

SUBJECT: Alternate Funding Proposal for Works Associated with the Kitchener Park and Mona Vale Plans of Management

Meeting: Council

Date: 2 February 2015

COMMUNITY STRATEGIC PLAN STRATEGY: Town & Village

COMMUNITY STRATEGIC PLAN OBJECTIVE:

- To promote diverse retail and commercial opportunities
- To create a sense of place and enhance the village experience
- To improve the streetscapes and recreational qualities of the centres
- To achieve connectivity for village centres
- To promote sustainable development in Pittwater's town and village centres
- To enhance access to our village centres through improved public transport, parking, cycling and walking opportunities
- To provide people friendly streetscapes
- To connect our towns and villages with our natural environment
- To ensure that Pittwater's villages remain vibrant as social, cultural and economic hubs

DELIVERY PROGRAM ACTION:

- Finalise design and secure funding for Kitchener Park Mona Vale, and
 - Undertake Mona Vale Village Centre Master Plan
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1.0 EXECUTIVE SUMMARY

1.1 SUMMARY

On the 15 December 2014, Council considered a report on a Planning Proposal to rezone Part Lot 2 DP 110299 and Lot 3 DP 251053 at Mona Vale with the intention that the land is to be sold and the sale proceeds used to fund works associated with the Kitchener Park Plan of Management as well as Mona Vale Town Centre Master Plan works.

The Independent Consultant's report on the Planning Proposal recommended that the Planning Proposal proceed.

The Council resolved as follows: *"That consideration of this item be deferred until the first meeting in February 2015 and during the interim period alternative funding be secured to enable the urgent progression of the Kitchener Park Plan of Management without the sale of Part Lot 2 DP 110299 and Lot 3 DP 251053."*

This report therefore has two primary components, as follows:

- Consideration of the deferred report from the Meeting of 15 December (see deferred Report at Attachment 1), and
- Consideration of alternative funding to enable the urgent progression of the Kitchener Park Plan of Management

Further to the consideration of funding for Kitchener Park is the funding also required for the Village Park / Mona Vale Town Centre Master Plan and works that were also reliant upon the funding from the sale of the subject land as resolved at Council on the 19 December 2011. This issue has also been taken into consideration within this Report.

The estimated budget for funding for the Kitchener Park Skate Facility and Redevelopment Works and the Mona Vale Master Plan scope of works is \$3.92 million. Council had also adopted an allocation of \$400,000 to the Mona Vale Bowling Club within the 2015/2016 Management Plan that will not proceed. The required funding as adopted by Council is broken down as follows:

| Works Description | Amount | Budget Year |
|-------------------------------|--------------------|---------------------------|
| Kitchener Skate Park Facility | \$2,000,000 | 2015/16 |
| Kitchener Park Redevelopment | \$500,000 | 2015/16 |
| Mona Vale Place Plan Stage 1 | \$420,000 | 2015/16 |
| Mona Vale Place Plan Stage 2 | \$500,000 | 2016/17 |
| Mona Vale Place Plan Stage 3 | \$500,000 | 2017/18 |
| Total Budgeted Works | \$3,920,000 | Total over 3 years |

Three scenarios have been identified that may offer alternative funding solutions to the sale of the subject land for the consideration of Council. However, while these scenarios may offer an alternative with respect to funding they will require a significant re-direction of funds away from core expenditure programs. These scenarios are:

1. Full Loan Borrowings of \$3.92 million to fund both Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan Scope of Works
2. Loan Borrowings of \$2.0 million to fund Kitchener Skate Park Facility and a Restructure of the Special Rate Variation Program (SRV) for the Mona Vale Place Plan (\$1.42 million) and Kitchener Park Redevelopment (\$500,000) scope of works
3. Lease (99 Years) over Part Lot 2 (DP 110299) and Lot 3 DP 251053 to fund both Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan scope of works.

Each scenario and their ramifications are outlined at 5.0 - Key Issues, of this Report:

2.0 RECOMMENDATION 1

That Council reconsider and adopt the recommendations put forward by GLN Planning on 15 December 2014 for 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053).

OR

RECOMMENDATION 2

1. That Council choose one of the three scenarios outlined at 5.0 - "Key Issues" of this Report as an alternate funding source for the proposed works outlined in the Kitchener Park and Mona Vale Plans of Management.
2. That based on the Scenario selected by Council, and with respect of the need to redirect funds from other programs, a review to determine the necessary removal /re-direction of funds from other programs/works including amendments to the Special Rate Variation (SRV) Long Term Program. The selected budget amendments will then be included in the appropriate budget year and form part of the 2015 - 2019 Delivery Program and Budget.

3.0 ATTACHMENTS / TABLED DOCUMENTS

Attachment 1: Cover Report for Consultant's Assessment of Planning Proposal for 1596 and 1598 Pittwater Road, Mona Vale

4.0 BACKGROUND

4.1 PURPOSE

In order to address (in part) the Council Resolution of the 15 December 2014, whereby alternative funding be secured to enable the urgent progression of the Kitchener Park Plan of Management without the sale of Part Lot 2 DP 110299 and Lot 3 DP 251053, such alternate funding scenarios have been outlined for consideration.

Funding to progress works associated with the Mona Vale Place Plan to enable whole of precinct planning and in line with prior Council resolutions in December 2011 and 18 June 2014 and included in budgets that ties land sales in Kitchener Park to both Kitchener Park itself and Village Park, Mona Vale must also be considered.

4.2 BACKGROUND

The Kitchener Park, Mona Vale Plan of Management (PoM) was adopted by Council on 7 September 2009. The PoM flags the potential rezoning, reclassification and sale of 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) (identified as Precinct 8 in the PoM), which is owned by Pittwater Council, to fund the proposed improvements as nominated in the PoM.

In addition, it was also resolved by Council on the 19 December 2011, that Council grants Owner's Consent to the submission of the Kitchener Park Planning Proposal and all proceeds from any land sales within Kitchener Park be expended on Kitchener Park or Village Park improvements. As a result of these resolutions the 2014/2017 Management Plan has been adopted by Council with those revenue expectations.

Finally, on the 15 December 2014, it was resolved (in part) at the Towns and Villages Committee; *"that alternative funding be secured to enable the urgent progression of the Kitchener Park Plan of Management without the sale of Part Lot 2 DP 110299 and Lot 3 DP 251053."*

Within these Plans of Management, it is intended that the following redevelopments be undertaken:

Kitchener Skate Park Facility

One of the strategies Council has developed to meet the recreational needs of young people is to develop a regional skate park in Mona Vale providing a significant piece of social and recreational infrastructure for not only young people by intergenerational activity.

"In discussions between Council and young people over recent years the main issue raised by young people is always the availability of leisure and recreation activities."

The need for recreational activities and infrastructure has been reinforced within the current Pittwater Social Plan and the recently adopted Open Space and recreation Strategy.

The construction of a skate park will provide the infrastructure to support a range of skate/BMX activities at multiple levels of experience from beginner through to elite/national level competition and demonstration events.

In addition, it is envisaged that a youth drop-in centre/retail outlet is also constructed to provide an interactive meeting place for youth, a centralised location to conduct events, as well as a retail facility, the proceeds from which can in part be used to support the ongoing activities and maintenance of the facility.

Kitchener Park Redevelopment

The redevelopment works at Kitchener Park were mainly intended for the rehabilitation of the creek line as listed in the POM. If sold, the development associated with lots 2 and 3 may require the removal of a number of trees. The rehabilitation of the creek line was an offset for the potential tree loss. With this being said, it would be still envisaged that the \$500,000 would still be required to implement improvements in both Kitchener and Village Parks. The Management Plan adopted by Council outlined a works program of \$4.088 million.

Mona Vale Place Plan

In 2013, Council resolved that Mona Vale would be the next centre to undertake a Place planning process. Over the past twelve months Council has adopted a 'place planning' approach for our town and village centres, the Mona Vale Town Centre is the first to undergo the place planning process.

The highest order centre in Pittwater, Mona Vale is of strategic importance and will play a vital role in shaping the future of the LGA. The planned Mona Vale Road upgrade and Rapid Bus Transit system as well as the future of Mona Vale Hospital influence Mona Vale being recognised as essential to sustainable growth, providing a focal point for development, contributing to local job containment and housing targets for the LGA and region. It is vital that the planning for Mona Vale is undertaken within this context to ensure the delivery of a tactical and action orientated plan focused on the urban vision for the centre. Through a place based approach, incremental change will be brought about in line with the current and future needs of Pittwater's community.

A key focus for this incremental change will include redesigning and activating the 'heart' or centre of Mona Vale being Village Park. This civic precinct will play a significant role in providing vital public space for people to utilise within the urban environment, achieve greater permeability through the park to connect Pittwater, Park and Barrenjoey Roads and associated retail hubs, pedestrianisation of the surrounding streets and positioning the park for the implementation of the Bus Rapid Transit system.

The planning and implementation of the Kitchener Park Skate Park facility plays a significant role in the overall place outcomes for Mona Vale. To ensure a whole of centre approach it would therefore be beneficial to be done in conjunction with the place planning program for the town centre.

Projected Funding

It is estimated that the required funding for the Kitchener Park Skate Facility and Redevelopment Works and a contribution to the funding of the Village Park component of the Mona Vale Place Plan is \$3.92 million broken down in the following manner:

| Works Description | Amount | Budget Year |
|--|--------------------|---------------------------|
| Kitchener Skate Park Facility | \$2,000,000 | 2015/16 |
| Kitchener Park / Village Park Improvements | \$500,000 | 2015/16 |
| Mona Vale Place Plan Stage 1 | \$420,000 | 2015/16 |
| Mona Vale Place Plan Stage 2 | \$500,000 | 2016/17 |
| Mona Vale Place Plan Stage 3 | \$500,000 | 2017/18 |
| Total Budgeted Works | \$3,920,000 | Total over 3 years |

Accordingly, three scenarios have been identified that may offer alternative funding solutions to the sale of the subject land for the consideration of Council. However, it needs to be re-iterated that while these scenarios may offer an alternative with respect to funding they will require a significant re-direction of funds away from core expenditure programs. These scenarios are:

1. Full Loan Borrowings of \$3.92 million to fund both Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan Scope of Works
2. Loan Borrowings of \$2.0 million to fund Kitchener Skate Park Facility and a Restructure of the Special Rate Variation Program (SRV) for the Mona Vale Place Plan (\$1.42 million) and Kitchener Park Redevelopment (\$500,000) Scope of Works
3. Lease (99 Years) over Part Lot 2 (DP 110299) and Lot 3 DP 251053 to fund both Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan Scope of Works.

Each scenario and their ramifications are outlined at 5.0 - Key Issues, of this Report:

4.3 POLICY IMPLICATIONS

Under Council's current Loan Borrowing Policy, the borrowing of funds can only be used for the provision of infrastructure as outlined in the loan borrowing policy extract below. While the Kitchener Skate Park Facility falls within clause 4 of the loan borrowing policy, some of the works associated with the Mona Vale Place Plan and Kitchener Park redevelopment may not. Accordingly, for scenario 1 to be considered a change in Council's Loan Borrowing Policy would be required to include works in addition to infrastructure and the acquisition of income producing assets.

"Policy Statement

Given the Objectives above, in terms of Council's Loan Borrowing Program;

1. *Council recognises that loan borrowing plays an important part in the local government financial structure.*
2. *Council recognises that it is equitable to the ratepayers that the liability for the capital costs of infrastructure should be distributed over the period during which the people enjoy the benefits derived there from.*
3. *Council, therefore, adopts the principle of using loan funding as a resource to fund the replacement and creation of infrastructure that has a reasonably long life expectancy.*
4. *The use of loan funds will, in the main, be limited to the construction, alteration and or renewal of buildings, the acquisition of income producing assets (including land) and the acquisition of new or renewal of existing infrastructure assets which have a life expectancy greater than ten years.*
5. *Loan borrowings will generally be limited to a level where the ratio of net debt service costs (principal and interest) to Operating Revenue does not exceed 5.5%."*

4.4 RELATED LEGISLATION

NSW Local Government Act, 1993.

4.5 FINANCIAL ISSUES

4.5.1 Budget

As the current budget within Council's 2014-2018 Delivery Program identifies the sale of Part Lot 2 DP 110299 and Lot 3 DP 251053 as the funding source for the proposed works for the Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan, any change to this funding source would require an adjustment to Council's future budgets.

4.5.2 Resources Implications

As outlined at 5.0 - Key Issues, of the Report, a re-direction of financial resources will need to occur if either scenario 1 or 2 is deemed suitable by Council.

5.0 KEY ISSUES

As resolved by Council (in part) on the 15 December 2014, the sale of land at Part Lot 2 (DP 110299) and Lot 3 DP 251053 to fund Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan Scope of Works is no longer a preferred scenario. Council staff were asked to secure alternate funding sources to enable the progression of desired works. Accordingly, staff have identified alternate funding scenarios in replace of land sales.

Each scenario and there ramifications are outlined below:

Scenario 1

Full Loan Borrowings of \$3.92 million to fund both Kitchener Park Skate Facility and Redevelopment and Mona Vale Place Plan scope of works.

Under Council's current Loan Borrowing Policy, the borrowing of funds can only be used for the provision of infrastructure as outlined in the loan borrowing policy extract below. While the Kitchener Skate Park Facility falls within clause 4 of the loan borrowing policy, generally works associated with the Mona Vale Place Plan and Kitchener Park Improvements do not. Accordingly, for scenario 1 to be considered a change in Council's Loan Borrowing Policy would be required to include works in addition to infrastructure and the acquisition of income producing assets.

In terms of a new \$3.92 million dollar loan, the following loan schedule is projected.

| Amount Borrowed | Estimated Term | Estimated Interest Rate | Estimated Annual (Year 1) Interest Repayment | Estimated Annual (Year 1) Principal Repayment | Estimated Total Annual Repayment |
|-----------------|----------------|-------------------------|--|---|----------------------------------|
| \$3,920,000 | 10 Years | 5.4% | \$207,000 | \$305,000 | \$512,000 |

Such a loan would lift Council's overall Debt Service Ratio to approximately 5.05% (year 2017/18) (Policy 5.5%), virtually restricting further unplanned borrowings under Council's policy. In addition, further borrowings may place undue financial pressure on Council's overall consolidated financial result potentially sending it into a negative position. Accordingly, it would be recommended that to offset any new annual loan repayments certain works/programs, recurrent in nature would need to be removed to assist with financial sustainability.

