

14 June 2007

Mr. Antony Pedroza
Director Strategic Assessments
Department of Planning
23-33 Bridge Street
SYDNEY NSW 2001

Dear Mr Pedroza

**CLAUSE 6 APPLICATION:
CONCEPT PLAN AND 4 PROJECT APPLICATIONS FOR CATHERINE
HILL BAY AND GWANDALAN**

This letter is to formally request the Minister's authorisation to submit a Concept Plan and 4 Project Applications for the above sites pursuant to section 75E, Part 3A of the Environmental Planning and Assessment Act 1979.

We also seek the Director General's environmental assessment requirements for the PAs and Concept Plan pursuant to section 75F of the Act.

The area to be the subject of the Concept Plan is indicated on the Attachment 1. It includes areas to be dedicated for future conservation uses as well as areas for future development.

Project Name and Description

The proposed Concept Plan is for 374 ha of land owned and controlled by Coastal Hamlets Pty Ltd plus other land contained within the boundaries of the Coastal Hamlets ownership at Catherine Hill Bay and 18 ha at Gwandalan controlled by Lakeside Living Pty Ltd. Overall the concept plan covers some 392 ha.

The proposed Concept Plan will be known as the Catherine Hill Bay / Gwandalan Concept Plan.

Project Applications will cover the following:

1. Site preparation works and subdivision at Gwandalan (attachment 2).

2. Site preparation works across the entire Catherine Hill Bay/Moonee site along with subdivision of the site into 'super lots'
3. Subdivision and Construction of the Village Centre Precinct (attachment 3)
4. Subdivision and Construction of Hamlet 3 (see attachment 4)

Site preparation works include:

- Roads, asset protection zones and utilities works for the sites
- Achieving construction levels across the sites.
- Subdivision of the site into super lots

Location and Context

The Catherine Hill Bay site comprises approximately 374 ha of surface land on both sides of the Pacific Highway at Catherine Hill Bay. The land stretches from the Ocean in the East to Lake Macquarie in the West and straddles the Lake Macquarie and Wyong LGA boundary. The land included is:

- Lot 5 DP 774923
- Lot 6 DP 774923
- Lot 7 DP 774923
- Pt Lot 2031 DP 841175
- Lot 2 DP 809795
- Lot 201 DP 702669
- Lots 2, 4 & 6 Section F DP 163
- Lots A and B DP 384745
- Residue of the original land grant being private land shown as roads in DP 163 (approx 2.6ha of undetermined ownership claimed by Coastal Hamlets Pty Ltd)
- Public Roads through lot 2 DP 809795 to be closed (approx 4 ha not currently in Coastal Hamlets ownership).
- Lot 3 DP 129431
- Lot 4 DP 129431

The Gwandalan site is part of Lot 3 D.P. 588206 Kanangra Drive, Gwandalan comprising 18ha of land.

Subject land

The proposed Concept Plan applies to the entire site specified at Catherine Hill Bay. It covers only the area indicated in Attachment 1 at Gwandalan.

Outline Scope of Project

When completed, Gwandalan will be a subdivision of up to 220 dwellings completing the land release in this lake side suburb.

The land at Catherine Hill bay will provide:

1. Substantial open space and landscaped buffers between new development and the existing village.
2. A village centre on the site of the former coal washery, providing local shops and a village green as well as housing.
3. Six further residential hamlets and a central recreation and open space facility located on the former Moonee Colliery site and other despoiled lands.
4. Water and sewerage services to the village
5. The opening and public dedication of Montefiore Street providing access to the Pacific Highway and creating a 'Parkway' entrance to the village with a green buffer on either side of the road.
6. Conservation and public areas, including beach, headland, bushland, wetland/saltmarsh and lake foreshore, comprising approximately 85% of the site, to be dedicated to the Crown
7. A cliff top walkway linking Catherine Hill Bay and Moonee Beaches.

Residential development will be largely confined to previously despoiled land and will be contained within 60 ha of the Rosecorp Catherine Hill Bay land holding. There will be a total of 600 dwellings. (NB infrastructure may go outside the 60ha)

Justification of Major Project Status

The Concept Plan and Project Applications fulfil the criteria for development under Part 3A of the EPA Act, being within the coastal zone, as included in Schedule 2 of SEPP (Major Projects). The Project Applications involve the subdivision of land into significantly more than 25 lots.

The Catherine Hill Bay site also straddles the LGA boundary between the Lake Macquarie and Wyong Council areas. The conservation offset at Catherine Hill Bay has been identified by the Department of Environment and Conservation as regionally significant. This Concept Plan would see the dedication of that land to public reserve.

