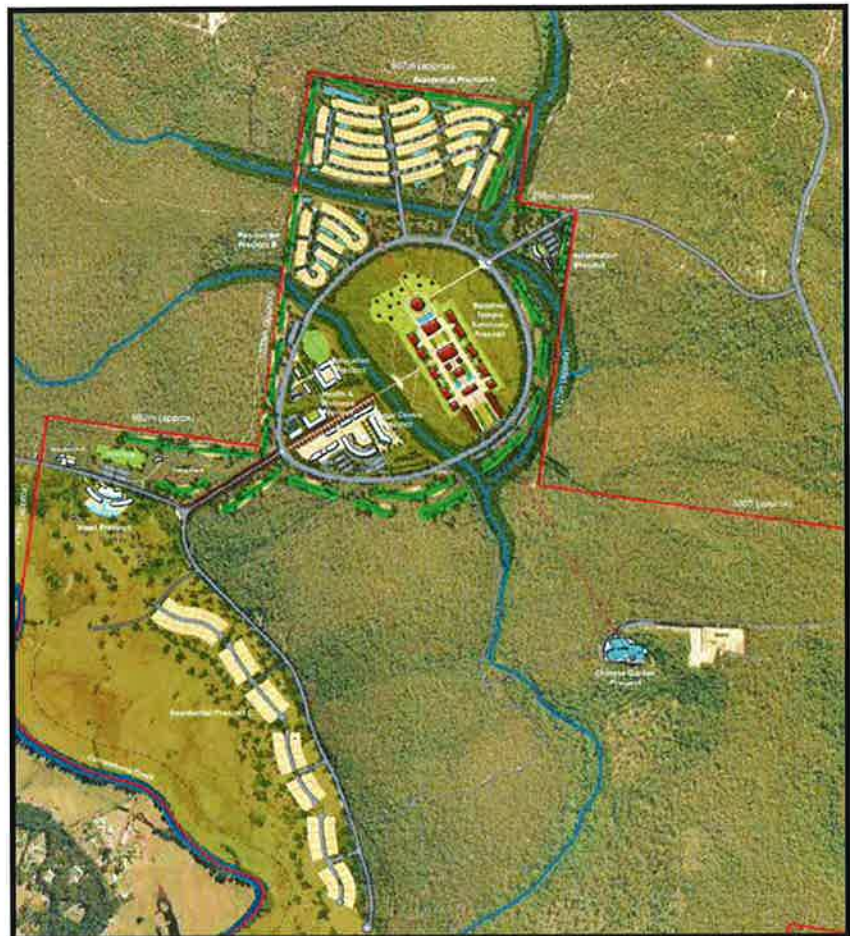




Planning &
Environment

**TRANSITIONAL PART 3A PROJECT
ASSESSMENT:
Shaolin Tourist & Residential Development
Comberton Grange South Nowra
(MP06_0135)**



Secretary's
Environmental Assessment Report
Section 75I of the
Environmental Planning and Assessment Act 1979

July 2014

ABBREVIATIONS

Department	Planning and Environment
CIV	Capital Investment Value
EA	Environmental Assessment
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
EPI	Environmental Planning Instrument
LEP	Local Environmental Plan
MD SEPP	State Environmental Planning Policy (Major Development) 2005
Minister	Minister for Planning
PAC	Planning Assessment Commission
Part 3A	Part 3A of the <i>Environmental Planning and Assessment Act 1979</i>
PPR	Preferred Project Report
Proponent	Shaolin Temple Foundation (Australia) Limited
RtS	Response to Submissions
SEARs	Secretary's Environmental Assessment Requirements
Secretary	Secretary of Planning and Environment, or delegate.
SEPP	State Environmental Planning Policy
SoC	Statement of Commitments

Cover Photograph: Proposed Concept Plan of the Shaolin Tourist and Residential Development

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EXECUTIVE SUMMARY

The Shaolin Temple Foundation (Australia) Limited ('the Proponent') proposes to develop a 1,284 hectare site for an integrated tourist and residential development for the Shaolin religious order. The site is located in the Shoalhaven Local Government area (LGA) in an area close to the Jervis Bay Marine Park. The Proponent is seeking concept approval to establish the development in various Precincts throughout the site, with site works representing Stage 1, the construction of the Shaolin Temple, associated buildings and ancillary residential development in Stage 2 and subsequent stages comprising further development of the tourist and residential uses. Should Concept Plan approval be granted, further development applications would need to be submitted to Council to develop the proposal.

The Concept Plan would generate 50 full-time equivalent construction jobs and approximately 200 full-time equivalent jobs during operation, once all stages are developed. The Concept Plan has a capital investment value (CIV) of around \$370 million.

The Concept Plan is classified as a 'Major Project' under the transitional provisions of Part 3A of the *Environmental Planning and Assessment Act 1979*. Part 3A of the EP&A Act, as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the EP&A Act, continues to apply to transitional Part 3A Projects. Secretary's environmental assessment requirements (SEARs) were issued in respect of this project prior to 1 October 2011 and the project is therefore a transitional Part 3A Project. As such, the Minister for Planning is the approval authority for the proposal.

The Environmental Assessment (EA) was exhibited from 5 November 2012 until 4 December 2012. A total of 64 submissions were received, including 15 submissions from public authorities and 49 public submissions, including special interest groups (34 submissions objected, 9 raised concerns and 6 were in support).

Key issues raised included the potential impacts of the Project on water and groundwater quality of Jervis Bay, wetlands and Currumbene Creek, lack of dedication of the eastern portion of the site to Jervis Bay National Park, the lack of information regarding offsets, impacts on habitat corridors and flora and fauna; traffic and access impacts; social and economic impacts on the local community; bushfire; inconsistency with the South Coast Independent Review Panel's recommendations; size and location of the development and infrastructure servicing.

Shoalhaven City Council raised some concerns with the project, however, provided in-principle support given the likely significant economic benefit to the regional community and employment creation during the construction and operational phases. All other public authorities raised issues of concern to be addressed during the assessment process.

The proponent responded to the issues raised in submissions in a 'Response to Submissions' report (RtS). The RtS included a number of key changes to the proposal, including measures to protect nearby watercourses and riparian areas including buffers and setbacks, height reductions to certain structures, inclusion of fire trails around the perimeter of the northern portion of the site and Asset Protection Zones (APZs) around the individual precincts and adoption of specific noise levels in the design of dwellings to manage noise impacts from aircraft.

Following the assessment of the modified proposal and further consultation with the Proponent, Council and the key agencies, the department considers that the key issues of water quality, biodiversity and traffic and access can be satisfactorily dealt with through the Concept Plan approval which recommends modifications to the Concept Plan and includes detailed environmental assessment requirements for each future development application.

Overall, the department is satisfied that the impacts of the project are acceptable and can be adequately mitigated and managed subject to the overall terms and limits of the approval. In addition, the department's assessment recognises the significance and need for the proposal in terms of promoting tourism in the south coast region of NSW. The project is generally consistent with the objectives of the South Coast Regional Strategy, including the recommendations of the Sensitive Urban Lands Review, providing for tourist and residential development and generating jobs in the area, while also providing environmental safeguards. The department is satisfied that the project has significant social and economic benefits for the south coast and is therefore in the public interest.

As more than 25 submissions by way of objection were received, the application will be determined by the Planning Assessment Commission in accordance with the Minister's Instrument of Delegation, dated 14 September 2011.

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1. BACKGROUND & SITE

1.1 Introduction

The Shaolin Temple Foundation (Australia) Limited ('the Proponent') proposes to develop an integrated tourist and residential development for the Shaolin religious order on a site approximately 1,248 hectares in size, known as Comberton Grange, at South Nowra.

The project was declared a Major Project by the then Minister for Planning on 18 June 2008. Subsequently, the Proponent submitted a Part 3A Major Project application for concept approval and an Environmental Assessment (EA) was prepared and exhibited in late 2012. This report assesses the project as outlined by the Proponent in its Response to Submissions (RtS) ('the project').

1.2 Regional Context

The site is located approximately 12 kilometres south of the Nowra CBD and 2 kilometres east of the Princes Highway, within the Shoalhaven local government area. The Jervis Bay Marine Park is located approximately 6km to the east of the site, while land to the north, west and northeast comprises State forests. The Jervis Bay National Park is located to the east of the site and the towns of Callala Bay, Huskisson, Vincentia and Woollamia are located to the east of the site near Jervis Bay. The site location is shown in **Figure 1**.

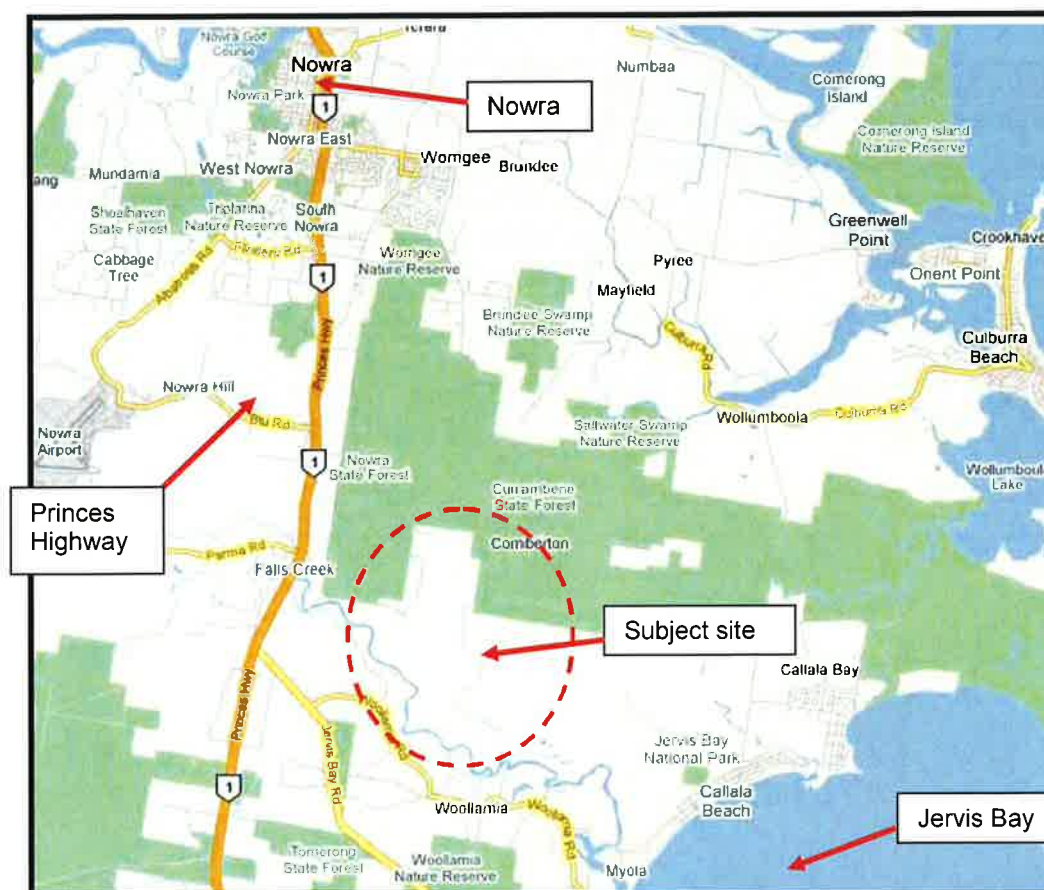


Figure 1: Site Location (Source: EA prepared by Conybeare Morrison dated October 2012)

1.3 Site Location and Description

The site comprises six allotments, including Lot 1 DP 725955, Lot 1 DP550098, Lot 4 DP 63405, and Lots 59, 60 and 61 DP 755928 and is known as Comberton Grange ('the site'). The site

comprises an area of approximately 1,284 hectares, of which approximately 170 hectares is within a former pine plantation in the northern section of the site and 110 hectares is located along the cleared slopes adjoining Currumbene Creek.

The site consists of disused farmland in the south-western area, a former pine plantation in the northern portion, and a heavily vegetated forested area in the central and eastern portions of the site (known collectively as the 'eastern conservation area' in this report). An EPA licenced quarry exists in the central portion of the site, although it is currently not in operation. The site is illustrated in Figure 2.

The site is located within a large area of heavily vegetated lands, comprising a mix of State Forest, crown lands and National Park. The site is bounded by Nowra State Forest to the west and north and Currumbene State Forest to the east. Currumbene Creek forms the southern and western boundaries of the site, while rural residential development with some tourist facilities exist along Woollamia Road to the south and south-west of the site.

1.4 The Site

The site is characterised by low undulating hills and hill crests with moderately sloped hill sides. The slopes generally fall to the south to the flatter floodplains adjoining Currumbene Creek. The site rises from less than 1m AHD along the banks of Currumbene Creek to a maximum height of 76m AHD towards the eastern boundary within the forested area. The river banks along Currumbene Creek are impacted by a 1:100 year flood event.

The northern part is centred on a series of west to northeast and west to southeast ridgelines separated by creek lines which drain to the Currumbene Creek floodplain. The undulating topography has gradients ranging from 50m AHD at the north-western corner to below 10m AHD along the drainage lines. Slope gradients in this area are generally less than 10% and average approximately 4-5%.

Currumbene Creek, classified as a sanctuary zone within the Jervis Bay Marine Park, forms the southern and western site boundary which drains to Jervis Bay and a public reserve exists along the bank. Georges Creek is another water course traversing the site, primarily through the former pine plantation portion of the site, from the north-western boundary to the confluence with Currumbene Creek in the southern portion of the site. A wetland listed under *State Environmental Planning Policy No 14 – Coastal Wetlands* is located in the south-eastern corner of the site adjoining the site boundary where the creeks converge.

About 75% of the site consists of forests, woodlands and wetlands, which is in a relatively natural state. The central portion of the site has been classified as a habitat corridor under the *Jervis Bay Regional Environmental Plan 1996*.

The site is currently largely vacant with the exception of the remnants of the former Comberton Grange homestead in the south-east corner of the site (north-eastern side of Currumbene Creek) and the quarry in the central/eastern portion of the site. Various roads and tracks also exist within the site.

1.5 Site History

The site was previously used as a farm which is reflected in the cleared land along Currumbene Creek and the remains of the original Comberton Grange Homestead in the south-western portion of the site. These remains are now a heritage item under the *Shoalhaven Local Environmental Plan 1985*.

The northern part of the site was a former pine plantation that was commenced by Council as part of its wastewater recycling scheme. This area now supports regrowth vegetation of mainly native plants with some pines remaining. Various tracks also remain. The site has also been used as a quarry, in the central portion of the site, which is currently inactive. The sedimentation control dam and other infrastructure remain at the site.

In 2006, the then Minister for Planning commissioned the *South Coast Independent Review Panel* ('the Panel') to investigate the suitability for development of several sites in the region, including the subject site, following the release of the Draft South Coast Regional Strategy. The Panel's report is considered in this assessment.

