
Item: 13.2

Subject: PP2024-13.1 - Planning Proposal Post-Exhibition Report - Ocean Drive, Lake Cathie

Presented by: Community Planning and Environment, Dan Croft

Recommendation

That Council:

1. **Note the Engagement Report (Attachment 2) and Submission Response Report (Attachment 3).**
2. **Note the conditional Gateway Determination (Attachment 4) granted by the Department of Planning, Housing and Infrastructure on 3 November 2025 authorising Council as the Planning Proposal Authority to exercise the functions of the local plan-making authority under section 3.36(2) of the Environmental Planning and Assessment Act 1979.**
3. **As a result of the consideration of the submissions and Government agency response:**
 - a. **Endorse the Planning Proposal as publicly exhibited (Attachment 1) under section 3.35 of the Environmental Planning and Assessment Act 1979 in relation to Lot 15 DP 557262, Lots 40 - 49 DP 238263, Lot 1 DP 127488, Lots 1 - 9 DP 32283 and Lot 1 DP 55197.**
 - b. **Take the necessary steps under Section 3.36 of the Environmental Planning and Assessment Act 1979 to finalise the Port Macquarie-Hastings Local Environmental Plan 2011 to give effect to the Planning Proposal.**
4. **Delegate authority to the Director Community, Planning and Environment to make inconsequential or minor administrative amendments to the Planning Proposal prior to forwarding it to the Department of Planning, Housing and Infrastructure should the Proposal proceed for finalisation.**
5. **Note that all persons who lodged a submission will be notified of Council's decision.**

Executive Summary

The purpose of this report is to inform Council about the Post Exhibition outcome of a proponent-initiated Planning Proposal (PP) concerning land at Ocean Drive, Lake Cathie being Lot 15 DP 557262, Lots 40 - 49 DP 238263, Lot 1 DP 127488, Lots 1 - 9 DP 32283 and Lot 1 DP 55197. The Planning Proposal has been prepared by Hopkins Consultants on behalf of Jojenji Investments to support a request for rezoning of the subject land.

The Planning Proposal seeks to amend the Local Environmental Plan (LEP) to:

- Rezone part of the site from R1 General Residential to R3 Medium Density Residential.
- Rezone part of the existing zone R1 General Residential to zone C3 Environmental Management to create a 5m wide transition buffer between the existing C2 Environmental Conservation zone and the proposed R3 Medium Density Residential zone.
- Amend the minimum lot size map from no minimum lot size to 1,000m².
- Amend the height of building map from 8.5m to 14.5m.
- Amend the floor space ratio map from 0.65:1 to 1.5:1.

This Planning Proposal was presented at the Ordinary Council Meeting (Item Number 13.04) on 21 August 2025, with Council resolving as follows:

That Council:

1. *Endorse the draft Planning Proposal, to enable rezoning of part of the land from R1 General Residential to C3 Environmental Management, R3 Medium Density Residential and associated amendments to the minimum lot size, height of building and floor space ratio maps, as per the proponents proposal in respect of the proposed 5m C3 zone, prepared under Section 3.33 of the Environmental Planning and Assessment Act 1979.*
2. *Forward the draft Planning Proposal to the NSW Department of Planning, Housing and Infrastructure for a Gateway Determination under Section 3.34 of the Environmental Planning and Assessment Act 1979, and request that the Gateway Determination authorise Council to be the local plan-making authority.*
3. *Delegate authority to the Director Community, Planning and Environment to make any minor updates to the Planning Proposal prior to seeking a Gateway Determination, and/or as a result of the issue of Gateway Determination.*
4. *Receive a report following the public exhibition period on any submissions received.*
5. *Notify the proponent of Council's decision.*

The Planning Proposal is considered to have strategic merit, as it aligns with the Council's strategic planning framework including the Local Strategic Planning Statement (LSPS), Urban Growth Management Strategy (UGMS), Imagine 2050 Community Strategic Plan (CSP), and Council's Living and Place Strategy. The proposal responds to the need for greater diversity of housing typologies, particularly medium density housing, in proximity to existing infrastructure and services.

The Planning Proposal provides desired residential land for medium density accommodation on a clear infill site, without impacting the amenity of character of the surrounding single dwellings. There is strategic merit in medium density development in proximity to existing centres and supported infrastructure.

The Planning Proposal has been publicly exhibited following the 21 August 2025 resolution, and this report will discuss the outcomes of public exhibition and seek Council endorsement of the Planning Proposal as exhibited.

Report

1. Background

Subject Site

Figure 1: Locality Map of Subject Site



The subject site is legally described as Lot 15 DP 557262, Lots 40-49 DP 238263, Lot 1 DP 127488, Lots 1-9 DP 32283 and Lot 1 DP 554197, and located on Ocean Drive Lake Cathie. There are eleven (11) R1 zoned lots existing on the site, all with frontage to Ocean Drive. A portion of Lot 15 DP 557262 is zoned C2 Environmental Conservation. There is an approved three lot subdivision (DA 2017/715) on the site and the development footprint has been cleared. The subject land was previously owned by the NSW Department of Education and is known as the former Lake Cathie school site. The site is currently vacant of any structures, and a portion of the site contains dense vegetation.



Figure 2: Land Zoning Map

The subject site is currently zoned part R1 General Residential and part C2 Environmental Conservation under the Local Environmental Plan. The subject site adjoins low density residential development to the south, east and west, a shopping centre to the north-east and a recreation area to the south-west.

The site is bounded by Ocean Drive to the south-east, Fiona Crescent to the southwest, Lake Cathie Village Centre to the north-east, and low-density residential to the south, east, and west. It lies approximately 17km south of Port Macquarie and 15km north of Laurieton. The site has access to a shared pathway and public transport services on Ocean Drive and is within walking distance of key local amenities.

