

# December 2014

# **Table of Contents**

Part 1 li	ntroduction	3
1.1	Objectives of this Strategy	3
1.2	Background Report Summary	
	1.2.1 Investigation Areas	4
	1.2.2 Key Findings	6
1.3	Components of this Strategy	
Part 2 C	Current Rural Residential Land Supply	
2.1	Rural Residential Land Capacity Report	
2.2	Analysis	10
2.3	Discussion on Recent Population Forecasts from Planning and Environment	11
Part 3 R	Rural Residential Land Capability	12
3.1	Background	12
3.2	Land Capability Assessment	12
3.3	Investigation Area Capability Assessment	13
Part 4 L	and Supply	23
4.1	Theoretical Maximum Rural Residential Land Supply	23
4.2	Estimating the Yield of Potential Rural Residential Land	24
4.3	Re-evaluation of Land Supply	24
4.4	Koala Habitat	24
4.5	Re-evaluation of Rural Residential Land Capability	25
	4.5.1 Collombatti	25
	4.5.2 Frederickton	25
	4.5.3 Yarravel	25
	4.5.4 Euroka	25
	4.5.5 Dondingalong	25
	4.5.6 Verges Creek	26
	4.5.7 South Kempsey	26
	4.5.8 Crescent Head	26
	4.5.9 Kundabung	26
	4.5.10 Yarrahapinni	27
4.6	Revised Lot Yield	27
Part 5 S	staging and Monitoring	28
5.1	Settlement Guideline Requirements for Rural Residential Development	28
5.2	Land for 25 Years Growth	28
	5.2.1 Land Release Staging Maps	28
Rural Resid	dential Land Release Strategy	Page 1

5.3	Land Monitoring Program	51
Part 6	Implementation Program	51
Part 7	Variations to this Strategy	52
7.1	Variations to Land Release Staging	52

# **Tables**

Table 1.1: Summary of ESD Evaluation Criteria	6
Table 1.2: ESD Rankings of Areas Evaluated	7
Table 1.3: ESD Ranking Descriptions	7
Table 2.1: Rural Residential Land Supply in 2011	10
Table 3.1: Land Capability Assessment & Staging Criteria	12
Table 3.2: Land Capability Assessment Table	14
Table 4.1: Rural Residential Land Capability: Potential Yield	23
Table 4.2: Rural Residential Land Capability Revised Yield	27
Table 5:1 Kempsey Shire 25 Year Land Release & Staging Forecast	299

# Maps

Map 1: Rural Residential Investigation Areas5
Map 2: Existing Rural Residential Areas
Map 3: Frederickton & Collombatti First Capability Assessment
Map 4: Yarravel, Euroka & Dondingalong First Capability Assessment17
Map 5: Verges Creek & South Kempsey First Capability Assessment
Map 6: Crescent Head First Capability Assessment 19
Map 7: Kundabung First Capability Assessment 20
Map 8: Stuarts Point & Yarrahapinni First Capability Assessment
Map 9: Barraganyatti First Capability Assessment
Map 10: Collombatti Land Release Staging
Map 11: Frederickton Land Release Staging 32
Map 12: Yarravel Land Release Staging
Map 13: Euroka Land Release Staging
Map 14: Dondingalong Land Release Staging
Map 15: Verges Creek Land Release Staging 40
Map 16: South Kempsey A Land Release Staging 42
Map 17: South Kempsey B Land Release Staging 44
Map 18: Crescent Head Land Release Staging 46
Map 19: Kundabung Land Release Staging 48
Map 20: Yarrahapinni Land Release Staging 50

# Part 1 Introduction

This strategy is the result of a review of Council's *Rural Residential Land Development Strategy 1990* and forms part of Council's *Local Growth Management Strategy*. The analysis that informs the strategy is contained in the *Shire of Kempsey Background Report for Rural Residential Development* (Background Report) that is available on Council's website.

The strategy is intended to meet Council's obligations to manage population and housing growth, consistent with relevant regional policies, including the *Mid-North Coast Regional Strategy* and *Settlement Planning Guidelines for the North Coast Region*, published by NSW Planning and Environment.

### 1.1 Objectives of this Strategy

The objectives of this strategy are:

- 1. To review Council's *Rural Residential Land Development Strategy 1990* to meet the requirements of the *Mid-North Coast Regional Strategy* and *Settlement Planning Guidelines for the North Coast Region.*
- 2. To provide for locality-specific demand for rural residential development through the staged release of suitable land over the short, medium and longer term.
- 3. To ensure that rural residential development is undertaken in an ecologically sustainable manner to increase investment and economic activity within the Shire without diminishing the important physical and environmental attributes upon which the community relies.
- 4. To avoid unsustainable rural residential development that is likely to result in costs being borne by the community associated with provision of infrastructure or in response to bushfire or flooding.
- 5. To rationalise the minimum lot size within the *RU4 Rural Primary Production Small Lots* (Formerly 1(g)) zone, commensurate with the social, economic, environmental and governance constraints applying to the relevant locality.

# 1.2 Background Report Summary

The strategy was developed following the preparation of a *Background Report*, which involved extensive public consultation and analysis of available information that:

- 1. Identified and described existing rural residential areas
- 2. Examined the current strategic policy and planning context for rural residential development
- 3. Researched and summarised key demographic and housing market trends that affect the Shire
- 4. Identified areas suitable for investigation, to determine their potential to satisfy demand for rural residential development
- 5. Identified strong demand for this type of land and housing in the short to longer term

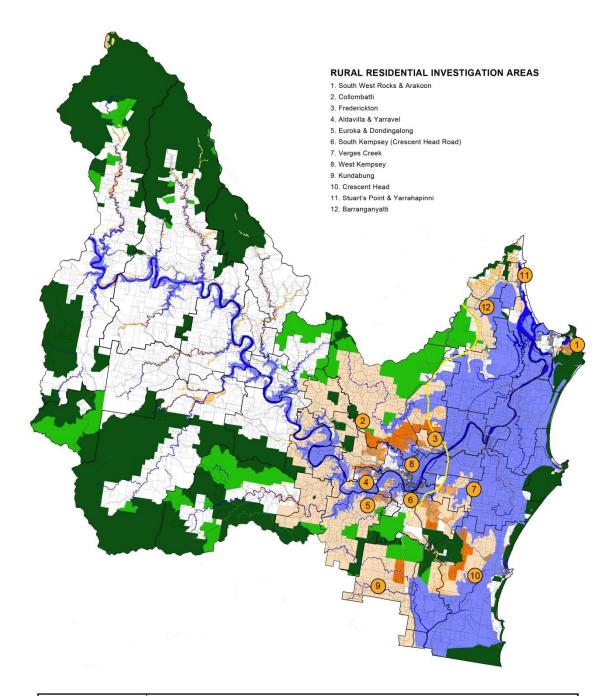
- 6. Examined all rural land in the Shire and excluded some areas from further consideration due to:
  - a) The land being in public ownership reserved for other purposes
  - b) The land having high conservation values as habitat for rare or threatened species or endangered ecological communities
  - c) The land being remote (generally more than a 30 minute drive) from urban services provided by the larger towns of Kempsey, South West Rocks, Port Macquarie and Macksville
  - d) The land being flood prone with a high probability of the presence of acid sulphate soils
  - e) The land being highly productive farmland identified as a regionally significant resource
- 7. Identified 12 areas within the Shire for more detailed investigation and considered additional factors in deciding whether these areas are suitable for expanding or intensifying the existing land supply for rural residential land and housing. These factors include:
  - a) Flora and fauna habitat (more specifically Class A and B Koala habitat and Potential Endangered Ecological Communities)
  - b) Risks associated with acid sulphate soils
  - c) Bushfire hazard
  - d) Capacity of the land to safely dispose of treated waste water
  - e) Capacity to provide access and essential services to new (or intensified existing) rural residential areas

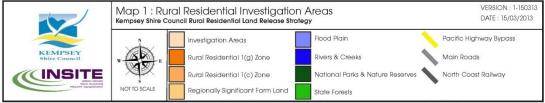
#### **1.2.1 Investigation Areas**

Initial investigation areas included:

- 1. South West Rocks & Arakoon
- 2. Collombatti
- 3. Aldavilla & Yarravel
- 4. Frederickton
- 5. West Kempsey
- 6. Euroka & Dondingalong
- 7. Verges Creek
- 8. South Kempsey
- 9. Crescent Head
- 10. Kundabung
- 11. Stuarts Point & Yarrahapinni
- 12. Barraganyatti

These areas are shown on Map 1.





There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council or Insite Planning Services shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existence of errors. No guarantee as to the accuracy of the data is given.
Copyright Kempsey Shire Council 2013
Copyright Land & Property Information 2013

#### **1.2.2 Key Findings**

The findings of the *Background Report* are included in the ESD evaluation that gives a score and ranking for each evaluation criteria based on the relative ability of each investigation area to contribute to a more sustainable Shire, which are summarised in the Table 1.1.