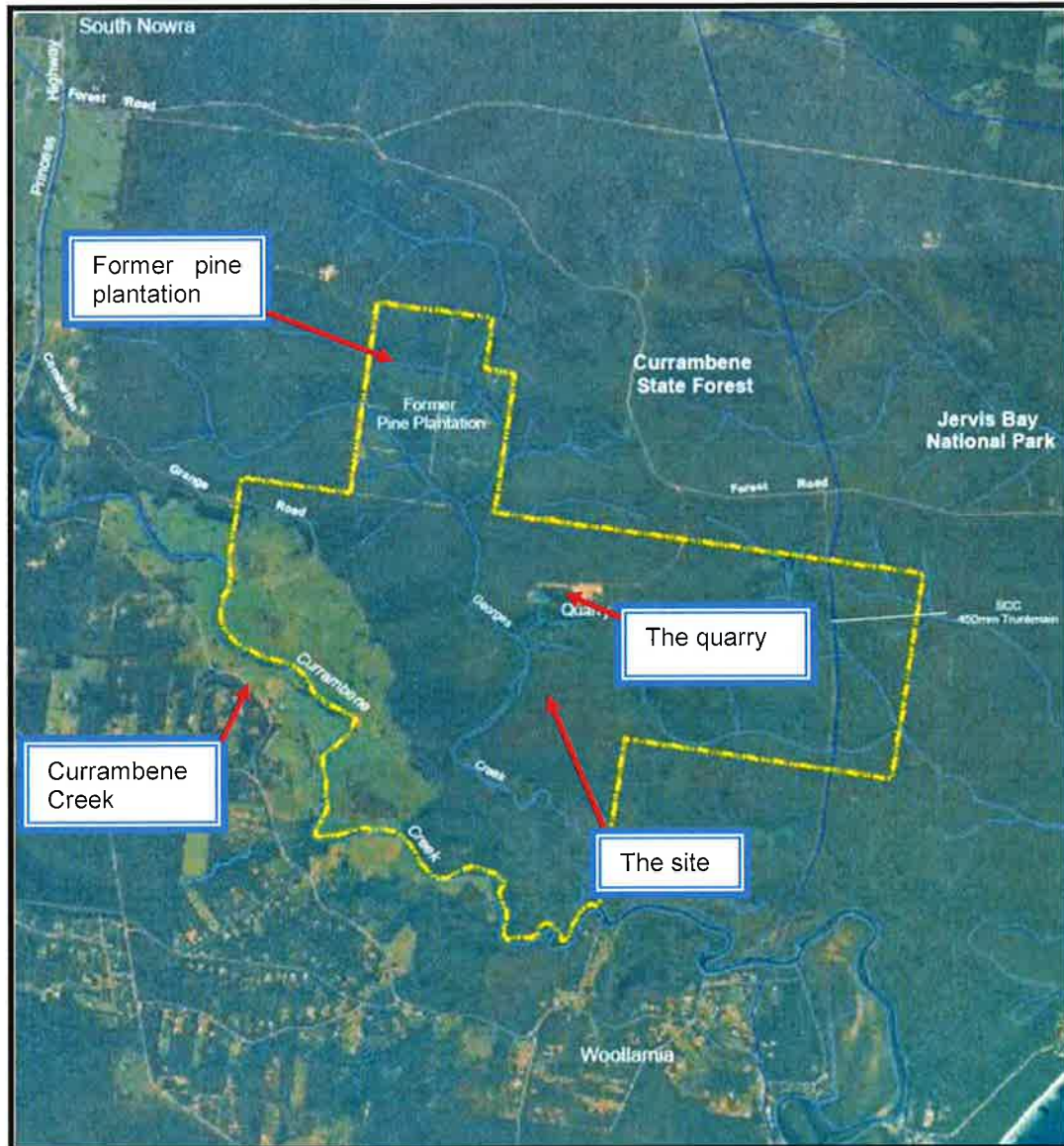


Figure 2: The Site (Source: EA prepared by Conybeare Morrison dated October 2012)

2. DESCRIPTION OF THE PROPOSAL

2.1 The Concept Plan

The Proponent proposes to develop a 1,284 hectare site for an integrated tourist and residential development for the Shaolin religious order and is located in the Shoalhaven local government area (LGA).

The Proponent is seeking concept approval to establish the development in various Precincts throughout the site, with site works representing Stage 1, the construction of the Shaolin Temple, associated buildings and ancillary residential development in Stage 2 and subsequent stages comprising further development of the tourist and residential uses. The majority of the proposal

would be developed within the former pine plantation and previously cleared land. The key components of the Concept Plan are outlined in **Figure 3** and **Table 1** below.

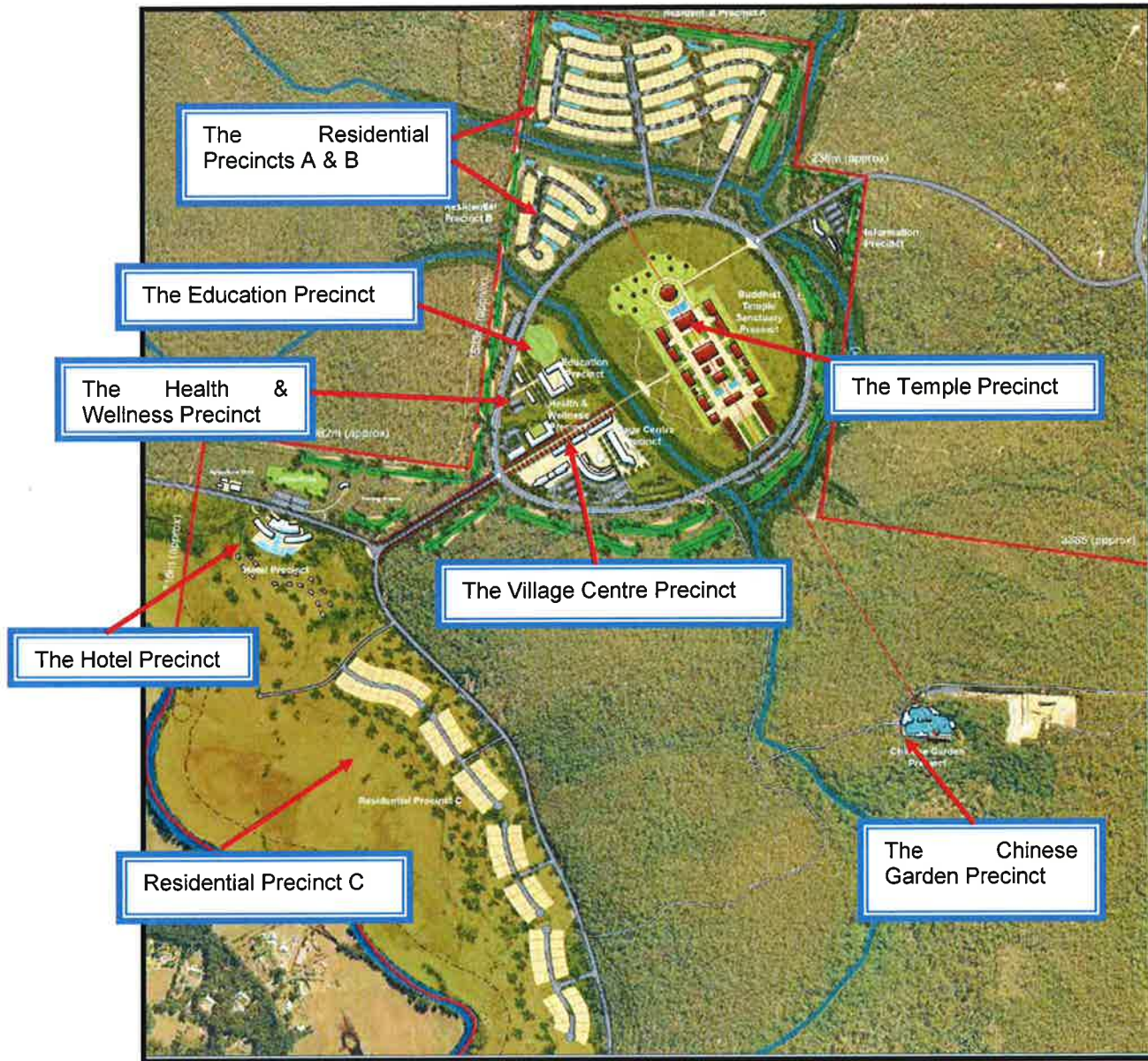


Figure 3: Concept Plan for the Site (Source: EA prepared by Conybeare Morrison dated October 2012)

Table 1: Key Project Components and Features

Component	Precinct Area	Development Area	Height	Features
Buddhist Temple Sanctuary	44ha	72,000m ²	6 storeys (pagoda)	<ul style="list-style-type: none"> Buddhist Temple Sanctuary with associated residential accommodation (up to 50 monks). A Pagoda sited to the rear of the complex and a pagoda forest; and 330 seat prayer or assembly hall within the temple complex.
Educational Precinct	5.3ha	12,000m ²	2 storeys	<ul style="list-style-type: none"> Shaolin Martial Arts Training Centre/Kung-Fu Academy for up to 300 students with teaching facilities, sporting field and residential accommodation for

Component	Precinct Area	Development Area	Height	Features
				students and staff.
<i>Village Centre Precinct</i>	8ha	5,000 – 20,000m ²	2 storeys	<ul style="list-style-type: none"> Neighbourhood centre with retail, commercial and dining facilities; convention centre; amphitheatre for displays and gatherings; and serviced apartments accommodating 1, 2 and 3 bedroom apartments for weekly and monthly accommodation for tourist use.
<i>Health and Wellness Precinct</i>	2.3ha	6,000 – 10,000m ²	2 storeys	<ul style="list-style-type: none"> Traditional Chinese Medicine Centre and fitness centre.
<i>Hotel Precinct</i>	13.4ha	100 – 250 rooms	3 storeys	<ul style="list-style-type: none"> 500 bed, four star hotel and tourist cabins with up to 250 rooms, restaurant (200 patrons), café (100 patrons) and conference rooms (60 and 150 people) and staff accommodation.
<i>Information Precinct</i>	2.26ha	1,000m ²	1 storey	<ul style="list-style-type: none"> Visitor Information Centre with associated Cultural Museum, car parking, administrative facilities and golf cart hiring facilities.
<i>Heritage Precinct</i>	NA	NA	NA	<ul style="list-style-type: none"> Interpretation Strategy for remnants of former Comberton Grange Homestead and pastoral landscape.
<i>Chinese Garden Precinct</i>			NA	<ul style="list-style-type: none"> Traditional Chinese garden encircling the existing man-made lake/sedimentation dam near quarry, comprising pavilions, walkways and gardens around the lake.
<i>Golf Course and Clubhouse</i>		300m ²	1 storey	<ul style="list-style-type: none"> 18 hole golf course, clubhouse, driving range and putting greens near Hotel Precinct.
<i>Agricultural</i>		1,000m ²	NA	<ul style="list-style-type: none"> Agricultural and herbal farms
<i>Residential Precincts</i>	56.65ha		2 storeys	<ul style="list-style-type: none"> Residential Precinct A – 173 allotments comprising allotments of approximately 760m² (20m wide x 38m deep) for predominantly detached dwellings; Residential Precinct B – 49 allotments comprising allotments of approximately 760m² (20m wide x 38m deep) for predominantly detached dwellings; and Residential Precinct C – 78 allotments comprising allotments of approximately 1500m² (30m wide x 50m deep) for detached dwellings.
<i>Parking</i>				<ul style="list-style-type: none"> 972 (excluding residential precincts) car parking spaces and 8 coach parking spaces; and On-site parking for residential allotments and basement parking for serviced apartments.

3. STATUTORY AND STRATEGIC CONTEXT

3.1 Strategic Context

The department considers that the proposal is generally consistent with a number of key strategic planning policies due to the proposed creation of new housing, development of infrastructure, investment in the region and the anticipated job creation. This includes the following strategies:

NSW State Plan

The NSW State Plan, *NSW 2021*, is a 10 year plan to rebuild the economy, provide quality services, renovate infrastructure and strengthen the local environment and communities. The project is consistent with Goals 1 and 27 of the Plan as it will assist in promoting regional tourism, increase tourism expenditure and increase opportunities for cultural participation. A convention centre is proposed within the village centre precinct which would contribute to the goal of making NSW a global tourism and event destination and support economic growth. The proposed temple would encourage cultural diversity and bring about awareness of the Shaolin order in Australia.

South Coast Regional Strategy and the Sensitive Urban Lands Review

The *South Coast Regional Strategy* (the Regional Strategy) sets the context for development in the South Coast region towards 2031. The site was identified as "*Sensitive Urban Land*" under the Regional Strategy, as it was found to be environmentally sensitive and in a relatively isolated location which warranted a priority review by an expert Panel to determine suitability and scale of the proposal. The *South Coast Sensitive Urban Lands Review* (the Review) was commissioned by the then Minister for Planning and prepared by an independent panel ('the Panel') which provided a report in October 2006, making several recommendations for the site, which are included in the Strategy.

The Panel identified the key environmental issues at the site as native flora and fauna, estuaries, coastal lakes and wetlands, soil and landscape capability, groundwater, flood risk and cultural heritage. The Panel considered parts of the site to be unsuitable for development, including the area characterised as floodplain (affected by the 1 in 100 year flood), the eastern vegetated portion of the site (east of the existing quarry including the SEPP 14 wetland in the southern corner of the site) and where endangered ecological communities occur. The areas considered suitable by the Panel for development included the cleared and elevated grazing land immediately south of Comberton Grange Road and the former pine plantation block in the north portion of the site. These areas are illustrated in Section 5.3 of this report.

The Panel made the following recommendations:

- the development is not a stand alone residential settlement and comprises of a fully integrated tourist facility with associated residential development and potential employment benefits to the Shoalhaven region;
- the tourism component should be the predominant use and the land developed for tourism and residential purposes should be retained in one ownership;
- the residential development should be limited to 200-300 dwellings;
- impacts on Currumbene Creek should be minimised, with riparian and wildlife corridors provided (greater than 50m buffer on either side). The floodplain of Currumbene Creek should be re-vegetated during the first stages of the project with indigenous species; and
- density of residential component should achieve a higher dwelling yield per hectare to use land efficiently and the dwellings may be permanently occupied.

In summary, the Panel concluded that the site is suitable for an integrated tourism and residential development on the grounds that it has the potential to generate significant tourism and jobs for the Shoalhaven region. The Review noted that without the tourism precinct, the project could not be supported. The proposal is considered generally consistent with the Strategy. Specific recommendations made in the review relating to the development are further detailed in Section 5.

3.2 Major Project

The Project is classified as a Major Project under the transitional provisions of Part 3A of the *Environmental Planning and Assessment Act 1979* ('the EP&A Act'), as it includes development for the purpose of tourist related facilities with a capital investment value of more than \$100 million and employment for more than 100 people. As such, the Project triggers the criteria for development pursuant to the *State Environmental Planning Policy (Major Projects) 2005 (Schedule 1, Clauses 17(a) & (b) Group 6 – Tourist, convention and entertainment facilities)*.

Part 3A of the EP&A Act, as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A to the EP&A Act, continues to apply to transitional Part 3A Projects. Secretary's environmental assessment requirements (SEARs) were issued in respect of this project prior to 1 October 2011 and the project is therefore a transitional Part 3A Project.

Consequently, this report has been prepared in accordance with the requirements of Part 3A and associated Regulations, and the Minister (or his delegate) may approve or disapprove of the carrying out of the projects under sections 75O of the EP&A Act.

3.3 Approval Authority

Under the EP&A Act, the Minister is the approval authority for transitional Part 3A Projects. However, as more than 25 submissions by way of objection were received on the application, the application must be determined by the Planning Assessment Commission in accordance with the Minister's Instrument of Delegation, dated 14 September 2011.

3.4 Permissibility and Zoning under Local Environmental Plan

At the time the Concept Plan application was lodged, the *Shoalhaven Local Environmental Plan 1985* ('the Shoalhaven LEP') was the principal environmental planning instrument applying to the subject site. Under this LEP, the zoning included 1(d) Rural "D" (General Rural), 1(e) Rural "E" (Extractive and Mineral Resources) and 7(a) Environmental Protection "A" (Ecology) zones.

The majority of the site (Buddhist Temple Sanctuary, Educational, Health and Wellness, Hotel and Information Precincts and Residential Precincts A, B and C) were zoned 1 (d) (Rural "D" (General Rural) Zone). Tourist facilities, educational establishments, institutions and dwellings are permissible in this zone. The proposed shops/retail premises, however, are prohibited in the zone under the Shoalhaven LEP 1985.

During the assessment, the Shoalhaven LEP 2014 was gazetted and is the current LEP which applies to the site. Under this LEP, the proposal would be zoned primarily as RU2 Rural Landscapes, with a small area zoned as RU1 Primary Production. Under the 2014 LEP, the proposed Tourist and Visitor Accommodation would be permissible with consent in both zones, however the Hotel would be prohibited in the RU2 zone. Part of the site is also Zoned E2, however the project does not include any proposed works in this zone.

