

1.4 Background

The current Culburra Beach expansion area 2(c) zone was the result of a site specific amendment to the Shoalhaven Local Environmental Plan, 1985. Council pursued the rezoning of a large expanse of Halloran owned land surrounding Culburra Beach from rural to urban in the early 1980's as a result of resolution of Council. At the time the resolution was made, the planning legislation applicable to the Shoalhaven was the Interim Development Order No1. The LEP was ultimately gazetted on 28 August 1992, as SLEP85 Amendment No 41 – illustrated in Figure 16 following.

LEP Amendment No 41 included significant areas of land zoned Residential 2(c) zone, with other lands being zoned Rural 1(a), Business 3(f), Industrial 4(a), Special Uses 5(a) including a high school, Open Space 6(a) & 6(b), Environmental Protection 7(a) and 7(b). This LEP should have been the result of a local environmental study, which should have reviewed the potential of the land for development for urban purposes. That study would have assessed the associated environmental implications of the proposed zones. The purpose of the LEP amendment, in line with Council's original 1982 resolution, was to provide for the expansion of Culburra Beach township.

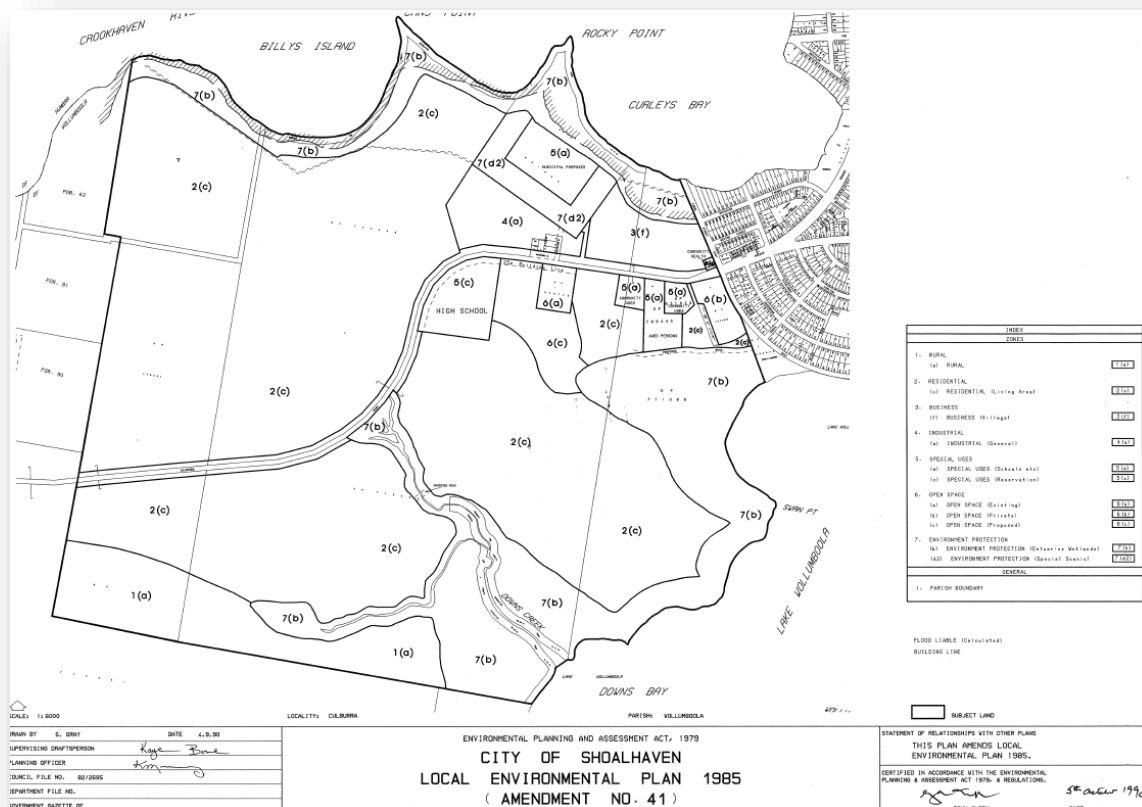


Figure 16 - SLEP85 Amendment 41 - Culburra

Following the gazettal of the LEP, an application for a 3,000 lot residential subdivision on 195ha at Long Bow Point was made in 1993. The first stage comprised 837 lots in a layout designed to be consistent with the street pattern of Culburra Beach.

The application was undetermined at August 1995 due to community concern. Following a change in State government, the then Minister for Urban Affairs Planning used powers under Section 101 of the Environmental Planning & Assessment Act, 1979 to call in the development application and to become

the consent authority. The primary concerns related to the impacts of clearing on the water quality of Lake Wollumboola and the impacts of the development on flora and fauna communities within the catchment of the lake.

The Minister for Urban Affairs & Planning directed a Commission of Inquiry be held into the proposed development in August 1996.

The initial inquiry was held in October 1996 with an adjournment to allow the proponent to prepare a fauna impact statement. The Commission of Inquiry reconvened in September 1999 after the fauna impact statement became available for review.

While Council generally supported the subdivision application on the basis of each stage not progressing until the previous stage demonstrated the achievement of no net increase in water pollutants impacting upon Lake Wollumboola, there were a number of state agencies and community groups opposed to the proposal. The recommendation of the Commission of Inquiry was to refuse the application for the subdivision.

There are two applications currently undetermined within the Culburra Beach study area. An application for a private golf course lodged in 2011 under Part 4 of the EP&A Act with Shoalhaven City Council. This application is undetermined with on-going negotiations with SCC and DPE including the requirement to submit a Species Impact Study (recently finalised for Council submission).

In 2009 a Major Project application was lodged with the Department of Planning & Environment for a Concept Plan over part of the 2(c) residential zone in the West Culburra expansion area. This is now a Part 3A application lodged with the DPE in November 2013 and is as yet undetermined.

Under the provisions of the exhibited draft Shoalhaven Local Environmental Plan, 2009 originally placed on public exhibition in September & October 2011, there were substantial changes to the zone overlay for each of the three localities (the plan for Culburra was different at the 2013 exhibition) – as illustrated on Figures 17 – 19 following.