The Minister for Planning has also previously acknowledged the significance of the site allowing a Concept Plan to be submitted under Part 3A of the EP&A Act.

Project History and Status Quo

The site at Gwandalan has been identified in State and Local Government strategies for land release since 1988. It forms precinct 1A of Wyong's Residential Development Strategy. Council have been unwilling to progress rezoning of the site due to lack of resources.

Coal mining at Catherine Hill Bay commenced in 1873. The mining lands at Catherine Hill Bay are partly high value bushland and areas that have been despoiled by mining activity. Mining, a coal washery, reject disposal, coal stockpiling and coal transport operated at the site until 2002. Mine rehabilitation works are still underway on the site.

The land straddles the boundary between Lake Macquarie and Wyong and two parcels have been the subject of previous DA applications. An application for a club and associated dwellings at Catherine Hill Bay was refused by the Land and Environment Court though that judgement remains subject to appeal. A DA lodged for a 900 lot residential development on the site of the former Monee Colliery was recently withdrawn from consideration by Wyong Council in view of the Concept Plan process.

As part of the Lower Hunter Regional Strategy and Regional Conservation Plan Process the Wallarah Peninsula was identified by the Department of Environment and Conservation as a high regional priority for conservation. Because of this an MOU was signed between Rosecorp and the NSW Ministers for Planning and Environment to allow for development on the sites in return for the offset of 310ha of bushland forming part of a key regional conservation corridor. Because of the process of assessment in the signing of the MOU all clearing of vegetation as part of the Concept Plan is assumed to be fully offset by the dedication.

A Concept Plan for the sites was lodged in December 2006 but, following an exhibition and comment from an Independent Panel formed by the Minister as well as from community groups and Government Agencies it has been decided to withdraw that application to allow a new and substantially revised application to be lodged. This application seeks to address many of the issues raised in the previous consultation process.

Development Options

The expectation is that 600 dwellings will be created at Catherine Hill Bay and up to 220 dwellings at Gwandalan. In addition, Catherine Hill Bay will have facilities provided such as local shops, and recreational facilities.

Staging

A staging plan will be provided as part of the Concept Plan.

For Gwandalan a Project application for the full subdivision will be lodged concurrently with the Concept Plan.

For Catherine Hill Bay Project Applications for the Village Centre, Hamlet 3, and site preparation for the entire site will be lodged concurrently with the Concept Plan.

Capital Investment

It is estimated that at Gwandalan \$10 million will be invested in the subdivision project.

Estimates are being prepared for the total capital investment at Catherine Hill Bay and will be forwarded to the Department with the completed application form.

Applicable Planning Instruments

Wyong LEP 1991
Lake Macquarie LEP 2004
Hunter Regional Environmental Plan 1989
SEPP Major Projects
SEPP 71 Coastal Protection
SEPP 14 Coastal Wetlands
SEPP 55 Remediation of Land
SEPP Building Sustainability Index
Central Coast Draft Regional Strategy
Lower Hunter Regional Strategy

Agency, Council and Community Views

There has been extensive consultation with Councils and the Community as part of the process of creating and MOU for the development and conservation of the site and the process of assessment of the previous Concept Plan. An Independent Panel has been appointed by the Minister and a Community Reference Panel is in place and has held a number of meetings.

All issues raised by Government Agencies to date can be addressed by the Concept Plan. The principles contained in the interim report of the Independent Panel represent the principles around which the revised Concept Plan has been developed. The views included in many community and individual submissions are also reflected in the new Concept Plan.

Environmental Assessment Issues

Both sites have been subject to extensive environmental assessment. However, additional work will be undertaken to ensure that the full extent of proposed development is adequately assessed. An environmental assessment report will be lodged to support the Concept Plan.

Section 94 Contributions

A proposed contribution schedule will be lodged with the Concept Plan.

Concept Plan Format

It is proposed that the Concept Plan will have three sections:

1. Issues relating to Catherine Hill Bay village centre and the Moonee Hamlets
2. Gwandalan
3. Issues common to all the above (such as dedication)

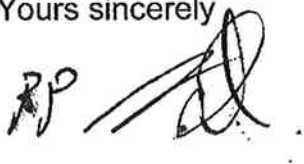
Concept Plan and Project Application Timing

It is anticipated that a draft Concept Plan and Project Applications as stated above will be available for consultative review in Mid July.

We trust that the information contained in this letter is sufficient to secure early authorisation to proceed with the preparation of a Concept Plan. Please contact Matthew Crozier on 0422 002244 or matt@duoconsulting.com.au should you require any further information.

We look forward to working closely with you on this matter.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Bryan Rose', written over a horizontal line.

Bryan Rose
Managing Director

Encl.

