

EXECUTIVE SUMMARY

This revised Planning Proposal Report has been prepared by Urbis on behalf of Property & Development NSW and seeks amendments to the Gosford Local Environmental Plan 2014 (**GLEP 2014**) for surplus Government owned land at Peat Island and Mooney Mooney (**the site**).

The aim of the revised Planning Proposal is to facilitate the future redevelopment of the site, for a mix of residential, community, tourism and employment generating land uses.

The Planning Proposal has been prepared in accordance with section 3.33 of the Environmental Planning and Assessment Act 1979 (the EP&A Act). Having regard to the Department of Planning, Infrastructure and Environment (**DPIE**)'s '*Local Environmental Plans – a guide to preparing local environmental plans*' and '*Planning Proposals - a guide to preparing planning proposals*'.

BACKGROUND

This Planning Proposal was first submitted to the former Gosford Council in August 2014. On 9 December 2014 Gosford Council resolved the Proposal to send to DPIE for Gateway Determination. On 22 September 2015, DPIE required that a revised Planning Proposal to be prepared to address a number of issues.

A revised Planning Proposal was submitted to Central Coast Council (**Council**) in November 2016. Gateway Determination was issued by DPIE on 10 August 2017. A letter received from DPIE on 25 June 2020 confirmed that the Gateway Determination has been extended and the time frame for competing the LEP is by 10 August 2021.

The Gateway Determination stated that while the supporting studies were sufficient, a number of conditions are required to be addressed prior to progressing the Planning Proposal further.

Since August 2017, Property & Development NSW has undertaken a significant amount of consultation with public authorities and Central Coast Council, including the submission of a Planning Proposal addendum to Council in December 2018 for review and comments.

Post the 2018 addendum submission, Property & Development NSW has engaged technical consultants to undertake further environmental investigations, including the preparing of a Heritage Conservation Management Plan (**CMP**), Microbat Management Plan (**MMP**) and a Site Specific Development Control Plan (**DCP**) to respond to Council's and public authorities feedback received in March 2019.

In November 2020, a second Planning Proposal Addendum package was submitted to Council, accompanied by the documents above and included the updated technical studies. This package was to further respond to Gateway Determination conditions and addressed all the issues raised by Council and agencies during the pre-public exhibition consultation process.

Subsequent to extensive discussions with Council from November 2020 to June 2021 and for the purpose of public exhibition, this revised Planning Proposal Report has been prepared, which is a consolidated planning document to support the revised Planning Proposal.

It has been prepared based on the revised indicative Concept Plan, draft LEP zoning maps and revised technical investigations appended to this report.

SITE CONTEXT

This strategically important site is located at the gateway to the Central Coast Local Government Area (**LGA**) within the broader Central Coast region, the third largest urban area within NSW with a population of approximately 338,000 people. DPIE expects that the LGA will have a population of up to 410,000 people over the next 20 years.

The site is located approximately 29 kilometres (km) to the south west of Gosford City Centre, approximately 55km to the north of Sydney CBD and approximately 24km from the start of the M1 Motorway at Hornsby / Wahroonga. The closest railway station is situated at Brooklyn, approximately 5km to the south east. The 592 bus service connects the Hawkesbury River Station to Mooney Mooney and to Hornsby in the south.

The subject site is located at Mooney Mooney on the Hawkesbury River. The surrounding area has exceptional scenic quality. Key features of which are the Hawkesbury River and surrounding national parklands, which include the Muogamarra Nature Reserve to the south separated from the site by the Hawkesbury River, Popran National Park immediately to the north, and Brisbane Water National Park to the north-west on the opposite side of Mooney Mooney Bay.

The M1 Motorway is a dominant feature of the surrounding area and it divides the site. The existing residential neighbourhood of Mooney Mooney is located to the east of the M1 Motorway. The existing housing stock in Mooney Mooney comprises detached housing. There is no local convenience retail provision within Mooney Mooney, with the exception of the Mooney Mooney Club, which is located on Kowan Road adjacent to the riverfront oyster farming industry.

To the north of the site is bushland forming part of the Popran National Park, which extends up the western side of M1 Motorway. Beyond Mooney Mooney to the north, is the residential suburb of Cheero Point, which is located on the eastern side of the M1 Motorway.

To the south of the site is the Hawkesbury River, which forms a significant scenic element of the surrounding area. Further beyond the immediate surrounds are other residential communities along the Hawkesbury River including Brooklyn, Cogra Bay, Milson Island and Dangar Island.

