Item No: 3.5

Title: Request to prepare Planning Proposal relating to

310 Terrigal Drive, Terrigal

Department: Environment and Planning

26 March 2024 Ordinary Council Meeting

Reference: RZ/5/2023 - D15906544

Author: Rachelle Hardaker, Senior Strategic Planner

Manager: Shannon Turkington, Unit Manager Strategic Planning
Executive: Luke Sulkowski, Director Environment and Planning (Acting)

RESOLVED on the motion of RIK HART:

That Council:

- 69/24 Endorses the Draft Planning Proposal provided in Attachment 1, in relation to Lot 27 DP 1223375, 310 Terrigal Drive, Terrigal which seeks to amend the Central Coast Local Environmental Plan 2022 to:
 - a. Amend the maximum height of buildings from 8.5m to 25m.
 - b. Amend the maximum floor space ratio from 0.5:1 to 1.3:1.
 - c. Amend Schedule 1 Additional Permitted Use to enable retail premises limited to 150m².
 - d. Amend Location Specific Development Controls of the Central Coast Development Control Plan, Chapter 5.11 Terrigal: Corner Charles Kay Drive and Terrigal Drive, to include site specific controls.
- 70/24 Submits the Planning Proposal to the Minister for Planning and Public Spaces in accordance with Section 3.35(2) of the Environmental Planning and Assessment Act 1979, requesting a Gateway Determination, pursuant to Section 3.34 of the Environmental Planning and Assessment Act 1979.
- 71/24 Requests delegation for Council to finalise and make the draft Local Environmental Plan, pursuant to Section 3.36 of the Environmental Planning and Assessment Act 1979.
- 72/24 Prepares a site-specific Development Control Plan to support the Planning Proposal to ensure appropriate built form guidelines are applied in the development design for the site.
- 73/24 Undertakes community and public authority consultation in accordance with the Gateway Determination requirements

Report purpose

To consider a request to prepare a Planning Proposal pertaining to Lot 27 DP 1223375, 310 Terrigal Drive, Terrigal to amend the Central Coast Local Environmental Plan to increase the maximum permissible height to 25 metres, increase the floor space ratio to 1.3:1, and include an additional permitted use of 'retail' which will be limited to 150m². The proposal seeks to uplift residential development potential on the site.

Executive Summary

The site is located on the corner of Charles Kay Drive and Terrigal Drive and bound by a third order stream to the southeast. The Planning Proposal seeks to uplift the development potential on the vacant and underutilised site by increasing the permissible building height, floor space ratio and additional permitted uses, whilst retaining the existing R1 – General Residential zoning.

The Planning Proposal is consistent with the *Central Coast Regional Plan 2041* and the draft Central Coast Local Housing Strategy, by creating an opportunity to provide additional housing choice within close proximity to the Terrigal Local Centre and Erina.

The Planning Proposal is considered to have strategic merit as it is strategically located on key transport corridors into Terrigal. The amended provisions will uplift residential development potential, increase housing supply, diversity and choice, whilst utilising existing infrastructure services and transport connections in Terrigal.

The Planning Proposal was considered by the Local Planning Panel on 30 November 2023, where independent advice was received and the proposal has been amended in response to this advice.

Proceeding to gateway determination will allow for the Department of Planning, Housing and Infrastructure to undertake an assessment of the proposal against state and local planning priorities and relevant legislation, and to determine whether there is sufficient strategic and site specific merit for the planning proposal to progress.

Background

Lot 27 DP 1223375 310 Terrigal Drive, Terrigal is a vacant triangular lot with an area of 4,262m², and frontages to Terrigal Drive and Charles Kay Drive. The site is strategically located along two key transport corridors leading into the local centre of Terrigal. The Planning Proposal seeks to increase the height and floor space ratio to increase the housing choice and diversity within Terrigal. The surrounding land uses include predominately low to medium density residential to the north and east, Terrigal High School to the south, Terrigal Ambulance Station and a recreational precinct to the west (see Figures 1 and 2).

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Pre-lodgement referrals and engagement with internal Council staff were undertaken to ensure the key considerations such as traffic management, protection of riparian zones and flood risk can be adequately addressed if the site is rezoned. The Planning Proposal was submitted to Council via the Planning Portal on 31 August 2023. The Planning Proposal was presented to the Local Planning Panel at the 30 November meeting, however the proposal has since been revised in response to the Panels comments. The minutes are attached and responses to the Panel's comments are provided in the Planning Proposal as well as further below. A Development Application for the site was simultaneously submitted to Council for consideration, however has since been withdrawn given the Planning Proposal has been revised.



