

ITEM 8

**DRAFT PLANNING PROPOSAL AND DRAFT NEIGHBOURHOOD PLAN FOR "IOWNA" PRECINCT, MARSHALL MOUNT ROAD, MARSHALL MOUNT**

Council has received a draft Neighbourhood Plan from Malcolm Group Pty Ltd, seeking to implement a Neighbourhood Plan for the "Iowna" precinct. As part of their request, Malcolm Group also lodged a draft Planning Proposal request seeking some changes to zoning boundaries and other controls for 301 Marshall Mount Road, Marshall Mount. This report considers the proposed amendments to the planning controls within the Yallah-Marshall Mount Precinct and recommends that the draft Planning Proposal not be progressed, and the draft Neighbourhood Plan be revised then exhibited.

### RECOMMENDATION

- 1 The draft Planning Proposal for the 301 Marshall Mount Road, Marshall Mount not be progressed at this time.
- 2 The proponent revise the draft Iowna Neighbourhood Plan in conjunction with the other landholder/developer representatives to update studies and reflect the current Wollongong LEP controls.
- 3 Following the revisions, the draft Iowna Neighbourhood Plan be exhibited for community input for a minimum period of 28 days, as an amendment to the Wollongong Development Control Plan – D16 West Dapto Release Area.

### REPORT AUTHORISATIONS

Report of: Chris Stewart, Manager City Strategy

Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

### ATTACHMENTS

- 1 Location plan and current zoning
- 2 Draft Neighbourhood Plan
- 3 Proposed LEP Amendments
- 4 Wollongong Local Planning Panel advice

### BACKGROUND

Stage 5 Yallah Marshall Mount of the West Dapto Urban Release Area covers an area of approximately 1000 hectares and includes 42 lots. Amendment 36 to Wollongong Local Environmental Plan 2009 was made on 8 June 2018 which rezoned Stage 5 to allow urban development and conservation outcomes.

The Iowna precinct is within Stage 5 of the West Dapto Urban Release Area and consists of the following 4 lots of the southern side of Marshall Mount Road, with a combined area of 58.3 hectares (Attachment 1). Three of the lots extend east beyond the Iowna Neighbourhood Plan area.

Address	Lot / DP	Area (ha)	Current Zonings
301 Marshall Mount Road	Lot 7 DP 626078	29.3 ha (within Neighbourhood Plan area)	R2 Low Density Residential E2 Environmental Conservation E3 Environmental Management
365 Marshall Mount Road	Lot 8 DP 626078	5.4 ha (within Neighbourhood Plan area)	R2 Low Density Residential E3 Environmental Management E4 Environmental Living (outside Neighbourhood Plan area)

Address	Lot / DP	Area (ha)	Current Zonings
377 Marshall Mount Road	Lot 2 DP 105826	11.5 ha (within Neighbourhood Plan area)	R2 Low Density Residential E3 Environmental Management E2 Environmental Conservation (outside Neighbourhood Plan area) E4 Environmental Living (outside Neighbourhood Plan area)
439 Marshall Mount Road	Lot 1 DP 158988	12.11 ha	R2 Low Density Residential RE1 Public Recreation (1.4ha)

The site is bounded by Marshall Mount Road to the north, future residential and town centre lands to the east, additional residential land to the west and a Transgrid easement and rural/rural-residential precinct to the south. Much of the site is covered by steeper slopes and several riparian areas traverse the precinct. The precinct is currently used for rural uses.

Council has also received a draft Neighbourhood Plan for the Marshall Vale and Duck Creek precincts, located on the northern side of Marshall Mount Road, which is under assessment and will be separately reported to Council.

## PROPOSAL

On 7 September 2020, the Malcolm Group lodged a draft Neighbourhood Plan for the Iowna precinct and a draft Planning Proposal for their land at 301 Marshall Mount Road. At that time, the owners of the other lots were not interested in participating in the draft Neighbourhood Plan process. More recently, developers have obtained development options on the other sites and now wish to be actively involved.

Clause 6.2 of the Wollongong LEP 2009 requires a Development Control Plan to be prepared addressing certain requirements. Council has adopted the Wollongong DCP 2009 – Chapter D16 West Dapto Release Area which provides the overall master plan for West Dapto and development guidelines. It requires the submission of a more detailed Neighbourhood Plan (master plan) for precincts nominated in the Plan. The Neighbourhoods generally cover multiple properties so that issues like connecting roads, drainage management and recreation facilities are addressed in an integrated manner.

### Draft Neighbourhood Plan

The draft Neighbourhood Plan for the 4 properties shows an indicative layout for 383 lots / dwellings (Attachment 2). The southern part of the Neighbourhood Plan has been whited out, as the required supporting studies for these properties have not been completed.

The draft Plan includes the proposed Yallah Bypass Road, necessitated by the future increased traffic volumes from the Calderwood development. The draft Neighbourhood Plan shows three intersections with Marshall Mount Road at 301, 365 and 439 Marshall Mount Road.

On the north-east boundary of 301 Marshall Mount Road, there is a significant stand of Forest Red Gum Thin-leaved Stringybark grassy woodland, which is zoned E2 Environmental Conservation and is proposed to be conserved. The vegetation community is a component of Illawarra Lowlands Grassy Woodland (ILGW), which is listed as an endangered ecological community (EEC) under the *NSW Biodiversity Conservation Act 2016 (BC Act)* and part of the critically endangered ecological community (CEEC), 'Illawarra and South Coast Lowlands Forest' listed under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)*.