Accordingly, the following list has been selected to give Council **a general picture of the type of expenditure that may be removed, fully or in part in order to offset new borrowings costs if scenario 1 was selected as an alternate funding source. The final re-direction of funds would form a part of the 2015-16 budget process.** Generally the expenditure needs to be recurrent in nature, project or program based and expenditure that will not impact on Council's Fit for the Future position and ratio's especially with respect to infrastructure. The ramifications of the removal of such expenditures have been outlined for consideration.

| Works and Programs Expenditure | Current/Future Budget Allocation | Remaining Budget Allocation after Reallocation of Funds | Potential Effects | Impact on Staff | Impact on Major FFF Ratios (see below for acronym descriptions) |
|--|----------------------------------|---|---|--|---|
| Road Maintenance | \$3,200,000 | \$2,688,000 | This is a 16% reduction p.a. for the next 10 years which will result in a compounding escalation of the deterioration of road network, reduced safety and amenity, more costly repairs, add to the backlog and put pressure on future renewals. There would also be a higher risk exposure to Council | Yes - as some funds are utilised for wages | OPR – Positive AMR – Negative IBR – Negative (indirect) B&IARR – Positive (indirect) ROEPC – Positive |
| Reserve Maintenance | \$1,124,000 | \$612,000 | This is a 46% reduction p.a. for the next 10 years resulting in a major impact on the safety and amenity of the communities open space, significantly impacting its social and environmental attributes. It is highly likely that numerous reserves and playgrounds would need to be closed | Yes - as some funds are utilised for wages | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Sports Field Maintenance | \$945,000 | \$433,000 | This is a 54% reduction p.a. for the next 10 years resulting in a Sports field network that has much reduced amenity and unacceptable safety impacts. It is highly likely that numerous sportsgrounds would need to be closed due to safety concerns | Yes - as some funds are utilised for wages | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Youth and Family Services | \$400,000 | \$0 (with \$112,000 worth of expenditure still to be removed from other programs such as road or reserves maintenance) | This would eliminate funding for the next 10 years for the anticipated Youth and Family Service initiatives | No - impact on current staff as services are projected in the future | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Catchment Management (including Flood Studies) | \$220,000 | \$0 (0%) (with \$292,000 worth of expenditure still to be removed from other programs such as road or reserves maintenance) | This would eliminate flood and catchment mitigation studies undertaken with loss of supporting grant funds for the next 10 years. It should be noted that these studies are associated with legislative requirements to effectively manage flood, coastal, climate change and other risks and develop mitigation measures | No – mainly contract works | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Bushland Projects | \$598,000 | \$86,000 | This is an 86% reduction p.a. for the next 10 years and as such there will basically be no bushland reserve maintenance or risk management, in particular bushfire hazard reduction, bush regeneration and feral animal control. This will collectively result in a serious decline in biodiversity and high risk to the community. | Yes - as some funds are utilised for wages | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |

Acronym Descriptions:

OPR – Operating Performance Ratio

IBR – Infrastructure Backlog Ratio

ROEPC – Real Operating Expenditure per Capita (Decrease)

AMR – Asset Maintenance Ratio

B&IARR – Building & Infrastructure Renewal Ratio

Scenario 2

Loan Borrowings of \$2.0 million to fund Kitchener Skate Park Facility and a Restructure of the Special Rate Variation Program (SRV) for the funding of the Mona Vale Place Plan (\$1.42 million) and Kitchener Park Redevelopment (\$500,000) scope of works

Scenario 2 represents a mix of loan borrowings and a restructure of the existing Special Rate Variation Program (SRV). The Loan would facility the capital works at the Kitchener Skate Park Facility and the Special Rate Variation Program would be restructured to incorporate works associated with the Kitchener Park Redevelopment and Mona Vale Place Plan Works in the years 2015/16 to 2017/18.

As loan funds will be used to fund the capital works at the Skate Park, no Loan Borrowing Policy amendments would be required. However, like scenario 1, existing expenditure items within Council's budget will need to be removed (in part or in full) to fund loan repayments and existing budgeted expenditure items within the SRV program will need to be removed, delayed or re-directed in order to cater for the Mona Vale Place Plan and Kitchener / Village Park improvements.

Scenario 2 is outlined below:

Loan Borrowings (\$2.0 million dollar loan for the Kitchener Skate Park Facility only)

In terms of a new \$2.0 million dollar loan for the skate park, the following loan schedule is projected.

| Amount Borrowed | Estimated Term | Estimated Interest Rate | Estimated Annual (Year 1) Interest Repayment | Estimated Annual (Year 1) Principal Repayment | Estimated Total Annual Repayment |
|-----------------|----------------|-------------------------|--|---|----------------------------------|
| \$2,000,000 | 10 Years | 5.4% | \$106,000 | \$155,000 | \$261,000 |

Such a loan would lift Council's overall Debt Service Ratio to approximately 4.75% (year 2017/18) (Policy 5.5%), potentially limiting further unplanned borrowings under Council's policy and place some additional financial pressure on Council's overall consolidated financial position. Accordingly, it would be recommended that to offset new annual loan repayments certain works/programs would need to be removed to assist with financial sustainability.

The following list has been selected to give Council a **general picture of the type of expenditure that may be removed fully or in part in order to offset new borrowings costs. The final re-direction of funds would form a part of the 2015-16 budget process.** Generally, the expenditure needs to be recurrent in nature, project or program based and expenditure that will not impact on Council's Fit for the Future position and ratio's especially with respect to infrastructure. The ramifications of the removal of such expenditures have been outlined for consideration.

| Works and Programs Expenditure | Current/Future Budget Allocation | Remaining Budget Allocation after Reallocation of Funds | Potential Effects | Impact on Staff | Impact on Major FFF Ratios (see below for acronym descriptions) |
|--------------------------------|----------------------------------|---|--|--|---|
| Road Maintenance | \$3,200,000 | \$2,939,000 | This is an 8% reduction p.a. which compounds and will result in an escalation of the deterioration of road network, reduced serviceability in particular safety and amenity, more costly repairs, add to the backlog and put pressure on future renewals | Yes - as some funds are utilised for wages | OPR – Positive AMR – Negative IBR – Negative (indirect) B&IARR – Positive (indirect) ROEPC – Positive |

| Works and Programs Expenditure | Current/Future Budget Allocation | Remaining Budget Allocation after Reallocation of Funds | Potential Effects | Impact on Staff | Impact on Major FFF Ratios (see below for acronym descriptions) |
|--|---|---|---|---|--|
| Reserve Maintenance | \$1,124,000 | \$863,000 | This is a 23% reduction p.a. for the next 10 years resulting in a major impact on the safety and amenity of the communities open space, significantly impacting its social and environmental attributes. It is highly likely that numerous reserves and playgrounds would need to be closed | Yes - as some funds are utilised for wages | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Sports Field Maintenance | \$945,000 | \$684,000 | This is a 28% reduction p.a. for the next 10 years resulting in a Sports field network that has much reduced amenity and unacceptable safety impacts. It is highly likely that numerous sportsgrounds would need to be closed due to safety concerns | Yes - as some funds are utilised for wages | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Youth and Family Services | \$400,000 | \$139,000 | This is a 65% reduction p.a. which would extensive curtail the intended program Youth & Family initiatives for the next 10 years | No -impact on current staff as services are projected in the future | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Catchment Management (including Flood Studies) | \$220,000 | \$0 (with \$41,000 worth of expenditure still to be removed from other programs such as road or reserves maintenance) | This would eliminate flood and catchment mitigation studies undertaken with loss of supporting grant funds for the next 10 years. It should be noted that these studies are associated with legislative requirements to effectively manage flood, coastal, climate change and other risks and develop mitigation measures | No – mainly contract works | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |
| Bushland Projects | \$598,000 | \$337,000 | This is a 44% reduction p.a. and as such there will be no bushland reserve maintenance or improvements, several community based services would need cut, in particular bush regeneration, feral animal management, weed control and community based programs would be compromised. This will collectively result in a serious decline in biodiversity and reduction in the viability of natural assets. | Yes - as some funds are utilised for wages | OPR – Positive AMR – N/A IBR – N/A B&IARR – N/A ROEPC – Positive |

Acronym Descriptions:

OPR – Operating Performance Ratio

IBR – Infrastructure Backlog Ratio

ROEPC – Real Operating Expenditure per Capita (Decrease)

AMR – Asset Maintenance Ratio

B&IARR – Building & Infrastructure Renewal Ratio

Special Rate Variation Programme Re-Structure:

In terms of funding the Kitchener Park Redevelopment works (\$500,000) and Mona Vale Place Plan works (\$1.42 million) these works with considerable change, could form a part of Council's Special Rate Variation Program moving forward. Although there is currently \$977,270 in the SRV program for the Mona Vale Village Park Outdoor Performance Space programmed in 2019/21 that may be utilised for the overall Mona Vale Place Plan as it forms a part of the scope of works, subject to changing priorities the balance of funds required (\$942,730) would need to come from the re-structuring of works within the SRV program.

In addition Councillors requested staff investigate the acquisition of 2,390m² of recreation space at Avalon Bowling Club. Terms have been negotiated with a report due to Council. These funding cuts would place this project at risk.

Likewise the Council has adopted with its Management Plan \$400,000 to upgrade Mona Vale Bowling Club. These works would probably be deleted.

Mona Vale Surf Club had \$480,000 programmed for upgrading works, likewise the timing of these works would be problematic. The Council has been conscientiously increasing its footpath program for the previous two years. It is likely that this figure would need to remain at approximately \$500,000 per annum.

Should Council adopt this scenario, a further report would need to be considered by Council outlining the proposed changes to the SRV program to accommodate the works for the Kitchener Park Redevelopment and Mona Vale Place Plan.

Scenario 3

Lease (99 Years) over Part Lot 2 (DP 110299) and Lot 3 DP 251053.

Option 3 explores the opportunity for Council to give consideration for a 99-year ownership lease (sometimes called a private residential lease or leasehold) over the subject land that would allow a third party to purchase a lease over the parcels of land. Pittwater Council as the trustee of the land would sell a 99-year lease, however the land would remain in trust for the benefit of the community. Exclusive use of the land would be granted to the third party, which means the general community cannot enter or use the property without the third parties permission.

An amount will be paid to the trustee to buy the lease. An estimate, the lease may be sold for as much as 70 to 75 percent of the market value of the land, some \$3,080,000 to \$3,330,000. The third party would then have the right to develop the land under Council's appropriate zoning.

The third party could if they wished could sell the lease and any subsequent development but they must talk to the trustee first (Pittwater Council) to find out about any prevailing lease conditions.

Leasehold apartments are becoming more common as more government-owned harbour front land is redeveloped. There are approximately several thousand leasehold properties currently around Sydney of which most of those are apartments.

Most are dotted around the harbour foreshore at places such as King Street Wharf in the city, the Finger Wharf in Woolloomooloo, Darling Island in Pyrmont, Walsh Bay and Millers Point. There are also several leasehold apartment buildings in the city, as well as in suburbs such as Double Bay.

For the most part, they are strata title (although older ones such as the Bower Street apartments, Manly are company title) and treated similarly to freehold apartments, whereby they can be sold or transferred subject to lease conditions.

Other Considerations

In addition to the scenarios above and the ramification associated with their funding structures it should be noted that the above additional borrowings will see Council's overall loan program peak approximately between \$23.256 million and \$25.276 million in the year 2015/16. While this may be manageable with budget cuts and a re-structure of SRV funding within the future Delivery Program and Budgets, it could preclude Council from undertaking other desired ventures/works into the future. These ventures/works may include any new commercial (income producing) ventures or even the extension of the current funding levels for Council's footpath program, land acquisition at Avalon Bowling Club or improvements to Mona Vale Surf Club and Mona Vale Bowling Club as mentioned previously in this report.

6.0 SUSTAINABILITY ASSESSMENT

6.1 GOVERNANCE & RISK

6.1.1 Community Engagement

To date, the subject works have been a part of the Place Planning for both Mona Vale and Kitchener Park.

The Kitchener Park Plan of Management involved extensive community engagement before its adoption in 2009. The current planning proposal has also been the subject of the community engagement.

Council's SRV program has also been the subject of engagement with a community committee monitoring its implementation.

6.1.2 Risk Management

There is an inherent financial risk associated with the recommendation of this Report. The moving away from the utilisation of land sale proceeds to fund associated works that are included in the current delivery program and budget previously adopted by Council to an alternate funding source may place financial strain on the organisation. Such fiscal pressure, as outline in the report will need to be offset by either the removal/re-phasing of current planned expenditure to fund borrowings or the leasing of the said land as an alternate revenue stream.

6.2 ENVIRONMENT

6.2.1 Environmental Impact

Currently planned environmental works may need to be removed/re-phased/delayed as a part of the alternate funding package

6.2.2 Mitigation Measures

Nil

6.3 **SOCIAL**

6.3.1 **Address Community Need & Aspirations**

Currently planned community desired works such as footpaths, road rehabilitation works etc. may need to be removed/re-phased/delayed as a part of the alternate funding package.

Alternatively, establishing an overall funding solution will address the needs of the community's desire for youth facilities (Skate Park) and town and village development and connectivity.

6.3.2 **Strengthening local community**

Establishing an overall funding solution will address the needs of the community's desire for youth facilities (Skate Park) and town and village development and connectivity.

6.4 **ECONOMIC**

6.4.1 **Economic Development**

Establishing an overall funding solution will address the needs of the community's desire for youth facilities (Skate Park) and town and village development and connectivity.

The implementation of the Mona Vale Place Plan is critical to the economic viability of Mona Vale Town centre and improved housing/employment opportunities for the Pittwater Community.

Report prepared by

Mark Ferguson
GENERAL MANAGER

SUBJECT: Cover Report for Consultant's Assessment of Planning Proposal (R0001/13) for 1596 and 1598 Pittwater Road Mona Vale**Meeting:** Sustainable Towns and Villages Committee**Date:** 15 December 2014**STRATEGY:** Land Use & Development**ACTION:** To establish land uses that respond to environmental, cultural, social and economic needs in a sustainable manner.**PURPOSE OF REPORT**

To present the assessment report (**Attachment 1**) and associated planning proposal (**Attachment 2**) and to inform Council of the recommendation of the planning consultant (GLN Planning) commissioned to undertake an independent assessment of a Planning Proposal for 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) (R0001/13) lodged on behalf of Council's Commercial Property & Projects Business Unit.

1.0 BACKGROUND

- 1.1 The subject properties are covered by the Kitchener Park Mona Vale Plan of Management (PoM)
- 1.2 The PoM was adopted by Council on 7 September 2009. The PoM flags the potential rezoning, reclassification and sale of 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) (identified as Precinct 8 in the PoM), which is owned by Pittwater Council, to fund the proposed improvements as nominated in the PoM.
- 1.3 On 23 December 2011, a Planning Proposal was lodged by Outline Planning Consultants (the Applicant) on behalf of Council's Commercial Property & Projects Business Unit (application number R0001/11) for 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) to rezone the land from 9(a) (Reservation – Open Space) and 6(a) (Existing Recreation "A") respectively, to 2(a) (Residential "A") (under the previous Pittwater Local Environmental Plan (LEP) – the Pittwater LEP 1993), and reclassify the land from 'Community' to 'Operational'.
- 1.4 On 20 January 2012, following initial review by Council's Planning & Assessment Business Unit, additional information was requested from the Applicant.
- 1.5 Having regard for issues of probity arising from Council's conflicting roles as both property owner and assessment authority, Council's Planning & Assessment Business Unit prepared a Project Brief and invited fee proposals from seven independent planning consultants. Two consultants responded.
- 1.6 Following an assessment of the responses to the Project Brief, Newplan Urban Planning Consultants (now GLN Planning) was engaged to undertake an independent assessment of the Planning Proposal.
- 1.7 The Project Brief required GLN Planning to review and objectively assess the Planning Proposal and all associated documentation, with consideration for all relevant legislation, Environmental Planning Instruments, directions, plans, strategies, and guides, as well as submissions received during public exhibition. The Project Brief specified that the Planning & Assessment Business Unit would assume an administrative role.

