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**REPORT TO GENERAL MANAGER
COUNCIL MEETING - 19 AUGUST 2004**

FROM DIRECTOR DEVELOPMENT SERVICES

DATE 2 AUGUST 2004

ON SUSTAINABLE SETTLEMENT STRATEGY

133/552/300/001/2

Council, at its meeting held on 19 December 2002, agreed to commence investigations for the future release of urban land. The review of release areas had been programmed in Council's Management Plan and Council had also been requested to consider rezoning of land to the north-west of the Orange urban area in Broken Shaft Creek. As this area had not been previously investigated for development, it was also deemed appropriate to prepare a local environmental study for that land. In the event that the area was recommended for short to medium-term development, the environmental study would then facilitate subsequent Local Environmental Plan (LEP) amendments.

As previously reported, consultants were engaged to undertake the planning study, including community-consultation strategies. The investigation then commenced in mid-2003.

On 6 May 2004, Council agreed to place the "Sustainable Settlement Strategy" ("the Strategy") on exhibition. The Strategy was publicly exhibited on 17 May 2004. Submissions were invited up until 7 July 2004. During this period, 26 submissions were received – of which, seven were made by government agencies.

The Sustainable Settlement Strategy makes a number of recommendations based on the Strategy's land units (LU). The land units were established to determine different development scenarios, taking into account the limits of the study area, land-use zoning and physical issues. The recommendation of the Strategy for each land unit is summarised in the Table S.1 on the following page.

The majority of the private submissions specifically relate to the recommended development scenarios according to the land units from the Strategy, either in agreement or seeking alternatives.

The following response to submissions has accordingly been grouped into the main areas of interest – north, west (north-west) and south.

NORTHERN DEVELOPMENT AREAS

The Strategy reaffirms the current planning approach in directing development towards Beer Road. All submissions relating to the Urban Transition zone to the north of the existing area were in agreement with the Strategy.

Table S.1 – Potential Development Roles for Structure Plan Areas

Land unit	Description	Potential Development Role *		Comments/actions
		Short term	Medium to long term	
Existing urban		Urban residential	Urban residential	Council to continue to implement policies which encourage infill housing throughout the City.
North				
LU-1	Comprises all of the land zoned Urban Transition under Orange LEP 2000.	Urban residential	Urban residential	Also consider need for and location of new centre.
LU-2	Comprises land bounded by Mitchell Highway, Ammerdown and Ploughmans Creek.	Urban residential	Urban residential	
North-west				
LU-3 Ploughmans Creek catchment	Comprises land east of the LES study area, west of the Mitchell Highway and north-west of the distributor road reservation.	Rural residential	Urban residential	Urban endorsed because of the need to use housing land on the fringe of the urban area more efficiently.
LU-3 Other land		Rural residential	Rural residential **	Structure plan assumes that urban development in Broken Shaft Creek valley would have a lower priority than South areas.
LU-4	LES study area.	Rural and rural residential	Rural and rural residential **	
LU-5	Comprises land to the south of the LES study area and west of Ploughmans Valley urban release area.	Rural and rural residential	Rural and rural residential **	Building siting and subdivision controls should be implemented which allow urban residential development to displace rural residential development when Council decides that Broken Shaft Creek valley should be developed for urban purposes.
South				
LU-6	Comprises land east of the Molong water supply catchment and west of a watercourse in the vicinity of Canobolas Road. LU-7 is distinctly more elevated than LU-6.	Rural	Rural	Unlikely to be required for urban development during the life of the plan.
LU-7		Rural	Rural	Unlikely to be required for urban development during the life of the plan.
LU-8	Comprises land between watercourses south-west of the southern distributor road reservation and east of the Molong water supply catchment. LU-8 is distinctly more elevated than LU-9.	Rural	Rural	Unlikely to be required for urban development during the life of the plan.
LU-9		Rural	Rural	Unlikely to be required for urban development during the life of the plan.