In accordance with s75R of the EP&A Act, the Minister or her delegate, are able to consider and determine the development on its merits, notwithstanding that certain aspects of the proposal are prohibited.

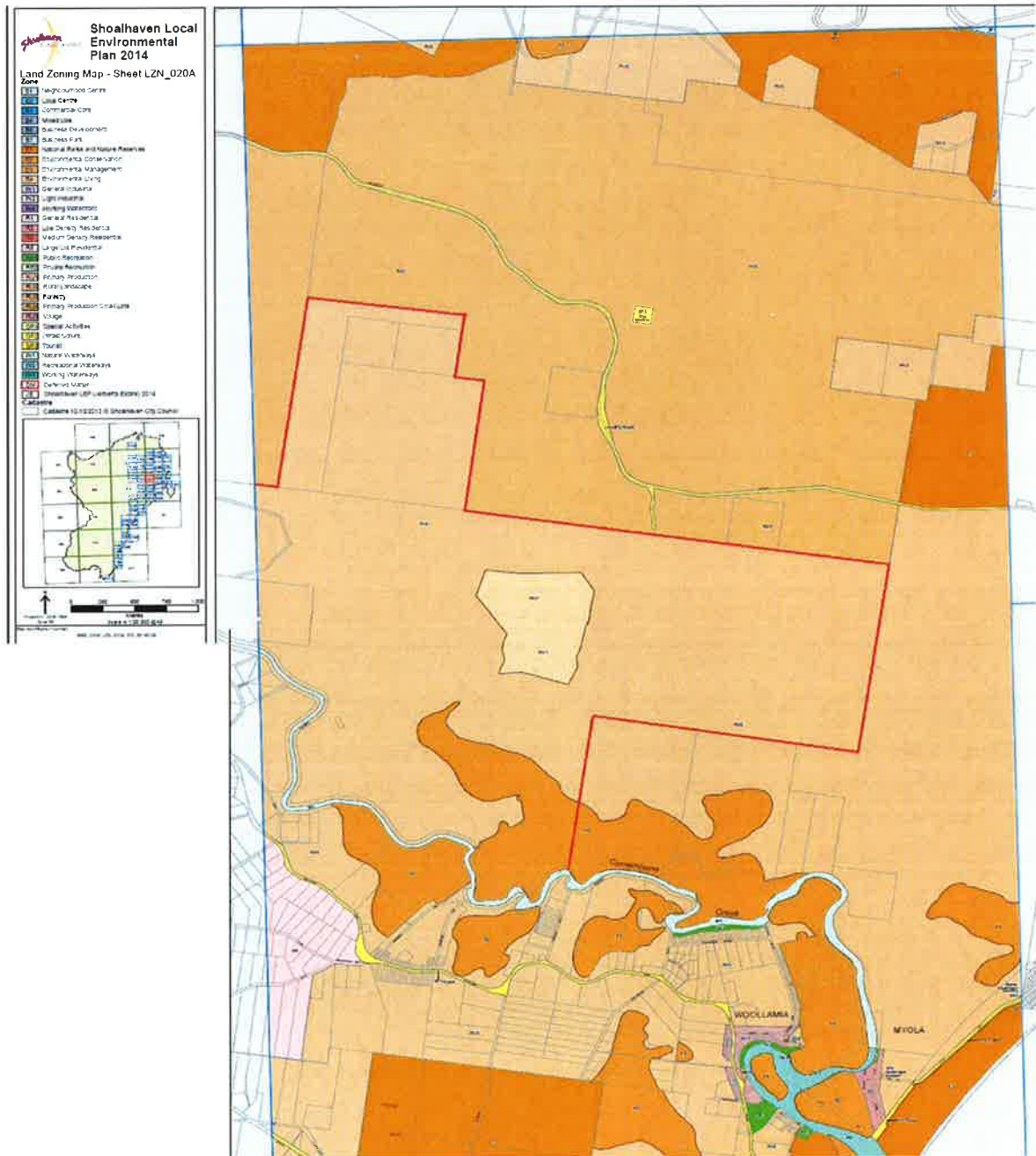


Figure 4: Zoning of the Site under the Shoalhaven LEP 2014

3.5 Environmental Planning Instruments

Section 75I of the EP&A Act requires the Secretary's report to include a copy of or reference to environmental planning instruments that substantially govern the carrying out of the projects. Those instruments are:

- *State Environmental Planning Policy (Major Development) 2005* (Major Development SEPP);
- *State Environmental Planning Policy No.14 Coastal Wetlands* (SEPP 14);
- *State Environmental Planning Policy No.71 Coastal Protection*;
- *State Environmental Planning Policy No.55 Remediation of Land*;
- *Shoalhaven Local Environment Plan 1985*; and
- *Shoalhaven Local Environment Plan 2014*.

The department's consideration of the relevant EPIs (including SEPPs) is provided in **Appendix B**, and concluded that the project is generally consistent with these controls, with the exception of the following:

- Shoalhaven LEP 2014:
 - Clause 2.1 & 2.3: Zoning & Permissible Development - the proposed development within the Hotel Precinct (hotel and motel development), Health and Wellness Precinct (medical centres) and the serviced apartments, shops, retail and business premises within the Village Centre Precinct are prohibited in the RU2 (Rural Landscape) zone.
 - Clause 4.3: Height of Buildings - the maximum height of 11 metres for the site is proposed to be exceeded by the Pagoda in the Temple Precinct.
- Jervis Bay Regional Environmental Plan 1996 -
 - Clause 14: Habitat Corridors - the proposal involves the removal of 34.5 hectares of vegetation from the habitat corridor.

The above matters are discussed in Section 5 of this report.

3.6 Objects of the EP&A Act

Decisions made under the EP&A Act must have regard to the objects of the Act, as set out in Section 5. The relevant objects are:

- (a) *to encourage:*
 - (i) *(the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,*
 - (ii) *the promotion and co-ordination of the orderly and economic use and development of land,*
 - (iii) *the protection, provision and co-ordination of communication and utility services,*
 - (iv) *the provision of land for public purposes,*
 - (v) *the provision and co-ordination of community services and facilities, and*
 - (vi) *the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and*
 - (vii) *ecologically sustainable development, and*
 - (viii) *the provision and maintenance of affordable housing, and*
- (b) *to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and*
- (c) *to provide increased opportunity for public involvement and participation in environmental planning and assessment.*

With respect to ecologically sustainable development (ESD), the EP&A Act adopts the definition in the *Protection of the Environment Administration Act 1991*. Section 6(2) of that Act states that ESD 'requires the effective integration of economic and environmental considerations in decision-making processes' and that ESD 'can be achieved through' the implementation of the principles and programs including the precautionary principle, the principle of inter-generational equity, the principle of conservation of biological diversity and ecological integrity, and the principle of improved valuation, pricing and incentive mechanisms. In applying the precautionary principle, public decisions should be guided by careful evaluation to avoid, wherever practicable, serious or irreversible damage to the environment and an assessment of the risk-weighted consequences of various options.

The Proponent has assessed the ESD aspects of the proposal. The department has fully considered the objects of the EP&A Act, including the encouragement of ESD, in its assessment of the project as detailed in Section 5. This assessment found that the objects of most relevance to

the Minister's decision on whether or not to approve these projects are those under Section 5(a)(i), (ii), (vi) and (vii) and that the proposal is consistent with these principles.

4. CONSULTATION AND SUBMISSIONS

4.1 Exhibition and Notification

Under Section 75H(3) of the EP&A Act, the Secretary is required to make the environmental assessment (EA) of an application publicly available for at least 30 days. After accepting the EA for the project, the department undertook exhibition and notification, as outlined in **Table 2**, from **Monday 5 November 2012 until Tuesday 4 December 2012**:

Table 2: Exhibition and Notification of the EA

Exhibition/Notification	Appearing	From / to
Publicly exhibited on website(s)	DPI (Sydney and Wollongong) and Shoalhaven City Council	5 November to 4 December 2012
Newspaper notice	Nowra Shoalhaven News	1 November 2012
Newspaper notice	Nowra South Coast Register	2 November 2012
Written notices to	Landholders, public authorities, local community groups	5 November to 4 December 2012

This satisfies the requirements in Section 75H(3) of the EP&A Act.

During the exhibition period, the department received a total of 64 submissions on the proposal comprising:

- 15 from public authorities; and
- 49 public submissions (including 34 objections, 9 raising concern and 6 supporting the project).

Of the 49 submissions, 2 interest groups objected (Wildlife Rescue South Coast Inc and the Jervis Bay Regional Alliance), 2 special interest groups supported the project (Regional Development Australia, South Coast and Callala Beach Progress Association) and 1 special interest group raised concern, but did not object (Marina Consultancy Group).

On 7 January 2014, the department accepted the Proponent's Response to Submissions ('RtS') report. A copy of the RtS was placed on the department's website and sent to relevant public authorities. The department received a further 15 submissions from public authorities.

A copy of all of these submissions is attached in **Appendix D**. A summary of each submitter's position and key areas of concern on the proposal is provided below.

4.2 Public Authority Submissions

The submissions from public authorities are summarised below:

Shoalhaven City Council ('Council') supports the proposed development in principal due to its significant economic benefit to the region and its employment opportunities. Council raised concern regarding: car parking shortfalls; water and sewer infrastructure; road acquisition; lack of information regarding traffic impacts; zoning; traffic and access; revegetation of riparian corridors; building height; flora and fauna survey effort and impacts; impact of the Chinese Garden precinct on sterilisation of the Quarry; and lack of environmental commitments.

The Council responded to the RtS and stated it did not support the proposed zoning of the eastern conservation area to E4 Environmental Living zone (E4) and considered it should be zoned E2 - Environmental Conservation (E2). Council's outstanding issues included: rural fire road network requirements; the use of Comberton Grange Road (to be used only for emergency use); ownership of roads within the site; construction of a roundabout at the intersection of the Northern access

road and Forest Road; and inadequacy of the biodiversity assessment. Council also requested that the Plan of Management ('PoM') be prepared in the first stage of the development.

The **Office of Environment and Heritage ('OEH')** supports the majority of the development footprint being located on previously cleared land. OEH expressed concern regarding the zoning of the forested areas; wetlands and riparian corridors and inadequacy of the biodiversity assessment.

OEH responded to the RtS by stating that: the proposed zoning of the eastern portion of the site to E4 was not supported and recommended that this area, and the riparian corridors, be rezoned to E2. OEH also recommended that a permanent biodiversity offset area should be identified and the BioBanking Assessment Methodology should be adopted; Assessment of Aboriginal heritage impacts; water quality, estuary health and flood risk management were also identified by the OEH as areas of concern.

Roads and Maritime Services (RMS) objected to the proposed traffic signals at the Jervis Bay Road & Forest Road intersections with the Princes Highway, and stated that a grade separated interchange is required. RMS concluded that the traffic assessment was inadequate.

In relation to the RtS, the RMS stated it would not object to a staged approach solution provided that further SIDRA modelling is undertaken to ensure the existing intersection was adequate for Stage 1 works and that the grade separated interchange would be sufficient for Stage 2 and beyond.

Department of Planning and Environment (South Coast Regional Office) raised concern regarding the proposed property ownership and various inconsistencies with the recommendations of the Panel. The regional office recommended that 'no subdivision of the site' be included in the statement of commitments (SoC). In addition, the Regional Office stated that the proposal fails to adequately demonstrate how the sustainability criteria of the Strategy and financial arrangements for infrastructure would be met.

Following the RtS, the regional office raised issues with the proposed zoning regime of the site, objecting to the proposed E4 zoning for the eastern portion of the site due to its high conservation value. Lack of consideration of the draft Shoalhaven LEP 2014 was also raised.

Department of Primary Industries (Fisheries) recommended that the south east corner of the site adjoining the lower reaches of the Georges and Currumbene Creeks which contain SEPP 14 wetland should be dedicated to the Jervis Bay National Park. Fisheries stated that the water quality targets, plans and long term monitoring for stormwater was inadequate. Given the sensitivity of the receiving water, Fisheries recommended that the proponent demonstrate that the project will have a neutral or beneficial effect (NorBE) outcome.

In relation to the RtS, Fisheries supported the development of relevant Plans of Management (PoM) and the inclusion of riparian buffer zones and maintained its recommendation that the south eastern corner of the site be dedicated to Jervis Bay National Park in line with the Panel's recommendations. Fisheries recommended conditions regarding zoning and stated that the water quality objectives were still a major concern.

Department of Primary Industries [Marine Parks Authority (MPA)] support measures to permanently protect the eastern and south-eastern portions of the site and requested a PoM for Currumbene Creek be provided. MPA stated that Currumbene Creek is part of Jervis Bay National Park and that the project must ensure that the receiving water quality is maintained or improved.

The MPA expressed similar concerns with the RtS in that the water quality objectives were not adequately outlined and the zoning of the eastern portion of the site is not supported.

Department of Primary Industries [NSW Office of Water (NOW)] stated that the riparian corridors in the EA for Georges Creek, Currumbene Creek/SEPP 14 wetland were not consistent

throughout the document. NOW requested further details regarding water supply, licences, details of dams and groundwater impacts be provided. NOW recommended a physical barrier to be established along the outer edge of the proposed golf course to prevent accidental encroachment into the riparian corridor.

In response to the RtS, NOW advised that the riparian corridors should be imposed as a condition and that rehabilitation of the Currumbene Creek corridor should be undertaken in consultation with Council. NOW also requested that the E2 zone be applied to minor tributaries and that relevant licences and approvals must be sought for water extraction and use.

Department of Primary Industries (Crown Lands) requested that the proponent inform the Council and Crown Lands of any activities proposed within the Currumbene Creek and that the detailed landscape design of the creek corridor be submitted to the Council at the development application stage. Crown lands also suggested a number of plant species which would be suitable to be planted within the reserve.

Crown lands were satisfied with the RtS which included a commitment that the Proponent will inform Council and Crown Lands of any activities proposed within the reserve.

Department of Primary Industries (Forests NSW) considers the potential impacts (i.e. noise, hazard reduction burning) from forestry operations on the project have not been adequately addressed. Forests NSW also raised concern regarding Forest Road being used as the primary access road.

Catchment Management Authority (CMA) – Southern Rivers supports retaining the development in single ownership rather than subdividing the site into individual allotments. CMA noted inconsistencies with the recommendations made by the South Coast Sensitive Urban Lands Review. CMA recommended reducing the residential lot size to allow the golf course to be built outside the habitat corridor. CMA requested that the landscape design plan be refined. No comments were made on the RtS.

Rural Fire Services (RFS) considers the bushfire assessment report to be inadequate and requested further information regarding the classification of buildings, asset protection zones, access, services, emergency and evacuation planning and construction levels. RFS were particularly concerned with the road network and emergency access around the residential precinct. RFS recommended that through and perimeter roads be provided as well as other conditions.

The RFS reviewed the RtS and stated that although compliance with *Planning for Bushfire Protection, 2006* had not been clearly demonstrated, the project appeared capable of such compliance at the detailed design stage.

Environment Protection Authority (EPA) identified potential land use and noise conflicts should the quarry operations re-commence (which would include noisy activities) next to the proposed Chinese Garden Precinct (which is designed for quiet contemplation). The EPA recommended amending the SoC or including a condition to ensure that the future operation of the Comberton Grange Quarry is not compromised.

The EPA considered that the RtS provided an appropriate commitment with respect to the use of the quarry and the Chinese Garden.

Department of Defence (DOD) outlined the limitations with the noise and vibration assessment and raised concern regarding noise impacts from defence aircrafts on the development which may lead to future complaints and land use conflicts. DOD stated that should the proposal proceed, it will not be responsible for any future liabilities regarding noise complaints in relation to military aircraft noise and recommended conditions to attenuate the development from aircraft noise be included.

The DOD also reviewed the RtS and stated that noise mitigation measures should be included.

Department of Trade and Investment (DoT&I) stated that some parts of the proposal (including the Chinese Garden Precinct) occur within the identified quarry transition area and that these areas may be impacted by the quarry should operations recommence in the future. DoT&I requested that access to the quarry be maintained.