Figure 1: Locality Plan (subject site shaded blue)



Figure 2: Site Plan (subject site shaded blue)

Current Status

The proposal is currently at an early stage in the Local Environmental Plan amendment process (refer Figure 3).

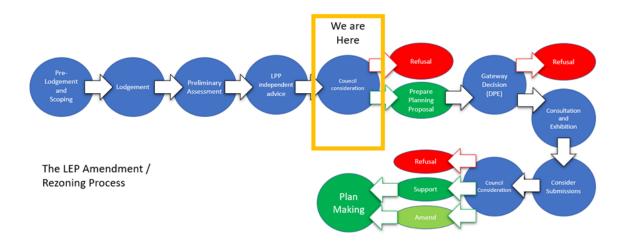


Figure 3: Local Environmental Plan Amendment Process

Proposal

The Planning Proposal will seek to amend the Central Coast Local Environmental Plan 2022 as follows:

- Amend the CCLEP 2022 Height of Buildings Map to provide a building height control
 of 25m across the site.
- Amend the CCLEP 2022 Maximum Floor Space Ratio Map to provide a maximum floor space ratio control of 1.3:1 across the site.
- Amend Schedule 1 Additional Permitted Uses to permit retail premises on the site limited to 150m².

The Planning Proposal is accompanied by a draft site-specific Development Control Plan (DCP) which provides the detailed guidelines and controls for the delivery of the indicative concept. The draft DCP will be further developed in consultation with Council.

The intended outcome of the Planning Proposal is to facilitate the delivery of medium density housing on a site, that is currently vacant and underutilised. The site is already zoned for residential use, however the developable area is constrained due to the location of a riparian zone along the 3rd order stream to the south-east of the site. The proposed amended provisions detailed in the Planning Proposal will improve the design outcomes on the site whilst increasing the number of apartments and townhouses that may be built.

The proposal will enable the development of a 6-storey residential building, providing medium density housing within close proximity to the Terrigal local centre, aligning with State-led policy responses and addressing gaps in housing supply, as described in the draft Central Coast Local Housing Strategy.



^{* &}lt;u>Note</u>: the above indicative concept design was provided with the Planning Proposal for context and massing purposes. Figure 4: Indicative Concept Design

The site is connected to the bus network and significant road infrastructure, being located at the intersection of Terrigal Drive and Charles Kay Drive. Terrigal Drive is a regional road connecting Terrigal to the Central Coast Highway and Pacific Highway.

The site is provided with shared walking and cycling paths along the length of Terrigal Drive and north from Terrigal High School on the eastern site of Charles Kay Drive. Terrigal Beach and the Terrigal Local Centre are within a 15-minute walk from the site, with Erina Town Centre being a 15-minute cycle. This aligns with the objectives of the Central Coast Regional Plan 2041, by encouraging accessible 15-minute neighbourhoods.

While the skyline of Terrigal is relatively low-density and the proposed building envelope is taller than buildings in the immediate surrounding area; the building would sit below the existing tree canopy and would be concealed by dense vegetation whilst approaching the site from Terrigal, or heading northbound on Charles Kay Drive. The upper level is also recessed to reduce bulk and scale of the proposed building. Due to site characteristics, the developable area is limited and therefore has been strategically positioned to ensure minimal environmental impacts in relation to traffic and transport, flooding and biodiversity.

The proposal site is situated within 40m of a 3rd order stream and is classified as waterfront land subject to the requirements of the *Water Management Act 2000*. The proposal currently falls short of the vegetated riparian zone (VRZ) offsetting requirements under the Act, however Controlled Activity Approval will be required for development on waterfront land.

The Environmental Assessment identified that 3,000m² of native vegetation would be required to be cleared for the development on the site, and according to the Arboricultural Impact Assessment Report, the site has around 200 trees, with 15 requiring removal to facilitate the development. This includes cleared land containing exotic vegetation and a small area of low-quality Narrabeen Coastal Blackbutt Forest (approximately 753m²). A hollow-bearing tree identified on the site is also proposed to be cleared. Mitigation measures have been identified in the Environmental Assessment to reduce indirect impacts to biodiversity values of the site. Assessments of significance were conducted for the threatened flora and fauna species detected on the site, which concluded that the proposal would not result in a significant impact. The impacts have been reviewed by Council staff, who agree with the report conclusion.

