



INDEPENDENT HEARING AND ASSESSMENT PANEL
CONCEPT PLAN FOR CATHERINE HILL BAY & GWANDALAN

FINAL REPORT

SUMMARY OF RECOMMENDATIONS

The Independent Hearing and Assessment Panel for Catherine Hill Bay and Gwandalan has prepared this report to provide the Minister for Planning with its final views on the Catherine Hill Bay and Gwandalan Concept Plan and Project Applications submitted by the Rose Property Group Pty Ltd.

This report recommends that the Concept Plan (prepared by Conybeare Morrison International + Context Landscape Design dated December 2007) as it relates to Gwandalan be granted approval but that prior to the approval of the Concept Plan as it relates to Catherine Hill Bay it be amended as follows:

Recommendation 1 – Redesign of Hamlet 1

Prior to the approval of the Concept Plan Hamlet 1 should be redesigned in accordance with the following principles:

Coastal Walk

- All development (including proposed allotments) shall be setback a minimum distance of 25m from the cliff edge (with the exception of development associated with the provision of a public lookout and associated small scale café / kiosk on top of the existing Bin Building). If a greater setback is required for cliff stability reasons then this shall be accommodated in the revised design.

The intent of this setback is to provide an adequate width for the proposed coastal walk along the cliff top in addition to a cliff stability/recession zone.

For the purpose of identifying the 25m setback requirement the Panel recommends that the "cliff edge" is defined as the line that represents the point where the land at the cliff edge has a slope of 1 in 4.78 or 20.9% (refer Figure 1 in main body of report).

Development

- Development in Hamlet 1 shall be:
 - Where residential, detached dwellings only of not more than 1 storey in height with a maximum ridge height of 5m above existing ground level or finished ground level whichever is lower;
 - Dwellings shall be low scale and designed to blend into the landscape having a maximum building footprint of 40% of site area and a minimum of 50% soft landscaped area.
 - For each proposed residential lot, an appropriate footprint for a dwelling shall be identified that (1) minimizes the visibility of the dwelling when viewed from

Catherine Hill Bay Village and Middle Camp Beach and (2) retains and preserves existing significant trees (to be identified) on site.

- Dwellings which adjoin the Coastal Walk (as outlined above) shall be setback from the allotment boundary that adjoins the Coastal Walk a minimum distance of 15m to provide adequate visual separation between the public domain and private dwellings. Landscaping and ancillary structures may be located within this setback.
- Where commercial, development shall similarly be not more than 1 storey in height with a maximum ridge height of 5m above existing ground level or finished ground level whichever is lower.

Recommendation 2 – Public Access

Prior to the approval of the Concept Plan as it relates to Catherine Hill Bay provision shall be made for a new access road to Moonee Beach through the subject land which forms a perimeter road to the proposed new Moonee Hamlets with provision for on street parking on at least one side in addition to the provision of a public parking area within the subject development area to provide public access to Moonee Beach. The location of the proposed road should avoid impact on the SEPP 14 wetland identified in the southern part of the site.

The required new perimeter road and at least one north south running spine road within the development, are to be public roads designed to Council specifications to ensure public access.

Recommendation 3 – Retail and commercial floor space

Prior to the approval of the Concept Plan as it relates to Catherine Hill Bay the maximum floor space of the proposed retail and commercial development within the development shall be reduced to a maximum of 750m² to ensure that it will service the daily convenience needs of the proposed new community only and not act as destination retailing in its own right.

Recommendation 4 – Landscaping in Hamlets 2-5

Prior to the approval of the Concept Plan as it relates to Catherine Hill Bay the internal planning within Hamlets 2 – 5 inclusive shall be reviewed to identify adequate deep soil areas to ensure that the proposed trees will have adequate space to establish and grow to their full potential height and thereby create a sense of a development within a bushland setting.

Recommendation 5 – Bin Building

The Concept Plan as it relates to Catherine Hill Bay be modified to require that the Bin Building be stabilized and made safe with the top to be reused as a public lookout incorporating a low intensity café/kiosk or the like only.

The Concept Plan approval when issued is to clearly state that no adaptive reuse of the Bin Building is approved as part of the Concept Plan approval and that any such future proposal would require a separate development application.