Further comments were received in relation to the RtS, which stated that the proposed E4 Environmental Living zone was not supported due to possible future land conflicts with the quarry.

Shoalhaven Water identified outstanding water and sewer servicing requirements along with recommending conditions of consent in both the EA and RtS.

Department of Education and Communities did not oppose the development, however, indicated that the Panel recommended that dwelling numbers should be kept to a maximum of 300 lots. Any extra dwellings above the 300 proposed lots may result in the requirement of additional infrastructure at surrounding schools.

4.3 Public Submissions

There were 49 public submissions received in response to the public exhibition and notification of the project. Of these submissions, 34 objected, 9 raised concerns and 6 submissions were in support of the project. The main issues raised in the submissions which objected included:

Water

- Adverse impacts on water quality (including increased run-off, erosion and pesticide use) on Jervis Bay, wetlands and Currumbene Creek;
- Impacts on groundwater quality; and
- Increased downstream flooding risks.

Biodiversity

- The eastern portion of the site should be dedicated to Jervis Bay National Park;
- Potential impacts to eastern forest area due to eco-trails and camping;
- Lack of information regarding offsets and the voluntary conservation agreement for the area;
- Threats to habitat corridors from clearing, edge effects and the proposed Chinese garden;
- Impacts to flora and fauna (i.e. weed invasion, introduction of exotic species, fertiliser use) and inadequate survey effort (not all species considered);
- Feral animal management; and
- Weed invasion from the Chinese garden.

Transport

- Adverse traffic impacts due to increased traffic flows (Forest Road and Nowra Bridge);
- The need for local road and intersection upgrades; and
- No public transport to and from the site is proposed.

Noise

- Potential noise impacts from military aircrafts were not assessed and may have impacts on adjoining areas.

Socio-Economic

- The projects self-contained nature will result in minimal economic benefits to the region;
- Lack of information regarding employment estimates;
- Local labour forces should be used during the construction and operation of the project; and
- Projected tourism figures are inadequate.

Bushfire

- Potential for bushfire hazards to increase due to the development; and
- Emergency evacuation measures are not adequate.

Strategic Planning

- The proposal is not consistent with the recommendations made by the Panel, in particular the development will result in a standalone settlement and single ownership is not guaranteed; and
- Strategic planning of the site has not been adequately considered as the proposal is inconsistent with the relevant plans and strategies for the area.

Other

- Inadequate community consultation;
- Impacts on aboriginal heritage and non-aboriginal heritage;
- Inconsistent with the objectives of the EP&A Act;
- Impact on existing infrastructure (i.e. medical facilities, road network and schools);
- Visual impacts due to the height of some of the proposed buildings (4 storeys in Village Centre);
- Land use conflicts including the sterilisation of Comberton Grange sand quarry;
- Lighting impacts (from the development and road lighting) on the rural landscape;
- Golf course and associated environmental impacts are not supported as local golf courses are currently struggling;
- National security concerns due to the proximity of the proposal to the military air base;
- Size and location of the development is considered inappropriate; and
- Inadequate information regarding sewer, water and electrical infrastructure.

Those in support of the project stated that the proposal would raise the profile of the area, as a tourist destination and contribute to the creation of jobs in the hospitality, tourism, service and entertainment industries. It was believed the project would have a social and economic benefit on the region.

4.4 Proponent's Response to Submissions

On 12 December 2013, the Proponent lodged a RtS with the department. The RtS made minor changes to the Concept Plan and the SoC. The key changes included:

- A commitment to develop a PoM for Currumbene Creek, wetlands and riparian corridors;
- Amendment and confirmation of riparian buffers to include a minimum 100m setback from Currumbene Creek and a minimum 50m setback for Georges Creek;
- A proposal to rezone the site as follows:
 - the land to the east of the quarry to E4 Environmental Living;
 - the wetlands and riparian corridors along the major tributaries of Georges and Currumbene Creeks be zoned E2 Environmental Conservation;
 - Residential zones, R1: General Residential and R2: Low Density Residential for the residential precinct's A, B & C; and
 - B4 Mixed Use zone for the Village Centre, Health & Wellness and Education Precincts.
- Amendment to the residential portion of the development to include a maximum of 300 lots;
- A commitment to only construct and operate the Chinese Garden precinct when the quarry is not in operation;
- Details of project staging:
 - Stage 1: will include site clearing, infrastructure works and bulk earth works;
 - Stage 2: will comprise construction of the temple and limited supporting tourist and residential development; and
 - Stage 3: will include the remaining tourist facilities and residential development.
- A commitment to negotiate with the RMS regarding the construction of the grade separated interchange;

- Fire trails included around the perimeter of northern portion of the site, and Asset Protection Zones (APZs) added around the individual precincts;
- Adoption of the noise levels of 58-70 dBA in the design of dwellings along the flight corridor and a commitment to achieve the optimum indoor design sound levels in the building envelope; and
- An updated Statement of Commitments (SoC).

5. ASSESSMENT

The department's assessment, of the proposed Concept Plan is provided below. This includes the recommendation of specific modifications for the overall Concept Plan area in terms of limits of approval, modifications and future assessment requirements.

In assessing the merits of the project, the department has considered:

- the EA, submissions and RtS on the proposal (see **Appendices C, D and E**);
- the Proponent's SoC;
- relevant EPIs, guidelines and policies (see **Appendix B**); and
- the objects of the EP&A Act, including to encourage ecologically sustainable development.

The department considers the key issues relate to consistency with water quality, biodiversity, traffic and access impacts. Other key issues include the proposed zoning changes, the residential components of the project, infrastructure, visual amenity and bushfire management.

Furthermore, the Department's assessment has also considered the proposals consistency with the findings of the Sensitive Urban Land Review. Overall, the department is satisfied that the proposal is consistent with these findings, in particular, the recommendation that the site be used as a fully integrated tourist and residential development, and that no more than 300 residential lots in single ownership be developed. In addition, the proposal would also maintain the key biodiversity values of the site, sufficient setbacks are created to protect the riparian and wetland areas, which are also consistent with Review. The department's assessment against the recommendations by the Panel is outlined in Section 5 below.

5.1 Water Quality

Currumbene and Georges Creeks and their tributaries are located in or adjacent to the site. Both creeks drain to the Jervis Bay Marine Park, with sections of Currumbene Creek in the vicinity of the proposed site zoned as a 'Sanctuary Zone' under the Jervis Bay Marine Park. The objectives of the Sanctuary zone are to provide the highest level of ecological protection. Wetland areas, including SEPP 14 listed wetlands and endangered ecological communities (EEC's) are also located in the southern part of the site and downstream of the main development areas.

The project has the potential to impact on water quality within the creeks and wetlands during both construction and operation, through the introduction of large impervious areas (estimated at 455,800m²), increased stormwater pollutants and runoff from disturbed and developed areas including the golf course and the generation of effluent from the residential and tourist facilities.

Brown Consulting prepared a Water Management Report ('the water report') as part of the EA, outlining the water supply requirements of the Project and the concept design for stormwater and effluent management. The water report acknowledges that subsequent development applications would be required to prepare an integrated water cycle management plan that is based on detailed design of the Project, including a site water balance and details of the sizing, design and location of stormwater management infrastructure.

The water report states that potable water will be provided to the Project from an extension to the existing potable water main servicing Callala Beach and Callala Bay. On-site reservoirs would be constructed to store potable water in the Information Precinct in the eastern part of the main development.

The Proponent proposes to access Shoalhaven City Council's Reticulated Effluent Management Scheme (REMS) to provide approximately 65% of the Project's water demand for non-potable uses such as irrigation of the golf course and landscaped areas. This water supply would be supplemented with harvested rainwater (roofwater collected in tanks) and stormwater (from on-site detention basins capturing clean stormwater from un-developed areas). Effluent would be managed via connection to Shoalhaven City Council's sewer main, some 6km from the site.

The proposed hardstand areas (455,800m²) associated with the construction of roads, residential development and tourism facilities equates to approximately 3.55% of the total site area and 2.4% of the total catchment area of Georges Creek. The water report estimates the increased runoff volume from the hardstand areas and concluded that this would be minor in the context of existing creek flows during the 10 year and 100 year storm events. Notwithstanding, the water report noted the requirement for on-site stormwater detention to manage pollutants that may enter the stormwater and impact on water quality in the creeks and the downstream wetlands.

The water report provided concept designs for the stormwater management system, referencing Water Sensitive Urban Design (WSUD) principles, including bio-retention swales, gross pollutant traps, on-site detention basins and rainwater tanks. The water report acknowledges the importance of managing stormwater quality to ensure sediments and nutrients are captured before discharge to receiving waters. The conceptual design proposes to treat stormwater through a series of bio-retention swales, gross pollutant traps and sedimentation basins. The water report also notes that a golf course management plan would be prepared, including procedures for minimising fertiliser use and the management of water quality control devices. The water report stated that stormwater during construction would be managed in accordance with *Managing Urban Stormwater: Soils and Construction* but did not provide specific details of erosion and sediment controls.

OEH, NOW, Jervis Bay Marine Parks Association (MPA) and Council raised concerns with the potential water quality impacts of the Project. In particular, these agencies noted a lack of detail in the concept design for water supply and stormwater management and therefore the difficulty in quantifying the potential impacts of the Project. The agencies noted that:

- further information is required to determine the water demands of the Project, and whether sufficient capacity is available to meet these demands;
- specific targets should be set for stormwater pollution to reflect the sensitive receiving waters of Currumbene and Georges Creeks;
- detailed design of the stormwater management system should demonstrate how the stormwater pollution targets will be achieved, including a 'Neutral or Beneficial Effect' (NoRBE) outcome;
- the stormwater management system should be reviewed and approved by the MPA;
- details of the function, capacity and location of proposed dams (for golf course and landscaping irrigation) should be provided to determine the requirement for licensing;
- details of any groundwater extraction, interception or dewatering should be determined in order to establish the appropriate licensing requirements;
- the Project should include a long-term stormwater quality monitoring program; and
- the stormwater management design and plans should be reviewed by an independent consultant to determine whether a NoRBE outcome is likely to be achieved.

Consideration

The department notes the concerns raised by the agencies and recommends that the Project be required to achieve a NoRBE outcome, as well as other relevant water quality requirements for Currumbene and Georges Creeks. The department recognises the importance of managing stormwater quality during both construction and operation, to protect the sensitive environment of the creeks and adjacent wetlands.

The water report provided only conceptual stormwater designs and noted that an integrated water cycle management plan would be prepared for each subsequent development application, based on detailed design of the Project. The water report did not provide any specific details for the management of stormwater during construction.

Notwithstanding, the department notes that the Project is seeking approval for the concept design of the tourism and residential development, and further detailed development applications would be submitted and assessed before any physical works can commence. The department considers that the water quality impacts of the Project can be clearly identified and further assessed in subsequent development applications and has recommended a number of Terms of Approval to ensure this occurs. In this regard, the Terms of Approval require each future development application to include a detailed stormwater management plan to be prepared by an independent expert in consultation with the Marine Parks Authority that clearly outlines how the specified water quality objectives will be met (ie the NoRBE targets).

The department's recommended Terms of Approval incorporate the advice of the relevant agencies with respect to water supply, stormwater management and groundwater.

Specifically, the department has recommended that future development applications include:

- a detailed stormwater management plan, prepared by a qualified and independent consultant, in consultation with the MPA and including:
 - detailed erosion and sediment controls for the construction phase;
 - localised stormwater pollution targets to reflect the sensitive receiving waters of Currumbene and Georges Creeks;
 - details of the stormwater management measures to be implemented to achieve the pollution targets and a Neutral or Beneficial Effect' (NoRBE) outcome; and
 - details of the function, capacity and location of proposed dams and any relevant licensing requirements.
- a long-term stormwater monitoring and adaptive management plan to monitor and evaluate the efficiency of the stormwater management measures in achieving the pollution targets and the NoRBE outcome and to identify any need for further stormwater treatment; and
- a detailed groundwater management plan, including baseline analysis of groundwater levels and quality, details of any proposed extraction, interception or dewatering activities, relevant licensing requirements and the need for any on-going monitoring.

Subject to the above, the department is satisfied that the water quality impacts of the Project can be adequately mitigated subject to detailed design through future development applications and can be managed via the recommended Terms of Approval requiring on-going monitoring and management. The department also considers that while the stormwater design is conceptual, it is satisfied that the appropriate stormwater discharge limits would be met.

5.2 Impacts on Biodiversity

A *Biodiversity Assessment* was prepared by Kevin Mills & Associates dated May 2012 ('Biodiversity Report') to identify the key vegetation communities and threatened flora and fauna species on the site and to identify the potential impacts of the Project. The Biodiversity Report and RtS also recommended a number of management measures to minimise the impacts of the Project on biodiversity.

As described in Section 1.3, the site covers around 1,284 hectares and is substantially vegetated, including:

- 170 hectares of a former pine plantation in the north;
- 110 hectares of cleared farmland adjoining Currumbene Creek in the west; and
- approximately 1,000 hectares comprising of native forests and woodlands covering the central and eastern parts of the site.

The Biodiversity Report identified 15 vegetation communities on site, including 5 Endangered Ecological Communities (EEC's) listed on the *Threatened Species Conservation Act, 1995* (TSC Act) and wetlands listed on *State Environmental Planning Policy No 14 – Coastal Wetlands* ('SEPP 14'). The 5 EECs identified on the site are illustrated in **Figure 6** and include:

- Coastal Saltmarsh EEC;
- Swamp Oak Floodplain Forest EEC;
- Swamp Sclerophyll Forest EEC;
- River-Flat Eucalypt Forest EEC; and
- Freshwater Wetlands EEC.



Figure 6 – EEC's, SEPP 14 Wetlands and Riparian Corridors

The vegetation in the eastern part of the site (referred to as the 'Eastern Conservation Area') was identified by the Panel as unsuitable for development and recommended for inclusion in the adjacent Jervis Bay National Park due to its high conservation value, see **Figure 7**.

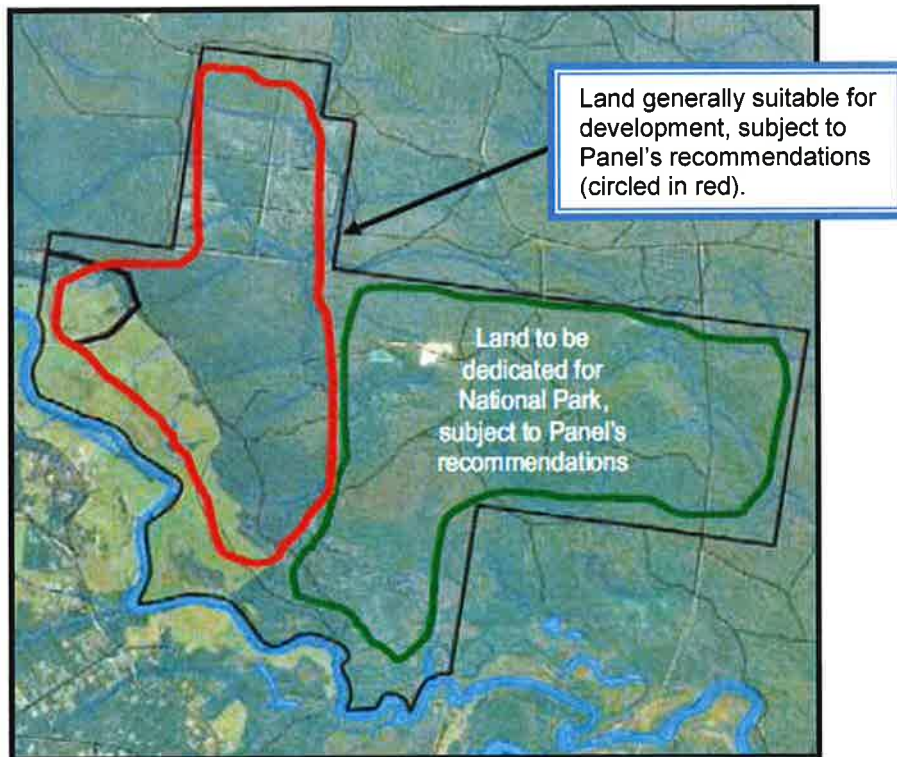


Figure 7: Panel's Recommendation for Development at Comberton Grange (Source: Panel's report dated October 2006)

The vegetation in the central and north-western parts of the site is identified as 'habitat corridor' in the *Jervis Bay Regional Environmental Plan 1996* (Jervis Bay REP), see **Figure 8**.