Land unit	Description	Potential Development Role *		Comments/actions
South (cont)				
LU-10	Comprises land between watercourses, south of the southern distributor road reservation and north of the Orange water supply catchment.	Rural	Urban residential for northern area Rural or rural residential for southern area	Part of a South urban growth strategy. Urban development in the north subject to further planning and feasibility studies. Desirable to retain southern portion for rural and residential land uses.
LU-11	Generally comprises land east of LU-10, south of residential zoned properties on Sharp Road, west of Forest Road and north of the Orange water supply catchment.	Rural ***	Urban residential	Part of a South urban growth strategy. Urban development dependent upon Crown land activities being removed or relocated – discussions with agencies need to be commenced.
Supplementary areas				
Land north of LU-10		Rural residential	Urban residential	Part of a South urban growth strategy. Comprises land generally east of Towac Park Racecourse. Urban development subject to further planning and feasibility studies.
Land north of LU-1 "Beer Road Area"		Rural	Urban residential	Comprises land west of the ridgeline, either side of Beer Road. Urban development subject to further planning and feasibility studies.
Land east of LU-1 "U.Syd and Leeds Pde Area"		Special uses (University)	Urban industrial	Urban development dependent upon university's future plans for their facility.

* short, medium and long term are generic descriptions of periods relating to the scope of a 20-year structure plan horizon

** assumes that controls are implemented to preserve opportunities for urban development in the long term

*** may be a limited urban role in the short term associated with base hospital development

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Northern development areas (cont)

Six owners have expressed interest in rezoning and most submitted preliminary concept plans for consideration. Council has also received formal rezoning submissions from three current landowners pending the outcome of the Strategy.

Some landowners have also commenced pre-selling land despite being advised of the vagaries of rezoning timeframes and the risks that any layouts would be subject to review subject to detailed assessment at the development application stage.

As a consequence, four submissions have been received from prospective purchasers. It is a concern that, if the rezoning drags on, Council will be blamed even though rezoning involves different authorities and responsibilities. Council staff have not encouraged pre-selling.

With the interest in development to the north, preliminary plans have been prepared for land around Waratah's sportsground. Subject to rezoning proceeding, these plans are being reviewed to determine road layouts and provision of engineering services (water, sewer and drainage). A development control plan will need to be prepared to ensure that adequate public amenities are provided.

The submission by the Department of Education & Training advises that "any new proposals to create new urban areas on the fringe of Orange would create the demand for additional educational facilities".

The Department's guidelines for new school sites indicate that a primary school should be within 1.6 km of the bulk of the school's likely drawing area to minimise demand for bus transport. The Department of Education has control of an undeveloped site off Kearneys Drive which generally satisfies the Department's guidelines. This site has been earmarked for a high school. The Department's submission, however, indicates that secondary enrolments have levelled. The Catholic Church also has plans for a primary school off Kearneys Drive.

While development-control planning requirements are still being investigated, it is now appropriate to proceed with amending LEP 2000 comprising the Urban Transition zone, north of the distributor road corridor and Farrell Road, including part of the supplementary area identified in the Strategy up to Beer Road. It should be understood, however, that endangered ecological communities of Box Woodland will need to be addressed for properties fronting Burrendong Way and in the vicinity of the Kearneys Drive and Farrell Road intersection.

NORTH-WEST DEVELOPMENT AREAS

The investigation for this area was commenced following a specific approach to Council for a "satellite" residential development. The initial report to Council for considering this proposal recognised that:

The release of the land would need to clearly consider the relationship between the existing City, planned release areas and proposals for satellite areas.

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North-west development areas (cont)

The Strategy considered urban structure and sustainable development issues. Issues associated with integrated development versus satellite development were also considered.

Urban design considerations “for vibrant communities” include the objectives of creating compact urban neighbourhoods that provide a “sense of place” for residents and are supported by community facilities.

The Strategy compares the development potential for the south and the north-west investigation areas and identifies that, beyond the North Orange development front, “Council and the community” are faced with an important choice in promoting the future urban structure of Orange.

The Strategy recommends:

... either of these areas can play a role in meeting urban growth demands in the medium to long term and that, from a variety of perspectives, it would be preferable to focus development in one particular sector.