A pre-lodgement meeting was held with the applicant and Council in December 2023, and issues raised have been addressed in the draft Planning Proposal.

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3. *Delegate authority to the Director Community, Planning and Environment to make any minor updates to the Planning Proposal prior to seeking a Gateway Determination, and/or as a result of the issue of Gateway Determination.*
4. *Receive a report following the public exhibition period on any submissions received.*
5. *Notify the proponent of Council's decision.*

At its August 2025 Ordinary Council meeting, Council resolved to amend the staff recommendation. The report recommended a proposed 11 m C3 Environmental Management buffer, comprising the existing approved 6 m fire trail and an additional 5 m landscape buffer on the eastern side of the koala fence, Council supported a reduced 5 m C3 Environmental Management buffer, consistent with the proponent's proposal.

Consistent with the 21 August 2025 Council resolution, the Planning Proposal was amended to include a 5m C3 Environmental Management buffer. Following amendment and as per the Council resolution, the Planning Proposal was forwarded to the Department of Planning, Housing and Infrastructure for a Gateway Determination under Section 3.34 of the Environmental Planning and Assessment Act 1979. Conditional Gateway Determination was received on 3 November 2025. Public exhibition for a minimum of 20 working days was a condition of the Gateway Determination. Consultation with the NSW Rural Fire Service, Transport for New South Wales and NSW Department of Climate Change, Energy, the Environment and Water was also a

condition of the Gateway Determination.

Below is a summary of the Planning Proposal since lodgement:

Table 1: Summary of Planning Proposal Since Lodgement

Date	Summary
6 December 2023	Pre-lodgement meeting held with Council
17 September 2024	The Planning Proposal was formally lodged with Council via the NSW Planning Portal and relevant fees paid.
27 September 2024	Planning Proposal was assessed and referred to relevant internal and external agencies for review. Concerns were identified regarding ecology and vegetation management.
6 December 2024	Additional information was requested regarding koala assessment report, updated Ecological Report, Arborist Report and completed NSW Coastal Design Guidelines Checklist.
7 April 2025	Additional information response was provided by the Proponent.
28 May 2025	A site inspection was undertaken.
30 May 2025	Additional information provided was reviewed and assessed and it is considered sufficient information has been provided for the Planning Proposal to be reported to Council for consideration.
2 July 2025	Additional information received from Proponent regarding the Council proposed 11m C3 buffer between the existing C2 and proposed R3 zoned land.
21 August 2025	Council resolution at Ordinary Council Meeting for endorsement to proceed to Gateway Determination and public exhibition.
3 November 2025	Conditional Gateway Determination received from Department of Planning, Housing and Infrastructure.
2 December 2025	Agency referrals sent on NSW Planning Portal.
23 March 2026	Agency referrals received. Transport for NSW (10 March 2026), NSW Department of Climate Change, Energy and the Environment and Water (19 March 2026), NSW Rural Fire Service (23 March 2026).
16 March 2026	Public Exhibition opens
16 April 2026	Public Exhibition closes
3 May 2026	Proponent issued redacted verbatim submissions

20 May 2026	Proponent response to submissions received
21 May 2026	Post-exhibition report finalised
18 June 2026	Post-exhibition Council report presented at Ordinary Council Meeting

The following section includes actions undertaken by Council staff post Gateway Determination.

2. Discussion

Gateway Determination

The Gateway Conditions were issued by the Department of Planning, Housing and Infrastructure on 3 November 2026 (Attachment 4). Port Macquarie-Hastings Council as planning proposal authority is authorised to exercise the functions of the local plan-making authority under section 3.36(2) of the Act. This section discusses the actions undertaken by Council to ensure the proponent has satisfy all the Gateway Conditions as listed below:

Gateway Conditions

1. *Prior to consultation the proposal will be amended to include all current property descriptions.*
2. *Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act as follows:*
 - *the planning proposal is categorised as standard as described in the Local Environmental Plan Making Guideline (Department of Planning and Environment, August 2023) and must be made publicly available for a minimum of 20 working days; and*
 - *the planning proposal authority must comply with the notice requirements for public exhibition of planning proposals and the specifications for material that must be made publicly available along with planning proposals as identified in Local Environmental Plan Making Guideline (Department of Planning and Environment, August 2023).*
3. *Consultation is required with the following public authorities and government agencies under section 3.34(2)(d) of the Act (or any other part of the Act) and/or to comply with the requirements of applicable directions of the Minister under section 9 of the Act:*
 - a. *NSW Rural Fire Service;*
 - b. *Transport for New South Wales;*
 - c. *NSW Department of Climate Change, Energy, the Environment and Water*

Each public authority is to be provided with a copy of the planning proposal and any relevant supporting material via the NSW Planning Portal and given at least 30 working days to comment on the proposal.

4. *A public hearing is not required to be held into the matter by any person or body under section 3.34(2)(e) of the Act. This does not discharge Council from any obligation it may otherwise have to conduct a public hearing (for example, in*

response to a submission or if reclassifying land).

An amended Planning Proposal document was received from the applicant following Gateway Determination including reference to all current property descriptions.

Agency Consultation

Upon receiving the amended Planning Proposal from the applicant with reference to all current property descriptions, Council undertook consultation with the required public authorities as listed under Gateway Conditions 3 and in accordance with section 3.34(2) of the Act.