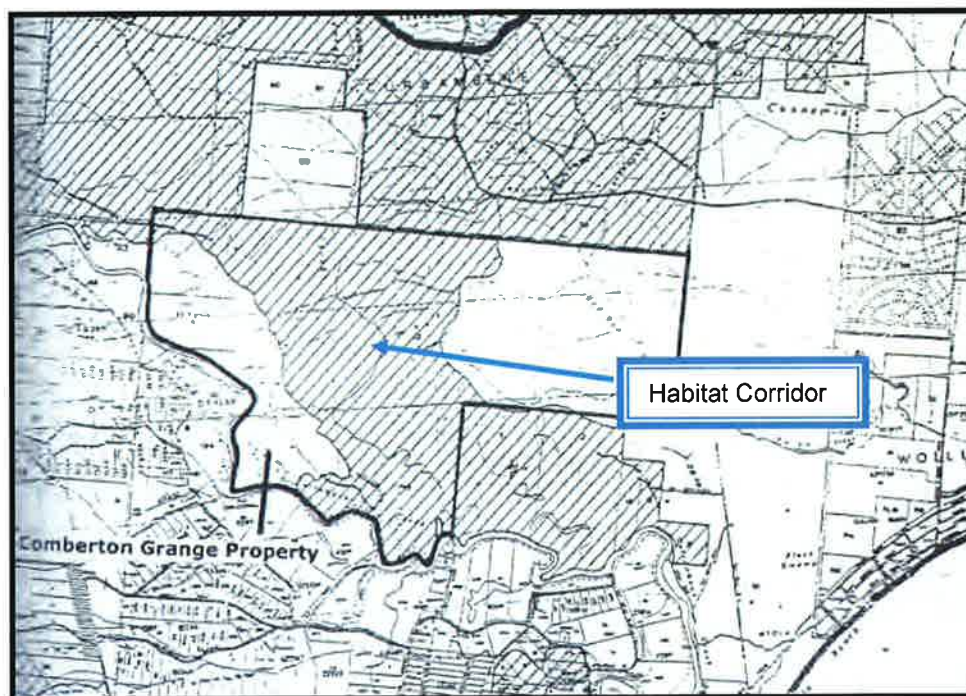


Figure 8: The Habitat Corridor under the Jervis Bay REP (Source: Jervis Bay REP 1996, Environmental Assessment)

The Biodiversity Report prepared for the EA identified 14 threatened fauna species, listed on the TSC Act and no threatened flora species on the site (despite a total of 393 plant species being recorded). The Biodiversity Report provided some qualitative analysis of the Project's impacts on

vegetation communities and threatened species but did not fully quantify the impacts of the Project. However, the Biodiversity Report concluded that the Project would not significantly impact on biodiversity values, stating that the loss of native vegetation would account for 3.5% of the total native vegetation on site. The Biodiversity Report also stated that the Project would be unlikely to have a significant impact on matters of national environmental significance listed under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). Hence, a referral to the Commonwealth Minister for the Environment was not made.

OEH and Council raised concerns with the adequacy of the biodiversity assessment, citing inadequate survey effort and insufficient detail to adequately assess the impacts of the Project. Specifically, OEH stated that there was insufficient survey for a number of threatened and endangered species and insufficient survey of feed trees for the Yellow-bellied Glider. The RtS did not provide any additional surveys to address the inadequacies identified by OEH and Council, however the Proponent stated that the proposed development area would be unlikely to support suitable habitat and had specifically avoided sensitive areas such as the riparian and wetland habitats.

From a review of the available information, the department concludes that the key impacts on biodiversity as a result of the Project would include:

- clearing of 34.5 hectares of native vegetation in the central and western part of the site for construction of the golf course and part of the Village Centre Precinct (see **Figure 9**). This area is identified as 'habitat corridor' in the Jervis Bay REP;
- clearing of the majority (approximately 170 hectares) of the pine plantation area in the north of the site;
- minor (unquantified) disturbance of the riparian corridors of Georges Creek during construction of access roads, the Village Centre, Temple, Health/Wellness and Residential Precincts A & B;
- minor (unquantified) clearing of native vegetation for the construction/upgrade of access roads and installation of services along Comberton Grange Road and Forest Road; and
- unquantified impacts for the creation of the Chinese Gardens within the buffer zone of the disused quarry. Some vegetation removal may be required, as well as planting of non-native species for the formation of the Chinese Gardens.

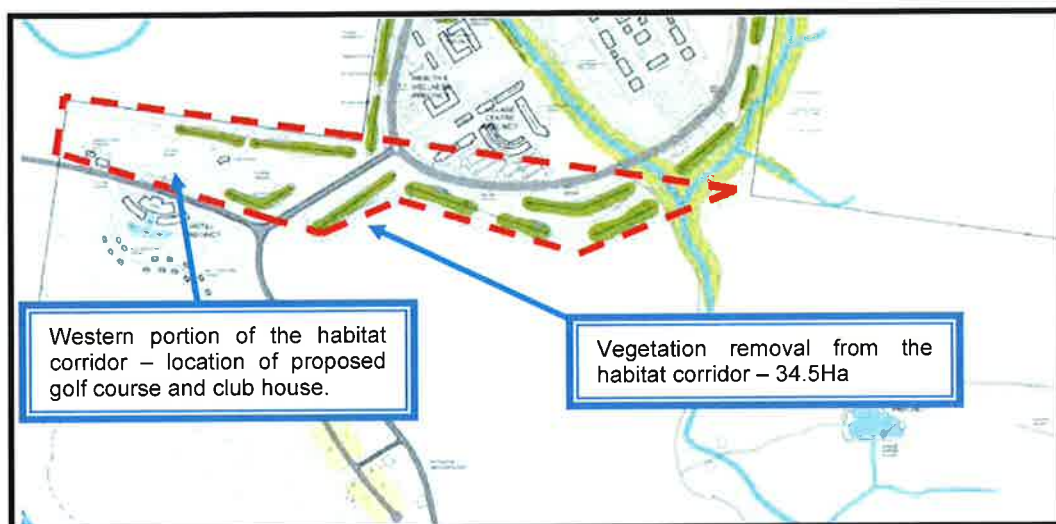


Figure 9: Proposed Vegetation Removal from the Jervis Bay REP Habitat Corridor (Source: Environmental Assessment)

The siting and design of the Project has avoided impacts on the areas identified by the Panel as important for biodiversity values (see **Figure 7**), including:

- area of high quality vegetation referred to as the Eastern Conservation Area;
- four EEC's located across the eastern, western and southern parts of the site;
- SEPP 14 wetlands located in the southern part of the site; and

- riparian areas of Currumbene Creek and Georges Creek.

The Biodiversity Report made a number of recommendations to mitigate the Project's impacts, including:

- preparation and implementation of a Plan of Management (PoM) for the eastern and western forested areas of the site, to be prepared in consultation with OEH and Council which would detail the measures to enhance the biodiversity values of the site;
- inclusion of the Eastern Conservation Area within the habitat corridor defined in the Jervis Bay REP;
- a Biobanking Agreement for the protection of the Eastern Conservation Area and the SEPP 14 wetlands contained on the site;
- preparation and implementation of a Sub PoM for rehabilitation of the wetlands, creeks and riparian corridors on the site, including exclusion of grazing stock; and
- careful and targeted clearing for construction of the golf course and clubhouse to retain some habitat corridor values, including hollow bearing trees.

Consideration

The department considers that the siting and design of the Project has avoided the areas on site with the highest conservation value, including the Eastern Conservation Area, EEC's and SEPP 14 wetlands. The location of the tourist and residential facilities are limited to areas of pine plantation and previously cleared farmland this habitat would be unlikely to support threatened species. However, some clearing (34.5 hectares) of native vegetation and disturbance of small areas of riparian corridors would be required.

While the Department is satisfied that an adequate level of assessment has been carried out to support the Concept Plan, including the siting of the development component on the least sensitive land, the department notes that further detailed survey and assessment is required in order to fully quantify the impacts and refine appropriate mitigation measures. The department notes that separate development applications would be submitted and assessed for the physical works associated with the Concept Plan, and has recommended that detailed biodiversity surveys and assessment be carried out prior to lodging the first development application for the site. The department also recommends that as part of this assessment, the required biodiversity offset for the Project is determined utilising the Biobanking Assessment Methodology and that a Biobanking Agreement is in place, prior to submission of the first development application. This assessment is also required to be prepared in consultation with OEH and the Council, and to the satisfaction of the Secretary. The OEH has accepted this approach.

Given the large area of native vegetation on site that would be retained, the department considers it highly likely that this area would be an adequate and suitable offset for the Project.

The department also notes that the Concept Plan foreshadows development of camping and/or eco-tourist facilities within the Eastern Conservation Area at a later stage and recommends re-zoning the area to E4 – Environmental Living to allow this type of development. The department does not support development in this area or the proposed re-zoning given:

- the Panel's recommendation that the land is not suitable for development and should be incorporated with the adjacent Jervis Bay National Park;
- the Proponent's proposal to protect the land for conservation purposes via a Biobanking Agreement, which would be inconsistent with future development of the area; and
- the high biodiversity value of the area.

OEH and Council raised concerns with the proposed re-zoning to E4 – Environmental Living and recommended that this area be re-zoned to E2 – Environmental Conservation, or be protected via a Biobanking Agreement which would achieve the same conservation objectives.

The department has recommended a modification to the Concept Plan such that no development is approved in the Eastern Conservation Area, excluding the Chinese Garden, and that the proposed re-zoning to E4 – Environmental Living be not approved.

The department, OEH and Council, support the mitigation measures proposed by the Biodiversity Report and have incorporated these into the recommended instrument. The OEH recommended that an accredited BioBanking assessor be engaged by the Proponent to apply the BioBanking Assessment Methodology and to establish the BioBanking Agreement for the Project. While the department has not specifically requested that a BioBanking analyses be undertaken, it has recommended in the instrument that a quantitative assessment be undertaken and that an appropriate offset be identified, in consultation with OEH and Council, and to the satisfaction of the Secretary, prior to the lodgement of the first application. OEH also noted that it did not support the incorporation of the Eastern Conservation Area into the adjacent Jervis Bay National Park (as recommended by the Panel), but was satisfied with a Biobanking Agreement to protect the area.

The department has also recommended minimum development setbacks from the riparian corridors to ensure adequate protection of wetland areas and to minimise water quality impacts, including:

- 100 metres from Currambene Creek and the SEPP 14 wetlands;
- 50 metres from each side of Georges Creek (40m vegetated and 10m buffer zone); and
- 10 metres from each side of minor creek lines (Category 3 streams).

The department concludes that the Project's impacts on biodiversity may be effectively managed and offset by implementation of the recommended terms of approval and any subsequent condition identified in future development approvals for the site.

The department acknowledges that the siting and design of the Project has avoided the areas of highest quality vegetation on site and a range of measures would be implemented to retain, enhance and manage the biodiversity values of these areas into the future. Dedication of the Eastern Conservation Area via a mechanism to protect the area in the long term would ensure the on-going management of the biodiversity values of this area. The department, OEH and Council are satisfied that the recommended terms of approval would adequately manage the Project's impacts and would enhance the biodiversity values of the retained vegetation on the site.

5.3 Traffic and Access

A *Traffic Impact Assessment* ('TIA') was prepared by Lyle Marshall & Associates Pty Ltd (dated March 2012) which assessed traffic and transport issues associated with the proposed development.

In terms of the traffic and transport assessment, the department considers that the key issues for the project include:

- *Traffic Generation;*
- *Access and the Princes Highway/Forest Road Interchange; and*
- *Internal Road System.*

Traffic Generation

The TIA incorporated detailed traffic data provided by both Shoalhaven City Council and the RMS. In addition, the Proponent also collected traffic and patronage data from the Nan Tien Temple at Unanderra in Wollongong, which is a comparable development to the proposal. Data collected from the Nan Tien Temple was also carried out during certain festival events, including the Chinese New Year's festival in 2010. As the proposal includes additional proposed uses to the Nan Tien Temple, including large residential and tourist uses, the TIA also considered the RMS's *Guide to Traffic Generating Developments* to predict the anticipated traffic generation from these other sources.

Overall, the TIA indicated that the Project would generate around 24,155 vehicle movements per week or around 3,450 movements per day when the facility reaches its final capacity. On average, this includes around 2,105 vehicles per day associated with the residential housing and 1,085 associated with the tourist facilities.

Both the RMS and Council raised concerns with the traffic generating assumptions used in the TIA. Council considered the predicted traffic generation to be lower than expected, while the RMS was concerned that traffic associated with the tourist uses was underestimated and that further justification of these predictions would be required. This included the assumptions used in the TIA that all traffic generated will be to and from Nowra, that future residents were unlikely to have travel to work commitments to Nowra, the higher than normal car occupancy rates (3 instead of 2.14) and the assumption relating to 50% of shop owners living on the site.

The Proponent's response to submissions provided additional information and clarification around the assumptions that were used in the TIA, including further details around the conservative nature of the traffic assumptions used and the research undertaken to estimate the traffic numbers, the assumptions used with the workers on the site and clarification around the car occupancy rates.

Following a review of the RtS, the RMS did not raise any further concerns with respect to traffic generation, while Council requested that the department consider appropriate traffic generation data in making its determination.

The department considers that the TIA represents an acceptable level of analysis, particularly the incorporation of the actual traffic data from a comparable development which would provide a greater level of rigour to the expected traffic generation from the project. The analysis has also indicated that the local and regional road network would have the capacity to accommodate the additional traffic to be generated, subject to some additional road infrastructure improvements, particularly at the intersection of the site's access road with the Princes Highway (see details below).

Furthermore, the department is satisfied that as the application is only seeking Concept Approval, traffic generation will be further considered at the detailed design stage when final gross floor areas and individual precincts are considered in more detail. As such, the department has recommended in the instrument that future applications thoroughly consider traffic generation and likely traffic impacts to the surrounding road network as each stage of the project develops.

Access and Princes Highway Interchange

The main vehicular access to the development is proposed to be via a northern access road from Forest Road, which is accessed from the Princes Highway. This Princes Highway/Forest Road intersection has recently been upgraded by the RMS to a seagull intersection, with dedicated turning lanes for all turns to and from the Highway. Comberton Grange Road currently provides secondary access to the site and will be retained as an emergency access road only. The site and the surrounding road network are illustrated in **Figure 11**.

Analysis of the Princes Highway/Forest Road intersection (illustrated in **Figure 12**) revealed that the delay on the right turn from Forest Road onto the Princes Highway in the 4.00-5.00pm peak hour has no spare capacity to cater for the development without intersection upgrading. The TIA and the EA recommended traffic signals be installed at this intersection with dual right-turn lanes from Forest Road to the Princes Highway proposed. The TIA states that such traffic signals would increase the LOS to "C" for this intersection.

The RMS objected to the proposed traffic signals at the intersections of the Princes Highway and Forest Road and advised that it will not provide the necessary approvals required under Section 87 and Section 138 of the *Roads Act 1993*. The RMS stated that this intersection is within a 100km/hr speed zone where traffic signals are not permitted and reducing the existing 100km/hr speed zone at this location to allow for the signals for an isolated development would not be supported.