At Council's 8 May 2012 Special Development Committee meeting to consider the submissions made to the DSLEP2009 exhibition in relation to the Lake Wollumboola catchment, the following recommendation was put to the Committee in the report - **RECOMMENDATION 16:**

- a) *The area of RU2 zoned land north of Culburra Road that formed part of the Culburra Urban Expansion area and within the catchment of Lake Wollumboola be changed to E2 consistent with the land south of Culburra Road;*
- b) *Amend the zoning of Lots 62, 63, 80, 81 and 90 DP 755971 from RU1 Primary Production to RU2 Rural Landscape to correct a mapping error; and*
- c) *Retain remaining zones in the Lake Wollumboola catchment and surrounds as exhibited in draft LEP 2009.*

However the following recommendation was made by the Committee after the discussion of the relevant report for Lake Wollumboola:

- a) *The rezoning of the area of RU2 zoned land north of Culburra Road that formed part of the Culburra Urban Expansion area be reconsidered after the Part 3A application has been determined;*

- b) *Council amend the zoning of Lots 62, 63, 80, 81 and 90 DP 755971 from RU1 Primary Production to RU2 Rural Landscape to correct a mapping error; and*
- c) *The remaining zones in the Lake Wollumboola catchment and surrounds be deferred pending a staff report on possible zoning for the area that would allow a golf course on the site.*

An alternate Motion was moved by Cllr Fergusson, seconded Cllr Findley, that:

- a) *The area of RU2 zoned land north of Culburra Road that formed part of the Culburra Urban Expansion area and within the catchment of Lake Wollumboola be changed to E2 consistent with the land south of Culburra Road;*
- b) *Amend the zoning of Lots 62, 63, 80, 81 and 90 DP 755971 from RU1 Primary Production to RU2 Rural Landscape to correct a mapping error; and*
- c) *Retain remaining zones in the Lake Wollumboola catchment and surrounds as exhibited in draft LEP 2009.*

The MOTION upon being PUT to the meeting was declared LOST.

However, the final resolution was:

RESOLVED on a MOTION of Cllr Watson, seconded Cllr Proudfoot, that:

- a) *The rezoning of the area of RU2 zoned land north of Culburra Road that formed part of the Culburra Urban Expansion area be reconsidered after the Part 3A application has been determined;*
- b) *Council amend the zoning of Lots 62, 63, 80, 81 and 90 DP 755971 from RU1 Primary Production to RU2 Rural Landscape to correct a mapping error; and*
- c) *The remaining zones in the Lake Wollumboola catchment and surrounds be deferred pending a staff report on possible zoning for the area that would allow a golf course on the site.*
- d) *Following the presentation at the Special Development Committee Council agree to consider the rezoning of the cleared land at the Western end of the existing zoned land located on the northern side of the Culburra Access Rd, as compensation for the de-zoning of the Long Bow point area, and that this be a separate process from the present Plan.*

It would appear clear from the above resolution that Council's intention was to support land for a golf course within the Culburra Beach expansion area. Further, it was also Council's intention to support residential rezoning of the cleared western lands for residential purposes, but that was not included in the Draft LEP public exhibition in April – May 2013.

A further submission was made on the landowner's behalf to the public exhibition in 2013 and in Council's Special Development Committee report presented to the Committee in July & August 2013, the report stated:

"The submission received from the landowner objects to the "down zoning" of the land at Low Bow Point and expressed concern in relation to the impact of the proposed zones on the current application for a golf course. The submission notes that discussions have been held with the Minister for Planning and Infrastructure in relation to a broad and long-term solution for their landholdings.

The landowner requests that Council not change the zoning of the land at this time given the inadequately supported conclusions from previous investigations into the environmental status. Although the landowner's submission did not specifically examine other parcels of Halloran land within Shoalhaven, recent discussions held with Council indicate the landowner requests deferral of all landholdings from LEP 2013 until a comprehensive master plan for all the Halloran lands in the area is agreed upon."

