



Purpose: To request that the Independent Planning Commission review the Gateway determination, considering the information provided by the proponent, and provide advice regarding the merit of the review request.

Dept. ref. no	PP_2018_MCOAS_004_00	
LGA	MidCoast	
LEP to be amended	Great Lakes Local Environmental Plan 2014	
Address	9844 Pacific Highway, Bulahdelah	
Proposal	The planning proposal seeks to facilitate a highway service centre at 9844 Pacific Highway, Bulahdelah (Part Lot 100 DP 1139447). The proposal seeks to allow a highway service centre through an additional permitted use mapped on a portion of the lot and ensure that a future highway service centre can be subdivided from the remainder of the lot.	
Review request made by	<input type="checkbox"/> The council	
	<input checked="" type="checkbox"/> A proponent	
Reason for review	<input checked="" type="checkbox"/>	A determination has been made that the planning proposal should not proceed.
	<input type="checkbox"/>	A determination has been made that the planning proposal should be resubmitted to the Gateway.
	<input type="checkbox"/>	A determination has been made that has imposed requirements (other than consultation requirements) or makes variations to the proposal that the proponent or council thinks should be reconsidered.

Background information

Details of the planning proposal

The planning proposal (**Attachment F**) seeks to allow for the development of a portion of the site for a highway service centre and subdivision (Figure 1, below).

The proposal seeks to deliver the highway service centre through an amendment to Schedule 1 Additional permitted uses of the Great Lakes LEP 2014 to allow the proposed use on a portion of the site. The planning proposal also seeks to ensure that on redevelopment, the site can be subdivided to excise the lot containing the highway service centre, despite the existing minimum lot size of 40ha.

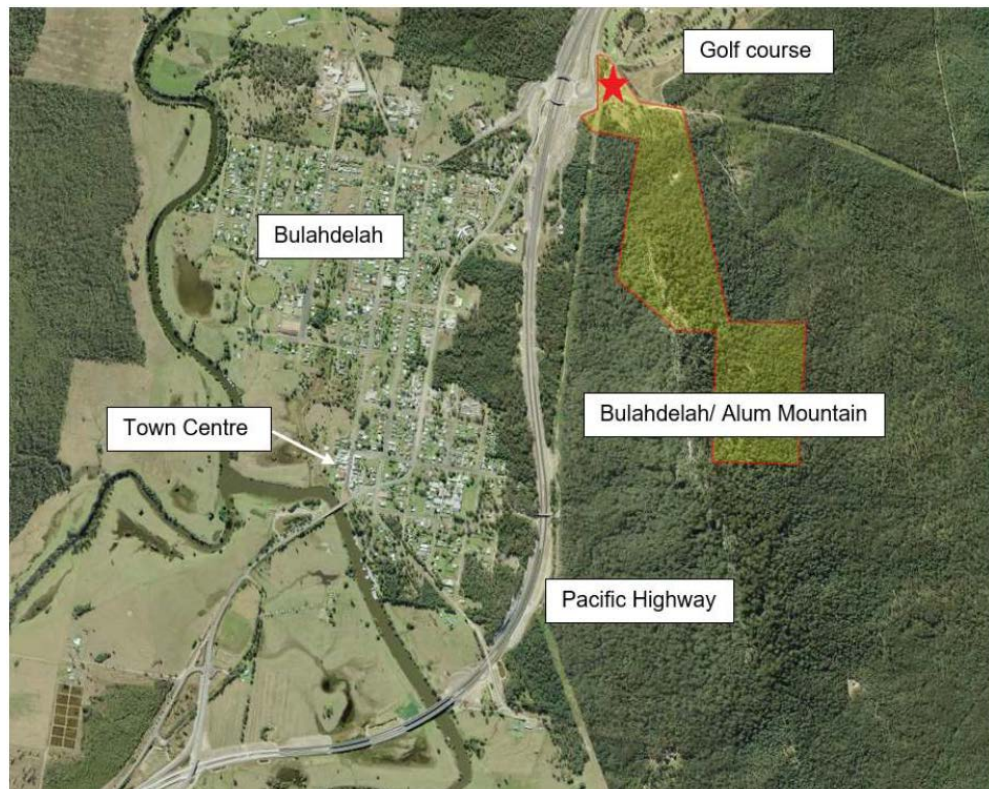


Figure 1: Site map with approximate location of proposed highway service centre marked by a red star.