- 1.8 The Project Brief specified that if the consultant formed the opinion that the Planning Proposal should be progressed, the consultant would be required to facilitate the process to amend the Pittwater Local Environmental Plan (LEP) in accordance with Part 3 of the EP&A Act.
- 1.9 On 30 April 2013, the Planning & Assessment Business Unit, in consultation with GLN Planning, requested that the Planning Proposal be withdrawn having regard for the time that had lapsed since the Planning Proposal had been lodged and that additional information requested remained outstanding.
- 1.10 On 30 May 2013, the Planning Proposal was withdrawn by the Applicant.
- 1.11 On 20 September 2013, a new Planning Proposal was lodged by the Applicant on behalf of Council's Commercial Property & Projects Business Unit (application number R0001/13).
- 1.12 GLN Planning recommenced the independent assessment of the Planning Proposal.
- 1.13 On 27 June 2014, the Pittwater LEP 2014 came in to force which rezoned all land in Pittwater in accordance with the Standard Instrument (Local Environmental Plans) order 2006. The subject properties were rezoned to RE1 Public Recreation and the zone allowing for the intended outcomes of the Planning Proposal, submitted by the applicant, is R3 Medium Density Housing. The Planning Proposal prepared by GLN Planning has been amended to reflect the new zones in the Pittwater LEP 2014.

2.0 ISSUES

2.1 Preliminary Non-statutory Notification

- 2.1.1 On 5 October 2013, the Planning Proposal was put on preliminary non-statutory notification for a period of 28 days with letters sent to surrounding land owners, registered community groups and relevant state agencies.
- 2.1.2 During the notification period it was brought to Council's attention that the ePlanning Portal was incorrectly identifying only one of the subject properties. As a result the notification period was extended by 14 days. Submissions continued to be accepted and considered well after the formal end of the notification period.

2.2 Assessment

- 2.2.1 The assessment report and recommendation of GLN Planning is at **Attachment 1**.
- 2.2.2 The assessment report recommends that Council refer the Planning Proposal (**Attachment 2**) to the Secretary of the Department of Planning and Environment for a Gateway Determination.
- 2.2.3 Staff from the Planning & Assessment Business Unit have reviewed the assessment report from an administrative perspective and endorse the report and recommendation for consideration by Council.

3.0 SUSTAINABILITY ASSESSMENT

3.1 Supporting & Connecting our Community (Social)

Please see attached assessment report by GLN Planning.

3.2 Valuing & Caring for our Natural Environment (Environmental)

Please see attached assessment report by GLN Planning.

3.3 Enhancing our Working & Learning (Economic)

Please see attached assessment report by GLN Planning.

3.4 **Leading an Effective & Collaborative Council (Governance)**

3.4.1 Please see attached assessment report by GLN Planning.

3.4.2 Having regard for issues of probity arising from Council's conflicting roles as both property owner and assessment authority, Council engaged a planning consultant to undertake an independent assessment of the Planning Proposal.

3.5 **Integrating our Built Environment (Infrastructure)**

Please see attached assessment report by GLN Planning.

4.0 **EXECUTIVE SUMMARY**

4.1 The Kitchener Park Mona Vale Plan of Management (PoM) was adopted by Council on 7 September 2009. The PoM flags the potential rezoning, reclassification and sale of 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) (identified as Precinct 8 in the PoM), which is owned by Pittwater Council, to fund the proposed improvements as nominated in the PoM.

4.2 On 23 December 2011, a Planning Proposal was lodged by Outline Planning Consultants (the Applicant) on behalf of Council's Commercial Property & Projects Business Unit (application number R0001/11) for 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) to rezone the land from 9(a) (Reservation – Open Space) and 6(a) (Existing Recreation "A") respectively, to 2(a) (Residential "A") (under the previous Pittwater Local Environmental Plan (LEP) – the Pittwater LEP 1993), and reclassify the land from 'Community' to 'Operational'.

4.3 Having regard for issues of probity arising from Council's conflicting roles as both property owner and assessment authority, Council's Planning & Assessment Business Unit prepared a Project Brief and engaged a planning consultant (GLN Planning) to undertake an independent assessment of the Planning Proposal.

4.4 The assessment report and recommendation of GLN Planning is at **Attachment 1**.

4.5 The assessment report recommends that Council refer the Planning Proposal (refer **Attachment 2**) to the Secretary of the Department of Planning and Environment for a Gateway Determination.

4.6 Staff from the Planning & Assessment Business Unit have reviewed the assessment report from an administrative perspective and endorse the report and recommendation for consideration by Council.

RECOMMENDATION

That the assessment report (refer **Attachment 1**) and recommendation of GLN Planning in relation to the Planning Proposal (refer **Attachment 2**) for 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) (R0001/13) be endorsed.

Report prepared by
Andreas Olsen - Senior Planner (Strategic)

Andrew Pigott
MANAGER, PLANNING & ASSESSMENT

Assessment Report by GLN Planning

SUBJECT: Planning Proposal affecting 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053) (R0001/13)

Meeting: Sustainable Towns and Villages Committee **Date:** 15 December 2014

STRATEGY: Land Use & Development

ACTION: To establish land uses that respond to environmental, cultural, social and economic needs in a sustainable manner.

PURPOSE OF REPORT

To advise Council about the preliminary non-statutory notification of the Planning Proposal for the rezoning and reclassification of 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053).

To advise Council of the review and assessment of the Planning Proposal.

To make a recommendation as to whether the Planning Proposal should proceed.

1.0 BACKGROUND

- 1.1 The Kitchener Park Mona Vale Plan of Management (PoM) was adopted by Council on 7 September 2009.
- 1.2 The PoM identified that Council should investigate the reclassification from 'community' to 'operational' land, the rezoning and sale of Part Lot 2 DP 110299 and Lot 3 DP 251053 (Precinct 8 – Open space south of the bowling club) to assist with funding the proposed improvements as nominated within the PoM.
- 1.3 At its meeting on 19 December 2011, a report prepared by Council's Corporate Strategy & Commercial Business Unit sought Owner's Consent to submit a Planning Proposal concerning the subject land at Kitchener Park to provide funding with which to undertake community benefit improvement works identified in the adopted PoM. Council resolved:
 - 1 That Council grants Owner's Consent to the submission of the Kitchener Park Planning Proposal.
 - 2 That Council delegates authority to the General Manager to execute all documentation, and make all applications required under this process
 - 3 Notes the statutory process to be adopted for the re-zoning and re-classification, including the provision for a public hearing.
 4. That all proceeds from any land sales within Kitchener Park be expended on Kitchener Park or Village Park improvements.
- 1.4 On 23 December 2011, Outline Planning Consultants (the Applicant) (on behalf of Council) lodged the Planning Proposal (application number R0001/11).
- 1.5 On 20 January 2012, following initial review by Council's Planning & Assessment Business Unit, additional information was requested from the Applicant.
- 1.6 On 16 March 2012, Council's Planning & Assessment Business Unit engaged Newplan Urban Planning Consultants (now GLN Planning) to undertake an independent assessment of the Planning Proposal.

- 1.7 On 30 April 2013, the Planning & Assessment Business Unit requested that the Planning Proposal be withdrawn having regard for the time that had lapsed since the Planning Proposal had been lodged and that additional information requested remained outstanding.
- 1.8 On 30 May 2013, the Planning Proposal was subsequently withdrawn.
- 1.9 On 20 September 2013, Outline Planning Consultants (on behalf of Council) lodged a new Planning Proposal (application number R0001/13). Owner's consent was to be provided separately by the General Manager.
- 1.10 On 25 September 2013, owner's consent was provided.
- 1.11 On 5 October 2013, the Planning Proposal was put on non-statutory notification for a period of 28 days with letters sent to surrounding land owners, registered community groups and relevant state agencies.
- 1.12 During the non-statutory notification period it was brought to Council's attention that the ePlanning Portal was incorrectly identifying only one of the subject properties. As a result the notification period was extended by 14 days, now concluding on 16 November 2013.
- 1.13 On 21 November 2013, in response to issues raised during the non-statutory notification period, GLN Planning sought further information from the Applicant.
- 1.14 On 13 August 2014, the Applicant provided a response to the request for additional information.

2.0 THE SITE AND SURROUNDING LAND

The site comprises Part Lot 2 in DP 110299 and Lot 3 in DP 251053 and is commonly known as 1596-1598 Pittwater Road, Mona Vale. Both allotments are owned by Pittwater Council and classified as 'Community' land pursuant the Local Government Act 1993.

The site forms part of Kitchener Park, is irregular in shape and has an approximate total area 5,373 square metres.

The site is bounded by Pittwater Road to the west, the remainder of Kitchener Park to the north, Mona Vale Golf Club to the east, and residential development to the south.

The site has approximately 90 trees with no native understorey and a well-maintained grass ground cover.

The site slopes gently down from Pittwater at grades of between 7 and 9 percent with the exception of sharp drop of about 1.5 metres from the road. The topography ranges from RL 14.2m at the Pittwater Road frontage, to RL 7.93m at the rear, abutting the bowling club lease. Council's geotechnical hazard mapping indicates that a thin strip of land, corresponding to where there is a sharp drop in level from the Pittwater Road footpath level, is within Hazard Zone H2.

Part Lot 2 (1596 Pittwater Road), comprising 926 square metres, contains a single storey brick dwelling with vehicular access to Pittwater Road. Part Lot 2 is zoned RE1 Public Recreation under Pittwater Local Environmental Plan 2014.

Lot 3 (part of 1598 Pittwater Road), comprising 4,447 square metres, is vacant. The north east corner of the lot is used periodically as an overflow parking area for the adjacent bowling club. Lot 3 is zoned RE1 Public Recreation under Pittwater Local Environmental Plan 2014, and was transferred to Pittwater Council by the County of Cumberland in 1964. Lot 3 is also encumbered by a Declaration of Trust which must be discharged before it can be divested. The reclassification and rezoning of the subject site would remove the Trust.

The site forms the extreme southern end of Kitchener Park, which has a total area of 7.16 hectares. The site therefore comprises approximately 7.5 percent of the area of Kitchener Park.



Figure 1: Site (marked yellow) and locality context (downloaded from SIX Maps dated 14/11/2013).

3.0 REVIEW OF THE DRAFT PLANNING PROPOSAL

3.1 Overview

The subject site is classified as 'community' land and is zoned for open space purposes under Pittwater Local Environmental Plan 2014.

Council has adopted a Plan of Management and previously resolved to reclassify and rezone the land to enable its sale and future development for medium density housing purposes. Council has also resolved to direct the proceeds from the sale toward recreation facility improvements in Kitchener Park or Village Park.

Kitchener Park and the adjoining Mona Vale Golf Course form a major active recreation node immediately to the east of Mona Vale centre. The subject site is functionally isolated from the remainder of Kitchener Park due to the ongoing bowling club use. The physical dislocation of the site from the remainder of Kitchener Park, and the priority to upgrade and create new youth-focused recreation facilities to the north, are key factors driving the Planning Proposal.

The site's size, its close proximity to the services available at Mona Vale centre, as well as to the regular public transport along Pittwater Road, commends it as a suitable location for medium density housing purposes.

Preliminary assessment of the environmental issues associated with the Planning Proposal has been undertaken. This assessment has concluded that the environmental issues can be satisfactorily managed.

The Planning Proposal is consistent with the Kitchener Park Plan of Management, the Draft North East Sub-regional Strategy and Council's corporate planning documents, and therefore has merit.

Reclassification under the Local Government Act 1993 and rezoning under the Environmental Planning and Assessment Act 1979 are interrelated activities as Council cannot sell the land to a future residential developer unless it is first reclassified to 'operational'.

More detail on the planning merits is contained in the Planning Proposal document in Attachment 2.

3.2 Objectives and intended outcomes

The objective of the Planning Proposal is to enable the site to be reclassified as operational land, and to rezone the subject site for medium density residential development purposes. The site is currently zoned for open space purposes.

While an indicative development concept has been prepared that shows how residential development could be accommodated on the site, it is noted that the future development of the site – if it was to be rezoned - would be the subject of a future development application. This report does not consider or make an assessment of the indicative development concept.

3.3 Kitchener Park Plan of Management

The need for the Planning Proposal is driven by Council's desire to implement the Kitchener Park Mona Vale Plan of Management (PoM) that was adopted by Council in 2009.

The Planning Proposal gives effect to Council's resolution to redevelop Kitchener Park, to provide for new riparian corridors, and to reclassify the site and use funds from the sale of the land for improvements to this park, and in particular, an improved skate park facility.

The sale of the subject site and the subsequent application of the sale proceeds toward the improvement of Kitchener Park's recreation facilities is a critical component of the PoM. The PoM document contains numerous references to the future reclassification and excision of the subject site from Kitchener Park, and its future divestment and redevelopment. The PoM attaches a 'high' priority to this proposed action.

The embellishment works include the creation of a riparian corridor and a new skate park. Kitchener Park is favoured as a location for a youth precinct and the implementation of the regional skate park is important to achieving that strategy.

3.4 Pittwater Public Space and Recreation Strategy 2014

The Pittwater Public Space and Recreation Strategy 2014 sets out Council's direction for maintaining and developing a range of public space, sport and recreation facilities and activities across Pittwater LGA, and its recommendations are used over the long term as part of Council's integrated planning process.

Council's land rationalisation strategy is outlined in the Strategy and includes:

... The vast majority of land is important to retain, despite often requiring significant and costly ongoing maintenance, servicing commitments and upgrades to better fulfil their potential. However, funding constraints can prevent much of this from occurring. Conversely, there are a limited number of land holdings that provide very little community or environmental benefit. These have generally been acquired or dedicated through a somewhat ad hoc basis or circumstances have changed. If these properties are sold or swapped then it can provide the much needed funding to acquire other much higher net community benefit property or upgrade other existing property.

The Strategy recommends as follows:

The Strategy supports the purchase and sale of land to provide the best possible range and use of public land for current and future generations.

Accordingly, the Planning Proposal is considered consistent with the Pittwater Public Space and Recreation Strategy 2014.

3.5 Environmental assessment

The following is a summary list of the key environmental issues related to this Planning Proposal:

- Loss of open space

- Tree removal and biodiversity impacts
- Built form
- Traffic and parking

Consideration of each of these issues is discussed more fully in the Planning Proposal and summarised below.

(a) Loss of open space

- The Planning Proposal would result in the reduction of approximately 0.54 hectares public open space available to the Pittwater community;
- The main economic effect is the land reclassification and rezoning would enable the site to be sold;
- The main social effect of the proposal would be the resultant loss of local open space assuming the land is sold.

(b) Tree removal and biodiversity impacts

- The site contains trees within its confines, comprising at least 12 species, although not all are locally native, indications are therefore that are planted specimens
- The vegetation on the site has been significantly altered from its original pre-European condition and is currently dominated by mown grassland with scattered trees. No native grasses or shrubs are present.
- A 'seven-part test' undertaken for an adjoining site indicates that the proposed development is unlikely to have a significant impact on any threatened species.
- The site contains components of an Endangered Ecological Community (i.e. Swamp Sclerophyll Forest) which has been highly modified.
- The site is mapped as Category 2 Wildlife Corridor- it links to canopy trees to the north-east on the golf course, but does not link to any corridors south or west due to the minimal vegetation associated with Pittwater Road and adjoining residential properties.
- There is some habitat connectivity to the Mona Vale Golf Course land to the east, both the vegetation and habitats on the golf course and the vegetation & habitats on the allotment have been modified and disturbed and are developed recreational open space areas.
- Compensatory plantings have been recommended to minimise the potential impact on the local ecology and ensure there is no net loss of habitat and ecological community.
- There is opportunity for Council to ensure compensatory works are undertaken in conjunction with the sale of the land. Council, should it agree to proceed with the Planning Proposal, ensure that the recommended compensatory planting plan be implemented within 3 months of the issue of a development consent that authorises any clearing of remnant native vegetation on the site.