Table 1.1: Summary	v of	<b>FSD</b>	Fva	luation	Criteria
		LJD	LVU	auton	CiftCifd

Element and Source of Criteria	Evaluation Criteria
SOCIAL	
Workshop	Provides (or has potential to provide) safe and cost-effective two- way sealed road access.
Workshop	Supports services of the Shire's towns and villages.
ECONOMIC	
Council's Delivery Plan 2012 – 2016	Within the Shire's capacity to service development.
NSW Government Regional Strategy	Supports Kempsey as a major town centre.
Workshop	Lower cost of developing land (fewer constraints equate to lower development costs).
ENVIRONMENTAL	
NSW Government Regional Strategy	Waste water can be disposed of effectively.
Workshop	The scenic and visual amenity of the Shire is preserved or enhanced.
NSW Government Settlement Guidelines	No or little need to clear native vegetation.
Workshop	Enable more efficient land use by increasing density
Workshop	Protection of habitat and corridors for Koalas (and other species).
GOVERNANCE	
NSW Government Regional Strategy	Would not affect areas with urban expansion potential.
NSW Government Regional Strategy	Land use conflict avoided or manageable.
KSC Review Objective	Rationalise the 1(g) zone, by supporting new subdivision and land use controls.

Each locality was assigned a score of between 1 and 3 based on the relative degree to which the locality could achieve the relevant evaluation criteria. The average of the scores of the evaluation criteria formed the score for each element which were then added together to provide an ESD evaluation for each locality which is indicated at Table 1.2.

Area	Score	ESD Ranking
1 South West Rocks & Arakoon	6.78	D
2 Collombatti	9.91	В
3 Frederickton	10.08	В
4 Aldavilla & Yarravel	8.0	С
5 West Kempsey	6.74	D
6 Verges Creek	8.0	С
7 Euroka & Dondingalong	8.01	С
8 South Kempsey	9.01	В
9 Kundabung	9.41	В
10 Crescent Head	8.11	С
11 Stuarts Point & Yarrahapinni	7.17	С
12 Barraganyatti	7.17	C

The thresholds for determining the rankings, along with a description are included in Table 1.3.

#### Table 1.3: ESD Ranking Descriptions

Overall Ranking	Total Score	Description
А	11-12	Excellent contribution to sustainable development expected.
В	9-10	High contribution to sustainable development expected. Area should be developed, subject to resolution of outstanding issues or further investigation.
С	7-8	Moderate contribution to sustainable development expected - should only be considered for development after outstanding issues are resolved, if possible.
D	5-6	Small contribution to sustainable development expected - possibly should be considered no further.
E	0-4	Unsustainable - do not consider further.

# 1.3 Components of this Strategy

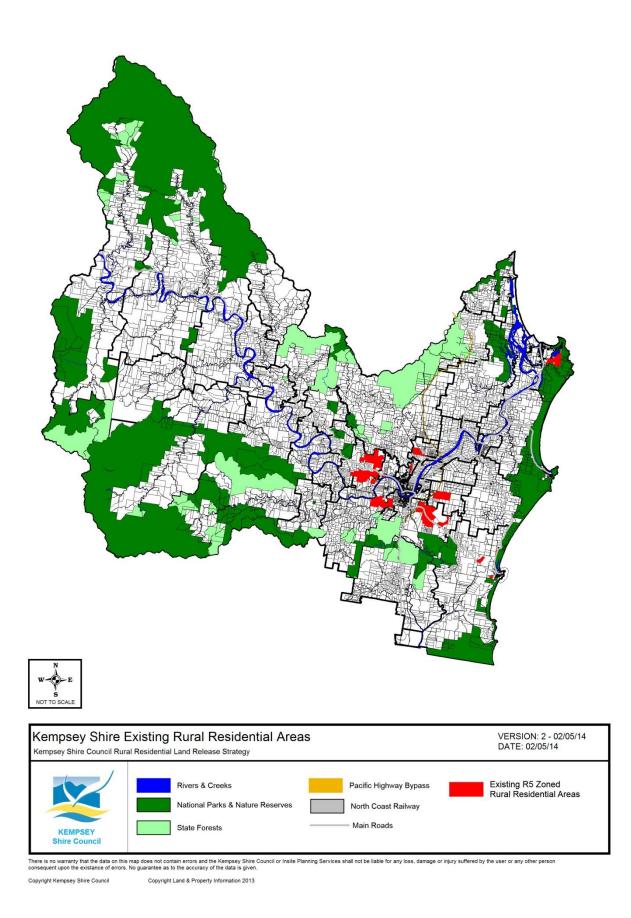
Based on the analysis presented in the *Background Report* the strategy includes:

- 1. The current supply of rural residential land, taking figures from Council's *Rural Residential Land Capacity Report* (revised in June 2011).
- 2. An assessment of the capability of the remaining investigation areas for potential rural residential release or intensification.
- 3. Data on existing and potential rural residential lots according to the *Settlement Planning Guidelines for the North Coast Region*.
- 4. A method for monitoring shifts in demand between localities across the Shire.
- 5. An implementation program including the steps required to implement the strategy.

# Part 2 Current Rural Residential Land Supply

# 2.1 Rural Residential Land Capacity Report

The supply of rural residential land was compiled in the *Kempsey Rural Residential Land Capacity Report, June 2011*. Map 2 shows the areas presently zoned for rural residential and rural small holding allotments.



#### Table 2.1 summarises the current supply.

Locality	Vacant Lots	Potential Subdivision Yield	Total Supply	Vacant Lots Potential Subdivision Yield		Total Supply	
	Zo	ne 1(c) (now I	R5)	Z	one 1(g) (now	7 RU4)	
South West Rocks & Arakoon	20	10	30	0	0	0	
Collombatti	0	0	0	20	94	114	
Aldavilla & Yarravel	26	161	187	0	0	0	
Frederickton	14	24	38	0	0	0	
West Kempsey	1	5	6	0	0	0	
Euroka	27	86	113	0	0	0	
Dondingalong	0	0	0	0	0	0	
Verges Creek	3	118	121	0	0	0	
South Kempsey	30	109	139	10	0	10	
Kundabung	0	0	0	6	7	13	
Crescent Head	15	1	16	7	15	22	
Totals	136	514	650	43	116	159	

#### Table 2.1: Rural Residential Land Supply in 2011

# 2.2 Analysis

The estimated total supply of zoned land is 809 rural residential lots which equates to an average annual supply of around 32 lots. The Shire's revised population and housing forecasts indicates that demand for rural dwellings will be 697 to 975 dwellings over the next 25 years.

At the high growth scenario end of the demand range there is likely to be a shortage of 166 lots, or a shortfall of about 7 lots per year. Assuming a high growth rate, the strategy will need to supply at least 170 lots, to be released as demand requires. However, changes in demand over time are likely, which will require adjustment of staging release of land for development.

Another factor to consider is the likely increase in environmental restrictions over time which could reduce the actual yield from rezoning and subdivision, compared to current estimates. It is therefore prudent for the strategy to identify a greater amount of land with rural residential land for further study in later stages of the planning process. For this reason, the 'potential yield' is higher than the long term demand forecasts indicates. This also gives the strategy a degree of flexibility should future demand outstrip current perceptions about the market for rural residential land and housing, without diminishing environmental values.

The next step is to determine a possible yield from the investigation areas to add to the existing supply. In order to achieve this, a theoretical maximum supply of rural residential land was determined which was then refined to accord with likely demand over the 25 year planning horizon of the strategy, with a margin to accommodate unforeseen changes to future conditions affecting land supply. Part 3 of the strategy assesses rural residential capability in order to estimate the potential yield of each area of existing and proposed rural residential land.

The results of the capability assessment and refinement are presented in Part 4.

# 2.3 Discussion on Recent Population Forecasts from Planning and Environment

In September 2012, Council revised its population projections of April 2009, based upon the release of data from the 2011 Census (Kempsey Shire Council Population Projections Report, September 2012). The information from the updated projections is included in the Background Report for this Strategy in section 7.

In May 2014 the Demography Unit of Planning and Environment (P&E), issued revised population projections for NSW. That information is on the website <a href="http://www.planning.nsw.gov.au/projections">http://www.planning.nsw.gov.au/projections</a>

These revised projections included rebased estimated resident population figures from the Australian Bureau of Statistics (ABS) for the past 20 years. The Planning and Environment projections indicate the current Kempsey population to be around 29,500 people. The revised growth rate predicted for the Kempsey Local Government Area to 2031 is 4.3%, an average annual growth rate of 0.25%, which equates to a total population of 30,500.

Council's updated Population Projections (September 2012) used in the preparation of this strategy, are based on three growth rate scenarios, all which are higher than the figures released by Planning and Environment:

Low Range: 31,600 (average annual growth rate of 0.48%)

Medium Range: 32,704 (average annual growth rate of 0.57%)

High Range: 33,730 (average annual growth rate of 0.72%)

As part of a review and update of its Mid North Coast Regional Strategy, Planning and Environment undertook a Submarket Residential Housing Analysis for all Local Government Areas covered by the Strategy which only considered the residential housing market. In this document it was projected that Kempsey would require an additional 1400 residential dwellings by 2031. The Planning and Environment Projections 2014 occupancy rate is predicted to be 2.25%, which would be housing for an additional 3150 people by 2031. This will supply a revised population of 29,500 plus 3150 which would be a total of 32,650 and is closer to Council's medium range growth population figure noted above of 32,704.

Council seeks to base its planning on a range of population growth scenarios in order to achieve flexibility to ensure that there is ample land to accommodate opportunistic development across a range of localities within the Shire.

# Part 3 Rural Residential Land Capability

# 3.1 Background

To determine the potential rural residential land supply in the Shire it is first necessary to estimate the number of lots which could be derived from the investigation areas studied in the Background Report. Areas identified as having potential for rural residential expansion or intensification are shown on Maps 3 - 9 and are examined in detail in Part 10 of the *Background Report*.