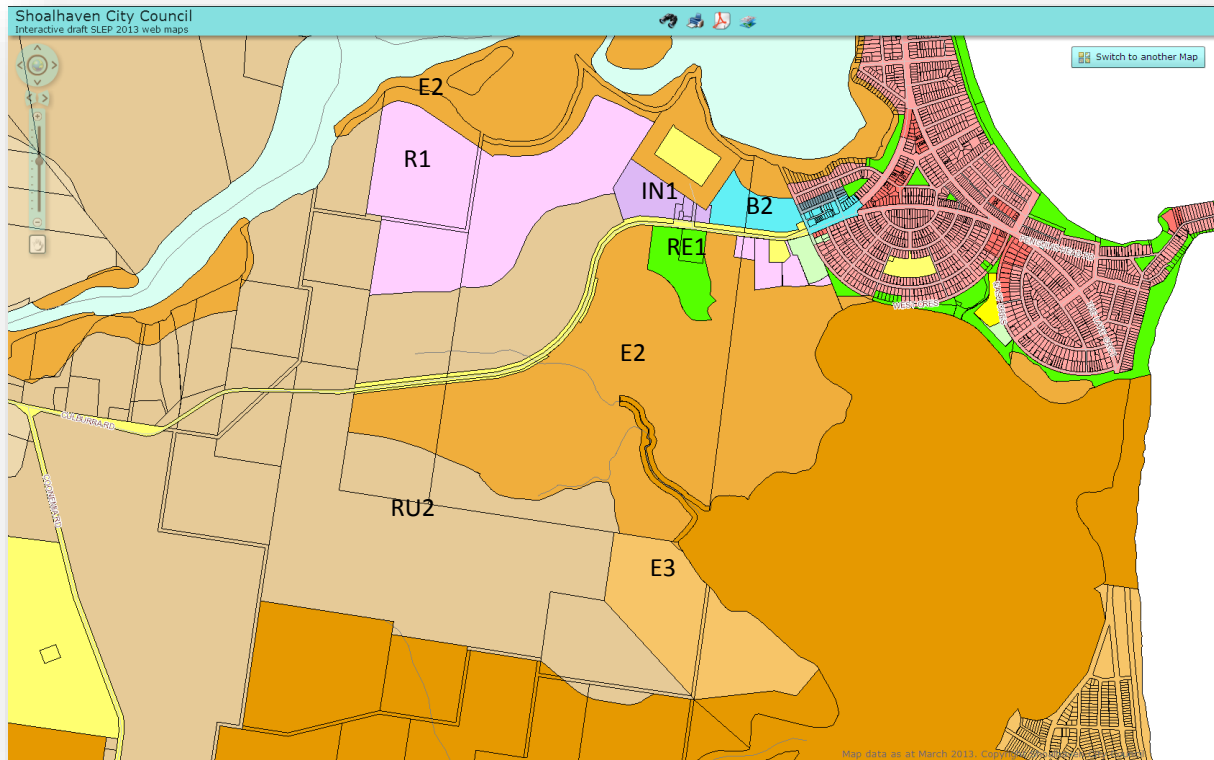


Figure 17 – Publicly exhibited Draft SLEP 2013 - Culburra Beach- zone overlay

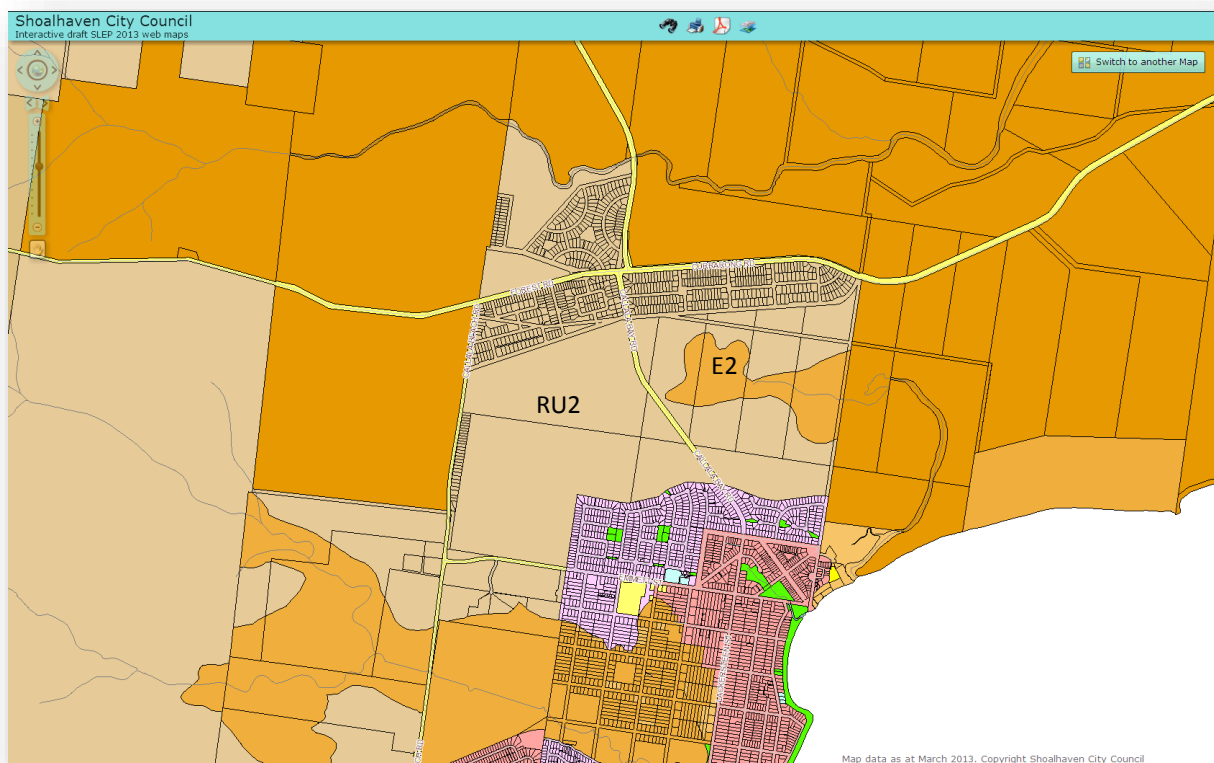


Figure 18 - Publicly exhibited Draft SLEP2013 - Callala Bay Woods Estate / Wollumboola – zone overlay