Agency consultation was undertaken from the 2 December 2025 to 31 March 2026 on the NSW Planning Portal, and the following agencies were consulted:

	Agency	Comments	Date response was received
1	Transport for NSW	Previously provided advice dated 23 October 2024, reviewing the Traffic and Access Assessment, and had no specific requirements. TfNSW noted that the traffic volumes at this intersection of Ocean Drive and Fiona Crescent meet the turn treatment warrants for a CHR/BAL intersection treatment.	10 March 2026
2	NSW Rural Fire Service	The RFS has no objection to the proposal, noting that future development applications should consider the unmanaged forest vegetation and apply suitable separation distances so future residential dwellings are not exposed to radiant heat levels exceeding 29k/W.	23 March 2026
3	NSW Department of Climate Change, Energy, the Environment and Water	The Department reviewed the Planning Proposal and raised no objections to the proposal.	19 March 2026

Public Exhibition

Following agency consultation, the planning proposal was placed on Public Exhibition from 16 March 2026 to 16 April 2026. The Engagement Report, prepared by Council's Engagement Team, is provided as Attachment 2. Verbatim submissions are also included in the Engagement Report. The Proposal was publicly exhibited on:

- The NSW Planning Portal, and
- Council's Have Your Say Page

In addition to the above, 46 letters were posted to adjoining landowners in proximity to

the subject site. A total of 148 submissions were received, including three agency submissions, 137 submissions were received via PMHC Have Your Say page and 11 were received via PMHC email and customer service. Of the 145 public submissions:

- 142 were non-supportive
- 3 were supportive

This level of participation indicates a broad degree of community engagement, with respondents providing a range of feedback and perspectives. Following a review of the submissions, it is evident that there was strong local interest in the proposal, with contributions spanning a variety of topics, repeating across all submissions.

While public opposition regarding the Planning Proposal is significant in volume, it is important to note that a substantial proportion of submissions do not raise matters of strategic planning merit relevant to the statutory assessment of a Planning Proposal. Many concerns relate to development-specific impacts that will be assessed during the Development Application process, further a significant proportion of the non-supportive submissions express general opposition or preference-based objections, without referencing strategic frameworks or evidence-based analysis. Accordingly, while Council has acknowledged and report the volume and themes of community concern, the existence of broad opposition does not preclude progression of a Planning Proposal where it is demonstrably consistent with strategic planning frameworks supported by technical studies.

All submissions received during the exhibition period were reviewed and considered as part of the assessment process. However, where comments were not supported by relevant technical evidence, strategic planning considerations, or applicable policy frameworks, they were not considered determinative in the final assessment outcome.

Supportive Submissions -

Key strategic themes raised in support included:

- a. Support for increased housing supply and diversity within Lake Cathie.
- b. Recognition that the site's location on a main road adjacent to existing commercial uses (Woolworths precinct) is appropriate for a higher-intensity land use outcome.
- c. General acceptance that the proposed height and scale are not considered excessive by some submitters in this context.
- d. Support for development in principle, subject to appropriate traffic and access arrangements, including consideration of intersection upgrades where required.

Contextual comments not directly related to the Planning Proposal or of specific strategic merit relevant to the statutory assessment:

- a. Specific suggestions regarding intersection treatments (e.g. roundabouts) and construction timeframes, which are matters for detailed design and delivery at Development Application or infrastructure stage.
- b. Comments relating to site access arrangements (e.g. access via side roads rather than direct Ocean Drive access), which are DA-level considerations.
- c. General expressions of support without supporting planning justification (e.g. "support for the benefit of Lake Cathie").
- d. Concerns relating to availability of medical services (e.g. GP access), which reflect broader regional service constraints rather than matters directly controlled through

the Planning Proposal.

Non-supportive Submissions -

Key strategic themes raised in non-support include:

- a. Concerns regarding appropriateness of increased building height (14.5 m) and density (R3 zoning) in the context of Lake Cathie's existing low-rise coastal village character.
- b. Perceived incompatibility between medium-density development and surrounding R1 general residential areas, including concerns about lack of transition and visual integration.
- c. Concerns regarding cumulative impacts and precedent, including the potential for further rezonings and incremental intensification along Ocean Drive and within Lake Cathie.
- d. Concerns about traffic generation, network capacity, and road safety, particularly in relation to Ocean Drive, the Woolworths precinct, and intersection performance.
- e. Concerns regarding infrastructure capacity, including stormwater, sewer, water supply, parking provision, and the ability of local services (health, education, community facilities) to support additional population.
- f. Environmental considerations, including:
 - i. proximity to C2 Environmental Conservation land,
 - ii. adequacy of the proposed C3 buffer zone,
 - iii. potential impacts on wildlife corridors (including koalas), and
 - iv. broader coastal and ecological sensitivity.
- g. Concerns regarding cumulative environmental and hazard constraints, including flooding, bushfire, and coastal processes, and whether intensification is appropriate in this context.
- h. Submissions raising questions about public interest, strategic alignment, and overall suitability of the site for medium-density residential development in principle.

Contextual comments not directly related to the Planning Proposal or of limited strategic merit to the statutory assessment:

- a. General statements of opposition such as:
 - i. "not appropriate",
 - ii. "too big",
 - iii. "does not belong in Lake Cathie", without supporting planning justification or reference to statutory frameworks.
- b. Comments focused on Development Application-level matters, including:
 - i. privacy, overlooking, overshadowing, and noise impacts from specific building forms,
 - ii. detailed layout, setbacks, or building design outcomes,
 - iii. construction impacts and site management.
- c. Statements relying on personal experience or anecdotal evidence regarding:
 - i. access to medical services (e.g. GP availability),
 - ii. traffic congestion during peak or holiday periods,

- iii. parking shortages at specific locations.
- d. Issues relating to housing tenure or perceived social outcomes, including references to:
 - i. “affordable housing”,
 - ii. “government housing”,
 - iii. community demographic change,which are not elements of the Planning Proposal.
- e. Comments regarding local lifestyle preferences and character expectations, without demonstrating inconsistency with strategic planning controls.
- f. Suggestions relating to infrastructure delivery details, including:
 - i. intersection upgrades (e.g. roundabouts),
 - ii. access arrangements,
 - iii. timing of infrastructure works,
 - iv. which fall outside the scope of LEP amendment and are addressed at later stages.