The capability assessment for each investigation area also takes into account other findings of the *Background Report* including:

- 1. Part 8 Market Analysis
- 2. Part 9 Infrastructure Review
- 3. Part 11 Public Workshop Outcomes
- 4. Part 12 Sustainability Evaluation

### 3.2 Land Capability Assessment

The key factors that make land suitable for rural residential development have been distilled into Table 3.1. Land assessed as most suitable for development can be released in the short term whereas other land has been included to investigate identified potential constraints for release over a longer period.

Staging	Land Capability Criteria			
Short Term	Infrastructure	Adequate (no or minor work needed) roads		
0-5 years	Environmental	Constraints can be addressed in Planning Proposal or a DA		
	Town Access	Good (within a 15 minute drive) with an existing or potential alternative emergency access route		
	Density	Can accommodate lots 1ha		
	Demand	High		
Medium Term 6-10 years	Infrastructure	Adequate (works needed, would likely satisfy cost benefit analysis)		
	Environmental	Constraints can be addressed in a Planning Proposal, or may need policy direction before rezoning and development is considered		
	Town Access	Good (within a 15 minute drive)		
	Density	Can accommodate lots 1ha		

#### Table 3.1: Land Capability Assessment & Staging Criteria

Rural Residential Land Release Strategy Final for P&E Approval

Staging	Land Capability Criteria				
	Demand	Moderate			
Long Term 11-25 years	Infrastructure	Inadequate (work needed, unlikely to satisfy current cost benefit analysis			
	Environmental	Potential high conservation value or constraints are possibly insurmountable, need polity direction before rezoning and development is considered			
	Town Access	Moderate to poor (within a 30 minute drive)			
	Density	Can accommodation lots 1ha			
	Demand	Low			
No Release	Infrastructure	Inadequate - likely cost prohibitive			
	Environmental	Conservation value or constraints make land unsuitable for development			
	Town Access	Too remote (further than a 30 minute drive)			
	Density	Need not be considered			
	Demand	Need not be considered			

Environmentally less-constrained areas and those more accessible to the services of a town are generally better-suited to shorter term rezoning and development. Those with a higher level of constraints are more likely to be difficult or costly to develop and service, and therefore less suitable for rural residential development.

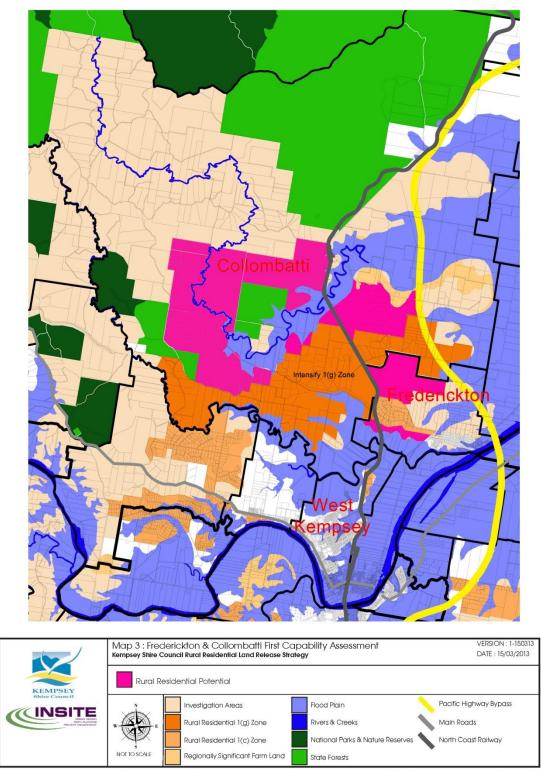
# 3.3 Investigation Area Capability Assessment

Table 3.2 summarises the assessment of the capability criteria of each investigation area examined in greater detail in the *Background Report*, where potential to extend or intensify or create a new rural residential area was identified.

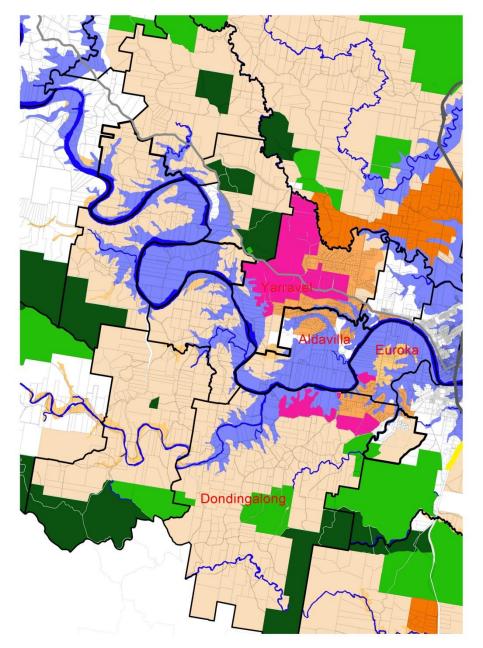
Ru	Rural Residential Areas*		Accessibility	Market Demand	Infrastructure Availability	Density	Comments or Further Study
1	South West Rocks & Arakoon**	D	Good	Strong	Good	Poor	No capability to expand due to environmental conditions with existing rural residential land identified as having urban development potential.
2	Collombatti	В	Good	Weak	Good	Good	The market survey did not indicate strong demand. There is scope to increase the density of 1(g) zoned land. Further study into habitat is required.
3	Frederickton	В	Good	Strong	Good	Good	Land is relatively less constrained compared to other areas. Habitat studies and possibly further landscape impact analysis may be needed.
4	Aldavilla & Yarravel	С	Good	Moderate	Moderate	Moderate	These localities have one of the more accessible road networks. There is scope to extend rural residential zoning in Yarravel /Aldavilla which is partly constrained by flooding and proximity to the aerodrome.
5	West Kempsey**	D	Good	Poor	Good	Poor	There is no scope to expand or intensify this area due to identified urban release areas.
6	Verges Creek	С	Moderate	Strong	Good	Good	Access is constrained by flooding.
7	Euroka & Dondingalong	С	Good	Moderate	Good	Good	Demand is high in Euroka and moderate in Dondingalong. Rezoning would be subject to agricultural capability in Euroka identified as regionally significant farmland. Land in Dondingalong has good access and is less constrained compared to other areas.
8	South Kempsey	В	Good	Strong	Good	Good	Requires habitat investigations, to explore connectivity of corridors between wetland adjacent Verges Creek. Relatively large areas of Class 1 Koala habitat.

#### Table 3.2: Land Capability Assessment Table

Ru	Rural Residential Areas*		Accessibility	Market Demand			Comments or Further Study
9	Kundabung	В	Good	Week	Good	Good	Market demand is possibly poor due to the large (8ha) lot sizes available under current zoning. Cleared land near the village could be rezoned to allow 1ha lots, subject to flooding and habitat studies. Scope to rationalise the area zoned for 8ha lots, subject to habitat studies.
10	Crescent Head	C	Good	Strong	Moderate	Good	Bushfire, Koala habitat and flooding (in some locations) are constraints. Market demand is highest in this locality, although there appears limited scope to accommodate growth. Scope to rationalise some 1(g) land in Crescent Head/ Beranghi Road area.
11	Stuarts Point & Yarrahapinni	С	Moderate	Weak	Good	Good	Constraints include Koala habitat and agricultural productivity of the area. Land near Stuarts Point is zoned for urban development/
12	Barraganyatti	D	Poor	Weak	Poor	Good	Constraints include Koala habitat, lack of access requiring additional roads being opened on to the Pacific Highway. Therefore Barranganyatti is not considered to have rural residential capability and is considered no further by this strategy.

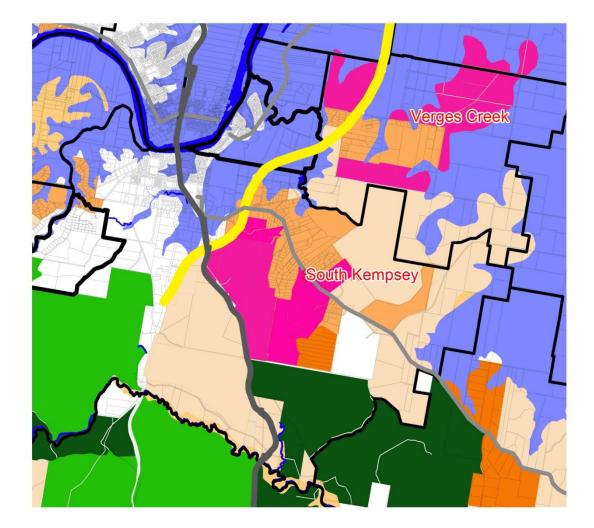


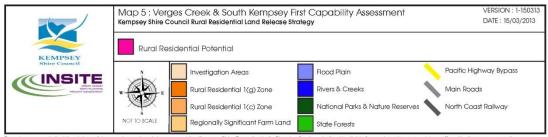
There is no warranty that the data on this map does not contain entres and the Kempsey Shire Council or Instle Planning Services shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existence of errors. No guarantee as to the accuracy of the data is given.
Copyright Kempsey Shire Council 2013
Copyright Land & Poperty Information 2013