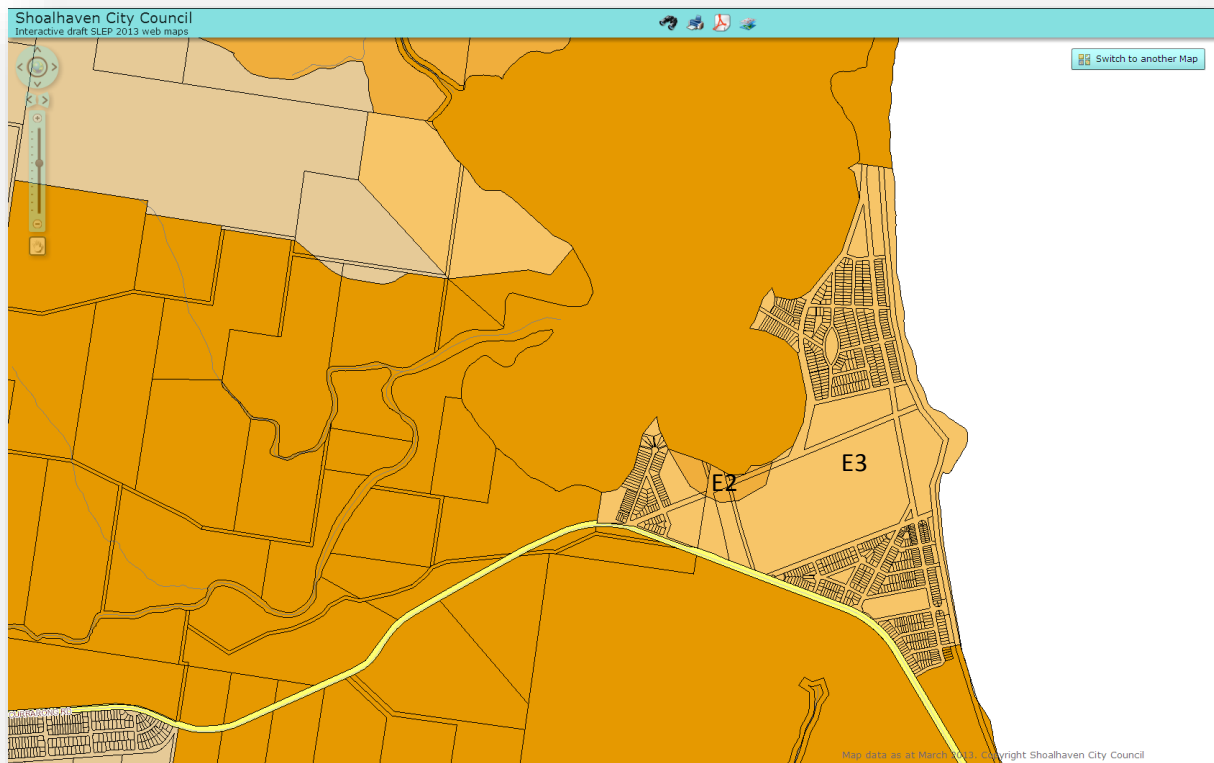


Figure 19 - Publicly exhibited Draft SLEP 2013 - Kinghorne & Arrow Points – zone overlay

2. Part 1 - Objectives

The objectives of this Planning Proposal are:

- To resolve the future development of the Halloran Trust land holdings in Culburra Beach / Wollumboola, Kinghorne / Arrow Points and Woods Estate / Callala Bay / Wollumboola, to enable appropriate urban or other appropriate low key development and long term conservation through gift to the NSW government. Provision of land for public purposes is to be identified and to provide certainty of land use potential for the owner, while achieving optimal land use allocation that balances conservation with urban development.
- To integrate the provision of infrastructure with an end-state land use plan;
- To integrate the provision of social infrastructure with an end-state land use plan;
- To provide a range of residential environments and densities, appropriate to this coastal location;
- To diversify the range of tourist and recreation facilities available to visitors and residents by identifying appropriate sites;
- To establish Culburra Beach as a significant town in terms of the range of services and facilities that will be available;
- To promote employment opportunities at Culburra Beach;
- To manage risks to future development as a result of natural hazards, such as flooding and bushfire;
- To be guided by the South Coast Regional Strategy and to respond to the recommendations of the Sensitive Urban Land Review Panel in regard to the protection of the catchment and water body of Lake Wollumboola;
- To manage environmental risks such as stormwater pollution from adversely impacting upon oyster leases within the Crookhaven River / Curleys Bay;
- To determine the most appropriate areas for offsets having regard to the competing claims for land for urban uses and land to be conserved;
- To facilitate long term security of tenure for environmentally sensitive lands for environmental protection purposes.

3. Parts 2, 3 and 4 – Explanation of Provisions, Justification & Planning Proposal Maps – West Culburra Expansion Area

The future zoning of the three identified significant Halloran Trust land holdings has been subject to detailed consideration of numerous options, with the preferred option being included as Attachment Seven following.

Ultimately, a full spectrum of LEP overlays will be provided for the site in accordance with those provided in Council's LEP2014 including Lot Size, Height of Buildings, Floor Space Ratio, Heritage, Natural Resource Biodiversity etc. as relevant. Initially we propose a master plan approach to the future development of each area as outlined below.

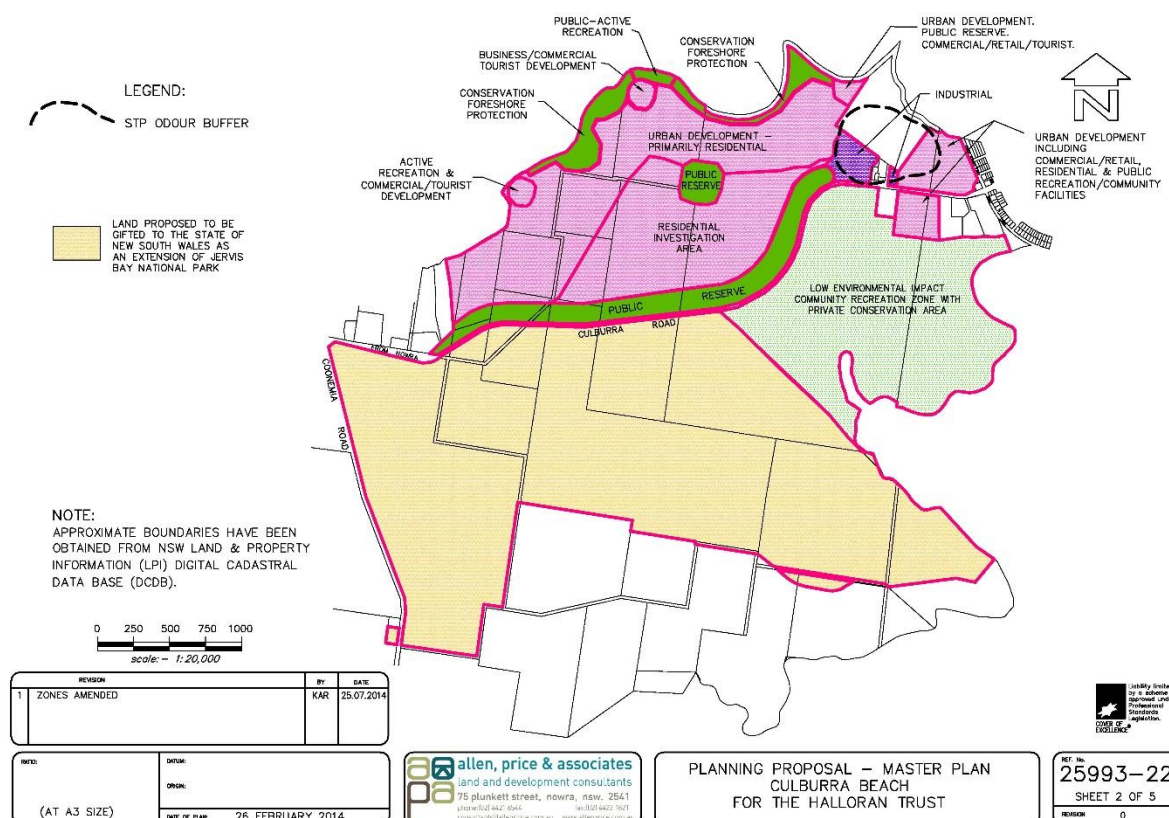


Figure 20 - proposed Land Uses at Culburra Beach (A3 version provided in Appendix 7)

The proposal for Culburra Beach is to reduce the Residential zone identified on the existing Shoalhaven Local Environmental Plan, 1985 from its current boundary (as depicted on Figure 7 above – page 5) to an area north of Culburra Road largely outside the catchment of Lake Wollumboola.

It is intended that the existing forested lands adjacent to Culburra Road be retained to maintain the current forested streetscape entry along Culburra Road, while identifying an area between that retained forest & the northern residential area. This area is within the catchment of Lake Wollumboola where it may be possible to undertake some urban development.

This planning proposal results in an extension of residential development areas from that identified on the publicly exhibited Draft SLEP2013 (DLEP illustrated on Figure 14 above), taking in the use of land at Cactus Point for urban purposes as per Council's resolution of 21 June 2012. The principle land uses

proposed for the West Culburra expansion area are illustrated on above Figure 20 and in Attachment Seven.

The proposed land uses are:

- Residential development in the form of a new neighbourhood including various housing types and associated facilities, infrastructure public reserves and active waterfront recreation facilities;
- Commercial / retail / tourist development land uses within the urban expansion area;
- General Industrial adjacent to the existing industrial area – retention of the existing industrial zoned land;
- Low environmental impact private outdoor recreation, such as a golf course and conservation areas;
- Conservation and protection of areas of ecological and cultural significance through the gifting of land to the NSW Government.

The urban expansion area will allow for the incorporation of additional lands as public reserve through the future subdivision design, as well as roads, sewer, water and drainage infrastructure. Appropriate areas have been specifically provided for tourist & visitor accommodation sites and food & drink premises to provide surety of development so that future residents will know that the sites are proposed to be used for designated commercial purposes. Similar sites have been identified in the Part 3A West Culburra Concept Plan currently with DPE.

3.1 NEED FOR THE PLANNING PROPOSAL – SECTION A

3.1.1 Question 1 - Is the Planning Proposal a result of any strategic study or report?

This planning proposal has principally arisen from a resolution of Shoalhaven City Council in their consideration of the Draft Shoalhaven Local Environmental Plan, 2013 as previously outlined.

Over recent decades, the lands around Culburra Beach have had a fluctuating future. The absence of sewerage was a major constraint to urban expansion until the 1980's when Shoalhaven City Council undertook an environmental planning assessment of the area in accordance with the new EP&A Act (1979). That assessment concluded with the provision of a new STP located at Culburra Beach servicing the existing Culburra Beach township as well as Callala Bay and allowing for an additional 3,000 dwellings.

Then, circa 1990, the State Government decided to establish the Jervis Bay National Park which comprised disparate parcels of Crown Land, some former State forests and certain private lands identified for compulsory purchase. All of the privately owned land between the Crookhaven River and Jervis Bay was held by Realty Realizations Pty Ltd or its subsidiary companies.

The land identified for acquisition was approximately 50% of the land owned by Realty Realizations P/L. The land excluded from acquisition included land west of Culburra Beach, land north of Callala Bay and land at Kinghorn.

It would be a reasonable assumption that these lands were not identified for acquisition due to a combination of three factors:

- their ecological value (as National Park) was not high enough to warrant acquisition;
- their potential for urban development as expansion to existing settlements had to be taken into account; and

- the existing pattern of subdivision (the so called paper subdivisions) may have appeared prohibitive in administration and cost terms.

Overall it is considered unlikely that cost of acquisition of these additional lands was a determining factor.

In the case of Culburra Beach, this approach could have dovetailed nicely with Council's evolving land use strategy for urban expansion westward. It is reasonable to conclude that the determination of the boundaries of land to be acquired was carried out in consultation with Council.

The oscillations in policy resulted in Council adopting the resolution of (resolved at Special Development Committee 31 July 2013).

The July 2013 resolution of Council reflects a view, strongly expressed by the local community, that the growth of Culburra is unreasonably constrained by zoning limitations. This view is reinforced by the down-zoning of large areas identified for urban development in SLEP1985 in the subsequent proposed zonings (Draft SLEP2009 and Draft SLEP2013). These down-zonings flowed from the Commission of Inquiry (COI) into a proposed development at Long Bow Point, which made the following recommendations:

"I recommend refusal of the proposal due to its unacceptable environmental impacts, including loss of water quality of the important Lake Wollumboola and loss of fauna and habitat of conservation value.

Areas of the site identified as having conservation value should be protected and not cleared or modified based on likely adverse impacts to threatened fauna or threatened fauna habitat. Similarly the highest levels of protection from pollution or impacts are required for the important Lake Wollumboola to protect habitat and fauna, including threatened species.

Review of overall planning controls is warranted to assist both the Applicant and agencies with integrating the Commission's precautionary and staged development approach in this sensitive and important environment."

Submissions to the COI from several State Government agencies (DUAP, EPA, DLaWC, Fisheries, NPWS, RTA) together with those from local and state environmental groups emphasised the ecological significance of Lake Wollumboola and its catchment.

During this time, the Department of Planning was preparing the South Coast Regional Strategy. The subject lands were referred to the Sensitive Urban Land Review Panel, a panel established to review a range of potential sites for urban expansion along the south coast.

The panel determined that "land within the catchment of Lake Wollumboola is considered unsuitable for urban development, principally on the grounds of the potential negative impacts on the Lake which is a sensitive ICOLL".

Two points emerge from this determination. One is that it is the water quality in the lake which is the primary determinant of the determination; the other is that the Panel only 'considers' the catchment unsuitable for urban development. The Panel could have said 'urban development should not be allowed in the lake catchment'.

A subsequent report for the proponent (Simmons, Beveridge and Maheshwari, 2009: UWS Study - Water Quality Assessment - Lake Wollumboola & Crookhaven River (Determining the relationship between land use and waterway quality) investigated the water quality in the lake and concluded that the dominant

characteristics of the water quality in the lake was the change in salinity due to the open/closed nature of the water body and that urban development in the catchment was feasible providing the recommendations of another study commissioned by the proponent (O'Loughlin & Robinson Robinson Water Consultants 2008 – Culburra Water Quality Report). These recommendations were based on an early version of MUSIC. Subsequent versions of MUSIC are a significant improvement on this earlier version.

Following the commissioning of the Robinson Water Consultants report (2009) & Simons et al report (2008) extended discussions were held with DPE in an attempt to achieve a comprehensive plan for the resolution of land uses west of Culburra Beach.

These discussions concluded with DPE indicating they would be responsive to a proposal for urban development outside of the catchment of Lake Wollumboola. That was to become the Part 3A proposal currently with DPE awaiting determination.

The form of development that is dictated by this decision is recognised as being fundamentally inefficient – it is a narrow strip of development about 2.5km long by 300m wide – and in part this planning proposal aims to increase the efficiency of the form of development by 'doubling – up' on the collector road, which is a bus route. This will enable this key structural element of the plan to achieve significant efficiencies in terms of public transport and community convenience.

This planning proposal remains generally consistent with the Jervis Bay Settlement Strategy (JBSS) and the South Coast Regional Strategy (SCRS).

- The JBSS states *“review the planning controls for the existing urban expansion area in light of the Commission of Inquiry and Ministerial decision on the proposed Long Bow Point subdivision”*. It was determined that the area currently zoned residential, west of Culburra Beach township, could provide an additional 3,200 dwellings in the locality.
- Endeavours have been made through utilising the sustainability criteria of the SCRS, to comprehensively assess the best allocation of land in order to resolve conflicts and achieve a high level of conservation balanced with some urban development. This is to be achieved in a sensitive manner to meet the recommendations of the Independent Review Panel on the Sensitive Coastal Lands, particularly with regard to the Culburra Beach expansion area.
- Inconsistencies with the JBSS addressed through the sustainability criteria include:
 - some urban development between Culburra Road and the Lake Wollumboola catchment ridge line at West Culburra;
 - expansion of the West Culburra area into the catchment of the Crookhaven River to Cactus Point and an area south west of Cactus Point;
 - retention of Long Bow Point for low environmental impact outdoor recreation, such as a Golf Course and with conservation.
 - Gifting of large expanses of land adjacent to the Jervis Bay National Park south of Culburra Road (excluding Long Bow Point) to the NSW Government.
- Some parts of this study area have been assessed under current legislative requirements for threatened species, Aboriginal Cultural Heritage, European heritage significance, bushfire mitigation measures and water quality among others for the Part 3A & Part 4 applications currently before the DPE and Shoalhaven City Council, or other previously determined & approved applications.

3.1.2 Question 2 - Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

In the circumstances of this case, it is considered that a planning proposal is the best mechanism for achieving the overall master planning approach for the Halloran Trust land holdings deferred from SLEP2014. This planning proposal provides an opportunity for site specific and detailed investigation that could not be achieved through the overall SLEP85 transfer to the standard template format, particularly with the proposed reduction in the residential zones due to the Sensitive Urban Land Review Panel recommendations for the Culburra Expansion area proposed by Draft SLEP2013.

There have been numerous higher level reviews of land within this study area, particularly that at Long Bow Point for which a Commission of Inquiry and an Independent Review Panel made recommendations for development within the catchment of Lake Wollumboola. A site specific planning proposal approach can guide the assessment and provide a suitable outcome or alternative outcomes which result in a better environmental outcome for the catchment of the lake, partly through long term conservation.

The detailed assessment of each site will inform the master plan and determine the zone boundaries along with the appropriate lot sizes for each area, as the planning proposal moves through the gateway process if the planning proposal is supported initially by Shoalhaven City Council as the relevant planning authority.

As provided in the Executive Summary, the Minister for Planning & Infrastructure, through the notification of the Shoalhaven Local Environmental Plan, 2014 deferred land within the ownership of The Halloran Trust from the provisions of SLEP2014, but only until 29 August 2014 to permit the submission of a Planning Proposal for the deferred lands. Necessary studies to be prepared into the future of this planning proposal for the Culburra Expansion study area include but are not limited to:

- Threatened species assessment including potential areas for long term conservation in lieu of development as partial offsets within the study area;
- Geotechnical assessment, including potential acid sulfate soils determination and acid sulfate management plans as necessary;
- Stormwater management, water quality control and monitoring;
- Infrastructure provisioning;
- Traffic impact assessment;
- Bushfire assessment in accordance with Planning for Bushfire Protection;
- Visual analysis where necessary with regard to foreshore areas which may be subject to a zone which permits development;
- Aboriginal archaeological assessment;
- Other studies required by Council or Department of Planning & Environment through the Gateway Process

There is a very valuable net benefit to the wider community through the proposed long term conservation of land within the Lake Wollumboola catchment, in accordance with the provisions of the Jervis Bay Settlement Strategy and the South Coast Regional Strategy.

There is a community benefit in the expansion of Culburra Beach, achieving Council's aim of the Jervis Bay Settlement Strategy and South Coast Regional Strategy as a town, a higher order centre with improved commercial and service facilities. There is a strong community benefit in extending the range of

leisure activities available to the local community of Culburra Beach and the wider community of the Shoalhaven.

Further community benefit is achieved through the long term conservation of significant ecology, threatened species habitat or endangered ecological community, Aboriginal heritage cultural artefacts, etc. through gifting of significant lands to the NSW Government.

Community benefit arise from increased bush fire mitigation and protection measures around existing townships, by incorporating what are effectively strategic asset protection zones as a buffer to development, through the use of open space or larger lots in the peri-urban environment. This accords with S117 Local Planning Direction 4.4 – Hazard & Risk – Planning for Bushfire Protection.

This planning proposal also provides for the *social and economic welfare of the community and a better environment* through the *co-ordination of the orderly and economic use and development of land* as provided in the EP&A Act objects. The Culburra Beach expansion proposed in this master plan provides for the efficient use of land designated for urban purposes, integrating appropriate infrastructure provisioning and staged urban release over the next 30 years, permitting more sensitive lands to be held in long term conservation.