A tributary of Duck Creek flows through the precinct before crossing Marshall Mount Road and is largely zoned E3 Environmental Management.

The draft Neighbourhood Plan shows two (2) neighbourhood parks within 301 Marshall Mount Road, one in the north-east within a cleared area within the E2 Environmental Conservation zoned land. The other is in the south-west adjacent to the watercourse, within the E3 Environmental Management zone.

Marshall Mount Road and Yallah Road will need to be widened and upgraded to serve the future residents in this and other precincts within the stage. The concepts designs for the roads, including the Yallah Bypass Road, are currently scheduled in the draft Infrastructure Delivery Plan to be undertaken in 2022-23, although Council has received submissions requesting that the designs be brought forward to 2021-22. Council will be considering a separate report on 28 June 2021 on the submissions received during the exhibition of the draft Operational Plan and draft Infrastructure Plan.

The draft Neighbourhood Plan relies on the draft Planning Proposal (discussed below) for its current layout. At present, the detailed studies carried out on the Malcolm Group site also need to be extended to the other properties within the precinct. It has also been noted that connectivity between the current parcels should not be reliant on Marshall Mount Road for access but should also explore the potential linkages between sites.

The draft Neighbourhood Plan (and draft Planning Proposal) were accompanied by the following studies -

- Preliminary Water Cycle Management Study (Cardno 2020) (301 Marshall Mount Rd only)
- Ecological Constraints Assessment (Ecoplaning 2020) (301 Marshall Mount Rd only)
- Bushfire Assessment (Peterson Bushfire 2020) (301 Marshall Mount Rd only)
- Interim Aboriginal Heritage Advice (Biosis 2018) (precinct)
- Aboriginal due diligence advice (Biosis 2018) (precinct)
- Aboriginal Cultural Heritage Assessment (Biosis 2020) (301 Marshall Mount Rd only)
- Preliminary historical archaeological assessment (Austral Archaeology 2020) (precinct)
- Preliminary Geotechnical Assessment (Cardno 2018) (precinct)
- Preliminary Site Investigation – Contamination (Cardno 2020) (precinct)
- Traffic Impact Assessment (Cardno 2020) (precinct for traffic volumes, intersection treatments 301 Marshall Mount Rd only).

Further work is recommended on the draft Neighbourhood Plan, as properties to the south of the Malcolm group site require further studies (such as Aboriginal heritage etc) and additional information (such as indicative bulk earthworks) to better inform the urban design outcomes for the Neighbourhood Plan.

### **Draft Planning Proposal**

The draft Neighbourhood Plan for the lowna precinct was accompanied by a draft Planning Proposal for the 301 Marshall Mount Road. The draft Neighbourhood Plan suggests a development comprising of approximately 383 dwellings (within 301 Marshall Mount Road). The draft Planning Proposal, as lodged, seeks additional uplift – by an estimated additional 70 dwellings.

The draft Planning Proposal is not the result of a strategic study or report. However, it is informed by the West Dapto Vision and Structure Plan 2018 adopted by Council. The vision is a Council policy that guides land use in the West Dapto Urban Release Area.

The draft Planning Proposal has resulted from more detailed examination of the site by the proponent as part of the draft Neighbourhood Plan process.

The draft Planning Proposal request seeks to make four changes to the current controls to increase development opportunities (Attachment 3).

**Amendment 1:** The proposal seeks to rezone an area of 22,938 sqm from E2 to R2 which could support 30-35 additional dwellings.

The Neighbourhood Plan reflects the proposal to build the Yallah Bypass Road (a collector road) which is proposed to be constructed along the southern edge of the precinct in this location. There are established trees in this location and regrowth is occurring. Council officers are not supportive of rezoning this area to R2 Low Density Residential, as this is a significant shift in zoning on the periphery of the urban zoned land. The proposed collector road corridor would also need to be rezoned from E2 zone as roads are not permitted within the E2 zone.

The E2 zone was selected during the rezoning of Stage 5 to preserve the existing mature trees and to provide an area where natural regrowth would assist in furthering the “stepping stone” concept of preserving areas of good vegetation between Lake Illawarra and the Illawarra Escarpment. The area also provides for revegetation to replace scattered trees which would be lost in developing other areas of the site. The initial response to the proponent was that Council officers would not support the rezoning of the E2 lands, however a compromise position was suggested, where the land could potentially be rezoned to E4 Environmental Living, with a 3000sqm minimum lot size in order to preserve the mature trees. This option would permit up to seven (7) lots within the area covered by Amendment 1.

The Wollongong Local Planning Panel did not support the rezoning of this area to either R2 or E4.

The construction of the Yallah Bypass Road will require the rezoning of some E2 land, as roads are not permitted, to another zone. The construction of the road entirely within the E3 Environmental Management zone which applies to the 60m wide electricity easement is not feasible due to the location of the stanchions. The concept design of the Yallah Bypass Road is scheduled to be undertaken in the coming years. If the road is designed to go through the E2 Environmental Conservation zone, a draft Planning Proposal will be required. That process could also consider whether the rezoning should be extended to adjoining land.