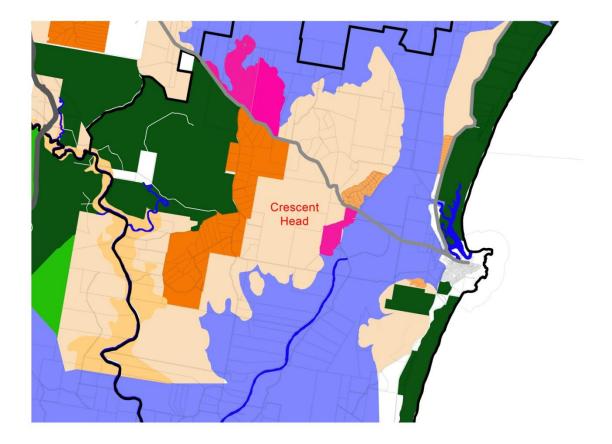


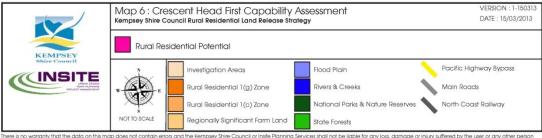
There is no warrantly that the data on this map does not contain errors and the Kempsey Shite Council or Insite Planning Services shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existence of errors. No guarantee as to the accuracy of the data is given. Copyright Kempsey Shite Council 2013 Copyright Land & Property Information 2013



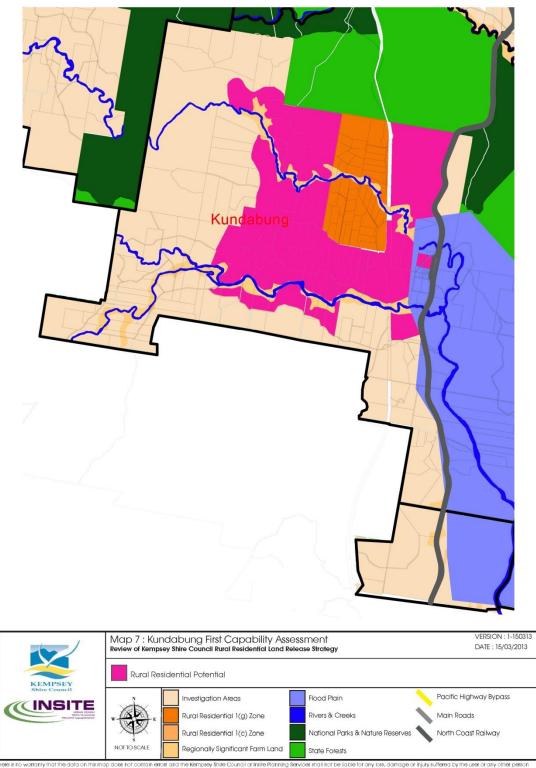


There is no warrantly that the data on this map does not contain ence and the Kempsey Shite Council or Inste Planning Services shot not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the estistance of ence. No guarantee as to the accuracy of the data is given. Copyright Kempsey Shite Council 2018. Copyright Kempsey Shite Double Shite Services and Shite Shite Shite Services and Shite Services and Shite Services and Shite Services and Shite Shite Shite Services and Shite Shite Shite Services and Shite Services

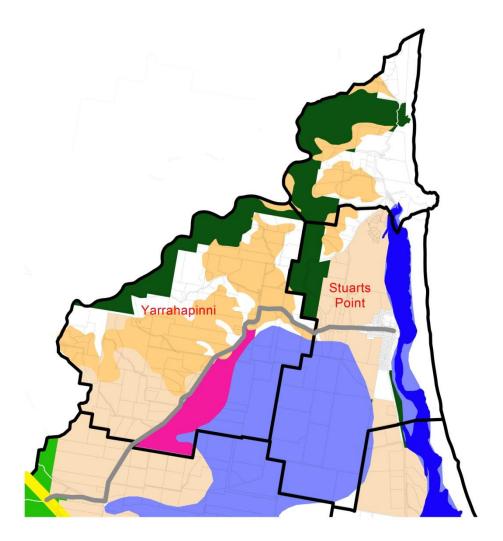




There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council or Insite Planning Se consequent upon the existence of errors. No guarantee as to the accuracy of the data is given. ces shall not be liable for any loss, damage or injury suffered by the user or any other pers Copyright Kempsey Shire Council 2013 Copyright Land & Property Information 2013

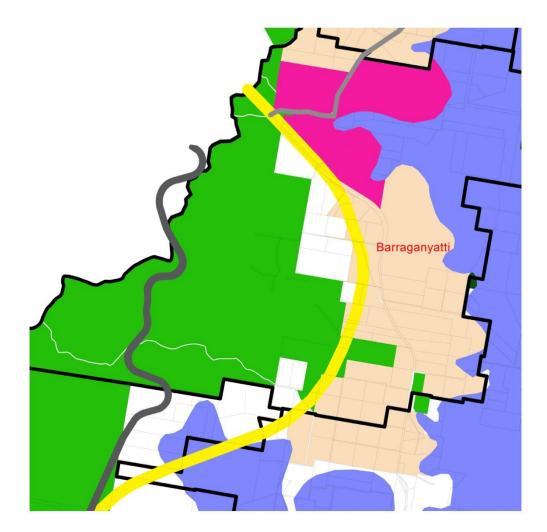


There is no warrantly that the data on this map does not contain encise and the Kemptey Shite Counconsequent upon the existence of encirs. No guarantee as to the occuracy of the data is given. Copyright Kemptey Shite Council 2013 Copyright Lond & Property Information 2013





ces shall not be liable for any loss, damage or injury suffered by the user or any other perso There is no warranty that the data on this map do consequent upon the existence of errors. No gud contain errors and the Kempsey Shire Council or Insite Planning S as to the accuracy of the data is given. does not contain e Copyright Kempsey Shire Council 2013 Copyright Land & Property Information 2013





Thete is no warrantly that the data on this map does not contain enors and the Kempsey Shire Council or Insite Planning Services shall not be lidble for any loss, damage or injury suffered by the user or any other perso consequent upon the existence of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2013 Copyright Land & Property Information 2013

# 4.1 Theoretical Maximum Rural Residential Land Supply

Based on the foregoing capability assessment, Table 4.1 summarises the estimated theoretical maximum yield of areas with rural residential potential, being the supply of land without consideration of the likely lot yield, having regard to inherent constraints detailed in the *Background Report*.

R	ural Residential Areas	Existing Supply (lots)	Additional Area (ha)	Yield <sup>1</sup> (lots)	Intensification area <sup>2</sup> (ha)	Additional potential yield (lots)	Locality Lot Totals
1	South West Rocks & Arakoon	30	0	0	0	0	30
2	Collombatti	114	1,500	1,200	1,310	934	2,248
3	Frederickton	38	355	284	0	0	322
4	Aldavilla & Yarravel	187	1,186	949	0	0	1,136
5	West Kempsey	6	0	0	0	0	6
6	Verges Creek	121	607	485	0	0	606
7	Euroka	113	184	129	0	0	242
8	Dondingalong	0	171	121	0	0	121
9	South Kempsey	149	318	254	0	0	403
10	Kundabung	13	1,532	1,225	465	359	1,597
11	Crescent Head	38	197	158	143	92	288
12	Stuarts Point & Yarrahapinni	0	195	156	0	0	156
Shire Totals		809	6,245	4,961	1,918	1,385	7,155

#### Table 4.1: Rural Residential Land Capability: Potential Yield

# 4.2 Estimating the Yield of Potential Rural Residential Land

The total estimated maximum supply of rural residential land assumes:

- 1. A minimum lot size of 1ha for land intended to be zoned *R5 Large Lot Residential*.
- 2. Rationalisation of *RU4 Primary Production Small Lots* into lots with a minimum of 4ha.
- 3. A reduction of 30% of the gross area for areas intended for 1ha minimum lot subdivisions, allowing for roads and exclusion of land that may need to be reserved or protected from development due to flooding, habitat protection or other constraints to determine the net area of potential rural residential land.
- 4. A reduction of 20% of the gross area for areas intended for 4ha minimum lot subdivisions.

**NOTE:** These reduction allowances are supported by data from existing rural residential subdivisions within the Shire.

### 4.3 Re-evaluation of Land Supply

Based on the land capability analysis (Part 3), there is potential theoretical maximum yield of 7,155 lots in the areas investigated. This theoretical maximum supply needs to be reduced to the amount of land required to meet demand over the life of the strategy, whilst allowing for a degree of flexibility to accommodate changing circumstances and to maximise potential for investment. For strategic purposes it is prudent to accommodate a higher number of potential lots, for these key reasons:

- Some of the land may not be available for development due to changing environmental risk or conservation values
- Unforeseen changes to planning policy may limit the release of land in some areas or require larger lot sizes
- Acceleration in demand may also lead to more land than current trends indicate being released in the future

To align the land supply with the likely demand, the 10 remaining investigation areas were reassessed, having particular regard to:

- Conservation of habitat for Koalas and protection of land important for sustaining biodiversity (known or possible Endangered Ecological Communities)
- Protection of land that has long term agricultural production potential identified by its zoning as 'prime agricultural land', in addition to land already excluded due to being Regionally Significant Farm Land
- Access to urban services and availability of two or more routes for emergency access

#### 4.4 Koala Habitat

Some areas of land were excluded from the land identified for investigation in the Background Report based on the presence of Koala Habitat. In some localities land was removed from investigation where it comprises primary Koala Habitat and also where there are other constraints relating to the presence of vegetation.

In accordance with ESD principles that underpin the strategy, all economic, social, environmental and governance criteria were considered when determining suitability for rural residential development. In determining the final areas available, some areas mapped as secondary Koala Habitat were included as they rate highly in respect to the other sustainability criteria.

As a result, land identified as Koala Habitat was not automatically excluded from consideration. The comprehensive Koala Plan of Management seeks to accommodate development of areas containing Koala habitat where offsets can be attained on site. In some instances Koala habitat where offsets could not be accommodated on site, but which scored highly in respect to other criteria, were designated as "qualified inclusions", subject to other suitable offsets being provided elsewhere.