The Strategy further concludes that:

Beyond these opportunities, Council and the community face a broad choice between accommodating new communities in either the South Warrendine and Bloomfield areas or Broken Shaft Creek valley. Factors such as the expense of infrastructure servicing and the need to create cohesive communities within a reasonable time frame suggest that it is not appropriate for significant growth to be accommodated on both of these frontiers simultaneously. Each area has its own positive urban development attributes, however, a strategy which supports and prioritises growth in the medium to long term in South Orange is the most sustainable and most likely to provide the best balanced solution to the structure plan's objectives.

The exception to this is the identification in section 6.2.2 of the ability to utilise spare sewer capacity in the Sieben Drive sewer pump station on a “temporary” basis.

The Strategy recognises that:

This approach could sustain approximately 250 ET in the eastern parts of Broken Shaft Creek catchment for up to 10 years, depending on the speed and density of development in Ploughmans Valley. After approximately 10 years, an alternative solution (such as a new WWTW) would be required. Any development in the Broken Shaft Creek catchment would require a system to convey waste water to the Sieben PS such as a rising main and pump station.

Council has received three submissions on behalf of or from landowners in the LU-3, LU-4 and LU-5 areas (west of Ploughmans Valley). The submissions recognise that some spare servicing capacity can be available and that development of the area for limited urban development may be appropriate where it can demonstrate a relationship to existing and planned development patterns and strategies.

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North-west development areas (cont)

The submissions on behalf of J Murphy and G Saran support limited urban development as an extension of Ploughmans Valley. The submissions agree to participating in a Master Plan. A submission from M Hansen on adjacent land indicates a desire to consider large urban lots (6,000m²). Such lots relate to serviced urban transition lots at Bilton and Girrahween Places. Consideration of any master plan should include this proposal. Landscape issues also relate to the Saran land. The LES area identifies that a ridge generally extending along the joint boundary between Murphy Lane and Saran land provides a visually contained development area currently zoned rural residential.

Consistent with the objectives of the Strategy, it is considered that the Strategy recommendations could be amended to provide for contained and integrated urban development on currently rural residential land west of Gorman Road adjacent to and integrated with Ploughmans Hill Estate. Areas north of the ridge (Saran) and towards The Escort Way (Hansen) should be included in the planning for large-lot residential as a transition to rural residential up to a total capacity of about 250 lots.

The Strategy also includes the potential for LU-3 (bounded by Gorman, Murphy and Manning Roads) as being appropriate for new urban residential development in the medium term. This area had previously been considered as part of the Ploughmans Valley Urban Release and was then subject to significant opposition to urban development. Surprisingly, no submissions were, however, received from this area as part of this Strategy where it is recommended for consideration of large-lot serviced development or urban development.

SOUTH DEVELOPMENT AREAS

The Strategy identified that conflicting values emerged during consultation regarding the future use and development of rural residential precincts.

While these comments were directed at the Cherrywood Estate area south of the railway, conflicting values remain evident within the south.

Submissions relating to the south of Orange recognise the relationship of the area to the proposed Bloomfield Hospital. The LU-11 area, extending from Forest Road to Lysterfield Road, has been identified for urban residential. This is consistent with proposed applications to the State Government to consider releasing Crown land for development associated with the hospital.

A number of other submissions seek consideration of parts of areas LU-6 to LU-10 for rural residential.

Council has recently agreed to participate in a rural lands planning study in partnership with Blayney and Cabonne. Consideration for future rural residential development will need to relate to those outcomes. This is supported by the Department of Primary Industries (DPI) and the Department of Infrastructure Planning and Natural Resources (DIPNR), whose submissions state:

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South development areas (cont)

The future of rural residential living opportunities as a settlement alternative is an issue that along with protecting agriculture can be covered at this broad level of planning.

and

The Draft Strategy, if adopted by Council, will be a major contributor to future land decision making at local and regional levels.

Decisions to provide for rural residential development will thus need to be made on a regional basis and take into account the medium-term needs of the City.

GOVERNMENT AGENCY SUBMISSIONS

The Heritage Office raises emerging issues of interest regarding cultural rural landscapes. The Strategy addresses these issues in the local environmental study considerations and in "sense of place" recommendations.

The DPI considers that:

The recognition of the value of agriculture and its indirect values linking the future of agricultural based landscapes for environmental and social outcomes have been well considered and approached in both the strategy and study.