A further advisory note should be included that states that if adaptive reuse is proposed in the future any such proposal should not include reflective glass, undue lighting or an expansion in the size of the building.

Recommendation 6 – Hamlets 6 and 7

Prior to the approval of the Concept Plan Hamlets 6 and 7 shall be redesigned in accordance with *Planning for Bushfire Protection 2006 (NSW Rural Fire Service)*.

Recommendation 7 – Project Applications

The Panel recommends that the Minister defer consideration of the submitted project application for Hamlet 1 until such time as it has been resubmitted consistent with the above recommendations and the Panel has provided the Minister with its comments on the revised project application.

The Panel recommends that the Minister defer consideration of the submitted project applications for Hamlets 2 and the Civil and Site Works for Catherine Hill Bay until such time as they have been resubmitted in a form consistent with an amended Concept Plan which addresses the above recommendations. Further the Panel considers that once these project applications have been resubmitted consistent with a revised Concept Plan, consistent with the above recommendations, the Minister should approve these applications.

The Panel recommends that the Minister approve, when submitted, a revised Project Application for Gwandalan where it is consistent with the Preferred Project Report (Concept Plan dated December 2007).

1. PRELUDE

The Catherine Hill Bay and Gwandalan Independent Hearing and Assessment Panel was constituted to advise the Minister on the Concept Plan on 11 November 2006. The terms of reference of the Panel are to:

1. Consider and advise on the:
 - (a) following impacts of the project:
 - Heritage conservation;
 - Built form and urban design;
 - Visual impact;
 - Appropriateness of the proposed urban footprints;
 - Access to coastal and recreation areas;
 - Vehicle and Pedestrian circulation on site and in the locality
 - (b) relevant issue raised in submissions in regard to these impacts; and
 - (c) adequacy of the proponent's response to the issues raised in submissions, and
2. Identify and comment on any other related significant issues raised in submissions or during the panel hearings.

This report is consistent with the above terms of reference.

In October 2006, a Memorandum of Understanding (MoU) was reached between the Minister for the Environment, the Minister for Planning and Coastal Hamlets Pty Ltd and Lakeside Living Pty Ltd (both Rosecorp companies) which provided for dedication of land within the Wallarah Peninsula for conservation, and development of other land within Catherine Hill Bay and Gwandalan.

Specifically the MoU referred to the conservation of 310ha of land at Catherine Hill Bay and the Wallarah Peninsula to be transferred to the National Parks Estate (or as a conservation reserve). The development potential identified in the MoU covered residential development of up to 60 hectares (to achieve 600 dwellings) at Catherine Hill Bay and residential development of 26 hectares (to achieve 312 dwellings) at Gwandalan.

The Panel acknowledges that the above MoU establishes the context for the current process. However, it further notes that it does not fetter the Minister's discretion in exercising his functions under the EP&A Act, nor does it bind the Panel in any way.

The Panel also recognises that development for coal mining purposes has occurred on the subject headland in the past and that the mine rehabilitation plan provides for the reinstatement of the land to a natural state. It is therefore considered that although the headland is not "undeveloped" it is equally not "developed".

2. PROCESS TO DATE

An initial Concept Plan for the subject sites was exhibited between January and March 2007. In April 2007 the Panel submitted an interim report to the Minister which advised that the Concept Plan in its then form was considered unacceptable. The Panel's main concerns in relation to the Concept Plan were:

- non-compliance with Government's Coastal Policy and Design Guidelines and best practice coastal planning;
- impacts on the scenic, aesthetic and cultural heritage qualities of the existing Catherine Hill Bay;
- lack of clear considered design approach which responds to the environmental attributes of the sites;
- failure of the development to provide for high quality access for the public to the beach front (Catherine Hill Bay) and lake front (Gwandalan) open space areas, coastal walks, cycle paths, etc.
- Incorporation of significant unsympathetic development on the headland, ridgelines etc;
- Inclusion of significant numbers of tourism beds in a highly visually prominent location on the ridgeline of Catherine Hill Bay; and
- Limited consideration of adaptive reuse potential for existing structures on site and in the vicinity (Bin Building and Jetty).

Included in the Panel's Interim Report was a series of Planning Principles that had been formulated by the Panel specifically to guide the developer on what the Panel considered the key issues were in relation to any proposed development of the subject land. It was the Panel's strong view, as clearly articulated in the Interim Report, that any development on the subject sites must conform with these principles to be deemed acceptable. The Principles are provided at Attachment 1.