## 4.5 Re-evaluation of Rural Residential Land Capability

The rationale for the reductions in each locality required to align with likely demand over the next 25 years and beyond is discussed below, which needs to be read in conjunction with the maps for the first evaluation (*Maps 3 – 8, Part 3*) and the second evaluation (*Maps 10 – 19, Part 5*). Spatial data for the environmental conditions for each investigation area may be found on Maps 15 to 29 in Appendix 1 of the *Background Report*.

#### 4.5.1 Collombatti

The areas removed from consideration are those containing prime agricultural land or higher quality (class 2a) Koala habitat. Remaining areas with rural residential capability in Collombatti west of the railway have good access to Spooners Avenue and the Armidale Road to the south. Land east of the railway has direct access to the Collombatti Road. The area is currently zoned RU4 with a predominately 8ha minimum lot size applying. Having regard to the large area involved and the fact that other areas closer to Frederickton are less constrained by vegetation, and Collombatti is well served by access, this locality should be included in the strategy on the basis that the minimum lot size is reduced to 4ha, rather than the 1ha applying in less constrained areas.

#### 4.5.2 Frederickton

The area identified in Frederickton off Everinghams Lane makes a logical extension to existing small holding zones. The area immediately north of Raymonds Lane has potential for consideration, subject to Council determining the proposed new LEP for Frederickton that may result in Industrial Land being located immediately to the south.

#### 4.5.3 Yarravel

The revised area in Yarravel is a logical extension of a large existing small holdings estate. It has good access with potential for new access points from the Armidale Road and is also largely cleared. Land identified previously to its north and south has been excluded due to the presence of large areas of class 2a and 2b Koala habitat and two pockets of an endangered ecological community.

In order to rationalise the proposed release area with the existing 1(c) zoned area, the area immediately north of Stages 2 and 3 has been increased by 10 ha.

An additional area at Yarravel has been included as a qualified inclusion. The land adjoins an existing Rural Residential area. The area has not been given any lot yield, due to the constraints currently known to exist on the land. If it can be demonstrated that suitable offsets for the development of the land can be obtained then it may be possible for a planning proposal to be considered.

#### 4.5.4 Euroka

Areas of rural residential potential in Euroka were reduced to a single area adjacent to existing R5 zoned land on the basis of objections from owners relating to impacts on the character of the historic hamlet, inadequate access, , lack of subdivision potential and fragmented nature of flood free land.

#### 4.5.5 Dondingalong

The area with rural residential capability in Dondingalong was originally reduced by removing land to the south and east of Gowings Hill Road due to being well covered with native forest, which is mainly Class 2b Koala habitat with smaller areas of Class 2a habitat. Land immediately north of

Bates Quarry was also removed partly on the basis of objections to inclusion in the strategy by the owner and partly due to proximity to Bates Quarry, for which a significant expansion is proposed.

#### 4.5.6 Verges Creek

Two northern sections of land previously considered to have rural residential potential were excluded due to the presence of potential endangered ecological communities and Class 1 and 2a Koala habitat.

Areas selected as a result of this re-evaluation are mainly cleared and fringed by the flood plain, with access from the existing sealed local road network. Another factor to consider for part of this area includes proximity to the Kempsey Bypass, whereby further investigations relating to noise impacts will need to be undertaken at rezoning stage.

#### 4.5.7 South Kempsey

Areas of Class 1, 2a & 2b Koala habitat and a potential endangered ecological community were removed in South Kempsey.

Some of the timbered land south of Crescent Head Road previously considered, that is also affected by the Rifle Range was removed, however, there may be scope to allow limited subdivision, subject to noise, access and ecological issues being addressed. This land, and land zoned RU4 off Settlers Way was also excluded from further consideration, as it is contiguous with the Maria River National Park, however, there is scope to consider rationalising the RU4 land to permit lots down to 4ha, subject to bushfire risk, ecological constraints and proximity to both the Rifle Range and Tip being considered.

A single additional area was identified with access from Blairs Lane, which is an extension of the existing small holdings area. Based on a submission received, which demonstrates the actual area affected by flooding, this area has been expanded.

#### 4.5.8 Crescent Head

The area initially identified with rural residential potential was reduced due to the presence of Koala habitat with a parcel of partly cleared land with some scattered vegetation identified south of the Maria River Road and Crescent Head Road intersection. Flooding, habitat and fire hazard would need to be adequately addressed, prior to any rezoning and subdivision proceeding.

Additional areas were added following consideration of submissions to rationalise largely cleared parts of the RU4 zoned area around the Crescent Head/ Beranghi Road intersection.

Some potential also exists for an extension of the R5 zoned area immediately to the north of the Dulconghi Estate, subject to visual impacts, ecological impacts, flooding and the presence of a SEPP 14 wetland being addressed.

#### 4.5.9 Kundabung

Rural residential potential for Kundabung was re-evaluated having regard to extensive forest cover and Koala habitat, which has potential to link with Koala habitat in National Parks and State Forests to the east, south and west and result in less exposure to bushfire risk. The land currently zoned RU4 is viable for intensification to permit lots down to 4ha, subject to further detailed analysis, including provision of access to the western-most parts via Smith Creek Road.

Remaining areas are largely cleared, with reasonable access via local roads to the Highway. Further data and risk assessment relating to flooding, and Koala habitat will be necessary before land is rezoned.

Significant farmland has been identified as excluded land from the release areas.

#### 4.5.10 Yarrahapinni

Suitable land at Yarrahapinni was reduced to a largely cleared area with two vegetated gullies running from west to east, having regard to regional farmland, impacts on adjoining horticultural enterprises and Koala habitat. The remaining area, although less constrained, would need to be assessed before it is rezoned.

## 4.6 Revised Lot Yield

Table 4.2 shows the potential rural residential lot yield, based on the foregoing re-evaluation of rural residential land capability.

F	Rural Residential Localities	Existing Supply (lots) R5 and RU4 Zoned Combined	Additional Area Proposed R5 Zone (ha)	Yield Proposed R5 (lots)	Intensification RU4 Zone (ha)	Additional potential yield RU4 Intensification Zone (lots)	Locality Lot Totals
1	South West Rocks & Arakoon	30 (R5 only)	0	0	0	0	30
2	Collombatti	114 (RU4 only )	0	0	224	45	159
3	Frederickton	38 (R5 only)	42	29	0	0	67
4	Aldavilla & Yarravel	187 (R5 Only)	115	80	0	0	267
5	West Kempsey	6 (R5 Only)	0	0	0	0	6
6	Verges Creek	121 (R5 Only)	178	125	0	0	246
7	Euroka	113 (R5 Only)	28	20	0	0	133
8	Dondingalong	0	167	117	0	0	117
9	South Kempsey (Blairs)	149 (R5 139/ RU4 10)	21	15	194	39	203
10	Kundabung	13 (RU4)	666	466	467	92	571
11	Crescent Head	38 (R5 16/ RU4 22)	82	57	101	20	115
12	Stuarts Point & Yarrahapinni	0	172	120	0	0	120
Shire Totals		809	1471	1029	986	196	2034

#### **Table 4.2: Rural Residential Land Capability Revised Yield**

# 5.1 Settlement Guideline Requirements for Rural Residential Development

The following data is required by the *Settlement Planning Guidelines for the North Coast Region* to be included in this rural residential land release strategy:

Total area of land zoned for rural residential development

- 1. The total number of lots
- 2. The total number of vacant lots
- 3. The total number of additional lots in existing zones and according to an approved strategy

## 5.2 Land for 25 Years Growth

It is anticipated that demand will shift over time across different identified localities of the Shire due to the varying biophysical and man-made characteristics. For this reason, the staging of land releases over 25 years has been distributed across all rural residential localities. The actual timing of further work leading to rezoning and release of more land onto the market will largely be guided by a combination of market forces and a willingness of owners within the identified release areas to fund the necessary detailed investigations required to support rezoning proposals.

Based on the analysis prepared for the strategy, summarised in the land capability assessment table and staging table under section 3.3, release of land is expected to be staged as shown in Table 5.1.

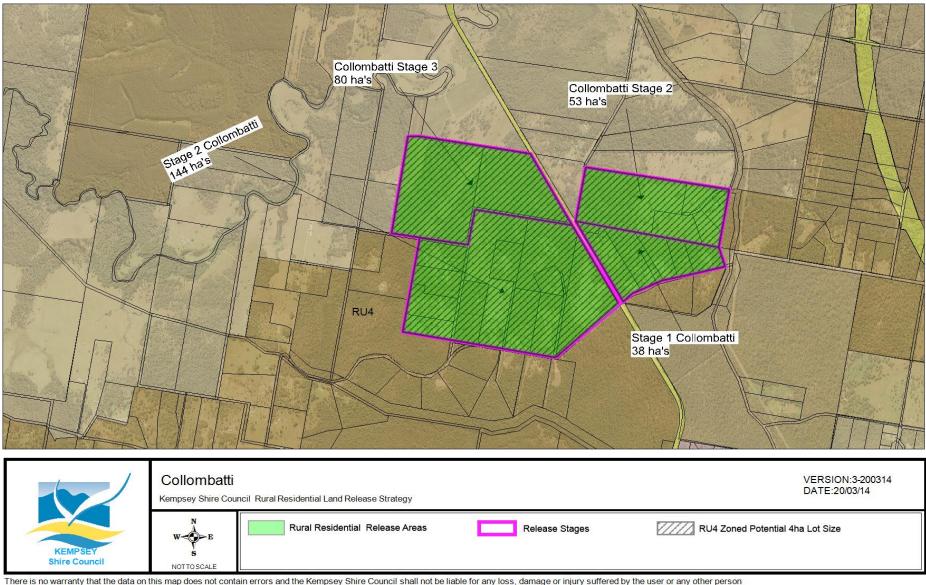
#### 5.2.1 Land Release Staging Maps

Maps 10 to 20 indicate the preferred sequencing of land releases. In most cases there are localityspecific issues for which there is sufficient existing information indicating that investigations at rezoning stage can adequately address the relevant issues. In some cases, areas are included in the strategy on a preliminary basis, usually for later stage releases, on the basis of unresolved issues that would need to be addressed, including access, potentially conflicting land uses, E2 zoned land, and other constraints which may exist. The lists of locality-specific issues accompanying each land release staging map are not intended to be exhaustive and are included to flag key potential constraints that would need to be addressed by any subsequent Planning Proposals.

#### Table 5:1 Kempsey Shire 25 Year Land Release & Staging Forecast

Rural Residential Areas		2011 Supply			Stage 1 2014-2018		Stage 2 2019-2023		Stage 3 2024-2038		Total	
		Vacant Lots	Potential Yield (zoned land)	Lots	Additional Area (ha)	Lots						
1	South West Rocks & Arakoon	20	10	30	0	0	0	0	0	0	0	30
2	Collombatti	20	94	114	0	0	144	29	80	16	224	159
3	Frederickton	14	24	38	42	29	0	0	0	0	42	67
4	Aldavilla & Yarravel	26	161	187	36	25	50	35	29	20	115	267
5	West Kempsey	1	5	6	0	0	0	0	0	0	0	6
6	Verges Creek	3	118	121	178	125	0	0	0	0	178	246
7	Euroka	27	86	113	28	20	0	0	0	0	28	133
8	Dondingalong	0	0	0	36	25	63	44	68	48	167	117
9	South Kempsey	40	109	149	21	15	194	39	0	0	215	203
10	Kundabung	6	7	13	314	220	105	73	714	265	1,133	571
11	Crescent Head	22	16	38	99	60	84	17	0	0	183	115
12	Yarrahapinni	0	0	0	58	41	114	79	0	0	172	120
TOTALS		179	630	809	812	560	754	316	891	349	2457	2034

#### Map 10: Collombatti Land Release Staging



There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

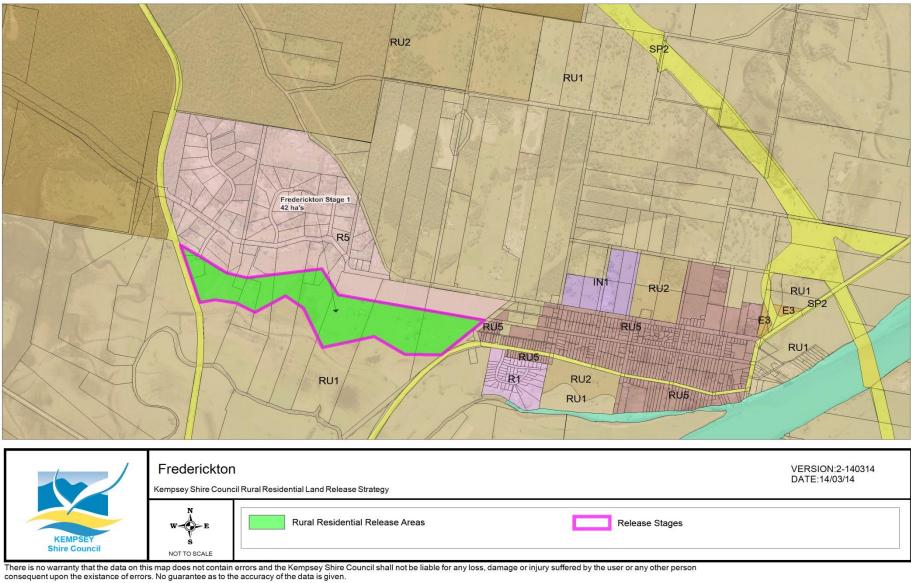
Copyright Land & Property Information 2014

#### Locality Specific Issues for the Collombatti Land Release Area

Issues of relevance for consideration in the preparation of subsequent Planning Proposals include, but are not limited to:

- The means of rationalising access to facilitate an efficient pattern of subdivision
- The relationship of the area to potential fauna corridor linkages
- The means by which vegetation retention can be maximised, whilst satisfying bushfire requirements
- Northwest corner of release area is partially constrained by flooding
- Release area is Class 5 Acid Sulfate Soil with a small portion of Class 3 Acid Sulfate Soil in the northwest corner
- All of the release area is mapped as bushfire prone land
- Release area contains unknown and 2B Koala habitat. In the northwest corner there is some 2A Koala habitat

#### Map 11: Frederickton Land Release Staging



Copyright Kempsey Shire Council 2014

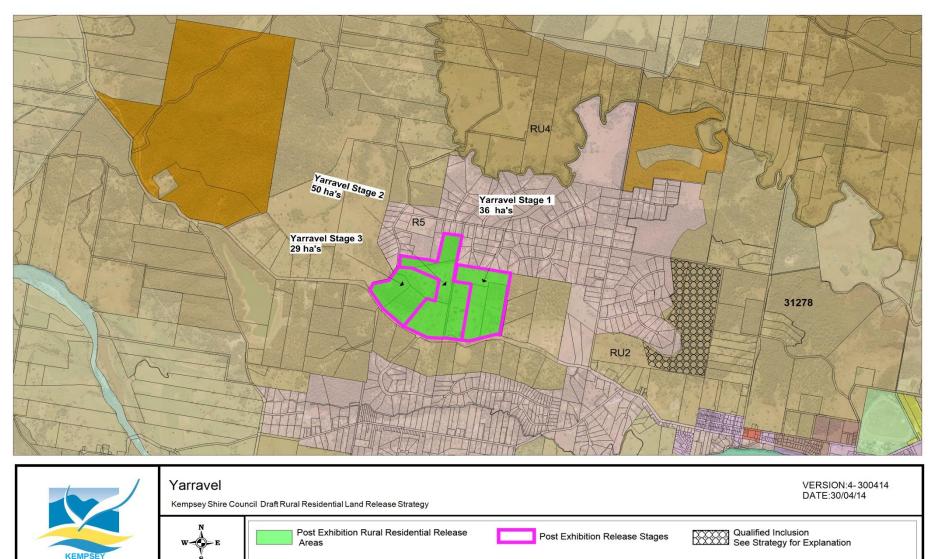
Copyright Land & Property Information 2014

#### Locality Specific Issues for the Frederickton Land Release Area

Issues of relevance for consideration in the preparation of subsequent Planning Proposals include, but are not limited to:

- The extent of the 1 in 100 year flood
- Potential impacts from an approved crematorium
- The means of rationalising access to facilitate an efficient pattern of subdivision
- There are areas of Class 5 and Class 2 Acid Sulfate Soils

#### Map 12: Yarravel Land Release Staging



There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

NOT TO SCALE

Shire Council

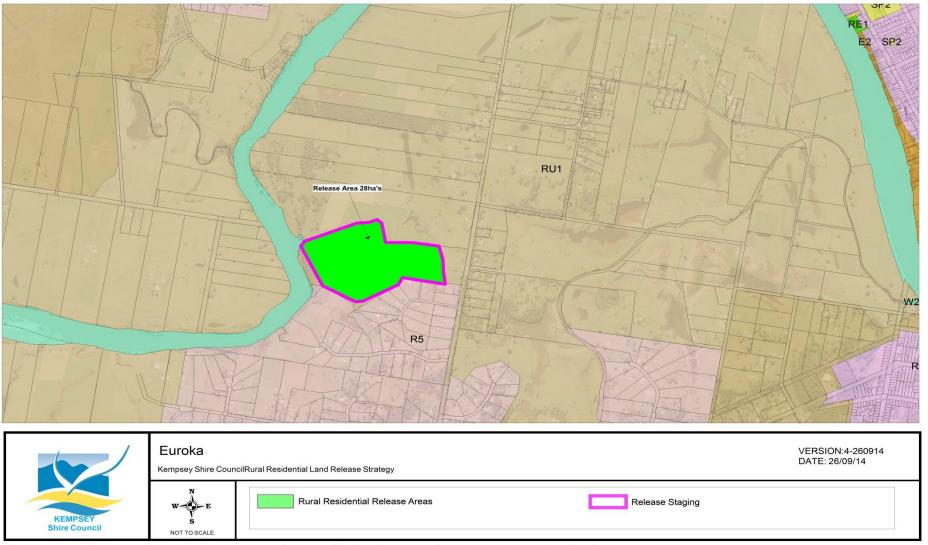
Copyright Land & Property Information 2014

#### Locality Specific Issues for the Yarravel Land Release Area

Issues of relevance for consideration in the preparation of subsequent Planning Proposals include, but are not limited to:

- The means of rationalising access to facilitate an efficient pattern of subdivision, whilst minimising the number of access points to Armidale Road
- The means by which vegetation retention can be maximised, whilst satisfying bushfire requirements
- The means of providing for Koala habitat offsets for any areas mapped as containing Koala habitat
- An assessment of any impacts on the habitat of the regional corridor for the Bush Stone Curlew
- Class 5 Acid Sulfate Soil
- Class 2A and 2B Koala habitat
- Bushfire prone land