**Amendment 2:** The proposal seeks to rezone an area of 5000sqm on the south eastern part of the property from E2 to E3 to enable a detention basin to be located. There are no trees on this part of the E2 land.

The construction of a detention basin in the E2 land at a low point of the site, would enable the nearby R2 land to be used for additional residential lots, as the detention basin would no longer need to be in the R2 zoned land. The watercourse south of the catchment has no defined bed and banks when viewed on-site, which suggests that a stormwater piped outlet from a future basin to this location may not be viable. An easement to the creek across an adjoining property will be required. Council staff do not support the proposed rezoning and have suggested that the basin be located within the electricity easement, which would also pick up runoff from the Yallah Bypass collector road.

The Wollongong Local Planning Panel did not support this change and the proponents have agreed that it should not be progressed.

**Amendment 3:** The proposal proposes to rezone an area of 2368sqm adjacent to Marshall Mount Road from E3 to R2 which could support 7-8 additional dwellings.

The area is adjoining Marshall Mount Road where additional residential development could be encouraged. However, it is also important to retain established trees as part of the development. The established trees have a relationship to the creeks and drainage pattern. There are many other benefits having shade bearing trees in a residential area, contributing to community well-being and shade. It is considered that E3 zoning in this location remains the appropriate land use zone.

Being located adjacent to Marshall Mount Road, the area may be affected by road widening along Marshall Mount Rd. The road design is currently scheduled to be completed in 2022-23, with land acquisition for widening and construction yet to be scheduled. As part of Council's design, the established trees should be retained if possible.

The Wollongong Local Planning Panel did not support this change as it was premature pending the design of Marshall Mount Road.

**Amendment 4:** The proposal seeks to enlarge the area that has a minimum lot size control of 300sqm with a height limit of 12m and a Floor Space Ratio of 0.75:1.

According to the proponent, this would lead to an additional 25-30 dwellings. Council officers were generally supportive of this proposal, with some adjustments to reduce minor areas of proposed 12m Maximum Building Height and reduce minor areas of proposed 0.75:1 FSR where they adjoin E2 land. Council's Yallah-Marshall Mount vision includes smaller minimum lot sizes in the areas adjoining Marshall Mount Road, to enable increased densities near transport routes.

The Wollongong Local Planning Panel did not support this change. The Panel had concerns with the increased height to 12m and floor space ratio to 0.75:1 in the absence of any urban design analysis into the future character of the area and response to the topography of the site. It is recommended that the proposed amendment not be progressed.

### **Consideration by Wollongong Local Planning Panel**

On 29 April 2021, the draft Planning Proposal request was considered by the Wollongong Local Planning Panel, being referred to the Panel for advice in accordance with the Ministerial Direction.

The Panel considered the Council officer's report, draft Planning Proposal request and supporting documents, and the material presented at the meeting.

The Panel noted that the land is within Stage 5 of the West Dapto Urban Release Area and has been zoned for urban development and conservation outcomes. Based on the proposed amendments to the existing zoning outlined in the Council officer's report, the Panel advice (Attachment 4) is summarised as follows -

- Amendment 1 – The Panel considers the rezoning of this land from E2 to be premature having regard to the location of the future bypass road and subdivision road pattern. The Panel sees value in the retention of the vegetation. Accordingly, the Panel recommends the retention of the E2 zone.
- Amendment 2 – The Panel supports the recommendation of staff to keep the E2 zone and notes that the applicant accepts this position.
- Amendment 3 – The Panel considers the rezoning of this land from E3 to be premature pending the design of Marshall Mount Road, and recommends the retention of the E3 zone
- Amendment 4 – The Panel has concerns with the increased height to 12m and floor space ratio to 0.75:1 in the absence of any urban design analysis into the future character of the area and responds to the topography of the site. The Panel did not support the proposed changes.

Based on the assessment of the draft Planning Proposal and the advice of the Wollongong Local Planning Panel, it is recommended that Council not progress the draft Planning Proposal.

Alternatively, Council could resolve to prepare a draft Planning Proposal for all or part of the draft Planning Proposal and forward this to the NSW Department of Planning, Industry and Environment for a "Gateway" determination. An alternate resolution would be -

- 1 A draft Planning Proposal be prepared for the 301 Marshall Mount Road, Marshall Mount and referred to the NSW Department of Planning, Industry and Environment for a Gateway Determination, incorporating proposed amendments 1, 3 and 4 as outlined in the report.
- 2 The NSW Department of Planning, Industry and Environment be advised that Council wishes to use its delegation to finalise the draft Planning Proposal.
- 3 The proponent revise the draft Iowna Neighbourhood Plan, as an amendment to the Wollongong Development Control Plan – D16 West Dapto Release Area, in conjunction with the other landholder/developer representatives to update studies and the draft Planning Proposal.
- 4 Following the Gateway determination and Neighbourhood Plan revisions, the draft Planning Proposal and draft Iowna Neighbourhood Plan be exhibited for community input for a minimum period of 28 days.

## CONSULTATION AND COMMUNICATION

A meeting of the landholder/developer representatives for the Iowna precinct was held online on 5 May 2021, with most of the focus being on the status of the proposed bypass road on the eastern edge of the precinct. The landholder/developer representatives feel that the proposed bypass is likely to be costly and passes through difficult terrain and land zoned for development (potential lost yields). Cooperation between the landholder/developers would allow additional work to be done for a more holistic consideration of the neighbourhood precinct.