Assessment of submissions:

Submissions were assessed on the basis of the nature and relevance of the issues raised, rather than the number of times particular concerns were repeated. While a majority of submissions expressed non-support, each submission was reviewed to determine whether the matters raised fell within the scope of the planning assessment.

Issues of strategic relevance were carefully considered and informed both the assessment and identification of matters for potential future consideration by Council. Where submissions raised concerns that were not supported by relevant technical evidence, strategic planning frameworks, or applicable policy provisions, these were considered but did not carry determinative weight in the overall assessment outcome.

Submissions were categorised into nine key themes, below are the Planning Officer’s response to the key strategic concerns raised:

1. Land Use Intensity and Built Form Compatibility

A predominant theme in submissions relates to the appropriateness of the proposed rezoning from R1 General Residential to R3 Medium Density Residential, including concerns regarding increased building height, density, and compatibility with the established character of Lake Cathie.

Several submissions raised concerns that the future development could involve buildings of up to six storeys. It is noted that this does not reflect the exhibited Planning Proposal, which seeks to amend the maximum building height to 14.5 metres. In practical terms, this building height would typically facilitate development of approximately four residential storeys, subject to detailed design.

In responding to these concerns, it is important to recognise that the Planning Proposal considers the strategic suitability of the site for a revised zoning and associated development standards, rather than prescribing a specific built form outcome. Detailed matters such as building scale, massing, articulation and interface with adjoining

development would be addressed at the Development Application stage, in accordance with the Development Control Plan and relevant State planning and design frameworks.

With respect to local character, Lake Cathie is generally recognised as a coastal village with a predominantly low-density residential form. While medium density housing is not currently prevalent, the Planning Proposal identifies an opportunity to introduce greater housing diversity, including 'missing middle' typologies, in locations capable of supporting additional density.

The subject site is considered in this context, noting that:

- it is located immediately adjacent to the Lake Cathie Village Centre (Woolworths precinct),
- it is physically separated from surrounding low-density residential areas, and
- it represents an infill site capable of supporting a higher-intensity land use outcome relative to surrounding detached housing.

The Planning Proposal identifies that this location can accommodate medium-density development while minimising broader impacts on surrounding residential areas, noting its relationship to existing commercial land uses and services.

While the proposal represents a departure from the existing low-density character, it is considered that a targeted and site-specific intensification, rather than a wholesale change to the structure of Lake Cathie. The strategic assessment therefore focuses on whether:

- the proposed R3 zoning is appropriate in this specific location,
- the scale of change is supported by proximity to an existing centre, and
- the site can contribute to broader housing supply objectives without fundamentally undermining the coastal village character.

In this regard, the Planning Proposal concludes that introducing a medium-density model at this site is an appropriate and efficient means of delivering additional housing, while remaining consistent with the broader strategic objective of providing increased housing diversity in well-located areas.

Council has considered the concerns raised in submissions regarding height, density, and character. These concerns are acknowledged as reflecting community expectations; however, they do not in themselves demonstrate that the proposed rezoning is inconsistent with strategic planning objectives or unsuitable in principle for the site.

2. Residential Amenity Impacts

A consistent issue raised in submissions relates to potential impacts on residential amenity, including overshadowing, overlooking, loss of privacy, reduced solar access, and increased noise associated with higher-density development.

It is important to distinguish that the Planning Proposal relates to strategic amendments to zoning and development standards, rather than approval of a specific building

design. Matters such as orientation, setbacks, height articulation, privacy treatments, and internal design are not determined at a Planning Proposal stage but are assessed in detail through any future Development Application.

The Planning Proposal includes a concept design which demonstrates the capacity of the site to accommodate medium-density residential development and is supported by technical investigations. While not a final design, this indicates that development consistent with the proposed controls can be achieved.

In relation to the site context, it should be noted that:

- The site is located immediately adjacent to the Lake Cathie Village Centre, rather than being directly surrounded by low-density residential uses;
- The site is described as being physically separated from surrounding low-density residential areas, functioning as a standalone location; and
- The Planning Proposal indicates that future development will not result in a material amenity impact on surrounding dwellings, given its relationship to adjacent land uses and spatial separation.

While the proposal represents an increase in permissible height and density, the strategic assessment focuses on whether the site is capable of accommodating such development in principle, rather than determining the final amenity outcomes. Detailed outcomes relating to built form, design quality and residential amenity will be considered and refined through the Development Assessment process at the Development Application stage.

Notwithstanding this, the assessment concludes that a well-designed medium density development can be achieved on the site in a manner that appropriately manages scale, interface and impacts, without resulting in unacceptable effects on the amenity of surrounding residential areas.

3. Traffic, Access and Transport Capacity

Some submissions raised concerns regarding traffic generation, road network capacity, access arrangements, parking demand, public transport availability and pedestrian and cyclist safety.

A Traffic and Access Assessment was prepared and exhibited as part of the Planning Proposal documentation. The Assessment includes analysis of existing traffic conditions, projected traffic generation and future intersection performance, and concludes that the anticipated traffic generation associated with medium-density development on the site can be accommodated within the surrounding road network and would not result in detrimental road and intersection operating conditions in the vicinity of the development site.