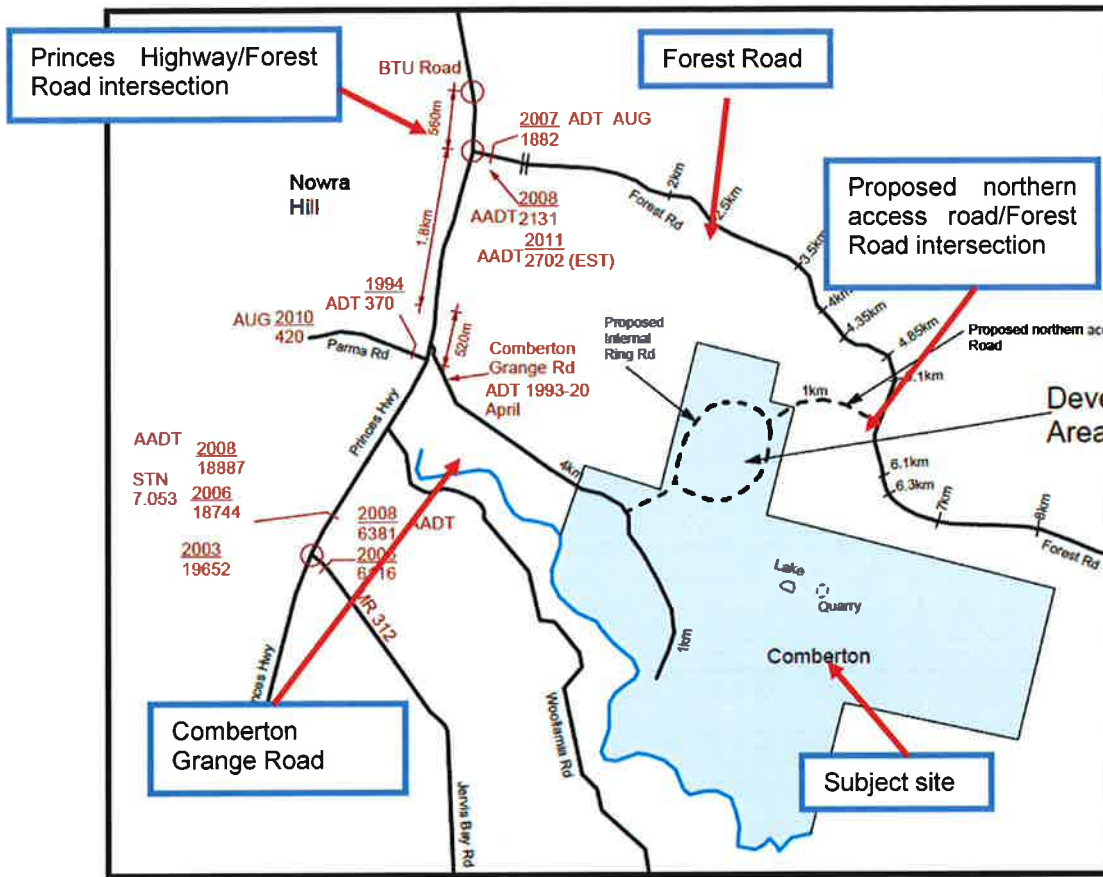


Figure 11: The Site and the Surrounding Road Network (Source: Traffic Impact Assessment prepared by Lyle Marshall & Associates P/L, dated March 2012)

The RMS has maintained that a grade separated interchange is required for the right turn from Forest Road onto the Princes Highway at this intersection to cater for the significant increase in traffic volumes through this junction as a result of the proposed development. This treatment is required to maximise road safety and traffic level of service through the intersection.



Figure 12: The Princes Highway/Forest Road Intersection

Following protracted discussions, the Proponent has committed to constructing a grade separated interchange in the RtS following a revised staging plan. This staging plan comprises the following:-

- Stage 1 - site clearing, infrastructure works and bulk earthworks;
- Stage 2 - construction of the temple and limited supporting tourist and residential developments; and
- Subsequent stages – further tourist and residential developments.

Consideration

The Proponent has committed to construction the grade separated interchange by the occupancy stage of Stage 2 of the development in the SoCs and stated that the current upgraded seagull intersection would be satisfactory until this time. A preliminary concept design for the interchange was provided with the RtS and is illustrated at **Figure 13**.

The RMS was satisfied with this approach, however, required that further traffic analysis, including SIDRA modelling, be provided to demonstrate that the traffic associated with Stage 1 construction activities can be accommodated by the existing seagull intersection at the junction of the Princes Highway and Forest Road and that the traffic associated with ultimate development could be accommodated by the proposed grade separated interchange. A scaled conceptual intersection design was also required to be provided to demonstrate that the proposed interchange could be constructed in accordance with the Austroads Guide to Road Design.

Stage 2 of the project should not proceed without the grade separated interchange given the likely significant safety impacts that would result at the Princes Highway/Forest Road intersection. The commitment to construct the grade separated interchange satisfies these concerns and therefore forms part of the recommended modifications/terms of approval as well as requirements for future applications within the Concept Plan approval. The detailed design of the interchange can occur with subsequent development applications. The traffic modelling requirements of the RMS have also been considered and are addressed in the recommended Concept Plan approval. The construction of the grade separated interchange will be subject to a separate application and environmental assessment under Part 4 or 5 of the EP&A Act (where relevant).

As part of the terms of approval, the department has recommended strict requirements with the additional intersection analysis required for the Project. Under the recommended instrument, the Proponent is required to undertake an independent audit of the intersection, in consultation with the RMS and to the satisfaction of the Secretary. The audit is required to include traffic analysis and SIDRA modelling to:

- demonstrate that the existing intersection can accommodate the traffic associated with Stage 1 and to include recommended further upgrade works if required for Stage 1;
- demonstrate that the proposed interchange design can accommodate traffic associated with the ultimate project; and
- include a scaled conceptual plan of the proposed interchange and demonstrate it can be constructed in accordance with the Austroads Guide to Road Design.

The department has also specified that this traffic audit is to be undertaken prior to the lodgement of any development application for the Project. The department is satisfied that this would ensure that the traffic access and design requirements are determined, in consultation with the RMS, prior to any aspect of the development proceeding.

Further requirements in the instrument also recommend that prior to the Proponent seeking approval from Council for any part of Stage 2 of the Project, the Proponent is required to have obtained approval for the design of the interchange, including details of consultations with the RMS and Council.

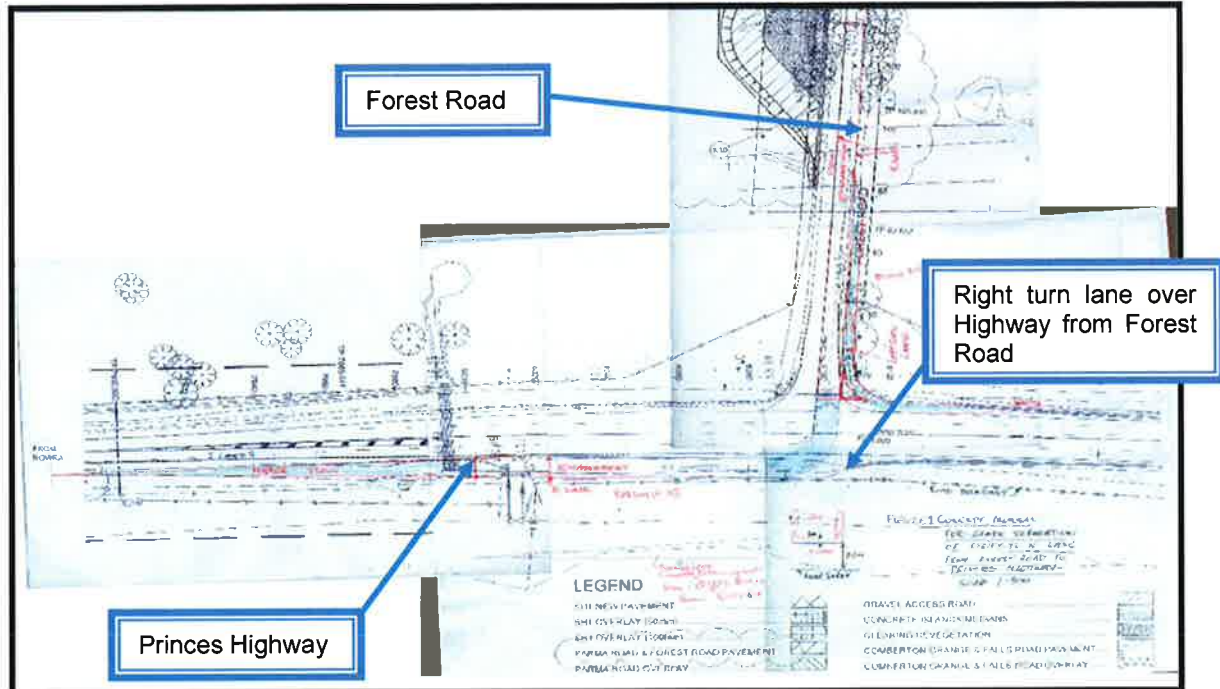


Figure 13: Proposed Grade Separated Interchange (Princes Highway/Forest Road) (Source: Traffic Impact Assessment prepared by Lyle Marshall & Associates P/L, dated March 2012)

Overall, the department is satisfied that the recommended terms of approval will ensure that the construction of the grade separated interchange would occur prior to the occupation of the bulk of the development, being the Temple and associated tourist and residential uses proposed for the site in Stage 2. This will ensure that the intersection can adequately cater for the traffic associated with the progressive development of the site.

Internal Road System

Vehicle access into the site is proposed from two (2) points, comprising the northern access road from Forest Road and from Comberton Grange Road on the western boundary (as an emergency access road).

Northern Access Road

The proposed northern access road from Forest Road is aligned along the axis of the Temple Pagoda on its approach into the site and travels through existing Forest NSW land. Legal access will be provided through this land following consent from Forest NSW and registration of relevant plans for a public road through this land. This road, formerly known as Charcoal Road, will provide legal public road access from Forest Road into the site. Forest Road is a sealed two lane road, accessed from Princes Highway.

Consideration

Although the TIA stated that a well-designed roundabout is the safest form of intersection control at the intersection of the northern access road and Forest Road, the TIA recommended a channelised right turn treatment intersection (CHR) at this location. The Council considered that a roundabout was the preferred option given the existing crash history on Forest Road, the proposed access location, the topographical challenges at that location and noting that it is the main access road into the development. Therefore, the Proponent was requested to provide a non-mountable and landscaped rural roundabout at this intersection as lane and shoulder widening was likely to be warranted. The Council did acknowledge that the roundabout could be staged in relation to the latter stages of the development.

The RtS stated that both of these intersection treatments would comfortably carry the future traffic generated by the ultimate development and stated that the intersection design would be

undertaken in consultation with Council and designed in accordance with AUSTRROADS standards. The revised SoCs, however, indicate that the CHR right turn intersection will be provided in this location. A modification to the Concept Plan is recommended that requires the roundabout at the intersection of Forest Road and the Northern Access Road to be designed to the satisfaction of the Council. Details of the roundabout are to be provided as part of the first Development Application (DA).

There were also concerns from the Council that potential external road works to the site were not considered and did not form part of the SoCs. The Council stated that the TIA had not considered the AUSTRROADS Guidelines for land and shoulder widths on Forest Road to accommodate the project as lane and shoulder widening was likely to be warranted. The RtS stated that the detailed design of Forest Road to the proposed northern access road as well as lane and shoulder widths on Forest Road to accommodate traffic associated with the project will be discussed with Council at future stages of the detailed development applications. A requirement for future applications to the Concept Plan regarding potential road works to Forest Road is recommended and has been included in the instrument of approval.

Comberton Grange Road

Comberton Grange Road is currently largely an unsealed road, accessed from Princes Highway (south of its intersection with Forest Road) where only a small section (200 metres) of the road is sealed. It provides access to a small number of rural properties. There is a small section of this public road which extends into the site from the western boundary, largely pot-holed and accessed only via 4WD. The EA was unclear as to the level of use of this road as it was variously referred to as a secondary road and/or an emergency road and its proximity to the proposed Hotel precinct and Residential Precinct C could potentially increase the use of this road beyond its local road status.

Council queried the potential level of use of this road, how the road would be restricted to emergency use only and its level of construction. Council also stated that a small portion of Comberton Grange Road, within the site, was an existing public road, under the *Roads Act 1993* which would need to be officially closed. The RtS did reiterate that the road would only be used for emergency use only, however, the revised SoCs refer to it as a secondary road to be constructed to AUSTRROADS Standard and DCP 100 and therefore there is remaining uncertainty surrounding the final use of this road.

Consideration

The department considers that Comberton Grange Road should be restricted to emergency use only and therefore agrees with Council that the road should be private. A modification to the Concept Plan is recommended that requires Comberton Grange Road to be used for emergency access only. The proposed means of restricting the use of Comberton Grange Road for 'emergency purposes only' must be detailed to Council's satisfaction, as part of all future DAs and the public road part of Comberton Grange Road within the site is to be formally closed prior to lodgement of the first DA.

5.4 Zoning

At the time of assessing the Concept Plan application, the Draft Shoalhaven LEP 2013 was an exhibited draft environmental planning instrument that was with the department for final review and endorsement. In finalising this assessment report, the Draft LEP was made on 8 April 2014 and commenced on 22 April 2014 (referred to as the Shoalhaven LEP 2014).

The zoning regime for the site under the Shoalhaven LEP 2014 is outlined in **Figure 14**. This illustrates that the bulk of the site is zoned RU2 – Rural Landscape, while a small section is zoned RU1 – Primary Production, comprising the quarry. An E2 Environmental Conservation Zone (wetlands) is also located on the site where the SEPP 14 wetland is located.

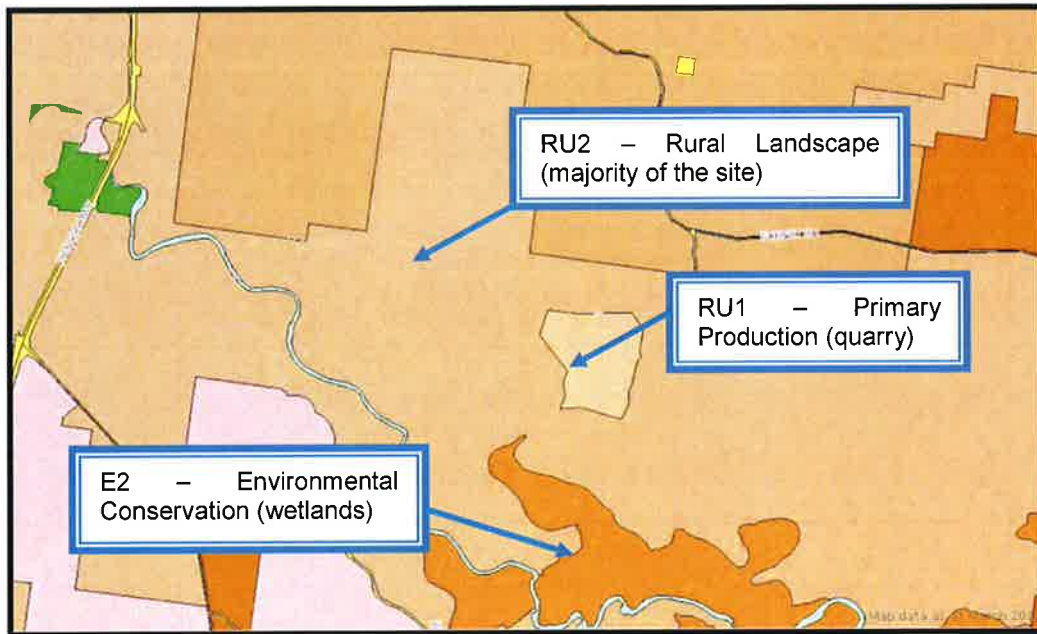


Figure 14: Zoning under the Draft LEP_(Source: www. <http://slep2013.shoalhaven.nsw.gov.au/#&slider1=1>)

Proposed Zoning Changes by the Proponent

As part of the Concept Plan application, the Proponent sought to also amend the zoning regime that applied to the site. A number of agencies and public submissions raised concerns with the proposed rezoning.

In the Proponent's RtS, the proposed new zoning regime for the site included:-

- RU1 Primary Production – Quarry;
- R1 General Residential – Residential Precincts A and B;
- R2 Low Density Residential - Residential Precinct C;
- B4 Mixed Use – Temple, Health & Wellness and Village Centre Precincts;
- RU2 Rural Landscape – Hotel and Information Precincts;
- E4 Environmental Living – east of Georges Creek Tributary (eastern conservation area); and
- E2 Environmental Conservation – SEPP 14 wetland and riparian corridors.

These proposed zones are illustrated in Figure 15. This proposed rezoning regime is significantly different to the zoning under the Shoalhaven LEP 2014. In general, the zoning regime proposed by the Proponent is not supported by the department, as outlined below.

Table 3: Current LEP Zoning and Proponent Zoning Request

Component	2014 LEP Zoning	Proponent's Proposed Zoning	Department's Consideration
Residential A & B	RU2	R1	Predominantly rural and incompatible with surrounds and inconsistent with Panel recommendations as could be sold into multiple ownership
Education, Health and Wellness, Village Centre and Temple Precinct	RU2	B4	Predominantly rural and incompatible with surrounds and inconsistent with Panel recommendations as could be sold into multiple ownership
Hotel Precinct	RU2	RU2	Consistent
Residential C	RU2	R2	Predominantly rural and incompatible with surrounds and inconsistent with Panel recommendations as could be

			sold into multiple ownership
Potential Dedicated Land (eastern portion)	RU2	E4	Could potentially allow for low impact residential development which is inconsistent with the ecological values of area
Chinese Garden	RU1	RU1	Consistent
Wetlands Area	E2	E2	Consistent

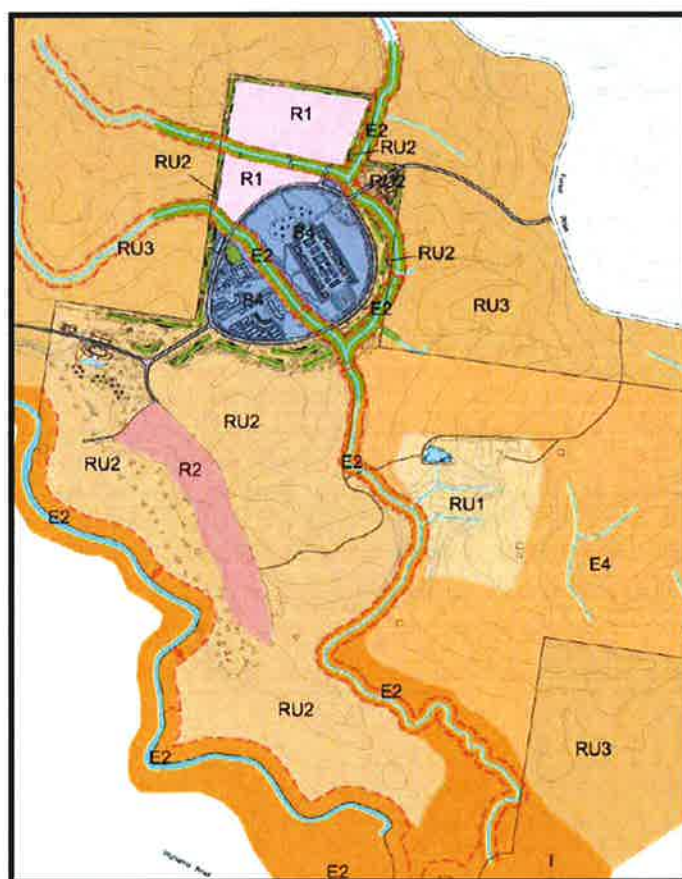


Figure 15: Proposed Zoning Regime by the Proponent
 (Source: Response to Submissions, Conybeare Morrison, December 2013)

It is therefore considered that the Proponent's proposed zoning of portions of the site to R1, R2 and B4 is inconsistent with the Panel's recommendations, the Regional Strategy and the key planning issues identified by the Panel in its assessment of future development on the site.

The zoning of the eastern conservation area has been zoned as RU2 Rural Landscape under the Shoalhaven LEP 2014, which is an equivalent zoning under the standard instrument. The RU2 zoning is also considered to be inconsistent with the recommendations of the Panel and the Strategy. However, it is noted that the proposal will be a fully integrated tourist and residential development which is consistent with the Panel's recommendation.

Overall, the department considers that the proponent's proposed zoning regime is not consistent with either the Shoalhaven LEP 2014 or the Panel's key recommendations (see Table 3). This view was supported by Shoalhaven Council and a number of agencies. As such, the Department does not support the proposed zoning changes and has recommended that a modification to the Concept Plan is imposed which does not approve this aspect of the Concept Plan.

Notwithstanding, the department does not consider that the proposed zoning changes are necessary in order for the proposed Concept Plan to be approved and for the development to proceed. As under the EP&A Act, the Shoalhaven LEP would not operate to prohibit any components of the Project after the Minister (or delegate) has granted Concept Plan approval.

5.5 Height and Visual Amenity and Urban Design

5.5.1 Height

The height limit for the site under the Shoalhaven LEP 2014 is 11 metres which is generally considered to be 3 storeys. A summary of the proposed heights and compliance with the Shoalhaven LEP 2014 is provided in **Table 4** below.

Table 4: Compliance of Proposed Buildings and Structures

Component	Current Proposed Height	Compliance
Residential, Information, Health/Wellness, Golf Course and Education Precincts and all of the Temple Precinct buildings	Maximum 2 storeys	Complies with the Shoalhaven LEP 2014
Village Centre Precinct and Convention Centre	Approximately 3 storeys (Maximum height of 11 metres)	Complies with the Shoalhaven LEP 2014.
Hotel Precinct	Approximately 3 storeys above ground level (11 metre height limit)	Complies with the Shoalhaven LEP 2014
Pagoda Tower	6 storeys	Non-compliant with the Shoalhaven LEP 2014.

The proposed retail/commercial and serviced apartments building within the Village Centre Precinct were initially proposed as a 6 storey building, however, the department considered this height was incompatible with the site's rural setting and the Proponent subsequently amended the buildings to 3 storeys in the RtS.

The project now generally complies with the maximum height limit under the Shoalhaven LEP 2014 with the exception of the Pagoda with the Temple Precinct which is 6 storeys in height.

The department acknowledges that the proposed pagoda tower does not comply with the height control under the Shoalhaven LEP 2014. However, the pagoda tower is considered to be ancillary to the proposed dominant uses: tourist and visitor accommodation, and community facilities which are permissible in the RU2 land-use zone.

In addition, the department is satisfied that any potential visual impacts of the pagoda tower would be limited to a small visual catchment surrounding the northern portion of the site (the location of the proposed pagoda tower), and would also be mitigated by the proximity of dense vegetation. The vegetation would provide significant visual screening of the pagoda tower to the north, south, east and west. The views from the most visually sensitive area (across the cleared land fronting Currumbene Creek) would be protected due to the height of mature trees in the western forest. Further, the pagoda tower is unlikely to cause any overshadowing.

The department also considers that due to the minimal visual impact from the pagoda tower it would also not be inconsistent with the relevant objectives of the zone under the Shoalhaven LEP 2014 as it would still maintain the rural landscape character of the area. In addition, the department also considers the pagoda would also be consistent with other specific provisions under the LEP which relate to the Jervis Bay Region (clause 7.20) which require developments to contribute to the natural and cultural values of the region

In addition, the department considers that the proposed height of the pagoda tower, is a small component of the overall project, which would also promote a variety of activities and accommodation options for visitors, and visitor appreciation of the natural and cultural values of the region. Accordingly, the department considers that the proposed height of the pagoda tower is acceptable.

Importantly, the main components of the project, being the hotel, convention centre, village centre and the main parts of the temple buildings, are however consistent with the height limit of 11 metres under the Shoalhaven LEP 2014.

The SoCs do not provide a height limit for the future buildings on the site, which is considered critical to ensure visual amenity in the vicinity of the site is not adversely affected by the project. Accordingly, the recommended instrument of approval places a height restriction for future buildings of 11 metres, with the exception of the Pagoda. The instrument also requires a detailed visual assessment be undertaken as part of all future development applications on the site.

5.5.2 Visual Amenity

The *Visual Impact Assessment Report* prepared by Conybeare Morrison dated October 2012 ('Visual Impact Report') describes the scenic qualities of the site which are then used to determine the visual effect, sensitivities and potential impact of future development on the landscape setting and surrounding development. The visual report categorises the site into landscape character units comprising the pine forest (former pine plantation), forest (eastern conservation area), habitat corridor (western forest), farmland (low ridges adjoining Currumbene Creek) and the creek corridor (wetland and riparian zones). The visual sensitivity of the various portions of the site as outlined in the Visual Impact Report is illustrated in **Figure 16**.

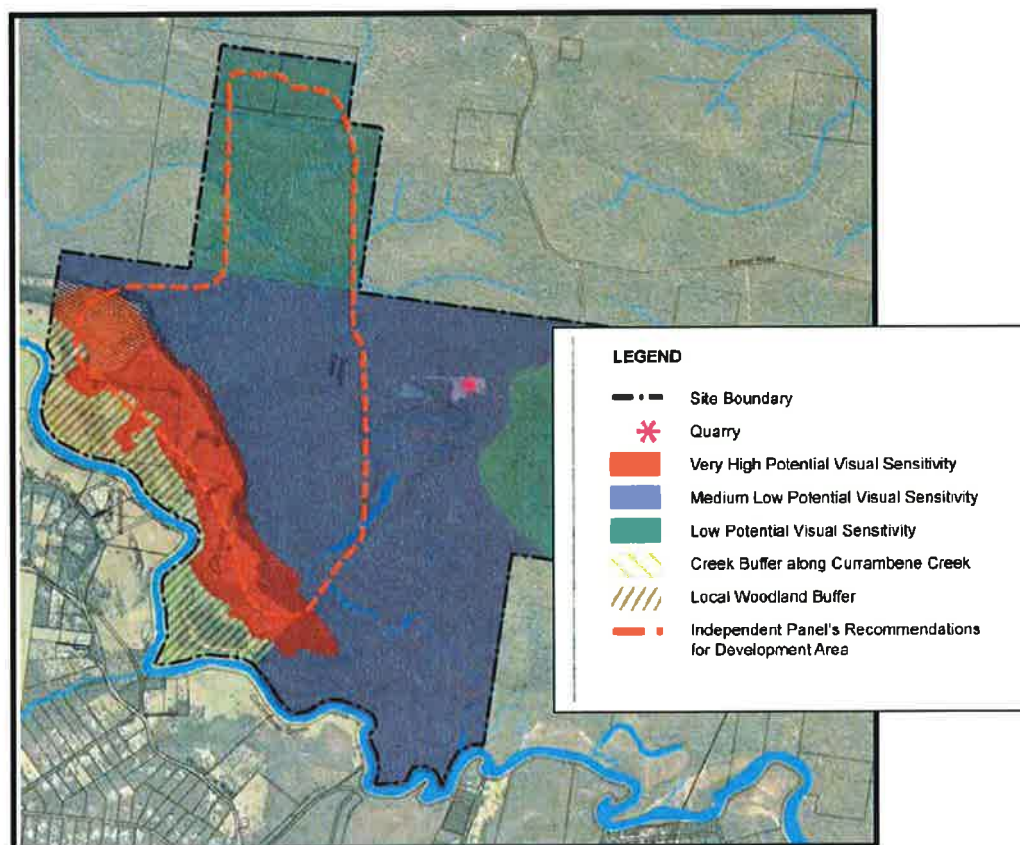


Figure 16 Visual Sensitivity Analysis (Source: *Visual Impact Assessment*, Conybeare Morrison dated October 2012)

The Visual Impact Report provided Visual Mitigation Objectives ('VMOs') following the sensitivity analysis. The VMO's outline various strategies for attaining each of these objectives and cover issues including aesthetic recommendations for heritage matters, controls on building height and bulk, retaining existing trees and planting new trees, land uses, providing open space corridors, strategies for building coverage, colours and materials, and setback controls.

In summary, the visual report concluded that the northern portion of the site where the majority of the development is proposed, is assessed as having a low visual impact (green area on Figure 16), due to the topography of this area and the extensive vegetation within the western forest/habitat corridor which is to be retained in the central portion of the site. The western forest in the central portion of the site is considered to have a medium to low visual sensitivity due to the vegetation retained in this area and the minimal development proposed (purple shaded area on Figure 16). The farmland sub-precinct is assessed as having a very high visual sensitivity due to the lack of any significant topographical features, the sparseness of the existing vegetation and the generally exposed nature of this setting (orange shaded area).

Consideration

The farmland area, adjoining Currumbene Creek, will be the most visually prominent area on the site and the area of the development with the greatest potential to result in a visual impact on residences and from vantage points (including the road) on the southern side of Currumbene Creek. This area includes Residential Precinct C and the Hotel Precinct. The vast majority of the remaining components of the development will largely be obscured from viewpoints outside the site and are within the low or medium visual sensitivity areas given the extensive vegetation to be retained on the site, the large size of the site and the prevailing height of the development being 2 storeys, with some 3 storey development. This height of development allows the majority of future buildings to be sited within the existing tree line established on the site. This includes the Pagoda within the Temple Precinct since its overall height is similar to the tree line established by the western forest when viewed from the visually sensitive area in the vicinity of the farmland sub-precinct.

The Hotel is proposed to be 3 storeys and is within the most visually sensitive area of the site, however, it will be stepped to integrate with the topography and will be screened by trees against the backdrop of the State Forest to the north. Residential Precinct C comprises larger lot sizes (1500m²) and the Urban Design Guidelines in the EA indicate that the site coverage will be less than the other residential precincts and additional planting within the site in the vicinity of this precinct will be undertaken. It is therefore considered that the Hotel and Residential C Precincts will not adversely affect the visual amenity in this locality.

Notwithstanding, the department has recommended a number of terms of approval to address any potential visual impacts of the project. This includes controls on the future heights of developments within the concept area, requirements for detailed visual assessments to be undertaken for all future development applications and provisions relating to landscaping to be undertaken on the site with predominantly local species.

5.6 Bushfire

As the site is identified as bushfire prone land, the Proponent carried out a detailed bushfire assessment. The assessment identified a number of mitigation measures which are proposed to be implemented to address fire safety issues, including the establishment of bushfire asset protection zones ('APZs') for the site which range from 25 metres for the residential development precincts to 70 metres for the Temple, Health, Education and Village Centre precincts.

In providing suitable APZs for the project, the proponent has proposed to utilise perimeter roads along the edge of most of the site between the development (including dwellings) and the adjoining vegetation. The perimeter roads will accommodate part of the APZ, with the balance of the required APZ to be accommodated within the proposed golf course.

The vegetation within the retained/rehabilitated riparian corridors on the site has been assessed as forest vegetation under the *Planning for Bushfire Protection 2006* guidelines to ensure the bushfire hazards both external and within the site is considered. The bushfire report also indicates that all future dwellings on the site will be required to meet the Australian Standard for the construction of buildings in bushfire probe areas (ie a Bushfire Attack Level of 12.5).

The Rural Fire Service (RFS) raised a number of concerns with the Concept Plan, including that the bushfire report did not provide an adequate consideration of whether the project could comply with the requirements of '*Planning for Bushfire Protection, 2006*'. Specifically, RFS stated that the Concept Plan did not show all roads as being through roads nor do they provide perimeter roads around all of the residential components of the project. Council also raised issues, including that the classifications and use of the various buildings within the project were not detailed, the location of APZs was unclear, and that it was unclear if the roads, services and evacuation planning complied with the requirements of PfBP.

A modification to the Concept Plan is recommended that requires that all roads are through roads (or linked via fire trails) and perimeter roads are to be provided for all components of the proposal (along the edge of the development).

While some of these issues were resolved in the RtS, the RFS still considered the information was not sufficiently detailed to provide advice on whether the project complied with *Planning for Bushfire Protection 2006* guideline. The RFS did consider, however, that since more detailed information would be provided prior to the approval of construction of each stage of the development, it was satisfied that the project is capable of achieving the requirements, provided the following design features are incorporated:

- The golf course forms a 50 metre wide buffer between the development and the forest vegetation, which must be managed as an APZ;
- A secondary access road is provided in the opposite direction to the main access road for all components of the development;
- Areas within the site notated as "managed land" must be maintained as such, with minimal vegetation;
- A Plan of Management will be required where an APZ is located on land managed for a public purpose by Council;
- APZs are to be clear of the riparian areas;
- All roads are to be through-roads and perimeter roads are provided for all components;
- A fire station is to be provided as part of the project; and
- An Emergency Evacuation Plan be created for the project.