(c) Built form

- The proposed planning controls suggest that a 2-storey plus basement medium density development is likely to be proposed on the site in the future.
- A preliminary concept plan that has been specifically prepared for the Planning Proposal shows a development containing 24 dwellings meeting the relevant planning controls.
- The subject site is an appropriate location for medium density housing that will assist in achieving the Metropolitan Strategy aim of delivering 70% of new dwellings in existing urban areas.
- The site is located within an established area. Existing urban services are available. Its future redevelopment for residential purposes would be compatible with the adjacent land uses.

(d) Traffic and parking

- Additional parking would be provided on site as part of any medium density development. This would most likely be located in a basement level.
- Vehicular access to the future development would be via a single left in left out driveway onto Pittwater Road.
- Depending on the final requirements of Roads and Maritime Services (RMS), this access may require the provision of a deceleration lane from Pittwater Road.

(e) Summary

In summary, the Planning Proposal presents no current or potential environmental issues that cannot be managed through either a Planning Proposal or the development application process.

4.0 CONSISTENCY WITH RELEVANT STRATEGIC PLANNING FRAMEWORK

The Planning Proposal is consistent with the latest adopted metropolitan strategy (Metropolitan Strategy for Sydney 2036) in the following ways:

- It would enable a modest contribution to the supply of new medium density housing in the Pittwater area, and would assist in achieving the Strategy aim of delivering 70% of new dwellings in existing urban areas.
- It would increase the availability and diversity of housing in the Pittwater Local Government Area (LGA).
- The site is suitable for development as it is supported by, or abuts, existing urban infrastructure.
- The site is in single ownership, which represents a viable option for the delivery of new housing to meet increasing need in the Pittwater LGA.
- The site is located within an established area and its redevelopment for residential purposes is compatible with the existing neighbouring land use.
- The rezoning would reduce the pressure on supplying further residential land, in particular for medium density residential development, elsewhere within the Pittwater LGA. In so doing, it also assists in other low density areas, further removed from Mona Vale or other larger centres in Pittwater being potentially subsumed by medium density housing, thus protecting the amenity of these areas.
- The size and shape of the site would enable a range of housing typologies that respond to the demographic characteristics of the area to be developed on the site.

The Planning Proposal is also consistent with the draft North East Subregion Draft Subregional Strategy (NESDSS) in the following ways:

- The NESDSS sets targets for 17,300 new dwellings in the subregion LGA between 2004 and 2031. The Strategy identifies Mona Vale as a transport hub, well-suited to accommodating further medium density housing. The rezoning of the site would be consistent with implementation of both these strategies.
- The future development of the site for housing would strengthen the role of Mona Vale as the dominant town centre within the Pittwater LGA.
- The rezoning would encourage the use of public transport, given that access to major routes are within walking distance of the site.
- The rezoning provides for a logical consolidation of Mona Vale as a population centre within the Pittwater LGA.
- The land is suitable for development and is not subject to environmental and locational constraints that may affect other potential development sites in the Pittwater LGA.
- The NESDSS seeks to improve the quality of parks within the sub-region. The Planning Proposal would enable the upgrading of Kitchener Park, including riparian corridor works and skate park development.

The housing-related actions in the Pittwater Local Planning Strategy 2011 (PLPS) included promoting the provision of a range of housing choices (including smaller dwellings), that additional housing should be focused on and around centres, and promotion of more adaptable housing and housing for key workers.

The PLPS also identified that the current planning controls and extent of residential zoned land was sufficient to enable the LGA to meet the housing target set by the NESDSS. However this conclusion was based on housing targets that supported the 2005 City of Cities metropolitan strategy. The current (2010) Metropolitan Strategy for Sydney 2036 identifies a significantly higher housing creation target and, while individual LGA targets have so far not been assigned, it is probable that Pittwater's housing targets will be greater in the future.

The Planning Proposal, which would generate a modest increase in Pittwater's dwelling capacity, would be consistent with this evolving subregional planning.

5.0 NON-STATUTORY PRELIMINARY NOTIFICATION AND COMMUNITY CONSULTATION

The process under the EP&A Act for amending any principal local environmental plan such as Pittwater LEP 2014 involves numerous steps, including consultation with relevant stakeholders and the local community.

Formal consultation with State and Commonwealth Authorities will be carried out as advised by the Department of Planning and Environment following any gateway determination.

Although not required by legislation, Council chose to undertake preliminary non-statutory notification and community consultation in respect to the draft Planning Proposal.

The application was advertised between 5 October 2013 and 16 November 2013.

A total of 134 submissions were received, made up of:

- 99 submissions objecting to the proposal (including 1 submission containing a submission with 700 signatures)
- 30 submissions supporting the proposal
- 2 submissions from government agencies (RMS and Office of Environment and Heritage (OEH)) conditionally supporting the proposal
- 3 submissions neither objecting or supporting the proposal

The matters raised in the submissions are summarised below.

Those in support of the proposal listed the following reasons:

- Sensible outcome given land is superfluous, derelict and underutilised.
- Support for Council using funds to enhance and provide better facilities across the park.
- Local community has been waiting for the promised skate park since 2006.
- Support the removal of trees to enhance surveillance within the Park.
- Development of the skate park is supported subject to the scale of the facility being local.
- Construction of the skate park will promote healthy lifestyle and social amenity for youth.
- Support the construction of a new skate park given the existing Mona Vale skate park is outdated, poorly designed, unsightly and dangerous.
- A new Skate park will create a positive environment for local community. Plans for skate park will accommodate demand currently not being met by the existing facility.
- Skate park will integrate Pittwater LGA youth into community and create social value.
- The new skate park will ensure local community can skate within the LGA. Currently skateboard riders have to go to Avalon or outside LGA.

- Skateboarding is undergoing a resurgence and the new skate park will be a key local community focal point and a valuable asset to the local community.
- A new skate park will promote safety for skateboarders. Youth will not be forced to skate in shopping centres or on local roads.

Those objecting to the proposal listed the following issues; these issues have been grouped in a number of key themes:

5.1 Community use of the land should be preserved

- Land was gifted to Council to hold in trust for the local community as open space. Reclassification and sale of land is inappropriate and contradictory to Council's responsibilities.
- Lot 3 is encumbered by a Declaration of Trust, which must be discharged before it can be divested. The Trust has been imposed by the NSW Department of Planning and Infrastructure to preserve this land.
- Kitchener Park is the oldest gazetted park in the LGA. Lot 3 was given to Council in trust for green space. The community's open space needs have only increased with the increased density.
- The Planning Proposal is not in the interest of the community.
- Loss of wildlife land and recreational land is unacceptable and against the intent that the community land was gifted.
- Existing public lands situated between the coast and Pittwater Road should be protected for community enjoyment - not housing.

5.2 Open space needs

- Once sold, open space land is lost forever. Council cannot tell what the open space needs will be in the future, and so it is short sighted to sell off the land.
- The land should not be sold. It should be maintained and/or converted into a recreational facility that would be used by a large percentage of the rate paying community.
- Pittwater LGA already deficient in open space areas.
- Increased density results in the need for increased open space needs. It is not rational to reclassify and sell vital community land for increased density.
- Mona Vale population is continually increasing and therefore the community should never lose open space lands.
- There is continual pressure on existing open space lands.
- Warriewood was released without open space. This is now exacerbated with the recent announcement of the Ingleside release.
- Infrastructure delivery in locality is not in step with population growth.
- Kitchener Park has no opportunity to expand. Planned increased density in the Town Centre makes the retention of this land imperative.
- The subject site could accommodate community facilities (as part of the bowling club precinct). It could accommodate active recreation facilities on Lot 3, such as indoor pool, outdoor court, or a skate park. This would support the active open space land in Kitchener Park.
- Land could be maintained as passive open space and include picnic and BBQ facilities, and / or playground.

5.3 Co-ordination

- Mona Vale Bowling Club is not financially viable in the long term. Council should be considering development options that assume the club will not be occupying the site in the long term. The club lands represent an opportunity to retain and consolidate to create a hub of recreational fields and facilities.

- Integration of open space land could occur in the future because bowling club land is leased. If bowling club did not exist in the future then the site could be integrated into the rest of Kitchener Park.
- Planning proposal is premature without understanding the viability of the Mona Vale Bowling Club.
- Subject lands adjoin Mona Vale bus interchange. The land may be required for future parking to support any bus interchange upgrade.

5.4 Locality and Character

- The subject land is key recreational land and provides passive green space. The site should be preserved for future generations.
- Pittwater LGA's natural environment is a key to its beauty and character.
- Pittwater LGA and its community are continuing to lose open space to housing demand.
- The proposal will lead to overcrowding.

5.5 Flora & Fauna

- Lot 3 should be protected.
- Land has been identified as being within a wildlife corridor. Removal of the remnant flora community for future medium density housing is inappropriate.
- Lot 3 contains Swamp Sclerophyll Forest and Sydney Sandstone Woodland Communities.
- Part Lot 2 and Lot 3 are not surplus lands as Council's documents show these lands to be key ecological and wildlife lands.
- Tree removal will result in habitat loss and fauna displacement. The site vegetation should be maintained and further embellished.
- Planning proposal has not prepared a detailed Flora and Fauna Assessment.
- The restoration of the riparian corridor to the north is only necessary because Council has failed to maintain the area.

5.6 Environmental

- The open space is unaffected by filling, contamination, acid sulphate soils, flooding or heritage. These attributes make this land unique and a valuable asset to the community.
- Land is flood liable and therefore unsuitable for residential use.
- The trees on the site comprise natural or remnant bushland.
- Geotechnical assessment submitted with the proposal is too brief, and therefore is inadequate.

5.7 Traffic and parking

- The locality is already congested. Future medium density housing will only increase traffic congestion and safety concerns.
- Existing traffic safety issues at Pittwater Road / Turimetta Street intersection. The proposed development would only exaggerate the congestion and safety issues being experienced.
- Inadequate widths for basement car parking spaces.
- The Planning Proposal notes that a lack of access to the subject site is a reason for the reclassification and rezoning of the land. However the concept plan demonstrates that an arrangement could be engineered.
- Waste trucks servicing the future development will adversely impact Pittwater Road because they will need to turn across three lanes of traffic.
- Vehicles entering the site from the north will cause unsafe traffic conditions with cars accelerating from the Pittwater Road merger.
- Vehicles leaving the site wanting to head north will need to cross three (3) lanes of traffic to either turn at Turimetta or Jenkins Streets or perform an illegal U-turn.

5.8 Economic

- Council has not thoroughly consulted community on alternative solutions to the funding of Kitchener Park works.
- Financial reasoning does not substantiate the sale of the land. Council should have fore-planned other ways to deliver the community facilities.
- Council should be able to 'balance the books' without selling vital community land for short term gains.
- Future use of funds raised by sale should not have any bearing on this Planning Proposal.
- Proceeds from the sale of land cannot be used for riparian corridor works as stated in Planning Proposal. The majority of this environmental land is sited in Beeby Park.
- The anticipated cost of the skate park appears excessive when compared to the cost of providing / upgrading other skate parks that have been undertaken by Warringah Council.
- The skate park was to be at least part-funded by the State Government. Council being unable to secure these funds should not result in the sale of the subject land.
- There is uncertainty in how much the skate park will cost, including insurance costs. The costs should be made clear prior to community lands being sold.
- Council's resolution of 19 December 2011 states that funds could be spent in either Kitchener or Village Parks. Spending of funds raised by Council from the sale of this land should be clear.
- Council needs to honour commitment to build skate park. The skate park was promised 8 years ago. Council should have had sufficient time to raise the appropriate funds to build such a facility without selling key community lands.

5.9 Amenity

- Land has amenity benefits for community.
- Visual quality of the land creates character for Mona Vale Town Centre.
- Land is vital passive open space and the gateway to Kitchener Park.
- The lands have educational benefits.
- The land in its current state is of more value to the community, local residents and the environment than the reclassification and proceeds.
- Poor urban design and amenity associated with medium density concept plans.
- There are likely to be noise impacts on both existing residents and residents of the development from the future skate park.

5.10 Planning controls

- Sale of land and future tree removal is contradictory to Pittwater 21 DCP. Trees and native vegetation should be retained.
- The Planning Proposal is not consistent with Mona Vale Master Plan.
- The Kitchener Park Plan of Management 2009 incorrectly categorises Lot 3 as "Park" when the land was dedicated for "Natural" purposes.
- Planning proposal does not address SEPP 19.
- Planning proposal does not address Council's Wildlife Corridor Mapping 1995.
- Higher density developments will be permitted on the subject site than what is shown in the concept accompanying the Planning Proposal. That is, the site could be approved for development pursuant to the Seniors Living SEPP and Affordable Housing SEPP.
- The exhibited documentation is inadequate and contains oversights.

6.0 RESPONSES TO SUBMISSIONS

Responses to the above objections are contained either in the following sub-headings or in the Planning Proposal (Attachment 2).

6.1 Community use of the land should be preserved / open space needs

- Council is able to extinguish a trust but must first gain approval from the Department of Planning and Environment.
- Council is custodian of many public assets including land. If the Council wishes to dispose of an asset that is community land it must follow the land reclassification process set out in the Local Government Act 1993 and Environmental Planning and Assessment Act 1979 and seek State Government approval to extinguish any trusts.
- Increased population generates increased need for open space land. The Pittwater LGA has a plentiful supply of open space for passive purposes, but requires more land and facilities for active recreation purposes.
- The subject site has constrained opportunity to provide for active recreation facilities. It is close to residences (noise impacts) and is separated from the rest of Kitchener Park (access difficulties). Its utility as a passive open space area is greater than active open space but is still restricted for similar reasons.
- The site has limited open space value due to its limited access and relative isolation.
- It is reasonable to expect that while the bowling club and golf course remain, the subject site will continue to be under-utilised and physically disconnected from the other functioning parts of Kitchener Park.
- Provision of open space in the Mona Vale areas is based around existing neighbourhood parks and more regional facilities such as Kitchener Park, Mona Vale Beach and the Bayview foreshore precinct. The rezoning of the site would have negligible impact on the recreation provision currently available in the area.
- The Planning Proposal would result in the reduction of approximately 0.54 hectares of public open space available to the Pittwater community, but this loss should be viewed in a broader context. Under Pittwater Council's strategic land management program, Council has brought into public ownership over 145 hectares of open space, including land of high environmental value. Land includes the Warriewood Wetlands, Ingleside Escarpment, Winnereremy Bay foreshore, Warriewood Valley creek line corridors, Currawong, and the like. During this time Council has either swapped or sold about 18 hectares of open space. The net result has been an increase of about 127 hectares of open space.
- The loss of open space land would be mitigated by positive social, economic and environmental benefits brought about by the allocation of sale proceeds to recreation facilities.