Background

The site is a 2.6ha portion of a 59.7ha lot adjacent to the Bulahdelah northern interchange of the Pacific Highway, north-east of the Bulahdelah town centre. The site is accessed from Recovery Road, which connects to the interchange.

The site is mostly cleared and adjoins a dwelling and rural infrastructure from a previous hobby farm. It is situated in the north-east corner of the larger lot, with its location denoted with a red star in Figure 1 and further detailed in Figure 2 (next page).

The area of the planning proposal has a medium slope of 5-10 degrees towards the golf course to the north. The southern portion of the site increases in slope towards Bulahdelah/Alum Mountain to the south, a significant local feature and a local heritage-listed item.

The planning proposal notes an approved development application on part of the lot for a tourist facility, including serviced apartments, which the proposal states has commenced. An approval for residential subdivision on part of the lot is also noted.



Figure 2: Detailed aerial photo of proposed highway service centre location.

The site is primarily zoned RU2 Rural Landscape, with a small portion of R2 Low Density Residential land also affected (Figure 3, below).

The entire site has a maximum height limit of 8.5m. A maximum floor space ratio (FSR) of 0.4:1 applies to the site, while a maximum FSR of 0.5:1 applies to the small portion of the site zoned R2 Low Density Residential.

A minimum lot size of 40ha applies to most of the site, with a minimum of 700m² applying to the area zoned R2.

The site is part of the Bulahdelah Mountain Heritage Conservation Area (local significance).

The site is mapped as bushfire-prone land, with the northern part of the site being primarily Vegetation Category 2 or buffer.

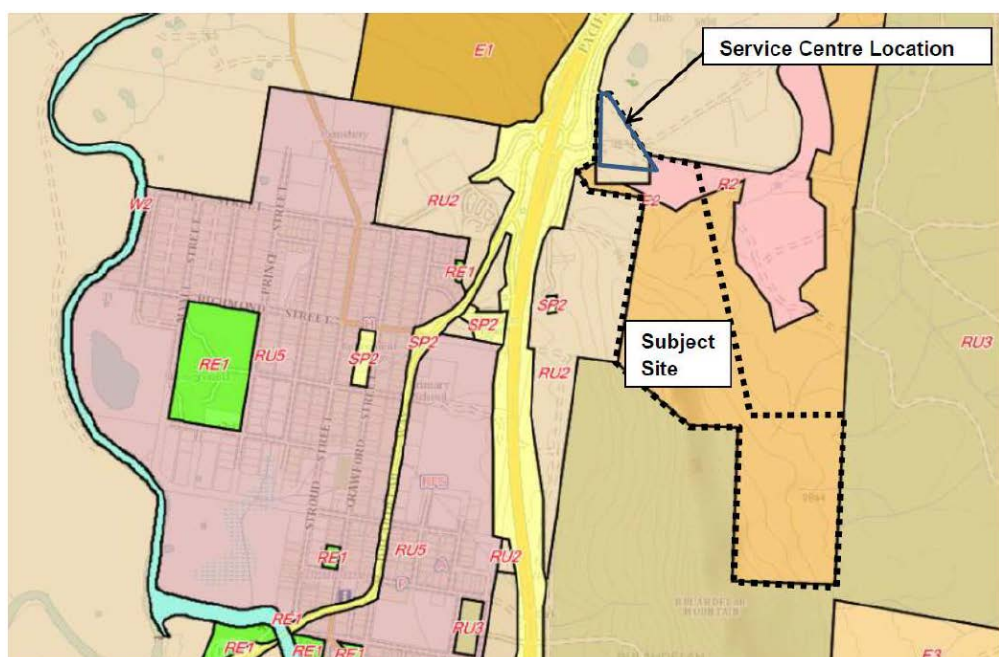


Figure 3: Current zoning.