The RFS also identified a number of requirements that it considers should be imposed on future development applications. These requirements have been incorporated in the recommended further assessment requirements in the Concept Plan approval.

Consideration

The Concept Plan indicates that adequate APZs can be provided in the future for all of the components of the project, however, further refinement of these APZs are likely to be required by the RFS for individual development applications. The provision of Comberton Grange Road as an emergency access road and the preliminary outline of the perimeter roads and fire trails satisfy some of the evacuation requirements of PfBP, which will be further refined in future development applications. The provision of reticulated water on the site as well as limited fire fighting water supplies is likely to, subject to future detail, satisfy PfBP. Further details on the roads being through roads, connected by fire trails, will be required in future development applications.

While further consideration is required to ensure that the development is appropriately designed to respond to the bushfire hazards associated with the site prior to/upon lodgement of development applications for each stage to ensure the requirements of RFS can be met, it is considered that the Concept Plan has adequately demonstrated that bushfire hazards can be reduced on the site in

the future. Subject to these future requirements being imposed, the Department is satisfied that the project is capable of complying with the *Planning for Bushfire Protection 2006* guideline and will encompass adequate measures to reduce the bushfire hazard to the project. Each development application should also be required to include a Bushfire Management Plan that demonstrates that the development complies with the *Planning for Bushfire Protection 2006* guideline and any requirements of the RFS, which has been incorporated into the recommended Concept Plan approval.

5.7 Social & Economic Issues

The *Socio-Economic Report* ('the Social report') prepared by Conybeare Morrison dated June 2012 concluded that the project is expected to have mainly positive social and economic impacts on the region. This included through the provision of employment, attracting revenue from tourism, providing a range of housing supply opportunities, adding to the cultural diversity of the region, enhancing the natural environmental aesthetic quality of the region, and hosting unique cultural events which will help define the region.

Consideration

The department considers that the project is likely to have mainly positive impacts in the surrounding area. The provision of housing, medical, educational and commercial/retail social and economic uses within the site will add to the region's overall access to services and the tourism generated by the project is likely to have a flow-on effect for local and nearby businesses. The improvements to the local environment, provision of the golf course and tourism accommodation, the extension of infrastructure and the use of the site for cultural and religious purposes are also likely to provide additional social benefits to the wider community.

There were various concerns expressed in the public submissions relating to the project potentially becoming a 'social enclave' for certain cultural groups and that there is inadequate local services (including education, health, retail and public transport) to cater for the project. The department notes, however, that the project involves various components which would serve to increase services in the community in these areas, including the provision of traditional Chinese medicine in the Health & Wellness Precinct and the future facilities within the Education Precinct as well as using existing services in the area. The Concept Plan also clearly outlines that the site is open to all members of the community and that it is not a 'gated community' where only certain social groups are welcome.

The Independent Review Panel also considered social issues relating to the future development of the site, referring to the distance of the site from Nowra and that services would need to be provided. The Panel also stated that it would be appropriate that any development consent includes a requirement that the project fund an adequate bus service between the site and Nowra (~24km). The frequency of such a service would especially need to meet the needs of students and employees. While the Panel did not concern itself with the scale of any tourist component, it was clear that residential development in the order of 200-300 dwellings which was retained in single ownership and was ancillary to the use of the site for tourism, would be satisfactory. It is considered that this aspect was also considered important due to the site's distance from Nowra.

The Concept Plan does not provide detailed designs of the type of housing to be provided on the site. The department supports the provision of a variety of housing styles to allow housing choice for the various types and sizes of households in the local area.

Accordingly, the department considers that the project is likely to generally have positive social impacts for the community. Requirements for future applications relating to the provision of the bus service, housing choice and requirements that tourism remain the predominant use of the site have been incorporated into the draft recommended terms of approval.

5.8 Other Issues

Table 5: Assessment of Other Issues

Issue	Consideration	Recommendation
Landscape Design	<ul style="list-style-type: none"> Proposed planting of Water Gums (<i>Tristanopsis laurina</i>) in the Currumbene Creek Corridor and <i>Gleditsia tricanthos</i> in the car parking areas is not supported as these are not endemic species. A more suitable selection of species would include endemic species present on the south bank of the Currumbene creek. The department considers that where riparian vegetation has previously been disturbed, degraded or cleared on the site riparian corridors should be rehabilitated with a diversity of local native plant species (trees, shrubs and groundcover species). The proposed golf course presents a potential impact to the edges of the some of the riparian corridors, water quality and vegetation retention on the site. A physical barrier is recommended (e.g. fencing, bollards, logs) to be provided along the outer edge of the riparian corridor of Georges Creek where it adjoins the golf course (near the Temple Precinct). 	<p>The department recommends:</p> <ul style="list-style-type: none"> a modification to the Concept Plan requiring a separate PoM for the riparian corridor areas in consultation with Council, by the first stage of the development; a landscape plan for all public domain areas prepared by a suitably qualified landscape architect. Species nominated must be predominantly local native flora and includes trees, shrubs and groundcover (with the exception of the prosed Chinese Garden and Temple Precincts).
Property Ownership	<ul style="list-style-type: none"> The original project proposed a Community Title subdivision of the proposed Residential Precincts which was inconsistent with several of the Panel recommendations, in particular the need to keep the site in single ownership. The Community Title would have resulted in a stand-alone residential settlement on the site and would be contrary to the need to comprise only a fully integrated tourist facility on the site. In the RtS, the proponent subsequently removed all proposed subdivision on the site and committed to the retention of the site in single ownership (by the Shaolin Temple Foundation of Australia), however, this was not reflected in the SoC. 	<p>The department recommends a modification to the Concept Plan to ensure the site is retained in single ownership at all times.</p>
Amount of Residential Development	<ul style="list-style-type: none"> One of the Panel's recommendations for the site was that the amount of residential development should be limited to 200-300 dwellings. The Panel considered that the already cleared land was capable of accommodating around 200-300 dwellings. The original project exceeded the maximum residential development since 300 allotments were proposed in Residential Precincts A (173 lots), B (49 lots) and C (78 lots), which did not include residential units within Residential Precinct D. The RtS revised the project so that Residential Precinct D would contain serviced apartments for use by tourists visiting the Temple, health, education or village centre precincts. Given Precinct D no longer comprises residential development, the overall development complies with 	<p>The department recommends a modification to the Concept Plan which limits the residential development to 300 dwellings.</p>

Issue	Consideration	Recommendation
	the Panel's recommendation with less than 300 residential lots.	
Future Uses	<ul style="list-style-type: none"> The EA nominates potential future uses on the site, which may comprise film and media production facilities, artists and graphic production studios and seniors housing. The site is unable to include any further residential accommodation beyond the currently proposed 300 allotments pursuant to the Panel's recommendations. 	The department recommends a modification to the Concept Plan to ensure any future uses are subject to separate development applications.
Infrastructure & Servicing	<ul style="list-style-type: none"> In the RtS, the Proponent committed to providing the infrastructure services to the site and stated it will be undertaking further discussions with infrastructure providers to ensure the site is supplied with the required infrastructure. It is considered vital that all infrastructure services are located outside the riparian corridors (as outlined in the Concept Plan) where possible. Council, Shoalhaven Water and Integral Energy are satisfied that adequate infrastructure provision can be provided. As such, the department is satisfied that infrastructure and servicing has been adequately addressed 	The department recommends the Proponent prepare a detailed infrastructure plan, as part of the future assessment requirements.
Urban Design and ESD Strategies	<ul style="list-style-type: none"> The EA outlined the urban design guidelines for each Precinct, as well as a vision for the development to be undertaken as an ecological sustainable development ('ESD') with respect to the siting and design of the development, and in the implementation of sustainable practices in the management of the facility and the education of its users. The department and Council are generally supportive of the urban design guidelines, which are considered to represent an appropriate response to development in this context. The SoCs includes ESD controls and the commitment to the provision of adaptable housing, however, has not included the urban design controls proposed in the Concept Plan for the site. 	The department recommends future applications adopt Urban Design Guidelines for the construction of buildings on the site, to the satisfaction of the Council.
Quarry	<ul style="list-style-type: none"> The proximity of the proposed Chinese Garden Precinct to the existing quarry is considered to be an incompatible use given the quarry allows for blasting and use of heavy machinery while the gardens are designed for quiet contemplation. The EPA recommended the development use of the Chinese Garden be suspended should the quarry be re-opened in the future, to avoid a potential land use conflict. The department of Trade and Investment (Resources and Energy) raised concerns that the 1,000m buffer zone shown in the EA was a 1,000m buffer around the existing quarry, not from the boundary of the extent of the identified resource which would potentially be available for extraction in the future and subject to blasting. The proposed Chinese Garden precinct is located within the quarry buffer zone. The proposed residential and tourist accommodation is located outside this quarry buffer zone. The EPA is satisfied that operations at the quarry are predicted to have no significant noise impact at the proposed residences and noise levels are predicted to 	<p>The department recommends:</p> <ul style="list-style-type: none"> modifications to the Concept Plan which restrict the use of the Chinese Garden should the quarry operate in the future; and modifications to the Concept Plan which require the project to be developed outside of the quarry buffer zone.

Issue	Consideration	Recommendation
	comply with the relevant EPA criteria for residential areas.	
Aboriginal Cultural Heritage	<ul style="list-style-type: none"> • An Aboriginal Heritage Assessment identified 25 Aboriginal cultural heritage recordings, including 4 archaeologically sensitive areas, within the site. • Four of the recordings would be situated partially or wholly within the proposed development footprint. • The assessment recommended that prior to the commencement of ground disturbance, the artefacts should be collected/moved from the area of impact by a qualified archaeologist together with representatives from the registered Aboriginal organisations. • The OEH generally endorsed the Aboriginal Cultural Heritage Report, however, considered that the EA and SoCs did not satisfactorily address a number of issues. • This included that further archaeological investigation would be required following ground disturbance and that an Aboriginal Cultural Heritage Management Plan be prepared to guide development and ensure impacts to these sites are avoided. • The department concurs with this assessment and has recommended a number of requirements in the instrument to address the requirements for future applications. 	<p>The department recommends:</p> <ul style="list-style-type: none"> • the proponent include a detailed Aboriginal Cultural Heritage Management Plan as part of the first development application; and • the plan be prepared in consultation with the local Aboriginal Land Council(s)
Flooding	<ul style="list-style-type: none"> • The project involves development that is above the 10 year ARI, 100 year ARI and the PMF with the exception of various road crossings of Georges Creek and its tributaries and some parts of the proposed golf course. • These roads may potentially affect flood levels immediately upstream and downstream of the roadway crossing. • These potential impacts will be modelled as part of the detailed design process to ensure localised increases in flood level do not affect developed areas. • The OEH queried the flood study and its consistency with the NSW Government's Floodplain Development Manual 2005 ('FDM'), particularly with regard to rezoning of land and the process contained in the FDM. • To address this issue, the Department has specified that the first development application is to include a detailed and comprehensive flood analysis to be prepared in consultation with Council and OEH. 	<p>The department recommends:</p> <ul style="list-style-type: none"> • the recommendations of the flood study be included in the SoCs; and • that a detailed flood study be required as part of the future assessment requirements.
Noise	<ul style="list-style-type: none"> • While a construction noise assessment was not provided, the Department does not consider construction noise is likely to generate any impacts. • This is supported by the EPA who raised no concerns with construction noise. • However, the Department has required detailed noise management plans be prepared as part of each future development application. • The site is located along the flight corridor between the military base HMAS Albatross and the Jervis Bay Training Area. • Acoustic issues were considered in a Noise Assessment Report for the EA, while a <i>Noise Assessment Report</i> was also prepared on behalf of the Department of Defence (Defence). 	<p>The department recommends:</p> <ul style="list-style-type: none"> • A noise management plan as part of the sites CEMP; • A requirement for a noise level of 58-70dBA be adopted in the design specifications for the residential development at the DA stage; and • Details of noise attenuation for aircraft

Issue	Consideration	Recommendation
	<ul style="list-style-type: none"> • Defence advised that there is likely to be increased helicopter activity in the region as well as the introduction of night vision devices which will increase instances of low level flying at night. • The RtS adopted a design requirement to achieve noise levels of 58-70dBA as part of the construction of future residential development. • The SoCs were also revised to include appropriate mitigation measures for the impacts of aircraft noise on the proposed development as part of the detailed design of the dwellings at DA stage. • The Department is satisfied that the proposed measures in the recommended instrument will ensure noise from aircraft is adequately managed as part of the future development of the project. 	noise as part of future development applications.
Land Contamination	<ul style="list-style-type: none"> • The proponent's Contamination Report concluded that based on the site history, site inspection and laboratory analysis, the overall potential for contamination at the site is considered to be low. • However, several recommendations were made in relation to the presence of asbestos and lead paint in and around the large shed at the homestead which have been included in the Proponent's SOC's. • Notwithstanding, due to the proposed change of use from farming to residential development, the Contamination Report found that a Phase 2 contamination assessment should be undertaken. • As such, the department has recommended that a Phase 2 contamination assessment be carried out in support of all future development applications. 	The department recommends that all future development applications include a Phase 2 contamination assessment.

6. CONCLUSION

The department has assessed the project, the EA, submissions on the proposals and the Proponent's RtS, in accordance with relevant statutory requirements.

This assessment found that the key issues relate to water quality, biodiversity, traffic and access, including the proposed grade separated interchange at the Princes Highway. Other issues included the proposed zoning changes, the residential components of the project, infrastructure, visual amenity, bushfire, the quarry, Aboriginal cultural heritage, and noise from military aircraft. The department has assessed these issues in detail having regard to the objects of the EP&A Act and the principles of ecologically sustainable development.

The department's assessment has found that while there are some residual issues associated with traffic, biodiversity and water quality impacts, it is satisfied that the recommended modifications to the Concept Plan and detailed future assessment requirements will provide a suitable framework for these issues to be resolved.

It is considered that the recommended modifications represent a balanced outcome between facilitating tourist development on the site while also protecting the environmentally sensitive areas on the site and the residential and general amenity in the wider area. It also provides for increased tourism in the area, further economic development in the region and provides for the protection of Aboriginal cultural heritage while also promoting the Shaolin religious order in Australia.

Overall, the department is satisfied that the impacts of the project are acceptable and can be adequately mitigated and managed. The department has stipulated the overall terms and limits of

the approval, together with the environmental assessment requirements for future development applications and recommended modifications in the Concept Plan approval. In addition, the department's assessment recognises the significance and need for the proposal in terms of promoting development within this regional area. The project is consistent with the objectives of the South Coast Regional Strategy and is consistent with the Panel's recommendations of the *Sensitive Urban Lands Review* (October 2006), subject to the terms of the recommended approval.

The department is satisfied that the project has significant social and economic benefits for the south coast community and is therefore in the public interest.

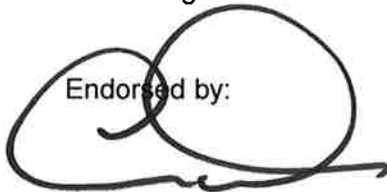
The department therefore believes that the proposal should be approved, subject to the recommended modifications and requirements for future applications in the Concept Plan approval.

7. RECOMMENDATION

It is recommended that the Planning Assessment Commission:

- Considers the findings and recommendations of this report;
- Approve the Concept Plan application, subject to the terms of the approval, modifications and requirements for future applications in the concept approval, under Sections 75O and 75P of the EP&A Act;
- Sign the attached instrument of approval (see **Appendix A**).

Endorsed by:



Chris Wilson
Executive Director
Development Assessment Systems and Approvals

4.7.14

Chris Ritchie
Industry Projects