#### Map 13: Euroka Land Release Staging

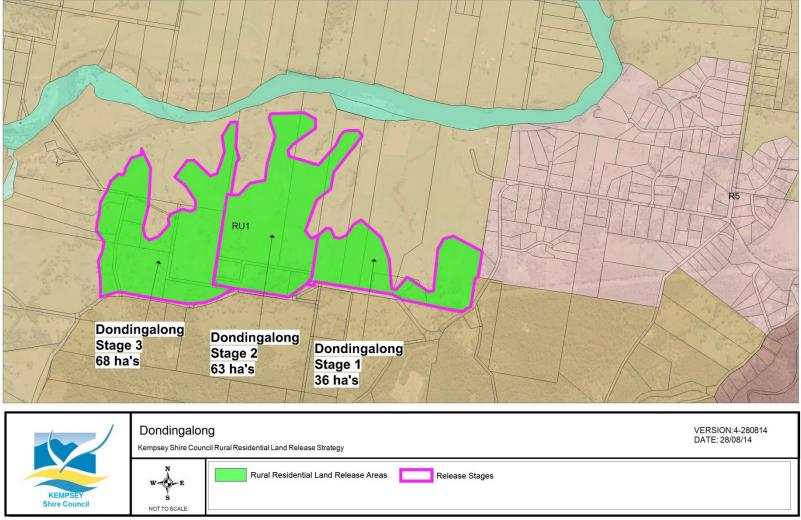


There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

#### Locality Specific Issues for the Euroka Land Release Area

- The impact of any conflicting adjoining agricultural uses
- The means of rationalising access to facilitate an efficient pattern of subdivision
- Part of the release area is bushfire prone land
- 2B and unknown Koala habitat
- Class 5 Acid Sulfate Soil



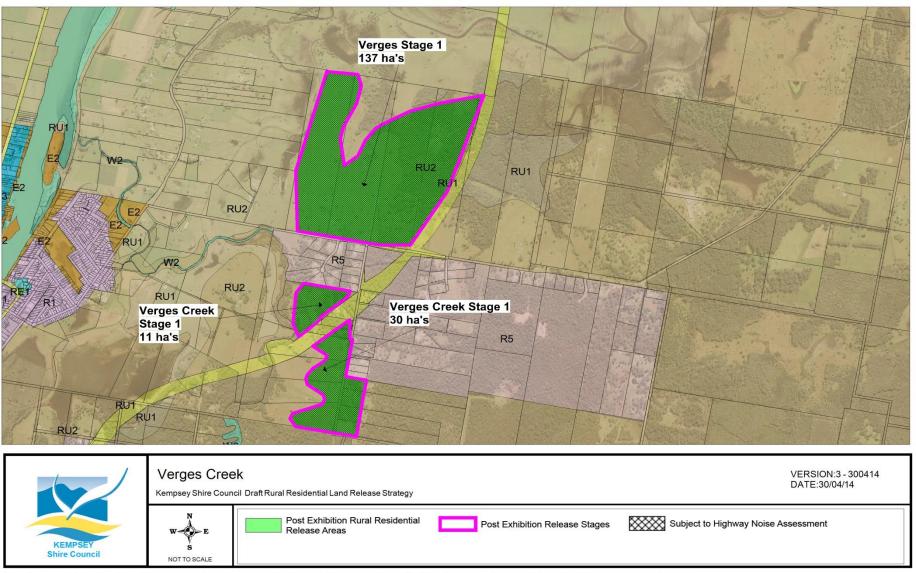
There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014 Copyright Land & Property Information 2014

#### Locality Specific Issues for the Dondingalong Land Release Area

- Potential impacts of noise, dust and vibration from Bates Quarry
- The impact of any conflicting adjoining agricultural uses
- The means of rationalising access to facilitate an efficient pattern of subdivision
- The impact of any adjoining transport facility
- The extent of the 1 in 100 year flood
- 2B and unknown Koala habitat
- Predominantly Class 5 Acid Sulfate Soil, with a small area of western portion of release area mapped as not being affected by Acid Sulfate Soil
- Partly bushfire prone land

#### Map 15: Verges Creek Land Release Staging



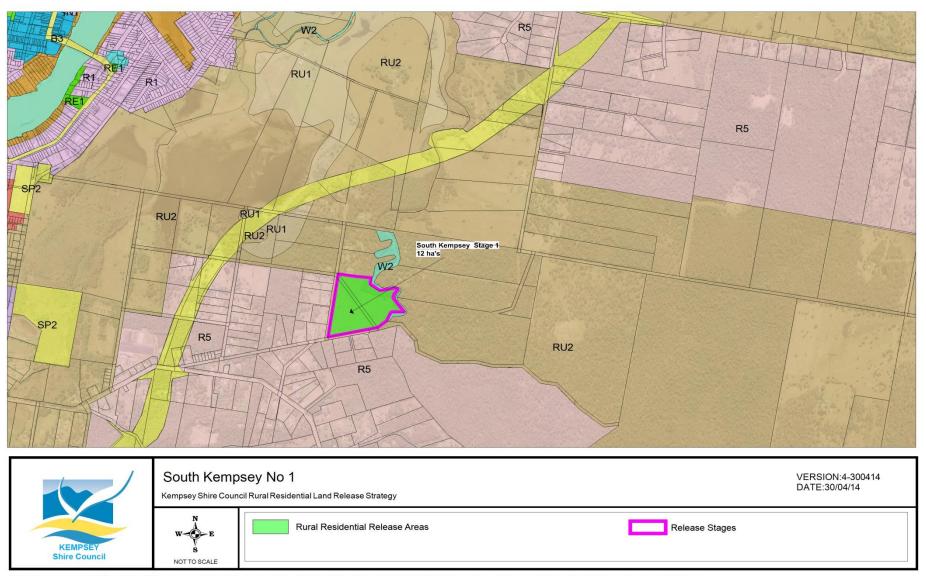
There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

#### Locality Specific Issues for the Verges Creek Land Release Area

- The extent of the 1 in 100 year flood
- Impacts of noise from the Pacific Highway
- The means of rationalising access to facilitate an efficient pattern of subdivision
- Class 5 Acid Sulfate Soil
- Primary and Class 2A and 2B Koala habitat
- Partly bushfire prone land

#### Map 16: South Kempsey A Land Release Staging



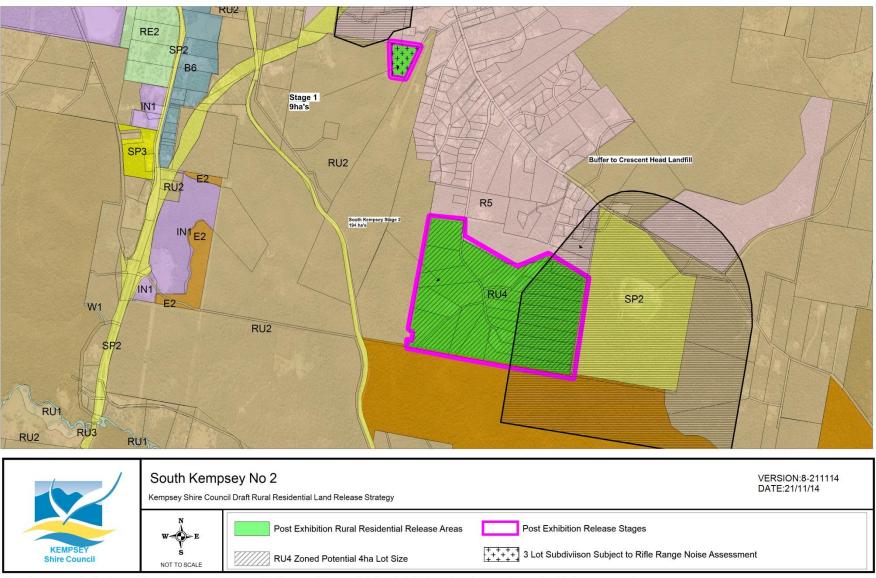
There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

#### Locality Specific Issues for the South Kempsey A Land Release Area

- The extent of the 1 in 100 year flood
- Impacts of noise from the Pacific Highway
- The means of rationalising access to facilitate an efficient pattern of subdivision
- Means for protecting the riparian corridor
- Unknown Koala habitat
- Part bushfire prone land
- Class 5 Acid Sulfate Soil

#### Map 17: South Kempsey B Land Release Staging



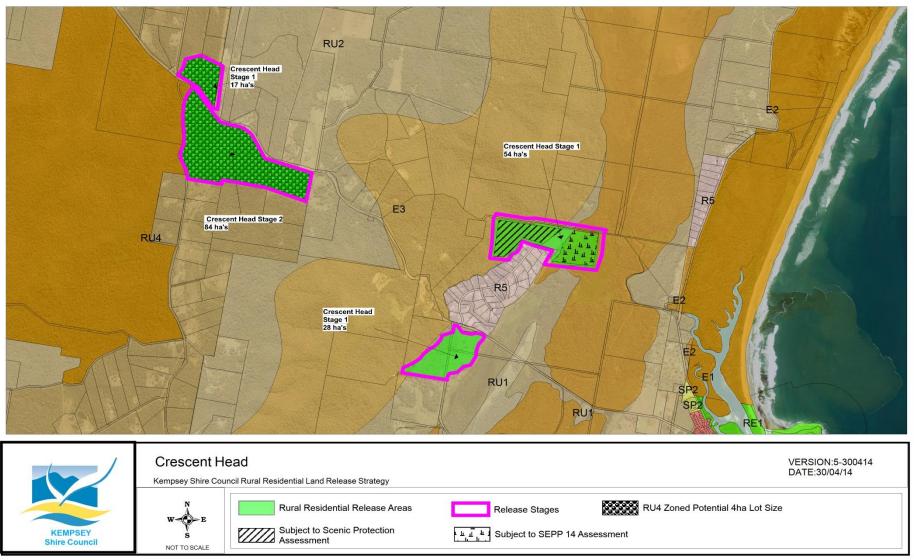
There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014 Copyright Land & Property Information 2014