The majority of the Peat Island site was originally developed for institutional purposes (psychiatric facility) with some other ancillary uses on Mooney Mooney. The former Mooney Mooney Public School is located on the eastern side of the subject site. As a consequence, the current land use zoning reflects the former SP2 Infrastructure (for the purpose of Hospital) institutional land uses.

Peat Island, formerly known as Rabbit Island, has historically been Crown Land since European Settlement. The island was dedicated for use as an asylum for inebriates (alcoholics), specifically for females in 1901. Construction of the buildings associated with the asylum commenced in 1902 and involved the clearing and levelling of the island. Since that time the site has variously been used as a psychiatric facility, home for boys and disability institution until its permanent closure in 2010. A detailed history of the site is provided in the Heritage Impact Statement attached at Appendix X.

The Mooney Mooney Public School opened in 1939. A decline in enrolments and an increase in the availability of alternative schools within the locality resulted in the closure of the school in 2007.

The former institutional uses on the site are redundant and the subject site is surplus to the needs of NSW State Government and is proposed to be sold. The current zoning and limited range of permissible uses are inappropriate for any future commercially viable alternate use of the site. There is therefore a genuine need to review the zoning of the site, as well as examine the site constraints and opportunities to assist in the determination of the highest and best land use for the site.

INDICATIVE CONCEPT PLAN

An Indicative Concept Plan (Concept Plan) has been developed for the site to demonstrate the likely development that could occur if the Planning Proposal was gazetted. The Concept Plan responds to the surrounding context, including the prevailing zoning of adjoining land and environmental and physical site constraints.

The Concept Plan for the site envisages the following land uses:

- **Community facilities:** A new community facility precinct is proposed to be located within the Chapel Precinct. The existing Chapel and the identified heritage curtilage will be retained in its current location, and adaptively reused for community purposes. A strategy is to be developed for the communities facility's long-term use with the potential development of a new community centre.
- **Tourism and accommodation:** Peat Island will be transformed into a tourism and accommodation precinct, with supporting cafes, restaurants and the like to be accommodated in retained historic buildings and the addition of new purpose built buildings sympathetic to the unique history and character of the island.
- **Residential:** A mix of dwellings including detached, attached housing and low rise residential flat buildings. In total approximately 267 new dwellings are proposed with 51 low density dwellings, 54

townhouses and 162 apartments. The medium density residential development will range in height from between 1-3 storeys.

- **Emergency services facilities:** Indicative locations for a Marine Rescue NSW Facility and NSW Rural Fire Service (RFS) are shown on the Concept Plan, which are subject to further stakeholder consultation and a separate planning approval process. These facilities will provide emergency support for existing and future population of the site and the wider Gosford area.
- **Transport and access:** New vehicle and pedestrian access routes will be provided across the site, including an improved foreshore walk and improved pedestrian connections between the east and west precincts and to Peat Island. New public and private car parking will also be provided across the site.
- **Public open space, conservation area and waterfront accessibility:** Landscaping and public open space will be integrated as a defining element of the visual character of the development. This includes new public open space areas across the site and the proposed extension of the Popran National Park. The key features of the conservation and open space strategy include:
 - Creation of a large public park along the Mooney Mooney foreshore for informal recreation purposes.
 - Creation of more than 2.468km of publicly accessible foreshore access around Peat Island.
 - Creation of 10.5ha of environmental conversation area, including the extension of Popran National Park and Tank Hill.

It should be noted that Lot 9 DP 863305 is excluded from the Planning Proposal, given it is under the care, control and management of Central Coast Council and will be retained as RE1 Public Recreation Zone. The location for the RFS facilities is indicative and does not form part of the Planning Proposal. The RFS facility is subject to further stakeholder consultation and a separate proposal.

A land-based marina is shown on the Indicative Concept Plan located on the foreshore of the Hawkesbury River adjacent to Peat Island. It does not form part of the planning proposal or the LEP amendments and would be subject to a separate future planning proposal if it is to proceed. This would include a detailed environmental assessment of the impacts. This part of the site is currently zoned partly RE1 Public Recreation and partly SP2 Infrastructure (for the purpose of hospital) under GLEP 2014, and is proposed to be rezoned to RE2 Private Recreational Zone. A car park on a portion of the site is proposed to be included as part of the Planning Proposal and as an Additional Permitted Use under Schedule 1 of GLEP 2014.

PLANNING CONTEXT

Statutory Context

The local planning controls that currently apply to the site are contained within the *Gosford Local Environmental Plan 2014 (GLEP 2014)*.

Under GLEP 2014, the majority of the site is currently zoned SP2 Infrastructure and is identified on the zoning map as 'Hospital' (the entire Peat Island and majority of the main land is zoned for hospital use), 'Road', 'Public Utility', 'Water Supply System' and 'Educational Establishment' (for the former School) under GLEP 2014. It also includes areas zoned for RE1 Public Recreation. However, it is important to note the only areas of land zoned RE1 Public Recreation that are currently accessible to the public is Mooney Mooney Point Reserve and Deerubbin Reserve. Due to the steepness of the topography, the ability to use the remaining RE1 zoned areas for either active or passive recreational purposes is limited. The waterway surrounding Peat Island is zoned W2 Recreational Waterways.

The only uses permitted with development consent on the part of the site zoned SP2 Infrastructure are those uses identified on the Land Zoning Map (i.e. 'Road', 'Public Utility', 'Water Supply System' and 'Educational Establishment') including any development that is ordinarily incidental or ancillary to development for that purpose. All other uses are prohibited. The only uses permitted with development consent on the part of the site zoned RE1 Public Recreation are:

Camping grounds; Car parks; Caravan parks; Child care centres; Community facilities; Kiosks; Recreation areas; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Respite day care centres; Restaurants or cafes; Roads; Water recreation structures.”

There is no maximum height or minimum lot size applying to any part of the site under GLEP 2014.

Proposed Planning Control Amendments

The revised Planning Proposal is seeking to amend the following provisions of the GLEP 2014:

- Amend Clause 2.1 Land Use Zones of the GLEP 2014 to include SP3 Tourist zone listed under Special Purpose Zones. The proposed SP3 Tourist Zone objectives and proposed permissible uses are consistent with the draft SP3 Tourist zone within the draft *Consolidated Central Coast Consolidated Local Environmental Plan (CCLEP)*. Therefore, this Planning Proposal will be consistent with draft CCLEP, subject to gazettal.
- Amend the GLEP 2014 Land Zoning Map applicable to the site, and rezone SP2 Infrastructure and RE1 Public Recreation zones to E2 Environmental Conservation, R1 General Residential, R2 Low Density Residential, RE1 Public Recreation, RE2 Private Recreation, and SP3 Tourist zones.
- Amend the GLEP 2014 Height of Buildings Map to reflect the maximum height of the buildings proposed (8.5m, 12m and 15m) across selected areas of the site as indicated on the proposed Height of Buildings Map.
- Amend the GLEP 2014 Lot Size Map to allow minimum lots size of 150sqm, 220sqm, 300sqm and 450sqm across selected areas of the site as indicated on the proposed Minimum Lot Size Map.
- Amend the GLEP 2014 Additional Permitted Uses Map and amend the GLEP 2014 Schedule 1 Additional permitted uses to include the use of certain land at Mooney Mooney, including:
 - RE2 Private Recreation zoned land, being portion of Lot 11, DP 1157280 and Lot 12, DP 1158746 as identified on the Additional Permitted Uses Map.
 - To include ‘car parks’ as additional permitted use on this part of the site.
 - R1 General Residential zoned land, being the southern portion of Lot 14, DP1158746 as identified on the Additional Permitted Uses Map.
 - Development for the purposes of emergency services facility (for the purpose of a Rural Fire Service facility) is permitted with development consent. The proposed emergency services facility is permissible with consent within the proposed R1 General Residential zone under the draft CCLEP. Therefore, this Planning Proposal will be consistent with draft CCLEP, subject to gazettal).
 - RE1 Public Recreational zoned land, being lot 4 DP239249 as identified on the Additional Permitted Uses Map.
 - Development for the purposes of emergency services facility (for the purpose of Marine Rescue Facility) is permitted with development consent. The proposed emergency services facility is permissible with consent within the proposed RE1 zone under the draft CCLEP. Therefore, this Planning Proposal will be consistent with draft CCLEP, subject to gazettal.
 - R1 General Residential zoned land, as identified on the Additional Permitted Uses Map, being the south eastern portion of lot 12, DP1158746 located along Peats Ferry Road, lot 12, DP863305 and the southernmost portion of lot 14 DP1158746 located to the east of M1 Pacific Motorway:
 - Development for the purpose of ‘food and drink premises’ and ‘shops’ are permitted with development consent.
 - The indicative Concept Plan comprises local shops/restaurants and cafes in the form of shop top housing within the Southern Foreshore precinct and the Chapel precinct, which each has an area of approximately 200sqm. The proposed shops and food and drinks

premises are of a scale that is better suited for this local area. Shops, restaurants and cafes are prohibited under the R1 zone of the Gosford LEP and the draft CCLEP. It is proposed to include food and drink premises and local shops as an additional permitted use on the site to provide sufficient and much needed convenience retail services for existing and incoming residents.

- RE1 Public Recreation zoned land, being Lot 11 DP863305 as identified on the Additional Permitted Uses Map.
 - Development for the purpose of electricity generating works is permitted with development consent.

This Planning Proposal includes the proposed LEP amendment to include Peat Island as an Item of Environmental Heritage (Item - General) under Part 1 - Heritage Items, Schedule 5 of the Gosford LEP.

The curtilage for the heritage listing includes the entirety of the Peat Island landform and the causeway to the mainland, but not include any of the foreshore areas along Mooney Mooney. This is to ensure the implementation of statutory obligations and to provide future guidance for change to individual elements, and repair.

A separate nomination process for listing the place on the NSW State Heritage Register can be undertaken with the Heritage Council of NSW and Heritage NSW of the NSW Department of Premier and Cabinet (as delegate).

Strategic Context

The Planning Proposal has been prepared in consideration of the planning objectives, priorities and actions in relevant strategic planning policies including:

- Section 9.1 Ministerial Direction Assessment
- Central Coast Regional Plan (2036)
- Central Coast Local Strategic Planning Statement 2020 (**CCLSPS**)

The Planning Proposal demonstrates strategic merit through its consistency with the objectives and actions of the central Coast Regional plans and CCLSPS as summarised below:

- The Planning Proposal and the Concept Plan comprise a range of land uses, which will contribute to the growth in leisure business investment and employment opportunities in the Central Coast LGA.
- Consistent with the direction, the Planning Proposal will create employment in a location with great highway exposure and convenient regional connection.
- The Planning Proposal will capitalise on the site's location and its biodiversity richness and provide a destination resort to attract visitors.
- The proposal provides a mix of short-term tourist accommodation and a mix of housing types that are in demand in the Central Coast Region.
- The Planning Proposal recognises the biodiversity values of the site and the importance of natural areas, by retaining and protecting flora and fauna and sensitively manages the natural landscape of the site.
- The Planning Proposal recognises the heritage value of the site by preserving heritage buildings and sensitively adaptive and reuse buildings for public purposes.
- The Planning Proposal creates recreational areas and community facilities to encourage social cohesion.

COMMUNITY AND STAKEHOLDER CONSULTATION

Consultation with the local residents of Mooney Mooney commenced in 2009 prior to the closure of the Peat Island hospital facility. To date, Property & Development NSW has engaged and actively sought community and agency feedback prior to the lodgement of this revised Planning Proposal.

In addition consultation with the community, DPIE and Central Coast Council, the list of engaged agencies is provided below:

- Transport for NSW (TfNSW)
- State Emergency Service
- Fire & Rescue NSW
- NSW Police
- Ausgrid
- Hornsby Shire Council
- Heritage NSW
- Local Aboriginal Land Council
- Office of Sport
- NSW Environment, Energy and Science (including National Parks and Wildlife Service)
- Central Coast Local Health District
- Department of Primary Industry (Fisheries)
- Department of Primary Industries (Water)
- TAFE
- Department of Premier and Cabinet
- Crown Lands
- Department of Education
- NSW Ambulance
- NSW Rural Fire Services
- Marine Rescue NSW

Ongoing consultation with community and stakeholders will continue as the project progresses.

KEY ECONOMIC AND COMMUNITY BENEFITS

The revised Planning Proposal will continue to contribute to a range of key economic and community benefits for the local community and wider Central Coast LGA, including:

- Injection of capital investment into the economy from expenditure on housing, infrastructure services both internal and external to the site including road, energy services, water, sewer and communication works.
- Provision of publicly accessible foreshore access around Peat Island and along the river foreshore.
- Provision of up to 267 new dwellings to help meet regional housing needs.

- Preservation of the historical significance of Peat Island through the implementation of a Conservation Management Plan and the retention of 9 non-listed historical buildings on Peat Island and 4 non-listed historical buildings on the mainland for adaptive re-use.
- The retention of the Chapel as a community facility to serve the local community in consultation with Council and any Non-Government Organisations.
- Protection of sensitive mangroves area, thus protecting natural attributes of the site and the visual aesthetics of the site.
- 10.5ha of heavily vegetated land zoned as Environmental Conservation areas to conserve significant bushland in perpetuity.

Following detailed analysis of the site and its surrounding context, and the applicable State, regional and local planning policies, we are firmly of the view that there is clear planning merit to the revised Planning Proposal and the revised Planning Proposal has appropriately addressed agencies concerns and the Gateway Determination conditions. It is therefore recommended that this Planning Proposal be favourably considered by Council and resolved to forward to DPIE prior to public exhibition commencing.