Following submission of the Panel's Interim Report, the applicant proceeded to prepare a new Concept Plan for both sites in conjunction with Project Applications for the first two precincts identified for development in the Concept Plan in Catherine Hill Bay (known as Hamlets 1 and 2), the civil and site works at Catherine Hill Bay and for the development at Gwandalan. The Panel attended a number of meetings with the applicant and its consultants during the formulation of this new Concept Plan specifically to elaborate on the Panel's planning principles and to provide the developer with advice about any revised proposal.

In August 2007 a new proposal was submitted by the applicant. The proposal included:

- a concept plan covering Catherine Hill Bay and Gwandalan,
- project applications for the first two stages of development at the Catherine Hill Bay site,
- a project application for the civil and subdivision works at Catherine Hill Bay; and
- a project application for Gwandalan.

These applications were publicly exhibited from 5 September 2007 to 12 October 2007. A total of 2,741 submissions were received in relation to the new Concept Plan and Project Applications. This number exceeded the number received in relation to the original Concept Plan (2,172). 2738 submissions objected to the proposed development with 3 submissions being in support. 9 submissions related to both Catherine Hill Bay and Gwandalan, 2545 raised issues relating to the development proposal at Catherine Hill Bay and 187 raised issues relating to the Gwandalan development. A total of 2,635 submissions were in the form of proforma letters (9 types relating to Gwandalan and 6 relating the Catherine Hill Bay).

A break down of submissions (including proforma letters) received is provided below:

GWANDALAN & CATHERINE HILL BAY PUBLIC SUBMISSIONS				
	Gwandalan	Catherine Hill Bay	Gwandalan & Catherine Hill Bay	TOTAL
FORM LETTERS				
Form 1		22		22
Form 2	18			18
Form 3	80			80
Form 4		320		320
Form 5		1885		1885
Form 6	9			9
Form 7		8		8
Form 8		241		241
Form 9	5			5
Form 10	3			3
Form 11	6			6
Form 12	6			6
Form 13	4			4
Form 14	4			4
Form 15		24		24
Form letters total	135	2500		2635
Detailed objection letters	51	43	9	103
Support letters	1	2		3
TOTAL	187	2545	9	2741

On 30 October 2007 the Panel held a public hearing to allow members of the public to present their submissions in relation to the project. 24 persons presented to the Panel including representatives of:

Catherine Hill Bay

- Catherine Hill Bay Progress Association,
- Catherine Hill Bay Surf Life Saving Club,
- Wyong Shire Council,
- Lake Macquarie City Council,

Gwandalan

- Gwandalan / Summerland Point Progress Association,
- Gwandalan Public School P & C,
- Wyong Shire Council

General

- Urge Residents Group for the Environment of Lake Macquarie.

Major issues raised in the submissions and presentations included:

Catherine Hill Bay

- Impact on Heritage values
- Development on Headland and inconsistency with Coastal Policy etc.
- Scale and density of development
- Views and visual impact
- Need to assess impact cumulatively with Coal and Allied development
- Inadequacy of documentation including lack of McHarg Analysis, lack of 4 season flora / fauna analysis
- Impact on Wallarah Peninsula fauna corridor
- Public access
- Open space not to Council's requirements
- Bushfire risk
- Traffic and parking
- Impact on SEPP 14 Wetland

Gwandalan

- Piping of natural water courses
- Water treatment on adjacent land not within development
- Cut and fill
- Impact on protected species of flora
- Lack of usable public open space
- Bushfire risk
- Offsets do not apply to Gwandalan
- Lack of public access to lake frontage
- Impact on wildlife corridor
- Gwandalan not Part 3A project
- Impact on adjacent public school
- Lack of water to service development

General issues

- Lack of information on offset areas including whether threatened species located on sites to be developed are represented in the offset area
- Part 3A process
- Section 94 contributions

3. CONSIDERATION OF ISSUES

The Panel considers that the new Concept Plan (August 2007) is an improvement on the original plan and has addressed some of the planning principles formulated by the Panel. These improvements include:

Catherine Hill Bay:

- No development between Jetty Masters Cottage and Wallarah House;
- Inclusion of Coastal Walk;
- Reduction in development on headland / within visual curtilage of existing Catherine Hill Bay Village;
- Landscaping and protection of ridgeline from development;
- Design of development separated from the existing Catherine Hill Bay Village and in discreet hamlets that can be developed with individual characters etc. and
- Removal of tourism beds.