If supported by Council, the draft Planning Proposal would be sent to the NSW Department of Planning, Industry and Environment for a “Gateway” determination. If supported by the Department, the proposal would subsequently be exhibited for a minimum of 28 days, with the documents being available on Council’s website, at Council’s Customer Service Centre, at the Central Library and Dapto Library.

If the draft Planning Proposal is not supported, the proponent could amend the draft Neighbourhood Plan to comply with the provisions of Wollongong LEP 2009 so the draft DCP amendments could be placed on public exhibition.

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2028 goal “We value and protect our environment” under the objective “The sustainability of our environment is improved”. It specifically delivers on the following –

Community Strategic Plan	Delivery Program 2018-2022	Operational Plan 2020-21
Strategy	4 Year Action	Operational Plan Actions
1.3.1 Manage land uses to strengthen urban areas and improve connectivity to train stations and key transport routes	1.3.1.1 Impacts from development on the environment are assessed, monitored and mitigated	Assess new developments and planning proposals for environmental impacts

The draft Planning Proposal and draft Neighbourhood Plan are broadly consistent with -

- Illawarra Shoalhaven Regional Plan 2041 (2021) – in broad terms, as it supports urban development within the West Dapto Urban Release Area
- Wollongong Local Strategic Planning Statement 2020, as it supports urban development within the West Dapto Urban Release Area
- Council’s Planning Proposal Policy (2018), as Council has adopted the West Dapto Vision for development within the urban release area
- Council’s West Dapto Vision 2018
- Yallah-Marshall Mount Vision 2015, where it seeks to increase densities close to Marshall Mount Road

## FINANCIAL IMPLICATIONS

The financial implications of the West Dapto Urban Release Area are significant and are subject to regular monitoring and modelling. As part of the West Dapto Review Project, Council considered and adopted an updated West Dapto Section 7.11 Development Contributions Plan for the West Dapto Urban Release Area.

There are no significant financial implications resulting from this report.

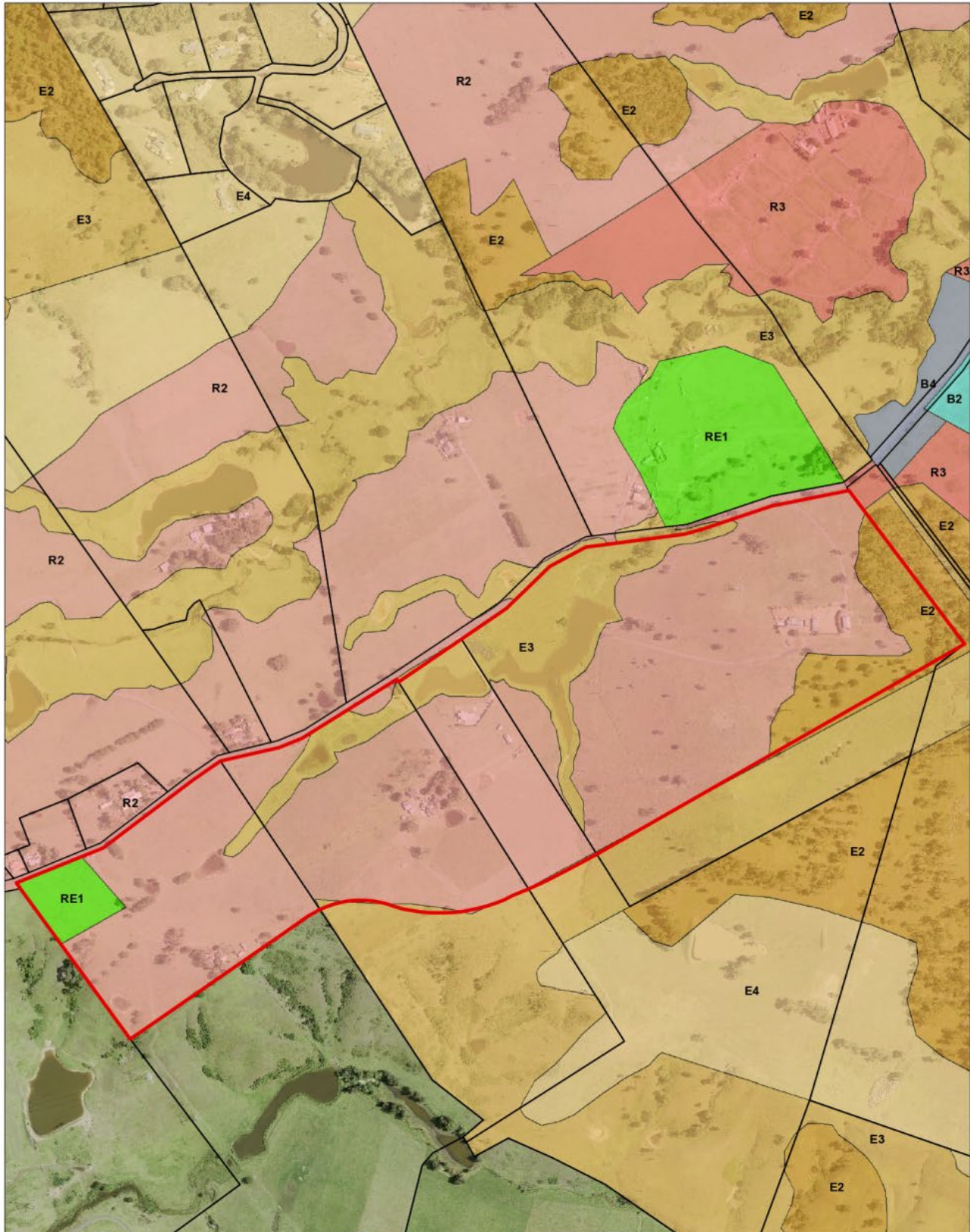
The costs associated with the upgrades to Marshall Mount Road and the Yallah Bypass Road are included in the West Dapto Development Contributions Plan 2020.