	<p>The table below provides the history of the planning proposal:</p> <table border="1"> <tr> <td data-bbox="405 188 671 853">11 April 2018</td> <td data-bbox="671 188 1414 853"> <p>Roads and Maritime Services (RMS) provided advice to MidCoast Council that did not support the planning proposal:</p> <p>“The highway service centre sites identified under Table 1 of the 9.1 Direction are generally in the vicinity of bypassed towns so the economic benefits can remain with those centres (e.g. job creation). Some bypassed towns have been intentionally excluded from the list in order to encourage travellers to stop within the town centre to protect the commercial viability of local business. This includes Bulahdelah, which is identified as a highway service town within the <i>Great Lakes Highway Service Centre Strategy</i>. RMS note that Great Lakes Council supported the revised 9.1 Direction 5.4 at its Strategic Committee meeting on 10 June 2014 following consideration of the 2014 Policy Review. Council’s letter highlights that support is granted to the review as it reinforces Bulahdelah as a highway service town.”</p> </td> </tr> <tr> <td data-bbox="405 853 671 972">31 October 2018</td> <td data-bbox="671 853 1414 972"> <p>Council resolved at its Ordinary Meeting to support the planning proposal for a highway service centre at Bulahdelah.</p> </td> </tr> <tr> <td data-bbox="405 972 671 1294">23 June 2019</td> <td data-bbox="671 972 1414 1294"> <p>RMS requested to provide advice to DPIE stating that: “It is considered that the appropriate way forward would be for MidCoast Council to review and update their Highway Service Centre Strategy, taking into account the edge effects (i.e. the nearest service centres in each direction, both north and south of the Council jurisdiction). This should be undertaken in accordance with RMS and other stakeholders. RMS advice dated 11 April 2018 remains current.”</p> </td> </tr> <tr> <td data-bbox="405 1294 671 1384">11 July 2019</td> <td data-bbox="671 1294 1414 1384"> <p>DPIE determined that the planning proposal should not proceed.</p> </td> </tr> </table>	11 April 2018	<p>Roads and Maritime Services (RMS) provided advice to MidCoast Council that did not support the planning proposal:</p> <p>“The highway service centre sites identified under Table 1 of the 9.1 Direction are generally in the vicinity of bypassed towns so the economic benefits can remain with those centres (e.g. job creation). Some bypassed towns have been intentionally excluded from the list in order to encourage travellers to stop within the town centre to protect the commercial viability of local business. This includes Bulahdelah, which is identified as a highway service town within the <i>Great Lakes Highway Service Centre Strategy</i>. RMS note that Great Lakes Council supported the revised 9.1 Direction 5.4 at its Strategic Committee meeting on 10 June 2014 following consideration of the 2014 Policy Review. Council’s letter highlights that support is granted to the review as it reinforces Bulahdelah as a highway service town.”</p>	31 October 2018	<p>Council resolved at its Ordinary Meeting to support the planning proposal for a highway service centre at Bulahdelah.</p>	23 June 2019	<p>RMS requested to provide advice to DPIE stating that: “It is considered that the appropriate way forward would be for MidCoast Council to review and update their Highway Service Centre Strategy, taking into account the edge effects (i.e. the nearest service centres in each direction, both north and south of the Council jurisdiction). This should be undertaken in accordance with RMS and other stakeholders. RMS advice dated 11 April 2018 remains current.”</p>	11 July 2019	<p>DPIE determined that the planning proposal should not proceed.</p>
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<p>Reason for Gateway determination</p>	<p>A Gateway determination (Attachment B) to not proceed was issued for the following reasons:</p> <ul style="list-style-type: none"> • the planning proposal is inconsistent with Roads and Maritime Services’ Pacific Highway Service Centre Policy and MidCoast Council’s Great Lakes Highway Service Centre Strategy; • the planning proposal is inconsistent with the Hunter Regional Plan 2036, specifically Direction 4 – Enhance inter-regional linkages to support economic growth and Direction 20 – Revitalise existing communities; and • the planning proposal is inconsistent with section 9.1 Direction 5.4 Commercial and Retail Development along the Pacific Highway, North Coast and Direction 5.10 Implementation of Regional Plans, and the inconsistency is not justified. 								