6.2 Co-ordination

- There are no plans for the bowling club to cease trading. Council has prepared plans to provide a formal parking area for the bowling club use.
- The land is unlikely to be required in the future for bus interchange purposes.

6.3 Locality and Character

- The subject land is not considered by Council to be key recreational land as it is disconnected from the existing community by other privately-oriented recreation activities (bowling club and golf course), a busy 6-lane road and residential development.
- The proposal will lead to around 24 additional dwellings meeting Council's planning standards.

6.4 Flora & Fauna

- Planning proposal was accompanied by a Flora and Fauna Assessment.
- Separate reports prepared by Footprint Green and EcoLogical Australia have investigated the ecological values of the site and have concluded that the flora and fauna impacts of rezoning and reclassification of the land can be managed.

- Taking into account the existing modified nature of the site and the implementation of the proposed compensatory measures, the proposed rezoning and likely subsequent development for residential purposes would not unreasonably impact on the ecological values of the locality.

6.5 Environmental

- Council's landscape architect, by email dated 8 November 2013, found it reasonable to accept that remnants of Swamp Sclerophyll Forest are present on the site.
- The land does not possess characteristics that make it unique as a precious open space resource.
- The land is not flood liable and is generally suitable for residential use provided satisfactory management and mitigation measures are applied to the future development of the site.

6.6 Traffic and parking

- Consultants TSA, Council's traffic engineer and the RMS have confirmed that traffic and parking impacts from the future residential development of the site can be satisfactorily managed.

6.7 Economic

- The proposed rezoning and reclassification are linked. Councils cannot reclassify land without preparing a draft local environmental plan under the Environmental Planning and Assessment Act 1979. Such plans also deal with zoning issues.
- Access to funds is not the sole reason for the Planning Proposal. The subject land has limited utility as a recreation resource.
- Council in a constrained funding environment has to make difficult decisions about scarce resources. The decision to rezone, reclassify and sell the subject land is one such decision. These actions represent a consistent and transparent strategy by the Council to attempt to deliver improvements to Kitchener Park in a financially sustainable manner.
- Council has been open and transparent about this strategy since 2009. It has openly canvassed and subsequently confirmed the proposal with the public through public documents including the Plan of Management, Delivery Strategy and Council resolutions.
- The costs of the skatepark proposal will be firmed up when a tender for the construction of the facility is let.
- Council has applied unsuccessfully for the skate park to be provided via grants.

6.8 Amenity

- The landscaped character of the land does enhance the visual amenity of the locality.
- The land is not a 'gateway' to Kitchener Park because it is physically separated from the non-leased portions of the park.
- The residential design concept that has been prepared is low-rise with generous setbacks and would be compatible with surrounding housing forms to the south.
- The noise impacts on both existing residents and residents of the development from the future skate park are likely to be minimal because it is separated from these receptors by the bowling club.

6.9 Planning controls

- Tree removal will be restricted to that which is necessary to allow a development to take place. Not all trees will be removed. The compensatory planting strategy will ensure no net loss of significant vegetation.
- The Planning Proposal is consistent with the planning for Mona Vale town centre in that it supports the provision of low rise housing opportunities close to transport and services.

- Consultants Footprint Green concluded (on page 25) that 'although some indigenous species remain, the vegetation on the site is not considered to be adequately representative of the structure and floristics of the natural vegetation that would have occurred on the site and therefore the site is not considered to be bushland for the purposes of SEPP No.19'.
- Spatial constraints mapping undertaken for the site by Council in July 2009 determined that there is moderate constraint to intensification of development for the site and the Kitchener Park property in general. The constraint is as a result of a broad classification of that land as Wildlife Corridor Category 2 – no other constraint applies.
- Spatial constraints mapping concluded that, provided this restriction to intensification of development can be addressed by design, multi-unit housing could be accommodated on the land.
- Development on the site would be restricted to a maximum height of 8.5m under the LEP planning controls.

7.0 FORWARD PATH

Council will notify submitters once the report is included on the meeting agenda, which provides the opportunity for interested persons to address the councillors should they wish to.

If the gateway determination is to proceed with the rezoning, then community consultation will be undertaken as required by the Department of Planning and Environment (DP&E).

A report would then be provided to Council following the community consultation process with a recommendation to either proceed or not proceed with the Planning Proposal and draft LEP.

In summary the steps of the "gateway" process are:

- A Planning Proposal (PP) is prepared by the proponent or Relevant Planning Authority (RPA) (in this case the RPA will be DP&E because Council will not be seeking delegated authority to prepare the LEP)
- Preliminary non-statutory notification of rezoning
- Council formally considers PP (this report)
- Council resolves to forward PP to DP&E
- PP assessed by DP&E
- Planning Panel considers PP and recommendations of DP&E
- Gateway determination (potential referral to the Joint Regional Planning Panel)
- Consultation with State/Commonwealth Public Authorities
- Council conducts formal Community Consultation
- Council conducts a public hearing
- Council considers community and agency submissions and determines whether to proceed
- Final PP assessed by DP&E
- DP&E prepares legal instrument in consultation with Parliamentary Counsel
- Plan is made by the Minister

8.0 SUSTAINABILITY ASSESSMENT

8.1 Supporting & Connecting our Community (Social)

Progressing the plan-making process to permit the sale and subsequent development of the site for residential purposes will facilitate implementation of the Kitchener Park Mona Vale Plan of Management.

Specifically the sale proceeds would be directed toward the upgrade of recreation facilities located in the remainder of Kitchener Park or Village Park. While there would be a loss of 0.54 hectares of open space land, this would be balanced by improvement to the range and quality of recreation facilities that would be available for use by visitors to the park.

The proposal would also potentially have the following positive social outcomes:

- The proposal would result in an increase of about 24 dwellings to the LGA's housing stock. The housing would be located on a major public transport route, which would provide the opportunity for future residents to connect to the wider region using either private or public transport.
- The future residents would also be in walking distance of the services and amenities available in Mona Vale centre. Sites of a size that can accommodate a range of housing forms, and with similar levels of access to services and amenities, are relatively rare in Pittwater LGA.
- The sale proceeds would be directed to creating a youth recreation node (i.e. skate park) and improve opportunities for the area's youth to meet and engage in activities they are

interested in. The creation of such a space has been identified as a priority in consultations with the community and in Council's recreation and social planning documents.

8.2 Valuing & Caring for our Natural Environment (Environmental)

The site contains vegetation and it is likely that most of the existing trees on the site would need to be removed to make way for future residential development of the land. The potential impact on the local ecology will be minimised by ensuring there is no net loss of habitat and ecological community. On and off site compensatory works are proposed, as detailed in the ecological assessments accompanying the Planning Proposal.

Taking into account the existing modified nature of the site and the implementation of the proposed compensatory measures, the proposed rezoning and likely subsequent development for residential purposes would not unreasonably impact on the ecological values of the locality.

Subject to the implementation of appropriate compensatory plantings, the future development of the land will not have a significant impact on threatened species, populations or endangered communities. Assessment of future development applications will include evaluating the likely impacts of future development on the natural environment, and the implementation of appropriate mitigation measures.

8.3 Enhancing our Working & Learning (Economic)

The focus of the Planning Proposal is to improve overall social outcomes for the Pittwater LGA. The proposal would have minimal impact on the general economy of the Pittwater LGA, other than to provide jobs during the construction phase of the future development.

8.4 Leading an Effective & Collaborative Council (Governance)

Progressing the plan-making process to both reclassify the site to 'operational' and to permit land uses and activities at the site in accordance with the R3 Medium Density Residential zoning will enable a funding source to assist the implementation of the Kitchener Park Mona Vale Plan of Management. The PoM was developed with community involvement, and the decision to investigate rezoning and reclassification of the site has been re-confirmed by Council since the adoption of the PoM in 2009.

Without the proceeds from the future sale of the site, Council's ability to implement the works program in the PoM would be significantly restricted, and would lead to further delay in the Kitchener Park upgrade program.

The decision to reduce Pittwater's open space, no matter how small, should not be taken lightly. If a funding source or sources for Kitchener Park facilities emerges that would remove the need to sell the land, then this should be pursued. However, to date no other alternative funding source has been uncovered and the recreation improvements, which would cost several millions of dollars and benefit many residents in the LGA, have been delayed for several years.

Accordingly, there is merit in proceeding with this rezoning and reclassification Planning Proposal. 'Non-statutory' community participation has been undertaken to facilitate accountable and transparent decision-making regarding the proposal. Further consultation will be undertaken following the Gateway Determination.

8.5 Integrating our Built Environment (Infrastructure)

The proposed planning controls suggest that a 2-storey plus basement medium density development of approximately 24 dwellings is likely to be constructed on the site in the future.

The subject site is an appropriate location for medium density housing close to Mona Vale centre that will assist in achieving the Metropolitan Strategy aim of delivering 70% of new dwellings in existing urban areas.

The site is located within an established area and its redevelopment for residential purposes is compatible with the existing neighbouring land use and availability of existing urban services.

9.0 EXECUTIVE SUMMARY

Outline Planning Consultants, on behalf of Pittwater Council, has prepared a Planning Proposal to rezone and reclassify part of Kitchener Park.

The primary purpose of the Planning Proposal is to allow the sale of approximately 0.54 hectares of Council-owned land at the southern end of the park and direct the proceeds toward the improvement of recreation facilities in Kitchener Park (i.e. a new skate park) or Village Park.

The strategy of divesting Kitchener Park land and reinvesting the sale proceeds into recreation facilities was stated in the Kitchener Park Plan of Management that was adopted by Council in 2009 and was reiterated in Council resolution to prepare a Planning Proposal for the land adopted in 2011.

This Planning Proposal is to implement one aspect of the Kitchener Park Plan of Management.

The draft Planning Proposal, prepared on behalf of Council by Outline Planning Consultants in September 2013, was publicly exhibited in October and November 2013. Some 134 submissions were received, including 99 opposing the proposal.

The issues raised by submitters may be summarised as follows:

Those for:

- Current park facilities are outdated and dangerous
- New skate park is a sorely needed, long overdue facility
- Reasonable for Council to use sale proceeds to provide better recreation facilities
- Skate park will promote healthy lifestyle and social amenity for youth

Those against:

- Community use of the land should be preserved
- The land serves a valuable open space need
- Co-ordination issues
- Flora and fauna impacts
- Environmental impacts
- Traffic and parking impacts
- Economic impacts
- Amenity of the site and surrounds
- Planning controls

A review of the draft Planning Proposal and the issues raised by submitters has revealed that:

- The proposal is to implement a previous policy decision of the Council – i.e. the Kitchener Park Plan of Management that was publicly exhibited and adopted by the Council in 2009.
- The proposal is driven by a need for Council to access a new funding source to provide high priority recreation facilities. Council has been unsuccessful in securing alternative funding sources (i.e. grants) for the recreation facilities.
- With appropriate management measures, the site can support a modest scale medium density development without compromising amenity, road safety or the site's environmental and heritage values.
- The proposal will lead to a relatively small loss of open space in a part of Kitchener Park that is not well connected to the rest of the park or to the surrounding community. The loss of open space should be seen in the context of the overall improvements to the rest of Kitchener Park that will be gained.

The decision to reduce Pittwater's open space, no matter how small, should not be taken lightly. If a funding source or sources for Kitchener Park facilities emerges that would remove the need to sell the land, then this should be pursued. However, to date no other alternative funding source has been uncovered and the recreation improvements, which would cost several millions of dollars and benefit many residents in the LGA, have been delayed for several years.

Having regard to these factors, we find there is merit in proceeding with the rezoning and reclassification Planning Proposal.

RECOMMENDATION

That:

1. Council refer the Planning Proposal, as set out in Attachment 2, to both reclassify Part Lot 2 DP110299 & Lot 3 DP251053 No. 1596-1598 Pittwater Road, Mona Vale to 'operational' and to rezone the site from RE1 Public Recreation to R3 Medium Density Residential, to the Secretary of Planning and Environment for a gateway determination.
2. Further community consultation be carried out in accordance with any gateway determination and that the outcome of the community consultation be reported to Council.
3. In the event that any part of the subject land is rezoned and reclassified, that reference to the following requirement be notated on the section 149(5) planning certificate:
 - (a) The on-site and off-site compensatory works be carried out in accordance with the EcoLogical Australia report dated 8 August 2014, and to the satisfaction of Council.
 - (b) The off-site compensatory works be carried out within three months of the issue of a development consent that authorises any clearing of remnant native vegetation on the subject land.

Report prepared by

Greg New, Director, GLN Planning Pty Ltd



PLANNING PROPOSAL

Reclassification and rezoning of 1596 and 1598
Pittwater Road, Mona Vale (Part Lot 2 DP 110299
and Lot 3 DP 251053)

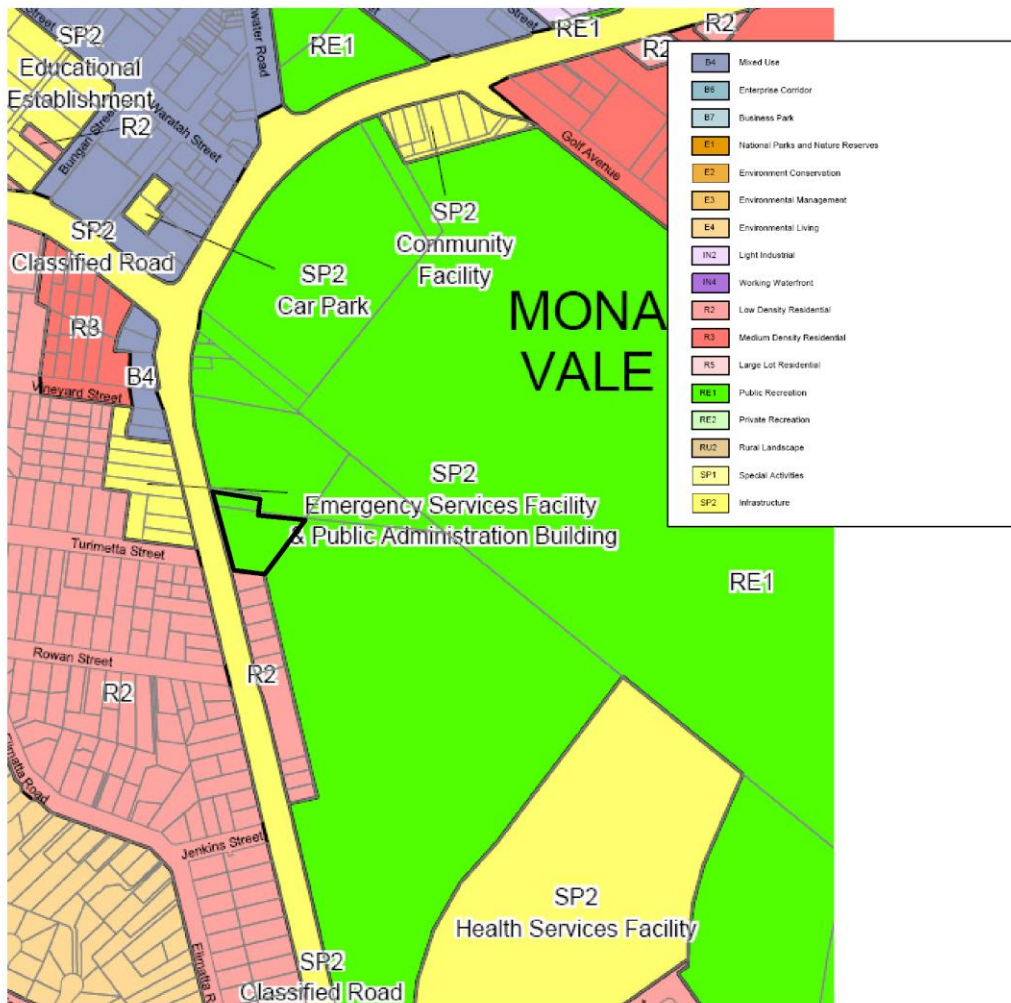
PART 1 OBJECTIVES OR INTENDED OUTCOMES

The objective of this planning proposal is to enable the subject site to be reclassified as operational land, and to rezone the subject site for medium density residential development purposes.