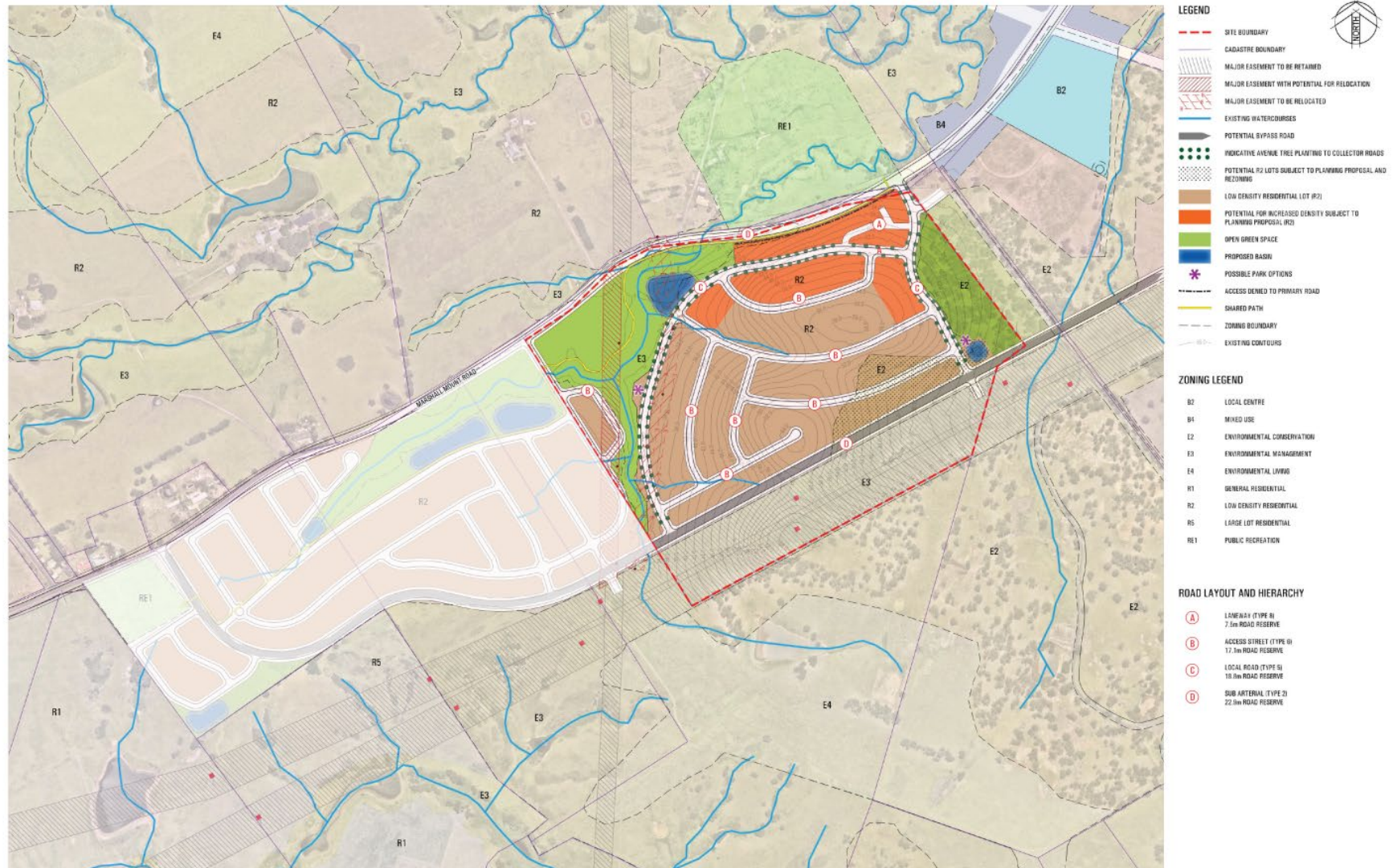
## CONCLUSION

Council has expended significant time and funds to develop a vision and planning for the West Dapto Urban Release Area and the Yallah-Marshall Mount Precinct. As part of the ongoing review of the West Dapto Urban Release Area, more work is required to accurately identify the primary road reservation corridors. This work will take time, and the amendments proposed by Malcolm Group are best assessed when the further design work is ready to inform urban design responses.