3.2 RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK – SECTION B

3.2.1 Question 3 - Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy?

3.2.1A South Coast Regional Strategy – relevant actions provided in the SCRS that are applicable to the study area include:

Natural Environment:

- *New urban development is to be prohibited by local environmental plans on land assessed as being of high conservation value; and appropriate planning controls are to be incorporated into LEPs to protect biodiversity values on land of lower conservation value.*
- *Local environmental plans will not include further residential or rural – residential zoning in the catchment of coastal lakes and estuaries shown on Map 2 unless it is demonstrated that a neutral or beneficial effect on water quality as measured at the boundary of the proposed new zoning plan can be achieved. In certain circumstances it may be possible to use offsetting actions to ensure improved water quality in the coastal lake or estuary.*
- *Councils will review the suitability of planning controls in existing urban zoned and undeveloped lands in the catchments of nominated coastal lakes and estuaries. Councils will consider the NSW Government – endorsed estuary management and coastal zone management plans and Coastal Lake Sustainability Assessments in undertaking this task.*
- *Future development in the catchments of SEPP 14 wetlands will need to demonstrate no net impact on the hydrology, water quality or ecology of these wetlands.*

Comment:

This planning proposal seeks to retain some of the currently zoned residential land north of Culburra Road within the catchment of Lake Wollumboola to enable further investigations to be undertaken to determine if there is a neutral or beneficial impact upon the water quality of Lake Wollumboola, to permit the efficient expansion of the township of Culburra Beach.

The landholder seeks to create a Master Plan in which areas of high conservation value will be protected through gifting lands south of Culburra Road (excluding Long Bow Point) to the NSW Government.

This planning proposal aims to reduce the extent of currently zoned urban lands within the Lake Wollumboola catchment, while complying with the sustainability criteria of the SCRS. The lands at West Culburra proposed to be zoned for urban purposes are less constrained by catchment issues, particularly as a large area of the proposed urban lands are outside the catchment of Lake Wollumboola, e.g. Cactus Point.

Land for the purposes of low environmental impact outdoor recreation and conservation are set aside for Long Bow Point, to determine if such recreation can be undertaken with a neutral or beneficial impact upon the water quality of Lake Wollumboola and the associated SEPP14 wetlands.

Natural Hazards:

- *Local environmental plans will zone areas subject to high hazard to reflect the limitations of the land*

Comment:

Natural hazard assessment for this planning proposal into the Gateway process will predominantly relate to include flood risk assessment and bushfire risk assessment.

There is little land identified within the study area mapped as flood prone land on Council's LEP maps and this planning proposal in the main seeks to zone lands that may be liable to periodic inundation as public reserve, and not utilise such lands for residential development. The foreshore of the Crookhaven River is mapped as flood prone, some of which is within the study area (Figure 9 above). Residential development adjacent to Canal Street East will be above the flood planning level identified on Council's map.

While the study area is largely identified as bushfire prone land (the exception being Cactus & Copper Cup Points which contain expansive agricultural clearings currently used for grazing purposes), future residential development can occur within the study area taking the potential impact of bushfire into consideration, with ameliorative measures to reduce the risk, threat and hazard through appropriate lot sizes on the peri-urban fringe. This will also aid the protection of adjacent existing township of Culburra Beach.

Housing and Settlement:

- *Department of Planning will work with Council's, developers/landowners and relevant State agencies, using the recommendations of the Sensitive Urban Lands Panel to guide finalisation of the development form and environmental management of the sensitive urban lands.*

- Only urban areas in endorsed strategies will be supported – i.e. Jervis Bay Settlement Strategy.
- Any additional development proposal will need to demonstrate that it can satisfy the Sustainability Criteria.
- Appropriate housing mix targets to meet the needs of smaller households and an ageing population.

Comment:

The Sensitive Urban Lands Review recommendations provide that “land within the catchment of Lake Wollumboola is considered unsuitable for urban development, principally on the grounds of the potential negative impacts on the Lake which is a sensitive intermittently closing and opening lake or lagoon (ICOLL).”

Lands within the catchment of Lake Wollumboola identified as urban are nominated for further investigation for suitability for this purpose as subsequent detailed assessment will be undertaken to determine whether certain urban development can occur within the Lake Wollumboola catchment while meeting the sustainability criteria of the South Coast Regional Strategy. Further discussion on compliance with the sustainability criteria is provided in Appendix Five following. Much of the proposed urban development zone at West Culburra is within the catchment of the Crookhaven River.

The Robinson Water Consultants 2009 report previously demonstrated, using MUSIC modelling, that residential and other urban development (including playing fields) was feasible within the Lake Wollumboola catchment, with the post development flows within the catchment being below pre development flows due to the use of rainwater tanks on dwellings and bio-retention basins.

Downes Catchment - Increased Load	Natural	Devel'd	Treated	Residual Load	% Treated/ Natural	% Treated/ Devel'd
Flow (ML/yr)	760	1,020	678	-82	89%	66%
Total Suspended Solids (kg/yr)	35,300	63,800	38,900	3,600	110%	61%
Total Phosphorus (kg/yr)	45	74	46	1	103%	63%
Total Nitrogen (kg/yr)	699	913	636	-63	91%	70%
Gross Pollutants (kg/yr)	0	13,700	4,910	4,910		36%

Wattle Catchment - Increased Load	Natural	Devel'd	Treated	Residual Load	% Treated/ Natural	% Treated/ Devel'd
Flow (ML/yr)	481	535	401	-80	83%	75%
Total Suspended Solids (kg/yr)	21,700	29,500	19,600	-2,100	90%	66%
Total Phosphorus (kg/yr)	29	35	26	-3	89%	73%
Total Nitrogen (kg/yr)	420	468	339	-81	81%	72%
Gross Pollutants (kg/yr)	0	3,420	0	0		0%

Figure 21 - Robinson Water Consultants 2009 overall MUSIC model results

The Jervis Bay Settlement Strategy has been endorsed by the Department of Planning & Environment and is relevant to this planning proposal. The outcomes achieved in this planning proposal generally comply with the provisions of this strategy.

The settlement principles plan (Map 10 JBSS) noted that part of the Halloran Trust land holdings at Culburra Beach within the catchment of Lake Wollumboola were to be reviewed “to provide more

appropriate zones in light of COI findings". This planning proposal provides a reasonable outcome in this regard, with some urban development within the catchment subject to further detailed investigation but the catchment is predominantly conserved.