At the Planning Proposal stage, traffic analysis is undertaken at a strategic level to determine whether the site is suitable for increased residential density. Detailed matters such as access design, parking layout, intersection treatments, and construction impacts are not finalised at this stage and are instead addressed through a future Development Application (DA), when the final design, yield, and staging are known.

In relation to the issues raised:

- Traffic volumes and network capacity:

The site fronts Ocean Drive, a sub-arterial road within the regional network, designed to accommodate higher traffic volumes than local residential streets. Existing traffic volumes are within the expected capacity of the road, and the Traffic Assessment confirms that even with the additional traffic, traffic flows remain within the capacity of the surrounding road network.

- Intersection performance:

The Ocean Drive / Fiona Crescent intersection currently operates at a satisfactory level of service with significant spare capacity both now and in the future in its current form as a priority-controlled intersection.

- Access arrangements and road safety:

The Planning Proposal does not prescribe final access arrangements. It identifies the opportunity for connections to both Ocean Drive and Fiona Crescent, with flexibility to refine access design at the Development Application stage to achieve appropriate safety and operational outcomes.

- Parking demand:

Parking provision is determined at the Development Application stage in accordance with Council's Development Control Plan requirements, which require adequate on-site parking to meet anticipated demand and limit impacts on surrounding streets. Assumptions regarding car ownership rates do not replace the need for detailed compliance with these standards.

- Public transport:

The site is within walking distance of existing bus stops on Ocean Drive and is serviced by Route 333, providing connections to Port Macquarie and surrounding centres. Further, the site is also within walking distance of the Lake Cathie Village Centre and supporting services. The provision and frequency of public transport services are broader regional matters and are not determined through the Planning Proposal process.

- Pedestrian and cyclist safety:

Both frontages in Fiona Crescent and Ocean Drive weather pedestrian pathways which link to the nearby retail centre and services. Any augmentation of pedestrian or cyclist infrastructure associated with the development would be addressed at the DA stage.

While a number of submissions express concern regarding cumulative traffic impacts and perceived infrastructure constraints, the detailed Traffic and Access Assessment demonstrates that the site has appropriate access to the existing transport network and is capable of accommodating increased residential density in principle.

Accordingly, traffic, access, and transport matters will require further detailed assessment at the Development Application stage, but do not, in themselves, indicate that the proposed rezoning is unsuitable from a strategic planning perspective.

4. Infrastructure Capacity (Water, Sewer, Utilities and Community Services)

Submissions raise concerns regarding the capacity of existing infrastructure and community services to accommodate additional population associated with the proposed rezoning, including sewer, water, stormwater, utilities, and social infrastructure such as health and education services.

The Planning Proposal is supported by a Stormwater and Servicing Strategy and consultation with Council's infrastructure divisions. Internal advice received indicates that there is sufficient centralised water and wastewater treatment capacity to support the proposal in principle, subject to detailed design and connection solutions at the Development Application (DA) stage.

In particular:

- Sewer and water infrastructure:

Advice from Council's Water and Sewer section confirms that treatment capacity is available; however, local network infrastructure (e.g. pump stations and mains) may require upgrades or augmentation.

- Stormwater and drainage:

A Stormwater and Servicing Strategy has been prepared to demonstrate that drainage can be managed appropriately for future development. Detailed stormwater design, including on-site detention and discharge, will be required to comply with Council's engineering standards at the Development Assessment stage.

- Utilities (electricity and other services):

Essential services are identified as being available to the site and capable of connection, with detailed requirements to be confirmed through standard servicing processes at the development stage.

With respect to community infrastructure and services (including medical facilities, schools, and retail capacity), submissions frequently rely on personal experience regarding existing service pressures. While these concerns are noted, the provision and capacity of broader regional services are influenced by population growth trends and service provider planning, rather than being directly controlled through a site-specific Planning Proposal.

At a strategic level:

- The site is located within an established urban area and immediately adjacent to an existing village centre, where infrastructure and services are already present.
- The Planning Proposal is intended to facilitate infill development in proximity to existing infrastructure, consistent with strategic planning objectives to optimise use of available services and reduce the need for expansion into environmentally constrained areas.
- Any future development will be subject to Council's contributions framework, ensuring that additional demand generated by development contributes toward infrastructure provision and upgrades.

While submissions express a perception that existing infrastructure is under strain, the technical information provided demonstrates that the site is capable of being serviced in principle, and that any detailed infrastructure requirements can be appropriately managed through established assessment and delivery mechanisms.

5. **Environmental and Ecological Considerations -**

Submissions raise a range of environmental concerns, including potential impacts on adjoining conservation land, koala habitat, adequacy of the proposed environmental buffer, edge effects, wildlife interactions and stormwater impacts.

The Planning Proposal is supported by a suite of technical investigations, including a Preliminary Ecological Assessment, Strategic Bushfire Study, Flood Impact and Risk Assessment, and Stormwater and Servicing Strategy, which collectively assess environmental constraints at a strategic level.

In relation to the issues raised:

- Impacts on C2 Environmental Conservation land and habitat:

No redevelopment or intensification is proposed within land zoned C2 Environmental Conservation, which will be retained and protected. The Planning Proposal indicates that the developable portion of the site is largely cleared and future development will not require additional clearing within the C2 zone.

- Environmental buffer and interface management:

The proposal includes a C3 Environmental Management zone forming a minimum 5 m buffer between the developable R3 land and the adjoining C2 zone. This buffer accommodates the existing koala fence and provides a transition between conservation land and residential development. In addition, a 25 m Asset Protection Zone (APZ) is required from the vegetation within the C2 land, effectively increasing separation between built form and environmentally sensitive areas beyond the mapped 5 m C3 buffer.