#### Locality Specific Issues for the South Kempsey B Land Release Area

- Minimising potential conflicts with an existing animal boarding and breeding establishment
- Potential noise impacts in proximity to an industrial area
- Minimising impacts on potential Koala habitat
- Noise impacts from an existing rifle range
- Noise and odour impacts from the Crescent Head Landfill site
- The means of rationalising access to facilitate an efficient pattern of subdivision
- Areas of known and 2B Koala habitat
- Class 5 Acid Sulfate Soil
- Bushfire prone land
- Potential Impacts from Churchill Quarry

#### Map 18: Crescent Head Land Release Staging



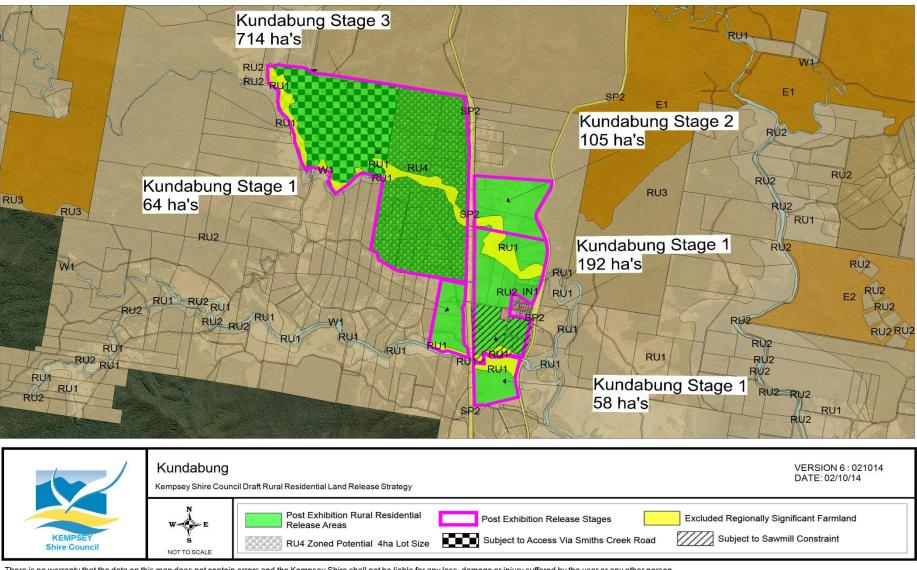
There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2104

#### Locality Specific Issues for the Crescent Head Land Release Area

- The means of rationalising access to facilitate an efficient pattern of subdivision, whilst minimising access points to Crescent Head Road
- The relationship of the area to potential fauna corridor linkages
- The means by which vegetation retention can be maximised, whilst satisfying bushfire requirements
- An assessment of the E3 zone to ensure that there are no adverse visual impacts of future dwellings when viewed from Crescent Head
- An assessment of the E2 zone to ensure that the land does not possess the attributes that lead to inclusion in State Environmental Planning Policy 14 Coastal Wetlands
- The extent of the 1 in 100 year flood
- Unknown and 2B Koala habitat
- Bushfire prone land
- Class 5 and Small area of Class 2 Acid Sulfate Soil

#### Map 19: Kundabung Land Release Staging



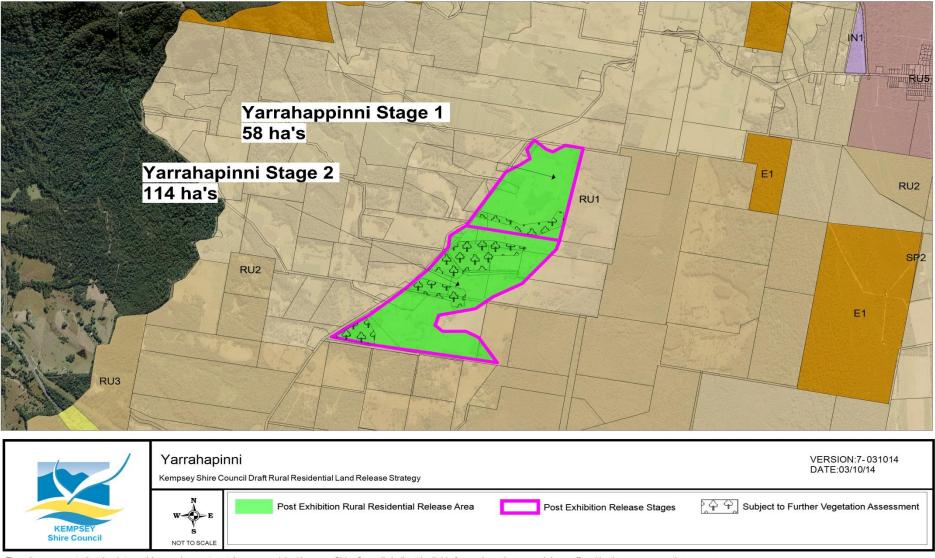
There is no warranty that the data on this map does not contain errors and the Kempsey Shire shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

#### Locality Specific Issues for the Kundabung Land Release Area

- The means of rationalising access to facilitate an efficient pattern of subdivision, whilst minimising access points to the Pacific Highway
- Noise impacts from the Pacific Highway
- The relationship of the area to potential fauna corridor linkages
- The means by which vegetation retention can be maximised, whilst satisfying bushfire requirements
- The extent of the 1 in 100 year flood
- Noise impacts from an existing sawmill
- Fragmentation of identified Regionally Significant Farmland
- Need to provide access to Stage 3 areas via Smiths Creek Road
- Unknown 2A and 2B Koala habitat
- Bushfire prone land
- Class 5 Acid Sulfate Soils

#### Map 20: Yarrahapinni Land Release Staging



There is no warranty that the data on this map does not contain errors and the Kempsey Shire Council shall not be liable for any loss, damage or injury suffered by the user or any other person consequent upon the existance of errors. No guarantee as to the accuracy of the data is given.

Copyright Kempsey Shire Council 2014

#### Locality Specific Issues for the Yarrahapinni Land Release Area

Issues of relevance for consideration in the preparation of subsequent Planning Proposals include, but are not limited to:

- The means of rationalising access to facilitate an efficient pattern of subdivision, whilst minimising access points to Stuarts Point Road
- The relationship of the area to potential fauna corridor linkages
- The means by which vegetation retention can be maximised, whilst satisfying bushfire requirements
- The extent of the 1 in 100 year flood
- Impacts from adjacent horticultural enterprises
- Unknown 2A and 2B Koala habitat
- Bushfire prone land
- Class 4 and Class 5 Acid Sulfate Soil

### 5.3 Land Monitoring Program

Over the life of the strategy, it is planned to periodically revise forecasts as circumstances and trends change. A demand monitoring program is proposed to help inform the review process. It will assist Council with future land supply management and planning for the provision of infrastructure and services. The periodic review of demand will allow adjustment of land supply. In this regard, it is intended to use the data supplied to the NSW Planning and Environment, Mid North Coast House and Land Monitor.

## Part 6 Implementation Program

Council's current Delivery Plan provides for the allocation of funds to contribute towards the cost of more detailed investigations required to support rezoning proposals (Planning Proposals). It is proposed to commence implementing the strategy following approval being given by the NSW Planning and Environment. Implementation will involve:

- 1. Writing to individual land holders within the areas identified for release advising on the steps required for their land to be rezoned to permit rural residential subdivision.
- 2. Holding meetings with landholders within each locality to discuss locality-specific issues related to implementing the strategy and to encourage contributions towards the cost of preparing Planning Proposals covering as broad an area as possible, thereby reducing costs to individuals.
- 3. Assisting individuals in the preparation of Planning Proposals.
- 4. Preparation of locality-specific DCPs to facilitate the orderly development of land in order to maximise development potential in the most cost-effective manner as well as protecting, enhancing and linking wildlife habitats.

- 5. Preparation of Planning Proposals to rationalise the areas zoned RU4 to permit subdivision into allotments of 4ha at:
  - a) Collombatti
  - b) South Kempsey
  - c) Crescent Head
  - d) Kundabung

# Part 7 Variations to this Strategy

## 7.1 Variations to Land Release Staging

Planning Proposals to rezone land which are not in accordance with the release sequencing of the strategy may still be supported provided the following circumstances can be demonstrated:

- 1. The premature subdivision of the land will not result in the uneconomic provision of public infrastructure, including, but not limited to road access.
- 2. The land will be serviced by a bitumen sealed road in accordance with *Kempsey DCP 2013*.
- 3. The land will not result in any unacceptable potential conflict with existing agricultural, commercial or industrial land uses.
- 4. The proposal will not result in any significant oversupply of land within the locality, having regard to any existing zoned land or approved subdivisions.
- 5. The proposal is consistent with the objectives of this strategy as referred to in Section 1.1.

References:

Kempsey Shire Council Population Projections Report, April 2009

Kempsey Shire Council Population Projections Report, September 2012

*Kempsey Shire Council Background Report for Rural Residential Land Release Strategy, Kempsey Shire Council 2012*