The site is flood affected, with peak 1% AEP flood depths varying across the site. Towards the creek and within the site, peak 1% AEP flood depths reach 1.5 metres. However, in the vicinity of the site where the development is proposed, 1% AEP flood depths range from 400mm to 900mm. In the Probable Maximum Flood (PMF) event, flood depths range from 1,600mm to 2,500mm where the development is proposed. The impacts resulting from the proposed development are generally isolated to the subject site or the adjoining RE1 zoned watercourse. There is a minor 12mm increase in peak flood surface levels adjacent to Terrigal Drive, however this does not affect the trafficability of Terrigal Drive and only exceeds the CCDCP 2022 threshold for a few minutes. This was considered acceptable by Council's Development Flooding Engineer. Further studies assessing the impact of climate change induced rainfall intensity are being undertaken as requested by Council staff.

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The traffic generation arising from the development has been assessed based on average trip rates for regional high density development provided in the RMS Guide and equates to an additional 25 vehicle trips per hour during the morning peak and an additional 17 vehicle trips during the afternoon peak periods. Trip generation is considered moderate and will have no significant impact on the operation of the local road network. Key intersections at Terrigal Drive and Charles Kay Drive, and Charles Kay Drive and Scenic Highway have been assessed and currently operate well, with low average delays. However, the intersection of Charles Kay Drive and Scenic Highway operates near capacity. SIDRA intersection modelling indicates that the proposal would have no significant impact on the future operation of these intersections. It is apparent that an upgrade of the intersection at Charles Kay Drive and Scenic Highway will be required at some point in the future. This assessment was supported by Council's Transport and Traffic Engineer.

Consultation

Pre-gateway consultation with the proponent and Council staff resulted in early resolution of preliminary concerns which were addressed in detailed consultant reports. Further investigative studies are to be undertaken to address issues at the Development Application stage.

Internal consultation

Internal consultation has been undertaken with the following Council staff:

- Flooding A Floodplain Risk Management Plan was submitted to Council and was
 reviewed by Council's Development Flooding Engineer. The report's methodology,
 results and recommendations were supported, further modelling on the climate
 change and subsequent rainfall intensity is being undertaken to inform the Planning
 Proposal, however the existing Floodplain Risk Management Plan anticipates it is
 unlikely to have any significant impact. This matter will also be considered by the
 Department of Climate Change, Energy, the Environment and Water as part of agency
 consultation.
- Traffic A Traffic Impact Assessment was submitted to Council and reviewed by Council's Traffic and Transport Engineer. The assessment was supported by Council and noted that a Road Safety Audit is required to be submitted with the Development Application.
- Water and Sewer Development Engineering advised that the proposed development can be serviced with water and sewer.
- Environmental Health Council's Environmental Protection Officer (Environment and Public Health) reviewed and had no objections to the Preliminary Site Investigation, Acoustic Report, and Geotech and Acid Sulphate Soil Reports submitted with the Planning Proposal.

- Ecology An Ecological Assessment Report and Arboricultural Impact Assessment
 was submitted with the Planning Proposal for Council to review. Council's Strategic
 Environmental Planner supported the Planning Proposal in-principle and
 recommended that future development applications ensure:
 - o Controlled activity approval is granted under the Water Management Act.
 - o Further targeted surveys are conducted for Green and Golden Bell Frog.
 - Completion of parallel transects for threatened flora species.
 - o Stag watching of the hollow-bearing tree located in the development area.
- Visual Impact A Visual Impact Assessment and Urban Design Report was submitted
 with the Planning Proposal and reviewed by Council staff. The Visual Impact
 Assessment was for the former height of 32m and was supported and noted the
 inclusion of objectives and requirements within the Draft DCP, including upper level
 setbacks and landscaping. A revised Assessment for a 25m and 1.3:1 FSR building
 envelope has been prepared. Visual Impact and amenity controls will be included in
 the draft development control plan being prepared for the site.
- Contributions –Council's Local Infrastructure and Planning Section advise that Planning Proposal will result in a minor population increase in the locality and the current rates in the Contributions Plan No. 47A – Terrigal will continue to be appropriate for any increase in development.
- Bushfire A Bushfire Assessment Report was submitted with the Planning Proposal, which was reviewed and supported by Council's Bushfire Planning Officer.