DIPNR states that:

The draft strategy appears to resolve the identified environmental planning issues and reconcile the conflicting values within the community. The draft strategy contains a sound growth philosophy that will serve Orange and the surrounding region into the long term. The work represents a comprehensive strategic planning exercise for the regional city of Orange. Council and its consultants are congratulated on the delivery of an excellent draft document.

The Department of Mineral Resources raises no concerns with the study areas but brings Council's attention to the need to consider any potential impacts of development in the vicinity of the Phillip Street Quarry, to ensure that the long-term potential of that reserve is not stymied by encroaching development.

Cabonne Council reaffirms the need for a co-ordinated approach to rural residential development in the region. The Council also seeks consultation in regard to development in the LES area.

Cabonne Council's view that rural residential development with Orange City *should be abandoned or actively discouraged* will need to be considered in a regional strategy.

The Environment Protection Authority (EPA) is generally supportive of the Strategy, with a particular interest in the future potential of a second wastewater treatment plant.

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Government agency submissions (cont)

The State Emergency Services (SES) recommends that a flood study be undertaken. The Strategy identifies the need for development to be undertaken in flood-free areas and the protection of creek areas in the LES constraint mapping is consistent with this. Detailed engineering investigation will determine the extent of flooding. The extent of flood levels can also be determined once detention or alternative means of creek protection are planned.

BROKEN SHAFT CREEK

This area has been identified as an area that should be retained as a potential area to accommodate Orange's urban growth needs.

The participation of proponents in the Broken Shaft Creek investigation was most likely made on an expectation that the development of this area could be brought forward. The Strategy has not recommended this for a range of reasons. The LES component was included in the Strategy on the basis that this area had not been investigated at all in previous planning studies for Orange. The other areas had. In addition, from previous studies, Council had been of the understanding that extending development to the south was not feasible. This Strategy introduces a new understanding, although both areas will incur increased servicing costs.

Due to the deferral of urban development, it is understood that alternative development opportunities are being explored for Broken Shaft Creek consistent with the existing zone, including intensive agriculture. The impact of fragmentation on long-term development options for the City will therefore need to be considered.

As stated by DIPNR:

It may be prudent for Council to consider introducing zones for the purpose of "investigation areas" in order to hold the land for future urban development. This may assist in protecting it for the intended use and communicating the outcomes of the strategy to the community, reducing speculative behaviour until urban suitability and capability is confirmed and the land is ready for release.

OTHER AREAS

During community consultation, areas were raised beyond the terms of the Strategy. The Strategy gives some attention to these, including the Cherrywood rural residential area and areas adjacent to the University of Sydney.

Preliminary approaches have been made for speculative residential development between Narrambla and the University. The Mineral Resources submission relates to this area. While the EPA's interest concentrated on the potential for impacts from a sewage treatment plan in Broken Shaft Creek, a similar issue would emerge for development close to the existing plant off Phillip Street and ramifications of costs to Council and the Orange community to implement odour strategies.

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Other areas (cont)

No submissions were received from people interested in development north of Narrambla.

The Strategy identifies that there is limited availability of industrial land in the City and how the physical link of land adjacent to and forming part of the University land may allow for some expansion. It further suggests that rural residential development towards Clifton Grove may be appropriate.

The industrial land demands for the City generated in association with population growth will need to be defined independently. The limited opportunities for industrial land in the City require that consideration for future development will need to occur in conjunction with the broad regional planning being undertaken with Cabonne and Blayney.

With recent heightened interest in sites at Narrambla, Council's industrial land stocks are limited. Council has had a direct role in the provision of industrial land over many years, to ensure that opportunities are available to accommodate new employment-generating activities. Council will need to investigate future areas for Council industrial development.

The nature of the closely-settled areas around Orange make industrial land selection difficult. Areas in the vicinity of Orange Airport have been given preliminary consideration for potential industry sites that require large areas, removed from population pressures.

GENERAL ISSUES

The Strategy recognises that residential development has implications for urban support issues such as transport systems, business and employment and social and capacity services.

Council's Management Plan, consistent with the Strategy, provides for a review of the City's Business Strategy. Although this review was anticipated to be supported by the State Government's planning reform funding, which has not been successful, a more specific review can be undertaken within the Management Plan's resources.

