Local Environmental Plan 2012 Land Zoning Map – Sheet LZN_004I

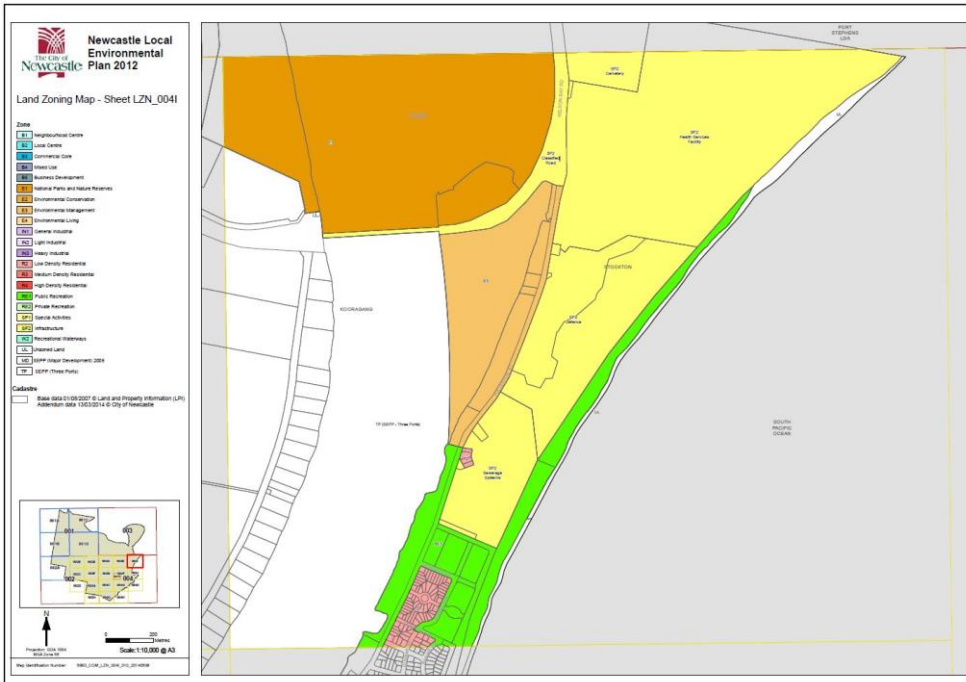


Figure 17 Existing Land Zoning Map

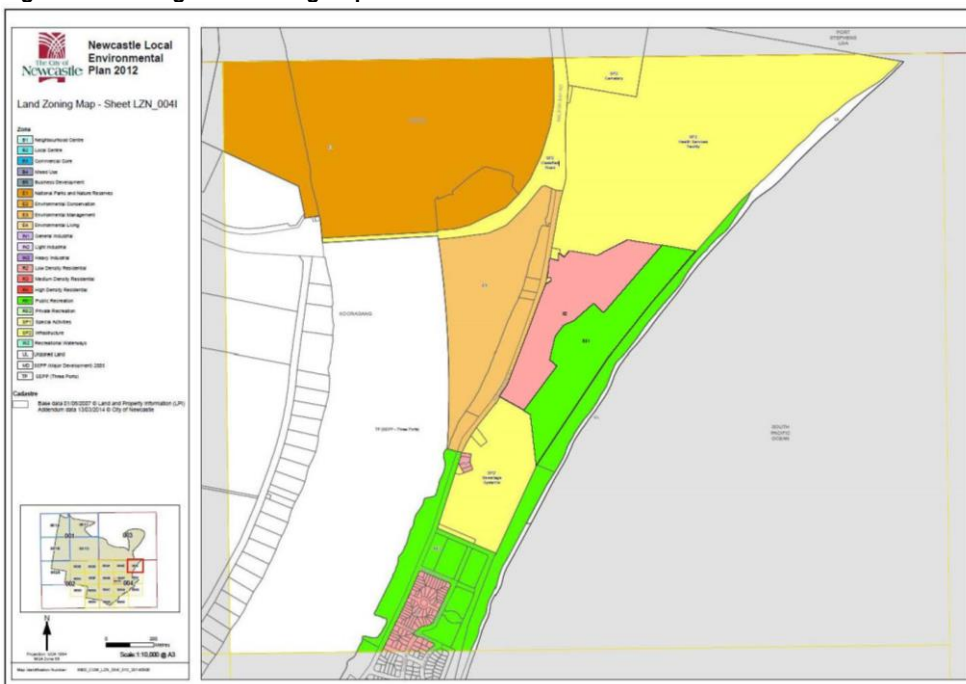


Figure 18 Proposed Land Zoning Map

Newcastle Local Environmental Plan 2012 Height of Buildings Map – Sheet HOB_004I



Figure 19 Existing Height of Buildings Map



Figure 20 Proposed Height of Buildings Map

6.0 Consultation

6.1 Community engagement

Initial community engagement on the master planning and planning proposal for the site was undertaken between July 2016 and December 2016.

During this period, a number of different consultation activities were undertaken, including in person meetings, distribution of newsletters, online activities, a dedicated phone and email.

Two key community information and feedback sessions were run in the area, with one at Newcastle Golf Course, Vardon Road, Fern Bay on Thursday 28th of July and one at Stockton IGA, 53 Mitchell Street, Stockton, on Thursday 11th August 2016. Staff from DHA, Elton, and Architectus attended the sessions to engage with the community.

The aims of consultation activities at this stage were to inform the community about DHA, the site history, the investigation of the site, the planning stage and process, and to encourage people to engagement with the project team at later stages.

Generally, feedback was positive, with most people appreciating the proactive approach to engagement. Many people felt that the developments would create positive benefits for the local area such as improved public amenity, improved employment, and economic growth as well as making the site more accessible to the public.

Feedback was also received about community concerns such as traffic management along Fullerton Street and Nelson Bay Road, parking and the status of a sea wall proposed at Stockton.

A further information and consultation session was undertaken on the 8th of December at Newcastle Golf Course. The aim of this session was to open the draft master plans for the site to feedback, including the residential typologies and landscape strategy. Staff from DHA, Elton, Spackman Mossop Michaels and Architectus attended the session to engage with the community.

A range of questions were received by staff about the plans for the site, generally focused around the sites heritage and access for the public. Feedback was received around a broad range of issues including traffic and parking and erosion.

Further public consultation will be undertaken in accordance with the requirements of the Gateway Determination. Consultation with relevant NSW agencies and authorities and other relevant organisations will be undertaken in accordance with the Gateway Determination.

6.2 Newcastle City Council

The project team, including representatives from DHA, Architectus, Spackman Mossop Michaels, City Plan Strategy and Development, Urbis and BMT WBM met with Newcastle City Council officers on the 11th October 2016 to discuss the preliminary request to amend the Newcastle LEP 2012 on the Fort Wallace site. Draft documentation from the technical consultants had been provided to Council prior to the meeting for consideration.

A letter was sent from Council to Architectus on 2nd November 2016 to provide preliminary

feedback on the proposal and key issues discussed at the meeting. This letter is attached to the planning proposal.

A summary of key points of discussion has been provided below:

- Strategic context. The need to demonstrate the alignment of the proposal with priorities of the Hunter Regional Plan and Local Planning Strategy is noted. This has been addressed in Section 4.3 of this report;
- Zoning. The proposed R2 Low Density Residential zone is considered to be an appropriate zone for the portion of the site intended to accommodate residential uses. The corresponding height controls will need to address the objectives of the Low Density zone. The zoning of the remainder of the site will need to consider the primary purpose of the zone and provide justification. This has been addressed in Section 3.3 of this report;
- Coordination of Rifle Range and Fort Wallace planning proposals;
- Public benefit and dedication. It is noted that preliminary discussions have been undertaken with Council's Infrastructure Services Division and it has been determined that dedication could be considered in principle, although would ultimately be the decision of the elected Council. A written offer to enter into a planning agreement would need to be submitted with the LEP amendment request. This is addressed in Section 4.1 of this report;
- Coastal hazards. It is noted that dwellings, although not private open space, should be located landward of the 2100 unlikely hazard line to comply with Council's coastal hazard management policy. It is noted that the master plan was amended as a result of this advice;
- Heritage. Request for consideration of the CMP and heritage listing to accompany the rezoning request. This is addressed in the Heritage Impact Statement provided at **Attachment I** of this planning proposal.

Subsequently, a presentation was made to Newcastle City Council at a Council briefing session on Tuesday 15 November 2016. The briefing documentation consisted an introduction of DHA and the subject site, an overview of constraints and opportunities, and the concept master plan and landscape strategies. Questions were received around the housing typologies, DHA's housing model and coastal erosion. These issues have been addressed in various sections of this report and attachments.

6.3 Aboriginal parties

Consultation regarding the Aboriginal cultural values associated with the subject site has been undertaken to inform the master planning for the site and this planning proposal. Notifications of work on the site were developed and publicly displayed, with four parties registering their interest in ongoing consultation, being:

- Kuruah Indigenous Corporation;
- Mur-Roo-Ma Inc;
- Nur-Run-Gee Pty Ltd; and
- Worimi Local Aboriginal Land Council.

A pedestrian survey of the site was undertaken with all groups. In summary, the survey response noted that the burial hill site is a well-known Aboriginal burial site and has significance to the local people, and should not be disturbed during construction, and that the site is within the Fern Bay Aboriginal site complex and is in general of significance. The recommendations have been incorporated into the master plan for the site and subsequent proposed controls. The consultation is set out in detail in **Attachment J** of this report.

7.0 Project timeline

The following project timeline is intended to assist with tracking the progress of the planning proposal through its various stages of consultation and approval. It is estimated that this amendment to NLEP 2012 would be completed by July 2017.

Table 6 Project timeline

Stage	Timeframe
Assessment of the rezoning request by Council officers and preparation of planning proposal	December - April 2017
Submit planning proposal to Department of Planning and Environment seeking a Gateway Determination	April 2017
Receive Gateway Determination	May 2017
Public exhibition and public authority consultation of planning proposal and DCP Amendment	June 2017
Review of submissions received during public exhibition and public authority consultation	July – August 2017
Council approval of planning proposal and DCP Amendment	August 2017
Drafting of instrument and finalisation of mapping	September 2017
Amendment to Newcastle Local Environmental Plan 2012 legally drafted and made	November 2017