- Edge effects (including shading, light and noise):

Potential edge effects are recognised; however, these are addressed through the combined buffer, APZ requirements, and retention of existing separation measures (including fencing and fire trail infrastructure). Detailed siting, landscaping, and interface treatments will be required to be resolved at the Development Application stage.

- Wildlife interaction (including koalas):

Measures have already been implemented on the site, including a koala exclusion fence separating the cleared development area from conservation land, which is intended to minimise fauna movement into areas subject to urban activity. While increased human activity may result in some increased interaction risk, mitigation measures and ongoing management would be addressed as part of future detailed project design and approvals.

- Stormwater and runoff impacts:

A Stormwater and Servicing Strategy has been prepared to demonstrate that

stormwater generated by future development can be appropriately managed, treated, and discharged in accordance with Council requirements, minimising impacts on surrounding land and environmental systems. Detailed stormwater design would be assessed at the DA stage.

The ecological assessment indicates that the R1 portion of the site is substantially cleared and is not considered to retain significant biodiversity value, while vegetation within the C2 zone will be retained and protected.

6. **Built Form Interface, Height and Transition**

Submissions raise concerns regarding the interface between potential future development on the site and surrounding low-density residential areas, particularly in relation to perceived abrupt transitions, visual dominance of taller buildings, and the absence of stepped built form outcomes.

The Planning Proposal seeks to amend the applicable zoning and development standards to enable medium-density residential development; however, it does not prescribe a specific building form or final design outcome. Matters such as building height transitions, setbacks, articulation, and interface treatments are not fixed at the rezoning stage and are instead assessed in detail through any future Development Application (DA).

In considering the issues raised:

- Built form transition and interface:

The Planning Proposal identifies that the site is relatively isolated from surrounding R1 residential land and directly adjoins the Lake Cathie Village Centre, functioning as a distinct precinct rather than a typical interface between high and low-density residential areas. This context reduces the extent of direct interface between potential medium-density development and established detached housing.

- Perceived abrupt change in scale:

While the proposed controls represent an increase in permissible height and density, the introduction of R3 zoning is intended as a targeted, site-specific intensification in proximity to an existing centre, consistent with strategic planning principles that locate higher-density development near services and commercial uses.

- Visual bulk and dominance:

The Planning Proposal includes concept design material demonstrating that the site is capable of accommodating medium-density development. Detailed architectural responses, including building articulation, setbacks, and modulation of built form, would be required to address visual bulk and ensure compatibility with surrounding development at the DA stage.

- Step-down and transition design:

Submissions seek more prescriptive transition outcomes; however, such requirements are typically implemented through detailed design controls rather than LEP zoning provisions. The Development Control Plan and Apartment Design Guide provide mechanisms to ensure appropriate transitions, separation distances, and streetscape

outcomes where required.

The proposal represents a departure from the existing low-density character, which is inherent to the strategic objective of enabling additional housing diversity. The relevant consideration at this stage is whether the site is suitable for medium-density development in principle, not the final built form outcome.

The site's location adjacent to a commercial centre, combined with its relative physical separation from surrounding residential areas, supports its identification as an appropriate location for a distinct medium-density precinct, where detailed interface matters can be resolved through subsequent development assessment.

Accordingly, concerns relating to built form interface, height transition, and visual impacts are noted; however, these issues are primarily design-specific and capable of being addressed at the Development Application stage, and do not indicate that the proposed rezoning is inappropriate from a strategic planning perspective.

7. Character, Identity and Desired Future of Locality

Submissions raise broader concerns regarding the perceived identity of Lake Cathie as a low-density coastal village, and whether the proposal aligns with the desired future character of the locality. These concerns include references to maintaining a village scale environment, avoiding urbanisation, and ensuring development reflects community expectations and place-based planning principles.

The Planning Proposal recognises that Lake Cathie has a distinct coastal village character, historically defined by low-density residential development and a relatively subdued built form. The proposal also acknowledges that the introduction of medium-density development represents a departure from this prevailing pattern.

However, strategic planning frameworks applicable to the site, including the Local Strategic Planning Statement and Urban Growth Management Strategy, identify a need to:

- accommodate future population growth,
- provide greater housing diversity, particularly “missing middle” housing, and
- locate higher density development in proximity to existing centres, services, and infrastructure.

In this context, the Planning Proposal seeks to implement a targeted and site-specific intensification rather than a broad or unstructured change to the character of Lake Cathie. Key considerations include:

- Location and context:

The site is positioned immediately adjacent to the Lake Cathie Village Centre, where a higher intensity of development is generally anticipated under strategic planning principles.

- Housing diversity and “missing middle”:

The proposal aims to introduce a form of development that is currently under-represented within Lake Cathie, contributing to a more balanced housing mix

without resorting to higher-intensity urban forms.

- Alignment with strategic character objectives:

Strategic planning documents do not require Lake Cathie to remain exclusively low-density. Rather, they seek to manage growth in a way that balances character with housing need, with particular emphasis on locating increased density in appropriate, well-serviced locations.

- Avoidance of widespread character change:

The proposal applies to a specific site only and does not, of itself, rezone surrounding residential land or establish a broad planning framework for widespread intensification across the locality.

While submissions express a preference for maintaining the existing low-density character, the role of the Planning Proposal process is to consider whether a measured evolution of character is appropriate in response to identified housing and growth pressures.

The Planning Proposal concludes that introducing medium-density residential development at this location:

- will not fundamentally alter the broader coastal village identity of Lake Cathie,
- will instead establish a localised higher-density node adjacent to an existing centre, and
- represents a balanced outcome between preserving character and accommodating future housing demand.

Concerns regarding character, identity, and community expectations are noted as an important component of the assessment; however, they do not, in isolation, demonstrate that the proposal is inconsistent with adopted strategic planning objectives or unsuitable in principle.

8. Precedent Effects and Cumulative Change

Submissions raise concerns regarding the longer-term implications of the Planning Proposal, including the potential for the proposal to establish a precedent for further rezonings, increased building heights, and incremental intensification across Lake Cathie. Concerns are also expressed regarding cumulative impacts on the overall settlement pattern and character of the locality.

The Planning Proposal applies to a specific, defined landholding and must be assessed on its individual strategic merits. Approval of a site-specific rezoning does not create an automatic or binding precedent for other land to be rezoned. Any future planning proposals would be required to undergo separate assessment, including demonstration of strategic merit, consistency with applicable planning frameworks, and consideration of site-specific constraints.

The strategic planning framework guiding land use in Lake Cathie, including the Local Strategic Planning Statement and Urban Growth Management Strategy, supports:

- infill development in appropriate locations,
- increased housing diversity, and
- the concentration of higher-density development in proximity to existing centres and infrastructure.

In this context, the subject site is identified as:

- adjacent to the Lake Cathie Village Centre,
- located within an established urban area, and
- capable of accommodating a targeted increase in density without requiring expansion into environmentally constrained land.

Concerns regarding cumulative change and incremental densification are recognised; however, the Planning Proposal does not establish a broader rezoning framework or corridor approach for Lake Cathie. The proposal represents a single, site-specific amendment, and does not alter the zoning or development controls applicable to surrounding residential land.

While submissions reference broader cumulative development pressures within Lake Cathie, these pressures are addressed through strategic planning documents and growth management frameworks, rather than through assessment of any single Planning Proposal in isolation.

The concern that approval may lead to widespread or uncontrolled intensification is therefore not supported by the statutory planning process, which requires each future proposal to be:

- individually justified,
- assessed against current strategic policy, and
- subject to community consultation and Council determination.

Accordingly, while perceived precedent and cumulative impacts are important considerations, they do not, in themselves, demonstrate that the current Planning Proposal is inconsistent with strategic planning objectives or unsuitable in principle for the subject site.

9. **Property-Specific Amenity and Impacts**

A subset of submissions, particularly from adjoining and nearby residents, raised concerns regarding potential site-specific impacts, including overlooking, loss of privacy, overshadowing, visual intrusion, and perceived reductions in property amenity and value.

These concerns are acknowledged. However, it is important to distinguish that the Planning Proposal does not approve or prescribe a specific development outcome. Rather, it seeks to amend the zoning and development standards at a strategic level

and does not determine the detailed siting, design, or built form of any future development. At the Planning Proposal stage, impacts are considered at a broad strategic level, rather than through detailed, property-by-property assessment. Such detailed assessment is appropriately undertaken at the Development Application stage, where site-specific design information is available, and formal notification is provided to affected landowners for review and comment.

The Planning Proposal is supported by a concept design which demonstrates the site's capacity to accommodate medium density development. This concept is illustrative only and does not represent a fixed or final design outcome. Further refinement will be required at the development application stage to ensure compliance with applicable planning controls and to appropriately manage the interface with adjoining properties. While site-specific amenity concerns are an important consideration, they are inherently dependent on the detailed design of any future development and are therefore most appropriately addressed during the development application process.

Accordingly, the issues raised relate primarily to potential development-specific impacts, rather than the strategic suitability of the land use, and do not in themselves indicate that the proposed rezoning is inappropriate in principle.

The proponent was provided with redacted copies of all submissions received on 6 May 2026, and a response was subsequently submitted on 20 May 2026. The proponent's response report is included as Attachment 5 to this report.

Overall, the Planning Proposal has undergone a comprehensive strategic assessment, incorporating relevant strategic planning documents, ministerial directions, input from internal and external agencies, and community feedback received during public exhibition. Council acknowledges the constructive input provided by the community and stakeholders, and confirms that the strategic matters raised have been carefully considered and addressed as part of the assessment process.

3. Conclusion

The Planning Proposal has site specific merit and is consistent with strategic documents. The Planning Proposal was amended to following Gateway Determination to include reference to all current property descriptions. Agency and public consultation were a requirement of the Gateway Determination, and all submissions and agency comments have been assessed and incorporated within the Planning Proposal.

Accordingly, it is recommended that the proposal proceed to the finalisation stage.

Key Considerations

4. Financial and Economic Implications

The Planning Proposal is of a standard type, with fees applied at each appropriate stage of the Planning Proposal process in accordance with Council's adopted fees and charges schedule.

The proposal will have wider implications for housing supply, increasing dwelling diversity in Lake Cathie and supporting local economic activity through increased population and patronage of local businesses.

5. Legislative and Policy Implications

The proposal is consistent with the legislative requirements under the Environmental Planning and Assessment Act 1979, which governs the preparation and amendment of Local Environmental Plans. Council has been authorised to exercise the functions of the local plan-making authority as part of the Gateway Determination and under section 3.36(2) of the Act. Council has assessed the proposal to ensure Gateway Determination Conditions have been met and the proposal can proceed to make the LEP Amendment giving effect to the Planning Proposal.

6. Strategic Context and Implications

Planning Proposals are assessed in accordance with the strategic planning framework of NSW which includes both State and local legislative requirements, strategies and planning controls.

This strategic planning framework establishes the vision for NSW into the future with alignment between planning priorities identified at a state, regional or district level with finer-grained placed-based planning at the local level.

The framework sets out the principles and outcomes for meeting the needs of communities and the environment now and plans for the needs of the future. It enables communities to assess the broader implications and consequences of identifying locations for growth and change.

Alignment across state and local strategic planning sets up a streamlined process for amending LEPs by having planning matters resolved early and setting a clear sequence. This provides greater confidence for all parties as to how communities will grow and change over time.

The Planning Proposal has been assessed in accordance with the Strategic Planning framework and is determined to be in alignment and have strategic merit.

7. Risk and Insurance Implications

The assessment of LEP amendments, including rezoning, is part of the regular business of Council and does not introduce any new organisational risk. The risks to the natural and built environment associated with this Planning Proposal have been assessed and are considered manageable through appropriate zoning. The risks associated with potential future development of the site will be considered as part of the development assessment process.

8. Engagement and Consultation

As part of the Gateway Determination, Council has been authorised as the local plan making authority under Section 3.36(2) of the Act to undertake agency consultation and public exhibition in accordance with gateway conditions 2 and 3.

Gateway Condition 2 -

Public exhibition is required under section 3.34(2)(c) and clause 4 of Schedule 1 to the Act for a minimum of 20 working days. In accordance with this condition, public exhibition was undertaken from 16 March 2026 to 16 April 2026. The Planning Proposal

along with all supporting documentation were made publicly available to the community through Council's Have Your Say page and the NSW Planning Portal. The Engagement report along with Agency comments and staff response has been attached as Attachment 2 and Attachment 3.

During the public exhibition period, 46 adjoining landowners were notified by mail. Council's Have Your Say page was the key platform used where feedback could be submitted via an online submission form, direct email, post or PMHC customer service; the Have Your Say page received 2,488 page views and 1,407 total downloads. In addition, hard copies of the Planning Proposal were available on request at Council's Port Macquarie and Laurieton Customer Service Centres.

Gateway Condition 3 -

As part of Gateway Condition 3 and in accordance with Section 3.34(2)(d) of the Act, agency consultation was undertaken on the NSW Planning Portal from 2 December 2025 to 31 March 2026. The following agencies were consulted:

- Transport for NSW
- NSW Rural Fire Service
- NSW Department of Climate Change, Energy, the Environment and Water

A copy of the Agency responses has been included in the Engagement Report as Attachment 2.

Changes to the Planning Proposal as a result of Submissions received:

Following consideration of all submissions and agency referrals, no changes have been made to the exhibited Planning Proposal. The assessment confirms that the proposal demonstrates strategic merit, remains consistent with applicable planning frameworks, and is supported by technical investigations. While submissions have informed the evaluation, many issues raised are design-specific and will be addressed at the Development Application stage. Accordingly, the Planning Proposal is recommended to proceed to finalisation without amendment.

Proponent response to submissions:

The Proponent was provided a copy of all redacted verbatim and agency submissions and has provided a written response to Council, see Attachment 5.

The proponent acknowledges the submissions but considers many concerns to be based on misunderstandings or general opposition to growth rather than strategic planning issues. The response emphasises that the Planning Proposal has been assessed as having strategic merit and aligns with adopted planning frameworks supporting housing diversity, infill development, and medium-density housing near services. It highlights the site's unique characteristics, including its separation from surrounding low-density areas and proximity to the village centre, as making it suitable for redevelopment with limited impacts. Overall, the proponent maintains that concerns relating to amenity, traffic, infrastructure, environment, and precedent are either overstated or capable of being managed through existing controls and future development assessment.

9. Civic Leadership

From an Environmental, Social, and Corporate Governance (ESG) perspective, the amendments support improved housing diversity, protection of ecological values, more efficient infrastructure planning, and better alignment of land use with strategic outcomes. Collectively, the Planning Proposal strengthens the integrity of Council's strategic planning framework and supports sustainable, place-based development outcomes.

The Planning Proposal demonstrates alignment with Council's commitment to the quadruple bottom line approach to planning and development, which incorporates considerations of environmental sustainability, social equity, economic viability, and civic leadership.

- Environmental Sustainability: The Planning Proposal preserves land zoned for environmental conservation and integrates planning controls that mitigate impacts from bushfire, stormwater runoff, and coastal processes. Future development will adhere to sustainable building design principles as guided by the SEPP Sustainable Buildings 2022.
- Social Equity: The Planning Proposal increases housing diversity and accessibility by enabling medium density development in a walkable area close to local services, public transport, and recreation spaces. This supports the creation of inclusive, accessible communities.
- Economic Suitability: The sites proximity to Lake Cathie's commercial centre allows for increased patronage of local businesses and supports efficient infrastructure investment. The Planning Proposal contributes to local housing supply targets, assisting in stabilising housing markets.
- Civic Governance: Council's leadership is demonstrated through the transparent and inclusive plan-making process, engagement with stakeholders, and adherence to statutory and strategic planning frameworks. By aligning with the IP&R suite and planning priorities, the Planning Proposal reinforces Council's strategic direction and good governance.

Options

Under the Gateway Determination, Council is designated as the Local Plan Making Authority for this Planning Proposal, as such the following options are available to Council:

1. Endorse the Planning Proposal as exhibited and take the necessary steps under Section 3.36 of the Environmental Planning and Assessment Act 1979 to allow for the finalisation of amendment to the Port Macquarie-Hastings Local Environmental Plan 2011 to give effect to the Planning Proposal.
This is the recommendation of this report.
2. Resolve to not proceed or defer a decision on the Planning Proposal pending further work and/or review, or other alternative action. This is not the recommendation of this report.

Option 1 is the recommended for the reasons outlined in this assessment report.

Attachments

1. Planning Proposal
2. Engagement Report
3. Submission Response Summary
4. Gateway determination
5. Proponent - Public Consultation Response