The planning proposal is to be implemented via an amendment to Pittwater Local Environmental Plan 2014. The amendment includes rezoning the subject site from RE1 Public Recreation to R3 Medium Density Residential.

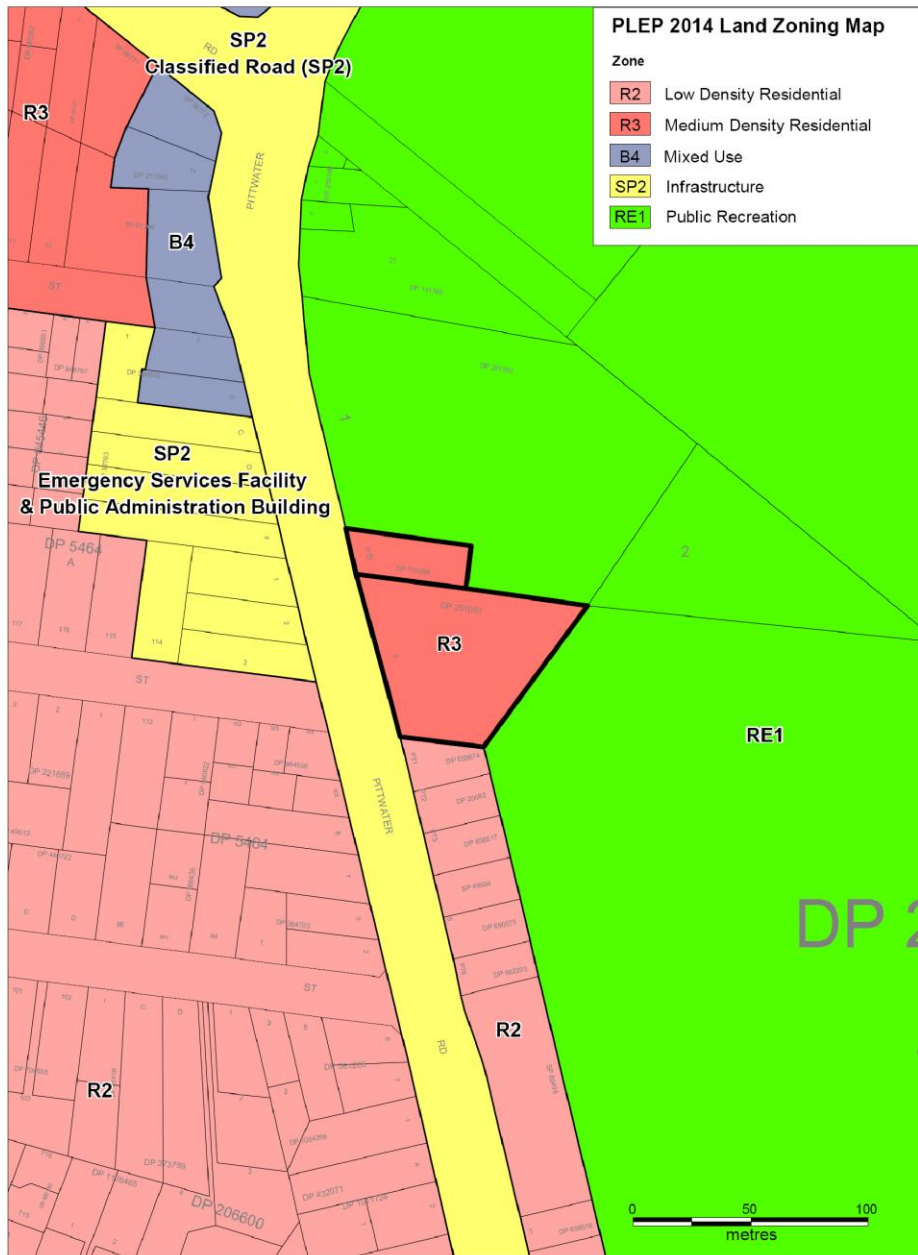
Maps 1 and 2 show the existing and proposed amended local environmental plan zoning maps.

MAP 1: Pittwater Local Environmental Plan 2014 Existing Zone



Subject Site: 1596 and 1598 Pittwater Road, Mona Vale (Part Lot 2 DP 110299 and Lot 3 DP 251053)

MAP 2: Pittwater Local Environmental Plan 2014 Proposed Zone



PART 2 EXPLANATION OF PROVISIONS

- (a) The proposed reclassification of the site to Operational Land would require the insertion of the following information into the table in Part 2 of Schedule 4 of the Pittwater Local Environmental Plan 2014:

| Column 1 Locality | Column 2 Description | Column 3 Trusts etc not discharged |
|---------------------------------|--|---|
| Mona Vale | | |
| 1596 and 1598 Pittwater Road | Part Lot 2, DP 110299 and Lot 3, DP 251053 | Nil |

- (b) The proposed rezoning would require the amendment of the Pittwater Local Environmental Plan 2014 Land Zoning Map in accordance with the proposed zoning map shown in Map 2 and summarised in Table 1.

Table 1 Proposed Zoning Changes – Pittwater LEP 2014

| Address | Property Description | LEP 2014 Zone (refer Map 1) | Proposed Zone (refer Map 2) |
|---|---|--|--|
| 1596 Pittwater Road, Mona Vale | Part Lot 2 in Deposited Plan 110299 | RE1 Public Recreation | R3 Medium Density Residential |
| 1598 Pittwater Road, Mona Vale (part) | Lot 3 in Deposited Plan 251053 | RE1 Public Recreation | R3 Medium Density Residential |

PART 3 JUSTIFICATION

Section A Need for the Planning Proposal

(A1) Is the planning proposal a result of any strategic study or report?

The need for the planning proposal is driven by Council's desire to implement the Kitchener Park Mona Vale Plan of Management (PoM). The PoM, which was prepared following input from open space users and the general community, was adopted by Council on 7 September 2009.

The planning proposal gives effect to Council's resolution to redevelop Kitchener Park, to provide for new riparian corridors, and to reclassify the site and use funds from the sale of the land for improvements to this park, and in particular, an improved skate park facility.

The subject site is identified as 'Precinct 8' in the PoM. In respect to Precinct 8 the PoM recommends as follows:

Investigate the reclassification to operational land, the rezoning and sale of Lot 3 and Lot 2 to assist with funding the proposed improvements as nominated within the plan of management and subject to further detailed examinations.¹

The PoM document contains numerous references to the future reclassification and excision of the subject site from Kitchener Park, and its future divestment and redevelopment.²

The PoM attaches a 'high' priority to this proposed action.³

The sale of the subject site and the subsequent application of the sale proceeds toward the improvement of Kitchener Park's recreation facilities is a critical component of the PoM.

The Kitchener Park embellishment works include the creation of a riparian corridor and a new skate park. Council favours Kitchener Park as a location for a youth precinct. The implementation of the regional skate park is important to achieving that strategy:

In discussions between Council and young people over recent years the main issue raised by young people is always the availability of leisure and recreation activities. Consultation with young people indicated that the traditionally higher risk sports such as BMX biking and skateboarding are very popular among young men. In addition to entertainment, young people said that they wanted places to meet or 'hang out' outside of school. The NSW Government's Youth Policy states that not all leisure for young people needs to be structured.

In addition to family and school, participation in recreational activities is an important influence in the development and growth of young people.

One of the strategies that Council has developed to meet the recreational needs of young people is to create youth precincts centred on the skate parks at Avalon and Mona Vale.⁴

The embellishment program for Kitchener Park described in the PoM includes the following:

¹ Kitchener Park Mona Vale Plan of Management, page 6

² *ibid.*, for example, figures 7 and 11, tables 12 and 13, sections 3.4.1 and 4.3

³ *ibid.*, table 12, page 43

⁴ *ibid.*, page 45

- Upgrade of car parking area, entryways and ancillary landscaping
- Upgrade of cricket nets, associated picnic area, shelters, barbecues
- Regional skate park
- Creekline rehabilitation

The most recent cost estimate for the implementation of this program is \$4.4 million. The planning proposal will lead to funds being made available to allow these facilities to be delivered.

Council's adoption of the PoM in 2009 was followed by its resolution at its meeting of 19 December 2011 for Council to grant owner's consent to lodge a planning proposal to reclassify and rezone the land, and 'that all proceeds from any land sales within Kitchener Park be expended on Kitchener Park or Village Park improvements'.

(A2) Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

A key objective of the planning proposal is to enable the Council to use the proceeds from the sale of land in order to provide recreation facilities at Kitchener Park.

Council cannot sell land that it owns that is classified as community land. The land must first be reclassified as operational land before it can be sold.

Except in very limited circumstances, a local environmental plan must be made to effect the reclassification of community land to operational land. The planning proposal is a necessary step in the making of a local environmental plan.

Council's operational and corporate planning documents have identified a strategy of selling part of the land comprising Kitchener Park to pay for new recreation facilities on the remainder of Kitchener Park.

The PoM identified that Council would seek to sell Lots 2 and 3 and reinvest the sale proceeds into Kitchener Park.

Pittwater 2025 and associated documents identify the funding challenges and planned solutions for providing services to its community.

In the Corporate Management Strategy under the heading of 'Leading an Effective & Collaborative Council', the following relevant challenges are identified:

- *Council to remain financially sustainable despite cost shifting from State & Federal Government*
- *Balancing the need to rationalize land to fund projects while retaining public assets*
- *Pressure from aging infrastructure with decreasing funding sources to maintain and renew existing assets to required standard*
- *Balancing community priorities across the wide range of Council's services and facilities*
- *Engaging the wider community, especially youth, in decisions that affect the community⁵*

⁵ Pittwater 2025 – Our Community Strategic Plan, page 35

One of the opportunities identified in response to these challenges was 'to investigate alternative funding sources'.⁶

The rezoning and sale of the subject site was identified in Council's 2013-2017 Delivery Strategy:

Submit application for rezoning of Lot 3 and subject to approval, sell land in order to fund Kitchener Park / Village Park Mona Vale redevelopment and associated work

*Finalise design and secure funding for Kitchener Park / Village Park, Mona Vale*⁷

The Delivery Strategy identified the expenditure of monies for Kitchener Park works for 2014-15 of over \$4 million.

Council has planned its funding and delivery strategy in relation to Kitchener Park, and integral to that strategy is the sale of certain land and the reinvestment of funds.

The planning proposal is needed to enable the execution of this strategy.

Section B Relationship to Strategic Planning Framework

(A3) Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy (including the Sydney Metropolitan Strategy and exhibited draft strategies)?

Metropolitan strategy

The Metropolitan Strategy for Sydney 2036 (prepared in 2010) is the current metropolitan strategy.

The Strategy aims to provide new housing stock around public transport nodes and within areas close to public transport, retail and commercial centres and community facilities.

The site is within 200 metres walking distance to Mona Vale town centre – the only designated town centre in the Pittwater LGA. Buses accessing Palm Beach, Manly, the city, and all centres between, regularly service the site. The siting of housing in this location would encourage more sustainable travel behaviour because of the alternative travel modes available. The planning proposal would represent a contribution to the supply of new medium density housing in the Pittwater area.

The subject site is an appropriate location for medium density housing that will assist in achieving the Strategy aim of delivering 70% of new dwellings in existing urban areas.

The planning proposal is consistent with the Metropolitan Strategy in a number of other ways:

- It would increase the availability and diversity of housing. Given the quantum of new housing required to meet demand, the release of land needs to occur in the short term and must be both meaningful and deliverable.
- The site is suitable for development as it is supported by, or abuts, existing urban infrastructure.
- The site is single ownership, which represents a viable option for the delivery of new housing to meet increasing need in the Pittwater LGA.

⁶ Pittwater 2025 – Our Community Strategic Plan, page 35

⁷ Pittwater Council Delivery Program & Budget 2013 – 2017, page 35

- The site is located within an established area and its redevelopment for residential purposes is compatible with the existing neighbouring land use.
- The planning proposal reduces the pressure on supplying further residential land, in particular for medium density residential development, elsewhere within the Pittwater LGA. In so doing, it also assists in other low density areas, further removed from Mona Vale or other larger centres in Pittwater being potentially subsumed by medium density housing, thus protecting the low density amenity of these areas.

Draft subregional strategy

The North East Subregion Draft Subregional Strategy (NESDSS) sets directions and actions for the implementation of the metropolitan strategy at a more local level. The North East Sub-region comprises the local government areas of Manly, Warringah and Pittwater.

The NESDSS does not establish any objectives that relate to reclassification of land, however, in terms of complying with the NESDSS the planning proposal achieves the following:

- The NESDSS sets targets for 17,300 new dwellings in the subregion's LGAs between 2004 and 2031. The Strategy identifies Mona Vale as a transport hub, well-suited to accommodating further medium density housing. The rezoning of the site would be consistent with implementation of these strategies.
- The future development of the site for housing would strengthen the role of Mona Vale as the dominant town centre within the Pittwater LGA.
- The rezoning would encourage the use of public transport, given that access to major routes is within walking distance of the site.
- The rezoning provides for a logical consolidation of Mona Vale as a population centre within the Pittwater LGA.
- The land is suitable for development and is not subject to environmental and locational constraints that may affect other potential development sites in the Pittwater LGA.
- The NESDSS seeks to improve the quality of parks within the sub-region. The planning proposal would enable the upgrading of Kitchener Park, including riparian corridor works and skate park development.

(A4) **Is the planning proposal consistent with the council's local strategy or other local strategic plan?**

PLPS housing strategy

Pittwater Local Planning Strategy 2011 (PLPS) is the housing strategy for the Pittwater LGA.

The housing-related actions in the PLPS include promoting the provision of a range of housing choices (including smaller dwellings), that additional housing should be focused on centres, and promotion of more adaptable housing and housing for key workers.

The PLPS also identified that the current planning controls and extent of residential zoned land was sufficient to enable the LGA to meet the housing target set by the NESDSS.

The NESDSS however was predicated on the 2005 City of Cities metropolitan strategy. The North East subregion, which includes Pittwater LGA, had a housing creation target of 17,000 for the period 2004-2031 under this strategy. The current (2010) Metropolitan Strategy for Sydney 2036 identifies a significantly higher subregion housing creation target of 29,000 for the period 2006-2031. While individual LGA targets have so far not been assigned, the North East subregion targets indicate that it is possible that Pittwater's housing targets will be higher in the future.