Council's views

Date Council advised of request	<p>Council was advised of the proponent's request to review the Gateway determination on 18 September 2019.</p>
Date of Council response	<p>Council provided a response on 14 October 2019 (Attachment D).</p>
Council response	<p>Council has resolved to support the planning proposal and would like the Department to reconsider its position and support the requested review so the Gateway determination can be issued, as originally sought by Council.</p> <p>Council staff prepared a report for Council, which considered it at its Ordinary Meeting on 25 September 2019, prior to the Department's request for comment, where the following was resolved:</p> <ol style="list-style-type: none"> 1. <i>That the proponent be advised that Council strongly supports their application to the NSW Department of Planning, Industry and Environment for a Gateway Determination Review for the Bulahdelah Highway Service Centre Planning Proposal.</i> 2. <i>That the NSW Department of Planning, Industry and Environment be advised that Council strongly supports the proponent's application for a Gateway Determination review for the Bulahdelah Highway Service Centre Planning Proposal.</i> 3. <i>That Council requests the NSW Department of Planning, Industry and Environment for a positive review to permit the Planning Proposal to proceed.</i> <p>In regard to items 2 and 3, it is Council's position that this planning proposal is consistent with the intent of all relevant state, regional and local plans and policies.</p> <p>Council believes the reasons for refusal listed in the Gateway determination are inaccurate and represent a different interpretation of these plans and policies. It provided further explanation below:</p> <ul style="list-style-type: none"> • <i>The planning proposal is inconsistent with the RMS Pacific Highway Service Centre Policy and Council's Great Lakes Highway Service Centre Strategy.</i> <p>The intent of these documents in regard to Bulahdelah was to encourage highway traffic to enter the town to access fuel and fast-food outlets. This has not occurred in Bulahdelah (two service stations have closed, and no traditional fast-food outlets have opened). Instead, the town has reorientated itself to cater for 'grey nomads' and the travelling public who want a longer break and are willing to spend time at the pub and cafes.</p> <p>A highway service centre on the outskirts of Bulahdelah would therefore not directly compete with the target market of the Bulahdelah township, but would instead provide much-needed employment opportunities for its local population. This will provide an economic advantage to the township of Bulahdelah.</p> <ul style="list-style-type: none"> • <i>The planning proposal is inconsistent with the Hunter Regional Plan 2036, specifically Direction 4 – Enhance inter-regional linkages to support economic growth and Direction 20 – Revitalise existing communities.</i> <p>The planning proposal clearly meets Direction 4 of the Hunter Regional Plan 2036 as it provides a service function to the travelling public and supports economic development on the edge of the Bulahdelah township.</p> <p>As mentioned above, a highway service centre in this location will provide significant additional employment opportunities to the local population and as such meets Direction 20.</p>

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Ministerial Direction 5.4 provides criteria for the establishment of a highway service centre if its location is not specified. The planning proposal clearly demonstrates how it meets these criteria. Additionally, as specified above, the planning proposal is in alignment with the Hunter Regional Plan 2036 and is consistent with Ministerial Direction 5.10.

Proponent's justification

Details of justification

The proponent requested a review of the Gateway determination on 20 August 2019 (**Attachment Request**).