Gwandalan:

- Deletion of Stage 2 from proposed Concept Plan;
- Improved road layout to minimise allotments with direct access onto Kanangra Drive and to provide a perimeter road adjacent to boundary with Gwandalan Public School.

However, following a detailed review of the Concept Plan the Panel continued to have significant concerns about the development in its revised form. These concerns are detailed below.

3.1 Catherine Hill Bay Issues

The new Concept Plan for Catherine Hill Bay is not consistent with the Panel's Planning Principles issued as part of its Interim Report and gives rise to specific concerns as follows:

1. development on the headland specifically where within the visual catchment of the existing Catherine Hill Bay village;
2. public access to the beach at Moonee and along the coastline /headland and more generally throughout the development;
3. scale of the proposed commercial development;
4. height and intensity of the proposed shoptop housing;
5. scale and density of development within the proposed Moonee Hamlets;
6. bushfire risk in relation to Hamlets 6 and 7 and impact of Hamlets 5 and 7 on fauna corridors which extend beyond the site within the Wallarah Peninsula; and
7. adaptive reuse of the Bin Building.

Each of these issues is discussed in further detail below:

3.1.1 Development on the Headland

The Panel is of the view that the headland of Catherine Hill Bay and particularly its relationship to the existing Catherine Hill Bay village should be preserved consistent with best practice coastal planning as articulated in the *Coastal Policy and Coastal Design Guidelines*. Accordingly the Panel retains concerns in relation to the new Concept Plan specifically in respect of that part of the development that is proposed on the headland of Catherine Hill Bay (within Hamlet 1) particularly where such development has the potential to

impact on the visual catchment of the historic Catherine Hill Bay village. As identified in the concept plan application, the proposed development site falls into two distinct visual catchments demarcated by the east west running primary ridgeline that is generally defined by the alignment of the existing Montefiore Street. Land to the north of this ridgeline is generally within the view catchment of the existing historic Catherine Hill Bay village and will be visible from significant views including views from Middle Camp Beach, Flowers Drive etc.

As noted in the Interim Report the Panel considers that the aesthetic and cultural heritage quality of the existing Catherine Hill Bay village and its landscape setting are of exceptional significance and should be protected. Development within Hamlet 1 that is proposed within the view catchment of the existing village must therefore be sensitively treated.

The *NSW Coastal Policy* (1997) has as one of its key actions that "undeveloped headlands will be protected and only minor development will be permitted for essential public purposes, eg surf life saving facilities". A headland is defined under *State Environmental Planning Policy No. 71 - Coastal Protection (SEPP 71)* as follows "headland includes a promontory extending from the general line of the coastline into a large body of water, such as a sea, coastal lake or bay".

The Panel has considered the issue of what defines the headland in some detail having regard to the definition contained in SEPP 71. Submitters to the Panel have put forward the view that the headland is defined by a line connecting Middle Camp Beach and Moonee Beach with the headland forming all land to the east of this line. The applicant has taken a different view and defined the headland more narrowly as generally land to the east of the disturbed land on which the Moonee Colliery was previously located.

The Panel is of the view that any development that is within the Catherine Hill Bay village view catchment in the area defined as Hamlet 1 to the north of the ridgeline will be viewed (when looking south) as being on the headland regardless of where the line of the headland is drawn. In addition this area is considered to be highly sensitive in terms of the potential for any development in this area to impact on the heritage significance of the existing Catherine Hill Bay village and the scenic qualities of the coast.

The Panel considers that the current documentation submitted with the Concept Plan does not satisfactorily demonstrate that development in the area north of the ridgeline will not be visible from key viewing points and will not therefore impact on the visual curtilage of the village. Further the Panel considered that given that development in this area is proposed of up to an equivalent of 3 storeys (2 storeys plus basement car parking for housing and shoptop housing) it is unlikely that this will be possible. While it is noted that the applicant proposes to undertake extensive landscaping to screen development it is considered that this landscaping is unlikely to be viable because of prevailing climatic conditions and the likelihood that future residents will remove any such landscaping to achieve improved views. Extensive use of landscaping to screen development is therefore not considered acceptable in this area.

The Panel is of the view that development north of the east west ridgeline should be single storey only to limit the potential impact on the heritage significance of Catherine Hill Bay village, on views of the village and headland from Middle Camp Beach etc. and to optimise the opportunity for the proposed new development to appear as development within the landscape. The scale of any such development (e.g. site coverage, landscaped areas etc) should also be controlled to ensure adequate areas for the establishment of landscaping and consistency with the existing built form in Catherine Hill Bay village.

3.1.2 Public Access

The provision of public access to the coastal foreshore is a key issue in relation to the proposed Concept Plan. Consistent with this view SEPP 71 has as two of its main aims:

- “(b) to protect and improve existing public access to and along coastal foreshores to the extent that is compatible with the natural attributes of the coastal foreshore, and
- (c) to ensure that new opportunities for public access to and along coastal foreshores are identified and realised to the extent that this is compatible with the natural attributes of the coastal foreshore.”

The Panel remains concerned that the proposed development does not optimise public access to the headland or the beach at Moonee.

Coastal Walk

Whilst the proposal puts forward a coastal walk along the headland as a major public benefit of the proposed scheme, the location and construction of this is not fully resolved. It does however appear that the proposed walk would be located at various levels on the side of the cliff rather than on the cliff top thereby reserving land adjacent to the cliff top for private residential uses. It is considered that to optimize the value and use of this walk to the community it should be located on the cliff top setback a sufficient distance to ensure public safety and cliff stability.

The *Coastal Design Guidelines for NSW* (2003) supports this view seeking to provide improved public access to the coast and the retention of foreshores and headlands in public ownership for public uses. Specifically the Design Guidelines include direction in relation to matters such as:

- required setbacks;
- provision of public access;
- visual amenity;
- protection from natural hazards; and
- protection of significant environmental areas and natural vegetation.

(Refer Attachment 2 for further detail)

The Panel considers that the proposed treatment of the coastal walk and adjacent private residential development is clearly inconsistent with these guidelines and with best practice coastal planning. At the request of the Panel 3D modelling has been undertaken to identify the cliff line. The rationale for the identification of the cliff line is as outlined below by the Department of Planning:

“Method Applied to Determine the Cliff Line at Catherine Hill Bay

A topographic surface was created using 0.5 metre contours derived from a high resolution terrain survey captured with LiDAR technology. The survey was flown by Fugro Spatial Solutions P/L in January 2007 on behalf of the Department of Planning as part of a Climate Change Pilot Study. The survey footprint was approximately 1240 km² and covered the most part of the Central and Hunter Coasts. The horizontal and vertical accuracy of this survey was 0.6 m or better and 0.15m or better respectively.

When modelled in a 3D environment the topographic surface replicates the true to life landform of the site.

To further analyse the terrain of the study area, the steepness for each cell (3.84 x 3.84m) of the topographic surface was determined. This was calculated as a percent of slope i.e. rise over run, multiplied by 100. Observably, the lower the slope value the flatter the terrain and the higher the slope value the steeper the terrain.

By classifying the slope coverage into 10 classes using natural breaks in the dataset and applying a distinctive colour scheme an indication of where the cliff edge began was clearly visible. A line representing this limit was produced by creating a contour that represented a 20.9% slope value along the coastline. The slope value of 20.9% was selected as the cliff top boundary line as this was identified by the GIS as a natural break in the data where the topography started to become more uniform. Applying the understanding that a 1 in 4 slope equals a slope of 25%, a value of 20.9% equates to a 1 in 4.78 slope." (Department of Planning, pers. com. 2007)

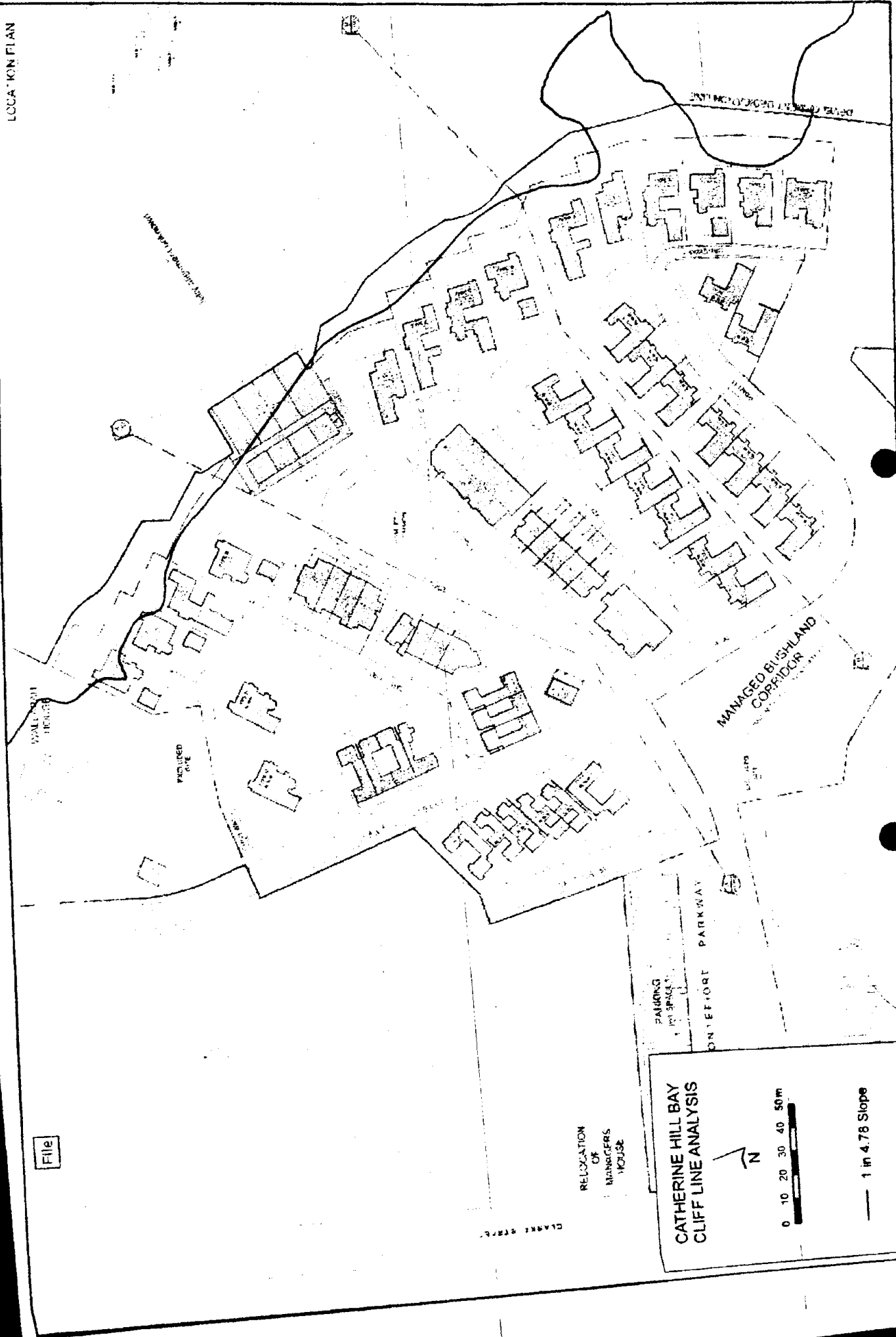
The cliff line, as defined, is as shown on Figure 1 below.

The Panel is of the view that the proposed coastal walk should be a minimum width of 25m to ensure adequate width for the walk itself and an appropriate setback from the cliff edge to mitigate against cliff retreat, ensure cliff stability etc.

In addition it is recommended that if private residential allotments front this area the interface between these uses be resolved at the detailed level to ensure:

- the coastal walk has the feeling and appearance of a public space that is open and welcoming rather than being treated as an extension to the private allotments;
- the safety and security of the public is provided for through the design (e.g. either location of perimeter road abutting the open space or through the use of roads terminating at the open space to provide casual surveillance).

It is also considered that dwellings on adjacent allotments should be setback a minimum of 15m from the allotment boundary to ensure visual separation between the coastal walk and private dwellings.



File

RELOCATION OF MANAGERS HOUSE

CATHERINE HILL BAY CLIFF LINE ANALYSIS

0 10 20 30 40 50m

N

— 1 in 4.78 Slope

Moonee Beach

The proposal intends to provide public vehicular access to Moonee Beach within the development scheme which has hitherto been unavailable. While the Panel supports the provision of formal public access to Moonee Beach it notes that the proposed access is, for the most part, to be provided on the adjacent National Park and Wildlife Service land including the access road and the public car park, effectively separating this access from the subject development. At the time of writing it is uncertain whether the NPWS would agree to the construction of such access however it is considered unlikely.

The Panel considers that the provision of public access to Moonee Beach should be incorporated into the development concept wholly within the subject site with the proposed access road taking the form of a perimeter road located on the southern edge of the proposed hamlets and incorporating a public carpark in a location which provides ready pedestrian access to Moonee Beach. A perimeter road would have the added benefit of acting as a bushfire asset protection zone for the development and potentially could incorporate overflow on street parking. The Panel recognises that the location of this road will be dependent on "ground truthing" of the actual location and extent of the SEPP 14 wetland that has been identified on the southern most part of the site.

General Road Access within the Development

The Panel is concerned that the current design of the proposed Moonee Hamlets provides for the proposed roads to be held in community title and have the potential to feel 'private' particularly if they are designed to be narrower than public roads as required by Council. The provision of public access to Moonee Beach is a significant public benefit that will be a direct result of the proposed development. It is therefore considered that this access should be clearly public and not be seen to be only for the future residents of the development area. The provision of a perimeter road as outlined above will go some way to addressing this concern however the Panel is of the view that major spine roads including the perimeter road and at least one north south running access road within the development should be designed as "public roads" and should meet Council specifications. It is also considered that at least the perimeter road should be designed to incorporate on street car parking (on a minimum on one side) to provide overflow parking for persons accessing Moonee Beach.

3.1.3 Scale of commercial development

In the Panel's Interim Report on the original concept plan it raised concerns over the scale and intensity of the proposed commercial development. Specifically the Panel included Principle 9 to guide the developer in preparing a revised application as follows:

"Commercial development within the area should provide only for the daily convenience needs of the community and should be located so as to be convenient but not obtrusive or impact on the scenic qualities of the area (in particular not be located on the ridge). The Panel is also of the view that convenience shopping facilities (general store or the like) in the locality should be spread between Middle Camp, the existing village of Catherine Hill Bay (either in close proximity to the beach or adjacent to the existing Hotel) and the proposed development precinct to the south of the ridgeline. Any such development should not impact on the viability of existing commercial development in the locality."

The new Concept Plan proposes a village centre that "will contain up to 1800m² of retail and commercial floor space with no more than 200m² internal floor space in any individual shop"

Concern has been raised in submissions that the amount of retail and commercial floor space proposed is excessive, not viable in the locality and will therefore ultimately be converted to additional residential dwellings. The Panel considers that a maximum of 750 m² of combined retail and commercial floor space should be provided on site. This amount of retail floor space is consistent with the intent of providing convenience retailing to service the needs of the local community only and will ensure that the retail area will not operate as destination retailing in its own right.

3.1.4 Proposed Shoptop Housing / 2 -3 storey dwellings in Hamlet 1

Planning Principle 13 (contained in the Interim Report) identified that:

"development within the area identified by the Proponent as the "Village Centre Hamlet", with the exception of the neighbourhood shops, shall be detached, single storey residential development that is low in scale and set within the landscape. Further it shall be setback from the edge of the escarpment and not protrude above the ridgeline".

It is noted that the new Concept Plan includes shoptop housing within Hamlet 1 on the northern and southern side of the loop road which forms the main street of the Village Centre and which circumnavigates the proposed Village Centre Common. The proposed shoptop housing on the northern side of the "Village Main Street" is 2 storey plus basement garage and will therefore present as 2 storeys+ in height (more than 10m above finished ground level and in some cases up to 12m above natural ground level) when viewed from the north (existing Catherine Hill Bay village, Middle Camp Beach and Flower Drive). In addition on the southern side of the main street the proposed shoptop housing is 2 storeys plus attic plus basement carparking appearing as 2 storeys from the main loop road but 3 storeys (up to 12m above natural ground level) when viewed looking north from the southern access road.

In addition the Project Application for Hamlet 1 shows that 8 dwellings identified as shoptop housing in the Concept Plan (adjacent to the main street loop road) will actually be 2-3 storey dwellings with no commercial or retail component (refer M1-M8 on Project Application for Hamlet 1).

The Panel considers that as noted above it has not been adequately demonstrated that development can occur in the area of Hamlet 1 to the north of the main east west ridgeline without significantly impacting on the visual curtilage of the existing Catherine Hill Bay village and without appearing as development on the headland. Indeed the photomontages prepared by the application to support the Concept Plan illustrate that the development will be highly visible from all significant views including from the northern edge of Middle Camp Beach, from the middle of Middle Camp Beach, from the car park on Middle Camp Beach and from Catherine Hill Bay Village. This has been confirmed by 3D modelling undertaken by the Department of Planning at the request of the Panel.

In accordance with the principles set out by the Panel in the Interim Report, the Panel considers that 2-3 storey shoptop housing development within Hamlet 1 is inconsistent with the character of the Catherine Hill Bay locality, is inappropriate in the subject location and should therefore be deleted. Any retail or commercial development proposed as part of the development should be low in scale and should be single storey if located within Hamlet 1 consistent with any proposed residential development in this visually sensitive area.

3.1.5 Landscaping within the Moonee Hamlets (Hamlets 2 – 5)

The revised Concept Plan as it relates to Catherine Hill Bay is proposed as seven discreet hamlets separated by bushland corridors. As outlined above the Panel considers that significant changes are required to the layout, extent, scale and form of Hamlet 1 given the visual sensitivity of this area and the potential for development to be viewed as development on the headland and to impact upon the heritage significance of Catherine Hill Bay village.

Hamlets 2-5 inclusive (herein collectively referred to as the "Moonee Hamlets") are not as visually sensitive being on the southern side of the major east west ridgeline and visually separate from the existing Catherine Hill Bay village.

The Panel considers that residential development is appropriate in the Moonee Hamlets and the proposed concept of "distinct hamlets set in a landscape setting" is appropriate. However the Panel is concerned that the proposed subdivision layout, as illustrated in the Project Application for Hamlet 2, does not provide sufficient deep soil area to accommodate significant landscape plantings as shown. The design of the Hamlets is predicated on the establishment of large trees at the front and rear of dwellings (either within allotments or in the road/laneway reserves) to screen development and create a sense of the development in a bushland setting. While the Panel recognises the appropriateness of the proposed Hamlet commons, pocket parks and bushland corridors separating Hamlets in establishing the character of the Hamlets, internal planning within the Hamlets should be reviewed to ensure adequate deep soil areas to ensure that the proposed trees will have adequate space to establish and grow to their full potential height. This will ensure that the objective of a development within a bushland setting will be realised.

3.1.6 Bushfire Risk and Impact on Flora Corridors

Proposed Hamlets 6 and 7 are located to the north of Montefiore Street to the west of the existing Catherine Hill Bay village in two discreet areas which are disturbed having previously been used as coal storage areas.

While the Panel does not object to the development of these areas for residential purposes it is concerned that as currently proposed these areas would not comply with bushfire requirements (as detailed in *Planning for Bushfire Protection 2006 prepared by the NSW Rural Fire Service*) and would if developed as currently proposed represent a significant risk to both life and property. In particular the Panel is concerned that the proposed Hamlets have each been designed with only one road in and out with no connection between the two, and do not include perimeter roads to act as bushfire asset protection zones and provide access for fire fighting purposes. Accordingly it is considered that Hamlets 6 and 7 should be redesigned to ensure that they are consistent with *Planning for Bushfire Protection 2006 (NSW Rural Fire Service)*.

Concerns have been raised through public submissions and in the public hearings that Hamlet 7 is bisected by a regional fauna corridor as identified in DEC Conservation Assessment of South Wallarah Peninsula Lands. DECC has provided advice that having considered the proposed Concept Plan it "remains committed to the terms of the MOU" and that "compensatory offsets for any potential impacts on flora and fauna have already been identified and secured in principle through the MOU".

3.1.7 Adaptive Reuse of the Bin Building

The Panel notes that the Concept Plan identifies adaptive reuse of the Bin Building as part of the proposed development however no detail of how the bin building is proposed to be adaptively reused has been included in the application.