The planning proposal, which would generate a modest increase in Pittwater's dwelling capacity, would be consistent with this evolving subregional planning.

Consistency with DCP

The planning proposal would result in development that would be consistent with Pittwater 21 Development Control Plan.

The DCP contains details regarding the Desired Character of each locality, including Mona Vale. The subject site is adjacent to the town centre. This DCP can be considered to serve as a guide to any future development within and adjacent to this town centre.

Relevant excerpts from the character statement in Pittwater 21 DCP include the following:

The Mona Vale locality will contain a mix of residential, retail, commercial, industrial, recreational, community, and educational land uses. Existing residential areas will remain primarily low-density with dwelling houses a maximum of two storeys in any one place in a landscaped setting, integrated with the landform and landscape.

...

Future development is to be located so as to be supported by adequate infrastructure, including roads, water and sewerage facilities, and public transport. Future development will maintain a height limit below the tree canopy and minimise bulk and scale.

Pittwater Public Space and Recreation Strategy 2014

The Pittwater Public Space and Recreation Strategy 2014 sets out Council's direction for maintaining and developing a range of public space, sport and recreation facilities and activities across Pittwater LGA, and its recommendations are used over the long term as part of Council's integrated planning process.

Council's land rationalisation strategy is outlined in the Strategy and includes:

... The vast majority of land is important to retain, despite often requiring significant and costly ongoing maintenance, servicing commitments and upgrades to better fulfil their potential. However, funding constraints can prevent much of this from occurring. Conversely, there are a limited number of land holdings that provide very little community or environmental benefit. These have generally been acquired or dedicated through a somewhat ad hoc basis or circumstances have changed. If these properties are sold or swapped then it can provide the much needed funding to acquire other much higher net community benefit property or upgrade other existing property.

The Strategy recommends as follows:

The Strategy supports the purchase and sale of land to provide the best possible range and use of public land for current and future generations.

Accordingly, the Planning Proposal is considered consistent with the Pittwater Public Space and Recreation Strategy 2014.

(A5) Is the planning proposal consistent with applicable State Environmental Planning Policies?

The planning proposal is consistent with all relevant State Environmental Planning Policies. Refer to checklist in Attachment 2.

(A6) Is the planning proposal consistent with applicable Ministerial Directions (S117 Directions)?

The planning proposal is consistent with all relevant section 117 directions. Refer to checklist in Attachment 3.

C Environmental, social and economic impact

(A7) 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?

An ecological assessment of the site dated 4 September 2013 was carried out by Footprint Green Pty Ltd.

Footprint Green found that:

- there is no critical habitat on the subject site; and
- some threatened species, populations and communities have some habitat relationships with the site. These being:
 - Magenta Lillypilly (*Syzygium paniculatum*);
 - Gang-gang Cockatoo (*Callocephalon fimbriatum*);
 - Swift Parrot (*Lathamus discolor*);
 - Grey-headed Flying-fox (*Pteropus poliocephalus*), and
 - Swamp Sclerophyll Forest on Coastal Floodplains – Ecological Community

Remnants of the Swamp Sclerophyll Forest were found on the site. This community has been significantly modified and degraded. The vegetation on the site has been significantly altered from its original pre-European condition and is currently dominated by mown grassland with scattered trees. All of the trees are indigenous species with the exception of 1 Willow Myrtle (*Agonis flexuosa*) and 1 Macadamia (*Macadamia integrifolia*).⁸

The Footprint Green report (Section 7.2) states that although some indigenous species remain, the vegetation on the site is not considered to be adequately representative of the structure and floristics of the natural vegetation that would have occurred on the site and therefore the site is not considered to be bushland for the purposes of SEPP No.19.

The Site is mapped as a Category 2 Wildlife Corridor – it links to canopy trees to the north-east on the golf course, but does not link to any corridors south or west due to

⁸ Footprint Green report, p54

the barrier of Pittwater Road and adjoining developed residential properties. The Footprint Green report (Section 11.1) states that while there is some habitat connectivity to the Mona Vale Golf Course land to the east, both the vegetation & habitats on the golf course and the vegetation & habitats on the allotment have been modified and disturbed and are developed recreational open space areas.

Spatial constraints mapping was undertaken for the site by Council in July 2009. The constraints mapping assessed environmental, hazard, infrastructure, visual and cultural constraints to development, and concluded, among other things:

The detailed spatial investigation determines that there is moderate constraint to intensification of development for the [site] and the Kitchener Park property in general... However... that constraint is as [a] result of a broad classification of that land as Wildlife Corridor Category 2 – no other constraint applies.

Provided this restriction to intensification of development can be addressed by design, no reason is seen as to why these properties aren't generally suitable for intensification of development.

Given the adjoining and nearby forms of development it is considered that the most appropriate form of intensification other than the existing land uses would be Multi Unit Housing.⁹

Council's Manager Natural Environment and Education advised on 13 November 2013 as follows:

Threatened species assessment [carried out by Footprint Green] included five (5) Assessments of Significance (7-Part Tests) including for Grey-headed Flying Fox and Swift Parrot as well as Swamp Sclerophyll Forest EEC. Based upon the 7 points of consideration and taking into account the modified nature of the site, it is considered that the proposed rezoning and subsequent development will not have a significant impact on threatened species, populations or endangered communities provided that the specified recommendations are implemented.

The Footprint Green report (Section 11.2) identifies a range of avoidance and mitigation measures to minimise the potential impact on the local ecology and ensure there is no net loss of habitat and ecological community. These works include compensatory plantings including, specifically:

On site compensatory works:

- rehabilitation of the drainage channel on the southern side of the site as an open watercourse with a 5m riparian zone rehabilitated as Swamp Sclerophyll Forest, and
- indigenous tree plantings as part of the landscape plan using a mix of indigenous species that occur locally and are part of the Sydney Sandstone Woodland and Swamp Sclerophyll Forest.

Off site compensatory works:

- rehabilitation of the drainage channel (part of Precinct 6) between Precincts 5 & 7 and revegetation / regeneration of the riparian areas as Swamp Sclerophyll Forest, and
- a minimum of 40 Swamp Mahogany (*Eucalyptus robusta*) be planted as part of the Precinct 6, Swamp Sclerophyll Forest rehabilitation or planted in other precincts within Kitchener Park.

⁹ Draft planning proposal report, prepared by Outline Planning Consultants, p8

In response to concerns from Council's Manager Natural Environment and Education and the Office of Environment and Heritage about the proposed compensatory works could reasonably be achieved, Council commissioned a further assessment by ecologists by EcoLogical Australia.

EcoLogical Australia's report dated 8 August 2014 concluded that the compensatory works proposed in the Footprint Green 2013 report are able to be accommodated within the site and within Kitchener Park. Accompanying the EcoLogical Australia report is a plan prepared by Pittwater Council showing where the proposed compensatory plantings are to be located. The EcoLogical Australia report also provides details regarding the staged compensatory planting strategy that Council would follow, if the rezoning proceeds.

Detail on the compensatory works would be driven by the actual amount of vegetation cleared from the subject site as part of its redevelopment. The extent of clearing would only be known once a development application was received.

It is recommended, in the event that any part of the subject land is rezoned and reclassified, that reference to the following requirement be notated on the section 149(5) planning certificate:

- The on-site and off-site compensatory works be carried out in accordance with the EcoLogical Australia report dated 8 August 2014, and to the satisfaction of Council.
- The off-site compensatory works be carried out within three months of the issue of a development consent that authorises any clearing of remnant native vegetation on the subject land.

(A8) **Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?**

The following environment effects have been specifically examined:

Built form

A typical medium density development concept comprising 24 dwellings and meeting relevant LEP, DCP and SEPP 65 requirements was prepared to show how the site may be developed for medium density residential purposes in the future.

This concept and details of its compliance with relevant controls was included in the draft planning proposal prepared by Outline Planning Consultants.

Access, transport and traffic

Likely impacts arising from the future residential development of the site were assessed by traffic consultants Thompson Stanbury & Associates (TSA).

TSA's report was included as part of the package of information exhibited with the draft planning proposal.

TSA examined the traffic impacts related to a typical development concept of the site assuming its rezoning in the manner sought by this planning proposal

TSA proposed left in / left out vehicular access between the Pittwater Road southbound carriageway and the development in the north-western corner of the site. In the concept, car parking would be located in a basement level. The basement parking area is proposed via a ramp running approximately parallel to the Pittwater Road alignment.

The draft planning proposal report was referred to Roads and Maritime Services (RMS) for comment. RMS, in a response dated 12 November 2013, raised safety concerns regarding the proposed driveway location and recommended the relocation of the driveway further south. RMS also recommended that a deceleration lane be provided and that a median be constructed to restrict site access to left in and left out only.

Council's Traffic Engineer by email dated 3 March 2014 supported both the relocation of the access driveway further south to an alternate located opposite Turrimetta Street and the provision of a median island, but did not support the RMS's deceleration lane recommendation. The deceleration lane is not supported:

...as the traffic volume generated by the site is low, the traffic lane adjacent to the kerb is an AM bus lane and used for parking outside this time with through traffic using the other 2 lanes and this requirement is not required of other residential developments on Main Roads.

It is recommended that site access arrangements be confirmed as part of the consultation with the RMS that would follow the gateway determination for this proposal.

In the event that a deceleration lane must be provided, Council has prepared a plan showing how this could be done.

Geotechnical

In a letter dated 12 February 2012 Crozier Geotechnical Consultants advised Council that geotechnical issues are not considered to be a constraint to future development on the land Council's Geotechnical Risk Management Policy 2009 is applied.

Other matters

The site contains a drainage channel along its southern boundary. Localised stormwater improvements will be required, integrated with the proposed off-site riparian corridor plantings.

The site's flooding potential and climate change impact has been addressed by Council's Manager Catchment Management and Climate Change. Her advice dated 22 April 2014 stated:

[the site is] not identified by Council's flood maps as being impacted by either Flood Categories 1, 2 or 3. It is however recognised that there is a watercourse near the site that is shown on Council's stream mapping. Any future development of the site would need to include a detailed drainage assessment/water levels and flows assessment to appropriately manage the flood risk of any overtopping of the watercourse.

Development planning and construction issues would be addressed in further detail in any future development application for medium density housing on the site. The likely issues can be managed and are not of such significance at this stage as to preclude progress of the planning proposal.

(A9) How has the planning proposal adequately addressed any social and economic effects?

The main social effect of the planning proposal, if it proceeds, would be the resultant loss of local open space assuming the land is sold.

The main economic effect is the land reclassification and rezoning would enable the site to be sold, thus allowing Council to access a new source of funds to provide upgrades to recreation facilities on other land within Kitchener Park.

The planning proposal would result in the reduction of approximately 0.54 hectares public open space available to the Pittwater community. However this loss should be viewed in a broader context.

Under Pittwater Council's strategic land management program, Council has brought into public ownership over 145 hectares of open space, including land of high environmental value. Land includes the Warriewood Wetlands, Ingleside Escarpment, Winnererrery Bay foreshore, Warriewood Valley creek line corridors, Currawong, and the like. During this time Council has either swapped or sold about 18 hectares of open space. The net result has been an increase of about 127 hectares of open space.

The proposed loss of open space also needs to be viewed in light of the improvements to the remainder of the park that would be gained, and the relatively limited open space value of the site.

The PoM's strategy to rezone and reclassify the subject site (as distinct from any other land compromising Kitchener Park) was partly predicated on the limited open space value of the land, due to its limited access.

The subject site, due to the existing land uses and infrastructure that borders the site, is a relatively isolated passive open space area. The current array of land uses, including the likely continued operation of the bowling club, as well as the current

PoM which supports the continued use of the bowling club, suggests that the isolation will be maintained into the future.

The site is bounded by the bowling club to the north and golf club to the east. Mona Vale Golf Course, whilst a Crown Reserve, is not able to promote unfettered access across the course due to liability issues related to golf balls and high levels of vandalism. The golf course is seeking to fence boundaries wherever possible, including boundaries to the subject site.

Access to the site from the south is not available due to the residential purposes located there. The six-lane arterial Pittwater Road, and the 1-2 metre level difference on the road boundary limit access to site from the west.

It is reasonable to expect that while ever the bowling club and golf course remain, the subject site will continue to be under-utilised and physically disconnected from the other functioning parts of Kitchener Park.

Pittwater's large open space network consists mostly of passive open space such as national parks, bushland reserves, beach and foreshore reserves and wetlands. While Pittwater maintains a wealth of passive open spaces there is high demand and some indication of a shortage of active open space. Active open space includes recreation facilities such as playing fields, playgrounds, outdoor courts, skate parks and the like.¹⁰

The PLPS states the following in relation to the demand for active recreation facilities:

The existing and ongoing future demand for active open space is high for a number of reasons including:

- *The large numbers of primary and secondary schools and colleges in the area;*
- *The large number of sporting clubs that require the use of parks and other facilities in order to operate (especially on weekends where the demand increases); and*
- *The role of outdoor living and recreation in the cultural identity of Pittwater.*¹¹

This planning proposal is predicated on divesting a limited amount of passive open space and redirecting the resource (through capitalising its land value) toward the enhancement of active recreation facilities elsewhere in Kitchener Park which is a major active recreation node in Pittwater.

The subject site, because of its relatively small size, has limited potential as an active recreation area.

Provision of open space in the Mona Vale areas is based around existing neighbourhood parks and more regional facilities such as Kitchener Park, Mona Vale Beach and the Bayview foreshore precinct. The rezoning of the site would have negligible impact on the recreation provision currently available in the area.

The loss of open space land would be mitigated by positive social, economic and environmental benefits brought about by the allocation of sale proceeds to recreation facilities, that is:

Provide ... for a skate park, including BMX facilities, that will cater to the recreational needs of youth at multiple levels of experience, from beginner through to elite/national level competition and demonstration events.

¹⁰ PLPS, p145

¹¹ PLPS, p145

Provide for a meeting place for youth, a centralised location to conduct recreational events.

Provide for intangible benefits in the form of encouraging youth interaction, engagement and networking, and the promotion of sports activities, healthy bodies, the potential for a reduction in vandalism and anti-social behaviour, the generation of income from the associated retail centre proposed, and the like.¹²

The decision to reduce the amount of passive open space should not be taken lightly. While there are potentially other sources of funds that Council might access to fund Kitchener Park improvements, those sources are limited. The Council has been elected to make difficult decisions about delivering services with limited resources.

After consideration of the options, Council has made a decision to fund Kitchener Park active recreation improvements using the proceeds derived from the sale of certain land.

The Council has been open and transparent about this strategy since at least 2009. It has openly canvassed and subsequently confirmed the proposal with the public through:

- its adoption of the PoM in 2009;
- its resolution to prepare the planning proposal in 2011; and
- its adoption of its Delivery Strategy in 2013.

These actions of the Council represent a consistent and transparent strategy to deliver improvements to Kitchener Park in a financially sustainable manner.

D State and Commonwealth interests

(A10) Is there adequate public infrastructure for the planning proposal?

The site is located within a built-up urban area with ready access to public infrastructure. Future residential development of the site the subject of this planning proposal will be an infill urban development.

Given the location and scale of any future development, it is unlikely to adversely impact on existing public transport, local road network, water and sewer, waste management and recycling services; or on health facilities, education establishments and emergency services infrastructure. Some works will be required to connect water and/or sewer services to the site.