In the interim and taking into account the pace of development, negotiations should commence with the owner of land at the intersection of Hill Street and the northern distributor to set aside an area for a "village centre". Such areas must be highly accessible to exist in a highly-competitive retail environment. A location in proximity to the Botanic Gardens/Adventure Playground and Café is appropriate. Due to land limitations, such areas need to be identified early to ensure the most viable sites are retained to serve future communities. Preliminary discussions have been held with the owner of the land identified for the "village centre" and Council has received a positive response to this.

A separate request for consideration of the establishment of a bulk retail centre at the Mitre 10 site off McLachlan Street has also been made, including access from the Leeds Parade extension, pending a strategic review of business land needs. This issue should also be investigated in conjunction with the Business Strategy Review.

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PRIVATE CONTRIBUTIONS TOWARDS STRATEGY

The Strategy was commenced on the basis that proponents of the area being considered as part of the Local Environmental Study in the Broken Shaft Creek catchment contribute towards the cost of the Study.

The *Environmental Planning & Assessment Act* specifically provides for prospective beneficiaries to contribute towards the cost of undertaking local environmental studies, by agreement. Accordingly, three proponents were requested to contribute up to a total of \$85,000 towards the Study component.

Because the Strategy recommends that development of the land within the Local Environmental Study area be deferred, it is reasonable that the contributions be refunded and that the costs of the Strategy be recouped through rezoning fees in areas consistent with the Study.

ACTIONS AND STRATEGIES

The Strategy applies 19 recommended actions and strategies (attached) from section 7.7.2 of the report and as summarised in the Executive Summary of the Strategy under the heading "Structural Overview".

The following recommendations are framed in reference to these actions and strategies.

RECOMMENDATION

- 1 That Council accept the actions and strategies of the Sustainable Settlement Strategy prepared by Parsons Brinckerhoff as the urban residential planning framework for release areas, subject to the following:
 - a rural residential development potential being addressed in participation with the Orange, Cabonne, Blayney regional planning;
 - b planning commencing immediately to define the feasibility of, and urban form for, establishing a hospital "suburb" within Land Unit 11 and part of Land Unit 10 as indicated in the Structure Plan;
 - c planning commencing for the identified rural residential land adjacent to Ploughmans Hill Estate for urban residential and large-lot serviced residential development to utilise spare servicing capacity from West Orange;
 - d in relation to Actions 16 and 17, Council commencing a review of the City's Business Strategy;
 - e negotiations proceeding for establishing a "village centre" adjacent to Hill Street in the vicinity of the Orange Botanic Gardens;
 - f the Structure Plan being amended to reflect the above decisions.

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Recommendation (cont)

- 2 That Council amend Orange Local Environmental Plan 2000 to rezone land north of the distributor road and Farrell Road to Beer Road to Urban Residential and, accordingly, give notice to State agencies as required by the planning legislation and prepare a draft Plan and publicly exhibit the draft Plan in accordance with the necessary statutory planning procedures.
- 3 That Council, in liaison with landowners in North Orange, commence master planning (development control plan) of the proposed northern development area, in accordance with strategic planning and urban design principles.
- 4 That the Development Contributions Plan be reviewed to account for the expansion north of the distributor road, including provision for roads, sewer and water.
- 5 That Council agree to consider a formal submission for a formal rezoning proposal, addressing the urban design principles identified in the Strategy, for the identified land adjacent to Ploughmans Hill Estate, consistent with Recommendation 1(c) above.
- 6 That, when considering development applications in areas identified by the Strategy for long-term potential, the Sustainable Settlement Strategy be considered by Council to comprise a "public interest" matter under section 79(1)(c) of the *Environmental Planning and Assessment Act*.
- 7 That Council commence the investigation for determining future industrial land development potential for the City, including consideration being given to land in the vicinity of the Orange Airport.
- 8 That Council refund contributions paid by landholders in those parts of Land Unit 4 not proposed for short-term expansion and that costs be recouped from rezoning fees associated with land release in accordance with the Strategy.

Andrew Wannan

DIRECTOR DEVELOPMENT SERVICES

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