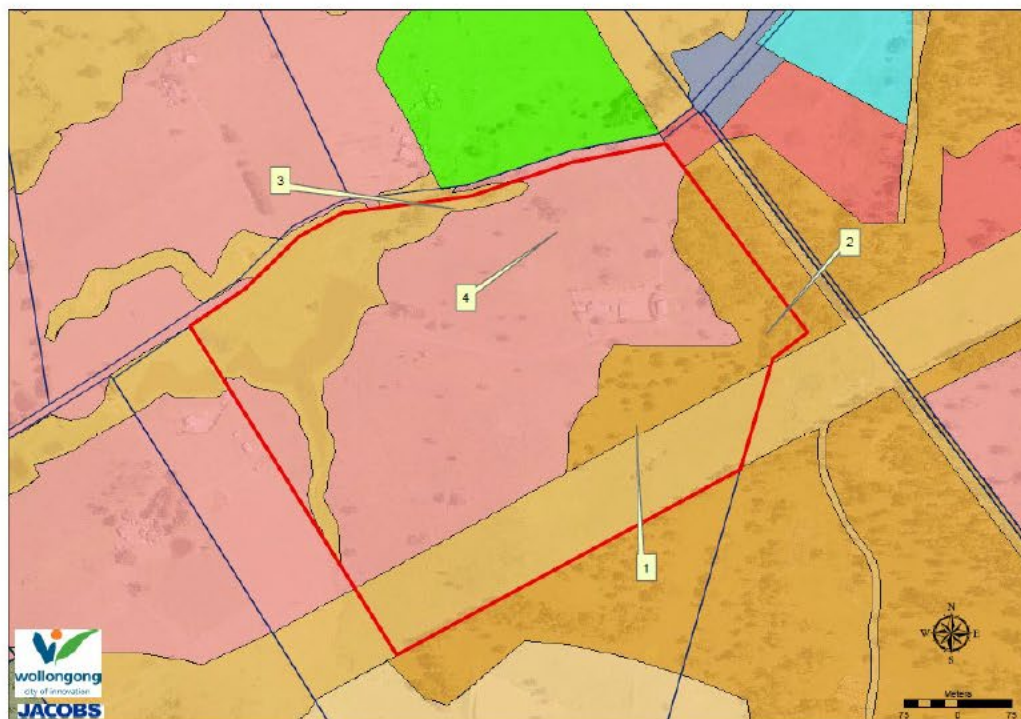
It is recommended that Council not progress the draft Planning Proposal PP-2020/5 at this time and that the proponent review the draft Neighbourhood Plan (in conjunction with the other landholders) to comply with the provisions of Wollongong Local Environmental Plan 2009 as it stands, in order to progress the draft Neighbourhood Plan to public exhibition.