Adequate public infrastructure is either available, or is capable of being made available, to serve future residential development of the site. The site's close proximity to urban services supports its case for redevelopment for urban purposes.¹³

(A11) What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway Determination?

Relevant public authorities were invited to comment on the draft planning proposal report.

¹² Draft Planning Proposal Report, prepared by Outline Planning Consultants, September 2013, p36

¹³ Draft Planning Proposal Report, prepared by Outline Planning Consultants, September 2013, p37

Responses were received from NSW Roads and Maritime Services and from NSW Office of Environment and Heritage. The contents of those submissions are summarised in other sections of this planning proposal.

Further consultation with State and Commonwealth public authorities will be carried out after the gateway determination.

PART 4 MAPPING

Refer to Part 1 of this planning proposal for proposed mapping amendments.

PART 5 COMMUNITY CONSULTATION

While consultation with the community is not required prior to the gateway determination, Council in accordance with its standard practice undertook a 'non statutory' exhibition of the draft planning proposal report.

A total of 134 submissions including a petition containing approximately 700 signatures were received during the exhibition period. A summary of the matters raised by the submissions is contained in a report prepared for Council under separate cover.

More consultation will occur following receipt of a gateway determination.

The Department of Planning and Infrastructure *Practice Note PN 09-003: Classification and reclassification of public land through a local environmental plan* includes the general requirements for exhibition of a planning proposal to reclassify public land. Material which addresses the general requirements will be exhibited with the planning proposal.

The proposed community consultation to be undertaken comprises:

1. Public Exhibition - public exhibition of the planning proposal for 14 days, entailing notification:
 - In a newspaper circulating in the local area
 - Forwarding a copy of the planning proposal and the gateway determination to State and Commonwealth government agencies identified in the Gateway Determination
 - Providing a copy of the planning proposal and supporting documentation at Council's customer service centre at Mona Vale, in accordance with Department of Planning and Infrastructure LEP Practice Note PN 09-003
 - On Council's website, including all relevant documentation, in accordance with Department of Planning and Infrastructure LEP Practice Note PN 09-003
 - In writing to adjoining landowners.
2. Public Hearing - a public hearing will be conducted following the public exhibition period in accordance with section 57 of the EP&A Act and section 29 of the Local Government Act 1993. Notice of the public hearing will be given after the public exhibition period and at least 21 days before the date of the hearing.

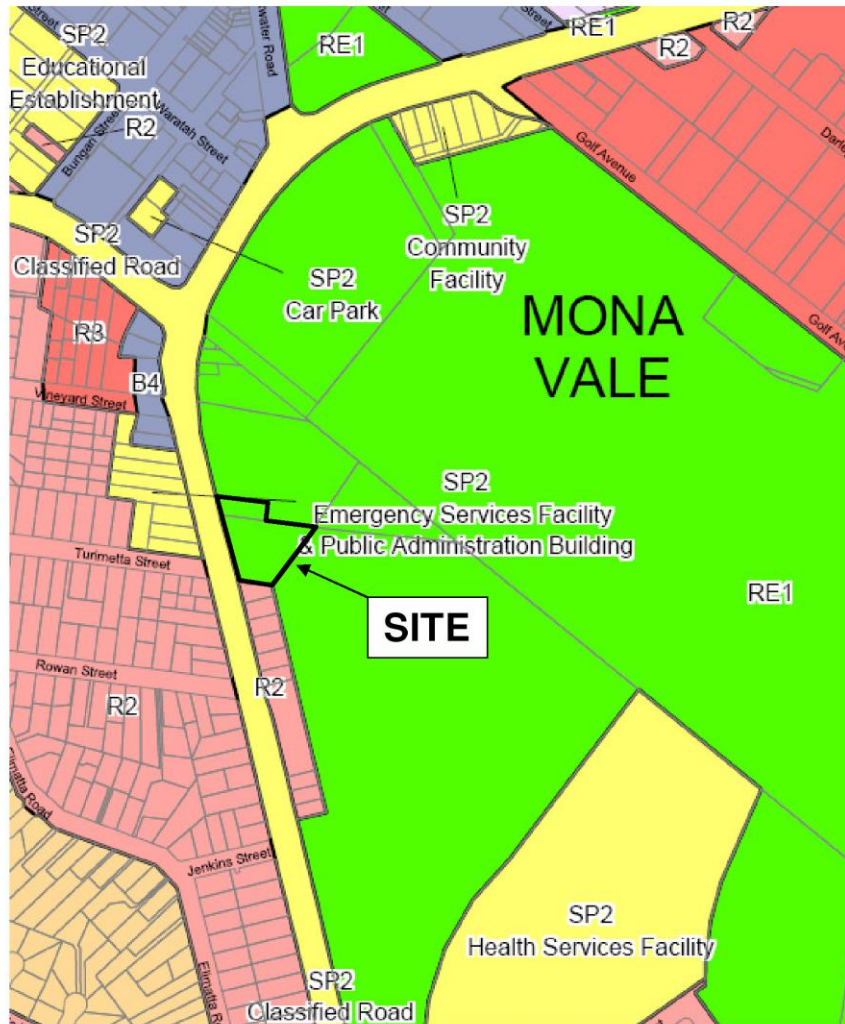
PART 6 PROJECT TIMELINE

Council will coordinate the public exhibition and stakeholder consultation phases of the planning proposal, but it will not seek delegation of the local environmental plan preparation and making functions. This is due to the perceived conflict of interest of Council having a commercial stake in the completion of the local environmental plan. Greater transparency will be achieved if the DP&E undertakes these functions.

The following is an indicative timeframe based on Council not being able to account for the time it will take the DP&E to prepare the draft local environmental plan:

| | |
|--|--|
| 1. Date of Gateway Determination | 1 month from lodgement with Department of Planning & Environment |
| 2. Government agency consultation (pre-exhibition as required by Gateway Determination) + commencement and completion dates for public hearing. Public hearing held. | Allow 3 months |
| 3. Council consideration of submissions, report from public hearing and planning proposal post exhibition | Allow 1 month |
| 4. LEP for reclassification and rezoning prepared by DP&E. New LEP amendment gazetted | Timing subject to DP&E |

Locality Map



Checklist – Consideration of State Environmental Planning Policies

The following SEPP's are relevant to the Pittwater Local Government Area. The Table identifies which of the relevant SEPPs apply to the planning proposal (or not) and if applying, is the planning proposal consistent with the provisions of the SEPP.

| Title of State Environmental Planning Policy (SEPP) | Applicable | Consistent | Reason for inconsistency |
|--|----------------|--|--------------------------|
| SEPP No 1 – Development Standards | Not Applicable | Consistent | - |
| SEPP No 14 – Coastal Wetlands | Not Applicable | Consistent | - |
| SEPP No 15 – Rural Landsharing Communities | Not Applicable | Consistent | - |
| SEPP No 19 – Bushland in Urban Areas | Not Applicable | Consistent | - |
| SEPP No 21 – Caravan Parks | Not Applicable | Consistent | - |
| SEPP No 26 – Littoral Rainforests | Not Applicable | Consistent | - |
| SEPP No 30 – Intensive Agriculture | Not Applicable | Consistent | - |
| SEPP No 32 – Urban Consolidation (Redevelopment of Urban Land) | ✓ | Consistent, The Proposal is consistent with the aims of SEPP 32 as the Site is appropriately located to provide housing of an appropriate density, that will meet future household needs and is well located close to jobs, services, transport and community facilities | - |
| SEPP No 33 – Hazardous and Offensive Development | ✓ | Consistent | - |
| SEPP No 36 – | Not | Consistent | - |

| Title of State Environmental Planning Policy (SEPP) | Applicable | Consistent | Reason for inconsistency |
|---|-------------------|--|---------------------------------|
| Manufactured Home Estate | Applicable | | |
| SEPP No 39 – Spit Island Bird Habitat | Not Applicable | Consistent | - |
| SEPP No 44 – Koala Habitat Protection | Not Applicable | Consistent | - |
| SEPP No 47 – Moore Park Showground | Not Applicable | Consistent | - |
| SEPP No 50 – Canal Estate Development | Not Applicable | Consistent | - |
| SEPP No 55 – Remediation of Land | ✓ | Consistent, no contamination potential is likely on the site | - |
| SEPP No 62 – Sustainable Aquaculture | Not Applicable | Consistent | - |
| SEPP No 64 – Advertising and Signage | ✓ | Consistent | - |
| SEPP No 65 – Design Quality of Residential Flat Development | ✓ | Consistent, the proposal is supported by a preliminary evaluation of the concept proposal for the Site in terms of compliance with this SEPP | - |
| SEPP No 70 – Affordable Housing (Revised Schemes) | ✓ | Consistent | - |
| SEPP 71 – Coastal Protection | Not Applicable | Consistent | - |
| SEPP (Affordable Rental Housing) 2009 | ✓ | Consistent | - |
| SEPP (Building Sustainability Index: BASIX) 2004 | ✓ | Consistent, Any future residential development will need to comply with requirements regarding building sustainability | - |
| SEPP (Exempt and Complying Development | ✓ | Consistent | - |

| Title of State Environmental Planning Policy (SEPP) | Applicable | Consistent | Reason for inconsistency |
|--|-------------------|---|---------------------------------|
| Codes) 2008 | | | |
| SEPP (Housing for Seniors or People with a Disability) 2004 | ✓ | Consistent, the Proposal is potentially suited to seniors housing, located as it is within convenient distance of the Mona Vale Town Centre | - |
| SEPP (Infrastructure) 2007 | ✓ | Consistent, the Proposal does not place any restrictions on infrastructure that would oppose the intent of the SEPP | - |
| SEPP (Major Development) 2005 | ✓ | Consistent | - |
| SEPP (Mining, Petroleum Production and Extractive Industries) 2007 | Not Applicable | Consistent | - |
| SEPP (Miscellaneous Consent Provisions) 2007 | Not Applicable | Consistent | - |
| SEPP (Rural Lands) 2008 | Not Applicable | Consistent | - |
| SEPP (SEPP 53 Transitional Provisions) 2011 | Not Applicable | Consistent | - |
| SEPP (State and Regional Development) 2011 | ✓ | Consistent | - |
| SEPP (Sydney Drinking Water Catchment) 2011 | Not Applicable | Consistent | - |
| SEPP (Sydney Region Growth Centres) 2006 | Not Applicable | Consistent | - |
| SEPP (Three Ports) 2013 | Not Applicable | Consistent | - |
| SEPP (Western Sydney | Not Applicable | Consistent | - |

| Title of State Environmental Planning Policy (SEPP) | Applicable | Consistent | Reason for inconsistency |
|--|-------------------|-------------------|---------------------------------|
| Employment Area) 2009 | | | |
| SEPP (Western Sydney Parklands) 2011 | Not Applicable | Consistent | - |
| SEPP (Urban Renewal) 2010 | Not Applicable | Consistent | - |

The following is a list of the deemed SEPP's (formerly Sydney Regional Environmental Plans) relevant to the Pittwater Local Government Area.

| Title of deemed SEPP, being Sydney Regional Environmental Plan (SREP) | Applicable | Consistent | Reason for inconsistency |
|--|-------------------|-------------------|---------------------------------|
| SREP No 20 – Hawkesbury-Nepean River (No 2 -1997) | ✓ | Consistent | - |

Checklist – Consideration of [Section 117](#) Ministerial Directions

(Last updated 20 August 2010)

1 Employment and Resources

| | Direction | Applicable | Consistent |
|-----|--|----------------|------------|
| 1.1 | Business and Industrial Zones | Not Applicable | Consistent |
| 1.2 | Rural Zones | Not Applicable | Consistent |
| 1.3 | Mining, Petroleum Production and Extractive Industries | Not Applicable | Consistent |
| 1.4 | Oyster Aquaculture | Not Applicable | Consistent |
| 1.5 | Rural Lands | Not Applicable | Consistent |

Justification for inconsistency

NIL

2 Environment and Heritage

| | Direction | Applicable | Consistent |
|-----|--------------------------------|----------------|------------|
| 2.1 | Environmental Protection Zones | Not Applicable | Consistent |
| 2.2 | Coastal Protection | Not Applicable | Consistent |
| 2.3 | Heritage Conservation | Not Applicable | Consistent |
| 2.4 | Recreation Vehicle Areas | Not Applicable | Consistent |

Justification for inconsistency

NIL

3 Housing, Infrastructure and Urban Development

| | Direction | Applicable | Consistent |
|-----|---|----------------|---|
| 3.1 | Residential Zones | ✓ | Consistent, the land is proposed to be rezoned to permit medium density housing development |
| 3.2 | Caravan Parks and Manufactured Home Estates | Not Applicable | Consistent |
| 3.3 | Home Occupations | ✓ | Consistent |
| 3.4 | Integrating Land Use and Transport | ✓ | Consistent, Mona Vale is an identified transport hub serving the Northern Beaches |
| 3.5 | Development Near Licensed | Not Applicable | Consistent |

| | Direction | Applicable | Consistent |
|--|------------|------------|------------|
| | Aerodromes | | |

Justification for inconsistency

NIL

4 Hazard and Risk

| | Direction | Applicable | Consistent |
|-----|-----------------------------------|----------------|--|
| 4.1 | Acid Sulphate Soils | ✓ | Consistent, the land has a low probability of containing acid sulphate soils |
| 4.2 | Mine Subsidence and Unstable Land | ✓ | Consistent No mine subsidence and is consistent with unstable land component of s117 Direction |
| 4.3 | Flood Prone Land | Not Applicable | The subject lands are not affected by flooding |
| 4.4 | Planning For Bushfire Protection | Not Applicable | The subject lands are not affected by bushfire or located within a bushfire buffer area |

Justification for inconsistency

NIL

5 Regional Planning

| | Direction | Applicable | Consistent |
|-----|--|----------------|---|
| 5.1 | Implementation of Regional Strategies | Not Applicable | Consistent with relevant provisions of applicable regional strategies - refer to body of report for details |
| 5.2 | Sydney Drinking Water Catchments | Not Applicable | Consistent |
| 5.3 | Farmland of State and Regional Significance on NSW Far North Coast | Not Applicable | Consistent |
| 5.4 | Commercial and Retail Development along the Pacific Hwy, North Coast | Not Applicable | Consistent |
| 5.5 | Development in the vicinity of Ellalong, Paxton and Millfield | Not Applicable | Consistent |
| 5.8 | Second Sydney Airport: Badgerys Creek | Not Applicable | Consistent |

Justification for inconsistency

NIL

6 Local Plan Making

| | Direction | Applicable | Consistent |
|-----|------------------------------------|----------------|---|
| 6.1 | Approval and Referral Requirements | ✓ | Consistent |
| 6.2 | Reserving Land for Public Purposes | ✓ | Consistent. The subject lands, though classified as Community Land, have been identified as surplus lands by the Council, and are no longer required for open space purposes. |
| 6.3 | Site Specific Purposes | Not Applicable | Consistent |

Justification for inconsistency
NIL

7 Metropolitan Planning

| | Direction | Applicable | Consistent |
|-----|---|------------|------------|
| 7.1 | Implementation of the Metropolitan Strategy | ✓ | Consistent |

Justification for inconsistency
NIL