The proponent asserts that the proposal has overwhelming community support and will assist in revitalising Bulahdelah, and that the reasons for refusal are contrary to the desire of the Bulahdelah community.

In their request, the proponent provided justification for the terms of refusal outlined in the Gateway determination report. These are summarised below.

- *The planning proposal is inconsistent with the RMS Pacific Highway Service Centre Policy and Council's Great Lakes Highway Service Centre Strategy.*

The issue of highway servicing at Bulahdelah arose during the government's project to construct the Bulahdelah bypass, which was completed in 2013.

In 2004, Great Lakes Council prepared a Highway Service Centre Strategy with support from the then Roads and Traffic Authority. The strategy sought to support Bulahdelah's role as a highway service town and prevent out-of-town highway service centres in the hope highway traffic would continue to use the facilities in Bulahdelah.

Following the opening of the Bulahdelah bypass in 2013, there has been a drastic reduction in traffic flow into Bulahdelah, and highway service-related businesses are gradually closing. The proposed development seeks to recapture the passing trade that no longer stops at Bulahdelah and serves a different trade to that stopping in the town.

DPIE comment

The proponent has provided additional comment through their request for a Gateway determination review. These comments still highlight the inconsistencies with the RMS policy and Council's strategy.

The RMS policy mentions that Bulahdelah has long been recognised by RMS and Council as providing a high level of services to passing traffic. The close interchanges north and south of the town make it accessible for light and recreational vehicles, and visitors do not need to backtrack to return to the highway. Directional and service signposting is also provided, and research has found that the travelling public appreciates towns that can cater for their needs.

Allowing a highway service centre in this location undermines the strategic intent of this policy. Given this policy was recently reviewed, it is considered that no compelling new evidence has been provided to support a deviation from the policy and the precedent the proposal would create.

- *The planning proposal is inconsistent with the Hunter Regional Plan 2036, specifically Direction 4 – Enhance inter-regional linkages to support economic growth and Direction 20 – Revitalise existing communities.*

The proposal will enhance facilities to service light and heavy vehicles along the Pacific Highway. The proposal uses an interchange with a large capacity on the highway and does not impact on the safety or efficiency of the highway.

The proposal will assist in restoring the township and will return jobs and economic activity to the community that were lost when the bypass opened, helping revitalise the town in economic terms.

DPIE comment

Direction 4 of the regional plan highlights the importance of inter-regional linkages in supporting the economic growth of the region. The management of land uses adjoining key transport corridors must be considered to protect the efficiencies of freight movement. The Pacific Highway is an important transport corridor for freight, tourism and inter-regional connections.

The strategic location of highway service centres, as nominated by RMS, provides a solution to balance development, safety and travellers' rest needs. Allowing highway service centres outside the supported locations undermines the RMS policy and may erode the efficiency of highway movement with the proliferation of signage, highway openings and slowing traffic.

Direction 20 seeks to revitalise communities by concentrating development in urban areas. The proposal seeks to provide economic benefit by increasing employment in Bulahdelah. However, it may reduce the economic viability of existing operators in the town. The proposal's assertion that the site is in the town due to the adjoining undeveloped residential-zoned land is not supported.

Mitigation measures could meet the objectives of this Direction with the proposed revitalisation of the main street of Bulahdelah and the provision of additional amenities. However, no evidence is provided to quantify benefits, suggest that the measures would be effective, or form part of a broader strategy to guide the town's economic growth.

- *The planning proposal is inconsistent with Section 9.1 Direction 5.4 Commercial and Retail Development along the Pacific Highway, North Coast and Direction 5.10 Implementation of Regional Plans, and the consistency is not justified.*

The highway service centre will provide areas for servicing of highway traffic, including heavy vehicles, and will support and enhance the function of the highway as the North Coast's primary regional road traffic route.