External consultation

The Planning Proposal was referred to the Local Planning Panel on the 30 November 2023 and the detailed advice is provided in Attachment 2, with further responses provided in the Planning Proposal (Attachment 1). The proposal presented to the panel was for a proposed 32m building height, FSR of 1.5:1 and an additional permitted use to retail.

The Local Planning Panel considered that the Planning Proposal did not have strategic or site-specific merit and that there was a lack of strategic justification for the height. Following the panel's advice and further internal consideration, the proposal was amended to a 25m building, permitting six stories, an FSR of 1.3:1, and the retail use was limited to 150m². Further strategic justification has been provided in the Planning Proposal to support a development on the site.

A pre-gateway review of the proposal was undertaken which included referrals and engagement with the Department of Planning, Housing and Infrastructure (DPHI) and Transport for NSW (TfNSW), as well as internal referrals within Council.

Government agency and public consultation requirements will be detailed in the Gateway Determination and conducted accordingly.

Financial Considerations

At its meeting held 19 October 2020, Council resolved the following:

1108/20 That any motions put before Council for the remainder of this term of Council that have financial implications require the Chief Executive Officer to provide a report on how those additional costs will be met.

The following statement is provided in response to this resolution of Council.

Adoption of the staff recommendation has no bottom-line implications for Council's budget. The direct cost to Council is the preparation of the Planning Proposal and the associated DCP. These costs will be charged as per Council's fees and charges on a cost recovery basis.

Link to Community Strategic Plan

Theme 1: Belonging

Goal B: Creativity, connection and local identity

B-B4: Activate spaces and places to complement activity around town centres, foreshores, lakes and green spaces for families, community and visitors.

Theme 2: Smart

Goal C: A growing and competitive region

S-C1: Target economic development in growth areas and major centres and provide incentives to attract businesses to the Central Coast.

Theme 4: Responsible

Goal I: Balanced and sustainable development

R-I1: Preserve local character and protect our heritage and rural areas including concentration of development along transport corridors and around town centres and east of the M1.

R-I2: Ensure all new developments are well planned with good access to public transport, green space and community facilities and support active transport.

R-I3: Ensure land use planning and development is sustainable and environmentally sound and considers the importance of local habitat, green corridors, energy efficiency and stormwater management.

R-I4: Provide a range of housing options to meet the diverse and changing needs of the community including adequate affordable housing.

Risk Management

There have been no material risks identified to the natural and built associated with the proposed amendment to the CCLEP 2022, which cannot be easily mitigated. Preparation of the Planning Proposal is part of the regular business of Council and does not introduce any new organisational risks.

Options

The two options for consideration in relation to this Planning Proposal are:

- 1. Support the recommendation.
 - a. Proceeding to gateway determination will allow for the Department of Planning, Housing and Infrastructure to undertake an assessment of the proposal against state and local planning priorities and relevant legislation, and to determine whether there is sufficient strategic and site specific merit for the planning proposal to progress.
 - b. The Proposal would uplift development potential on a currently vacant, well sited lot on the fringe of Terrigal, providing increased housing supply, choice and diversity, whilst providing a local retail service to the community.
 - c. A 25-metre development on the site will act as a gateway development, as it is strategically located on the corner of two key corridors leading into Terrigal.
 - d. The draft DCP sets out design guidelines that will facilitate the delivery of a high quality architecturally designed building on the gateway site.
 - e. The Planning Proposal provides an opportunity for increasing the quality of the riparian zone by improving the vegetation and water quality.

 This is the recommended option.
- 2. Refuse to support the request for a Planning Proposal (not recommend).

Critical Dates or Timeframes

DPE is implementing strict timeframes for Planning Proposal exhibition and finalisation, which will be outlined in the Gateway Determination.

Attachments

| 1 | 310 Terrigal Drive, TERRIGAL Planning | Provided Under | D15857240 |
|---|----------------------------------------------|----------------|-----------|
| | Proposal - RZ/5/2023 | Separate Cover | |
| 2 | Local Planning Panel Minutes and Advice - 30 | Provided Under | D16005942 |
| | November 2023 | Separate Cover | |