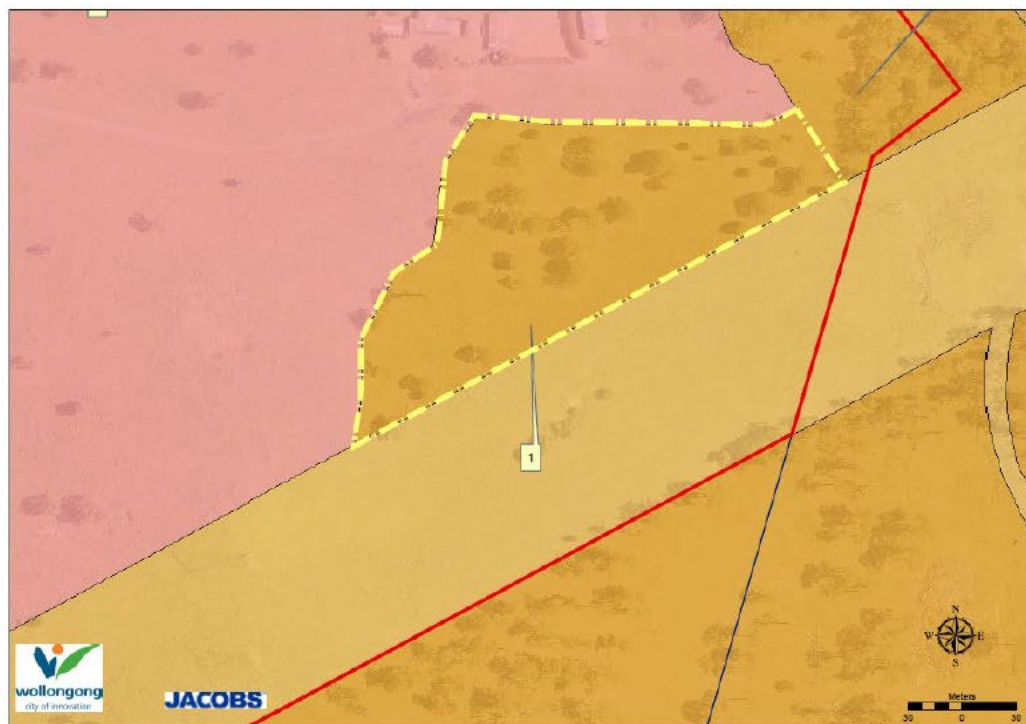




## Summary of proposed LEP amendments

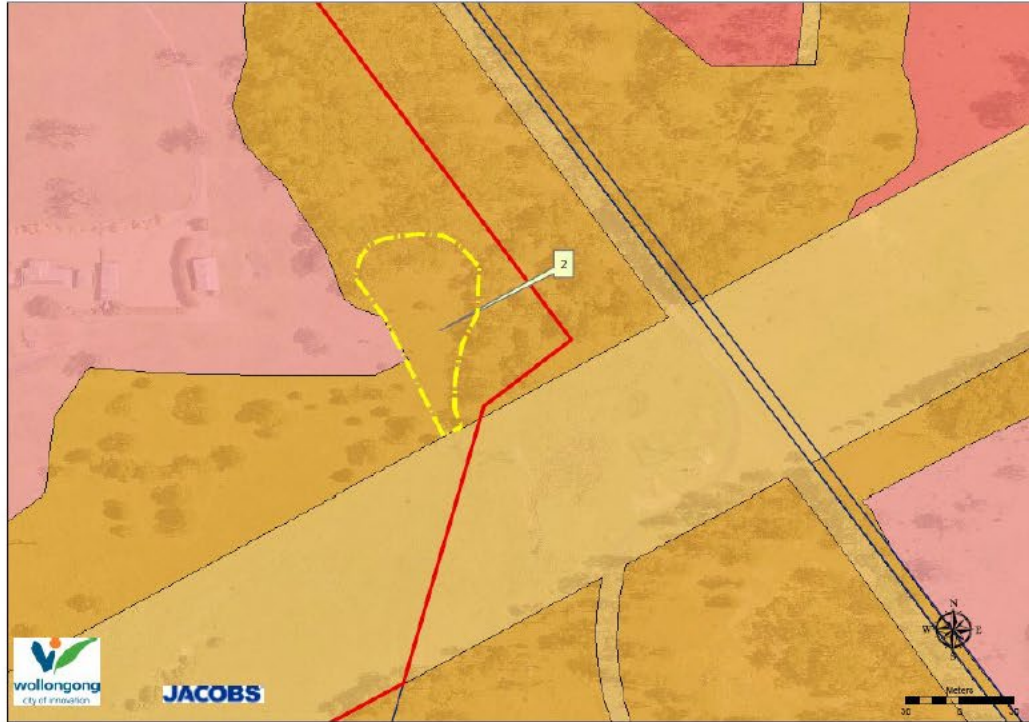


## Amendment 1



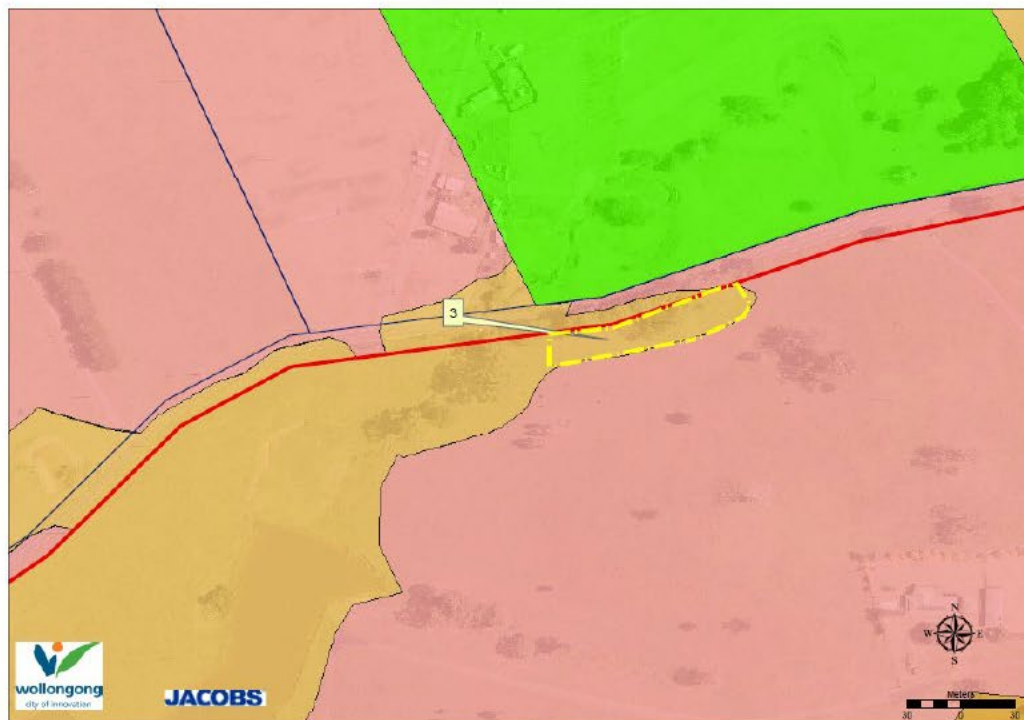


## Amendment 2

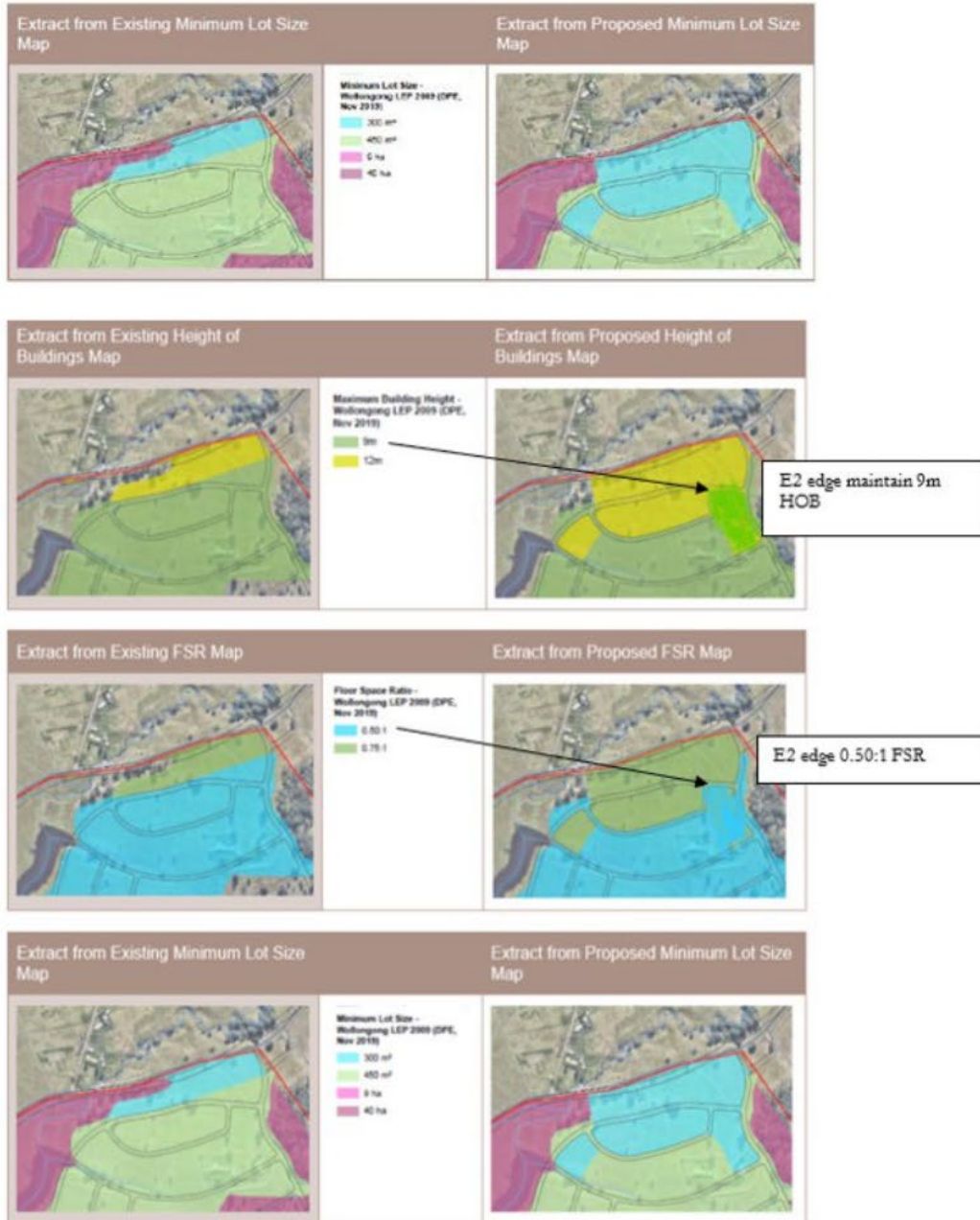




## Amendment 3



## Amendment 4



## ADVICE AND STATEMENT OF REASONS

### WOLLONGONG CITY COUNCIL – WOLLONGONG LOCAL PLANNING PANEL (WLPP)

<b>DATE OF MEETING</b>	29/4/21
<b>PANEL MEMBERS</b>	Sue Francis, Alison McCabe, Scott Lee

Meeting held on-line hosted by Wollongong City Council, 41 Burelli Street, Wollongong on 29/4/21 opened at 1:00pm and closed at 4:00pm.

#### MATTER DETERMINED

Item 2 - Planning Proposal PP- 2020/5 - 301 Marshall Mount Road, Marshall Mount "Iowna"

#### PUBLIC SUBMISSIONS

The Panel heard from Glenn Colquhoun (Malcolm Group), Sophie Perry (Cardno), Crain Hood (Cardno), David Laing (Cardno)

#### PANEL CONSIDERATION




The Panel considered the Council officer's report, draft Planning Proposal request and supporting documents, and the material presented at the meeting.

#### PANEL DECISION

The Panel notes that the land is within stage 5 of the West Dapto Urban Release Area and has been zoned for urban development and conservation outcomes. Based on the proposed amendments to the existing zoning outlined in the Council officers report, the Panel advises:

- Amendment 1 – The Panel considers the rezoning of this land from E2 to be premature having regard to the location of the future bypass road and subdivision road pattern. The Panel sees value in the retention of the vegetation. Accordingly, the Panel recommends the retention of the E2 zone.
- Amendment 2 – The Panel supports the recommendation of staff to keep the E2 zone and notes that the applicant accepts this position.
- Amendment 3 – The Panel considers the rezoning of this land from E3 to be premature pending the design of Marshall Mount Rd, and recommends the retention of the E3 zone
- Amendment 4 – The Panel has concerns with the increased height to 12m height and floor space ratio to 0.75:1 in the absence of any urban design analysis into the future character of the area and responds to the topography of the site. The Panel does not support the proposed changes.

The decision was unanimous

PANEL MEMBERS	
 Sue Francis (Chair)	 Alison McCabe
 Scott Lee	