The site of the proposed highway service centre does not have frontage to the highway and is accessed from the existing interchange and service roads in the northern parts of the Bulahdelah township. The proposal will not impact on the function or use of the Pacific Highway and will protect public infrastructure invested along the highway.

The highway service centre would be in a key location for drivers to stop and revive, improving highway safety and efficiency.

The proposal will provide a location for food, vehicle servicing and rest at a key location along the highway.

The highway service centre's primary purpose is to capture passing trade on the highway that may otherwise bypass the town. There is some potential for the highway service centre to capture trade that would otherwise use in-town services for fuel and food. The economic impact assessment (**Attachment G**) identifies that the impacts on Bulahdelah's main street would be low.

	<p>DPIE comment</p> <p>The need for the proposal has not been adequately justified and so it is not supported. The proposal has not demonstrated that it would reinforce the Bulahdelah town centre are required by section 9.1 Direction 5.4, which implements RMS's Pacific Highway Service Centre Policy. If the proposal was supported it would undermine the intent of the policy and Direction, which aim to have strategic and considered locations for highway service centres on this nationally significant transport corridor.</p>
<p>Material provided in support of application/proposal</p>	<p>The proponent has provided the following documents:</p> <ul style="list-style-type: none"> • Attachment B – Gateway determination • Attachment C – Gateway determination report • Attachment D – Letter and submission from Council • Attachment E – Gateway determination review application form • Attachment F – Planning proposal • Attachment G – Economic impact assessment (HillPDA) • Attachment H – Bulahdelah Highway Service Centre Survey Report (KJA Engaging Solutions)

Department's assessment

<p>Assessment summary</p>	<p>The Department's position remains unchanged and it is recommended that the planning proposal not proceed.</p> <p>The planning proposal is not supported because it does not have strategic merit. It is inconsistent with RMS' Pacific Highway Service Centre Policy, which does not identify Bulahdelah as a location for future highway service centre development. The proposal is inconsistent with section 9.1 Direction 5.4 Commercial and Retail Development along the Pacific Highway, North Coast, which implements the policy. The proposal undermines the intent of the policy and Direction, which aims to have strategic and considered locations for highway service centres on this nationally significant transport corridor.</p> <p>While supporting studies such as an economic impact assessment and community survey have been undertaken, both indicate the potential for negative impacts on the town centre. Council proposes to offset these impacts on the town centre with initiatives such as town centre improvements like landscaping. However, the ability for the proposed mitigation measures to offset impacts (and reinforce the town centre as required by section 9.1 Direction 5.4) has not been demonstrated.</p> <p>The supporting studies do not adequately justify the proposal's inconsistency with: section 9.1 Direction 5.4 Commercial and Retail Development along the Pacific Highway, North Coast; RMS' Pacific Highway Service Centre Policy; or Council's Great Lakes Highway Service Centre Strategy (2004). These policies seek to ensure that new commercial development is considered strategically and that highway service centres balance the rest and service needs of highway users with safe and efficient traffic movement on the highway.</p> <p>The supporting studies do not justify the proposal's inconsistency with the Hunter Regional Plan 2036, which seeks to enhance inter-regional linkages to support economic growth and revitalise communities.</p> <p>The MidCoast local government area contains several centres that provide varying levels of services to highway users (highway service centres, towns, villages). It is recommended that Council commence its service centre strategy review in consultation with RMS and the community. A new proposal could then be submitted for a Gateway determination if it is supported by this strategic work and RMS.</p>
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COMMISSION'S RECOMMENDATION

Reason for review: A determination has been made that the planning proposal should not proceed.

<p>Recommendation</p>	<input type="checkbox"/>	<p>The planning proposal should not proceed past Gateway.</p> <ul style="list-style-type: none"> <input type="checkbox"/> no amendments are suggested to original determination. <input type="checkbox"/> amendments are suggested to the original determination.
	<input type="checkbox"/>	<p>The planning proposal should proceed past Gateway in accordance with the original Determination.</p>

Any additional comments: