



Mr Steve McDonald
General Manager
Muswellbrook Shire Council
PO Box 122
Muswellbrook NSW 2333

13/01501

Attention: Glenn Bunny

Dear Mr McDonald

Muswellbrook Residential and Rural Residential Strategy 2014

Thank you for your letter of 12 March 2014 regarding the Muswellbrook Residential and Rural Residential Strategy 2014 (the Strategy) and further information received on 5 November 2014.

The Department commends Council for preparing this Strategy. I particularly note the consideration of environmental constraints and provision of essential infrastructure to determine the potential location of future residential growth.

Following a thorough review of the Strategy, and considering the supply – demand gap analysis using the Department's current population growth and dwelling occupancy rate projections, I endorse the following elements of the Strategy:

- Muswellbrook candidate area B - to facilitate the extension of rural residential development consistent with the *Upper Hunter Strategic Regional Land Use Plan* settlement planning principles; and
- Muswellbrook candidate area D - to facilitate further residential growth adjacent to South Muswellbrook.

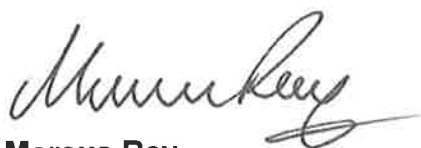
I also encourage Council to continue its structure / master planning of Muswellbrook candidate area D to ensure development issues are properly addressed, including the efficient sequencing of essential urban infrastructure.

In relation to Denman candidate area A, I cannot endorse this area until it is demonstrated that the rural residential development will have no detrimental impacts on strategic agricultural lands or the viticulture critical industry cluster. The recently issued Gateway determination for this area will assist in ensuring that this potential impact is properly addressed.

In addition, the Department encourages Council to establish a land monitoring program as suggested by the Strategy. This will assist Council in managing an adequate supply of residential and rural residential lands by being able to respond to prevailing market conditions and take up rates.

Should you have any further enquiries about this matter, please contact Mr David Rowland, General Manager of the Department's Newcastle office, on (02) 4904 2700.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Marcus Ray', with a stylized flourish at the end.

Marcus Ray
Deputy Secretary
Planning Services

08/05/2015