Economic Development and employment growth:

- *LEPs protect and add to employment lands in existing economic centres.*
- *LEPs will ensure that appropriate land will be made available to provide for a range of tourism experiences and forms of tourist accommodation.*

Comment:

This planning proposal seeks to retain the existing undeveloped industrial land at Culburra Beach providing for a range of future employment opportunities, along with tourist accommodation land uses and expansion of the existing town centre as ancillary employment sources.

Rural Landscapes and rural communities:

- *Limited areas for additional rural residential must be located on cleared lands unsuitable for urban or agricultural uses and will only be agreed to by the Department as part of an endorsed growth management strategy or structure plan.*
- *The location of non-compatible uses in core productive agricultural areas will be limited to allow agricultural land to be used for farming.*
- *The scale of development within and adjacent to existing villages and rural towns will support the role of the town in serving communities and preserve its character, scale cultural heritage and social values.*

Comment:

There is an area of prime crop and pasture land, as identified on the Department of Agriculture 1986 Agricultural Classification Maps, located in the vicinity of Copper Cup Point, south of Long Bow Point and it consists of an expanse of cleared pasture of approximately 55 – 60ha. This area is part of a broader expanse of land proposed to be largely conserved through this planning proposal via gifting to the NSW Government.

Rural primary production is not compromised through the loss of the abovementioned prime crop and pasture land to conservation under this planning proposal, as that land is currently used in conjunction with other lands formerly owned by Mr Halloran for rotational grazing (i.e. 'Reganville' on Culburra Road now owned by The Presbyterian Church Property (NSW) Trust – The Scots College).

Cactus Point consists of primarily cleared land as are the adjacent lands to the north east & east (as illustrated on Figure 11) which is currently used for grazing purposes. This land is not mapped as prime crop and pasture land and has attributes which allow it to be suitably used for urban development purposes. Further, Council has resolved (Recommendation 16 previously mentioned) to permit urban expansion into this area in lieu of other more sensitive lands to be conserved.

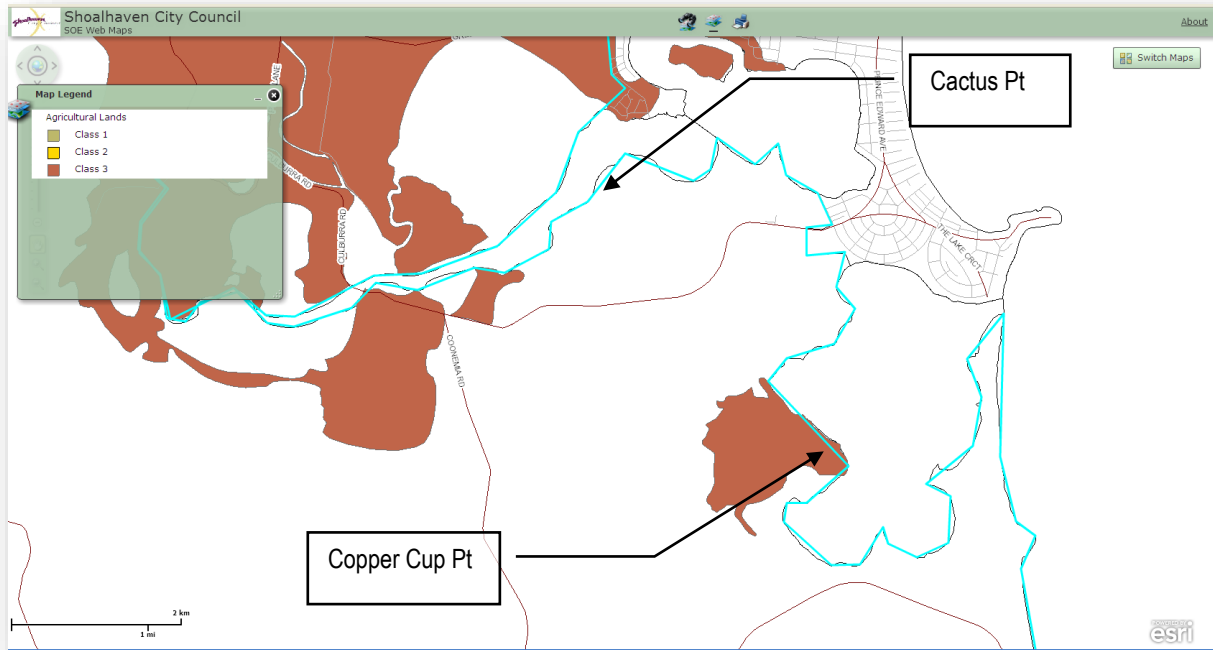


Figure 22 - Agricultural Land Classifications

Cultural Heritage:

- *Ensure that Aboriginal cultural and community values are considered in the future planning and management of the local government area.*

Comment:

As provided in the JBSS, there are over 300 culturally significant sites listed on the OEH Aboriginal Heritage Inventory Management System within the Jervis Bay area.

Detailed assessment is yet to be undertaken for the whole of the study area; at a minimum 183 hectares have been assessed for their potential to contain Aboriginal archaeological artefacts for the championship golf course development application currently with Shoalhaven City Council for assessment and determination.

It was found during the investigation that there were no sites of Aboriginal heritage previously identified within the subject investigation area. During the investigations however, two previously unknown sites were found within the study area. It is noted in the SEA investigation report that areas surrounding Lake Wollumboola are likely to have a lower density of artefacts compared to sites located along the Crookhaven River due to the accessibility of the foreshore and likely lack of shellfish stocks.

Site assessment has also been undertaken in association with the Part 3A Major Project Culburra Beach expansion with similar results to that for the golf course study. Further investigation will be undertaken as necessary to progress this proposal through the gateway process.

3.2.1B Jervis Bay Settlement Strategy: relevant actions of the JBSS that are pertinent to this planning proposal are identified as follows:

Water quality and flow:

- *All development will meet the statutory requirements of the Jervis Bay Regional Environmental Plan 1996 in respect of Clause 11 – Catchment Protection.*
- *New development will be located and designed so as to avoid detrimental impacts on waterbodies and watercourses, including groundwater. Where there are management impacts, erosion and sediment control measures and means to mitigate nutrient and other pollutants should be provided on the development site and be excluded from areas set aside for the protection of natural or cultural attributes.*
- *New development will be designed so that domestic effluent management does not have a detrimental impact on water quality and flow*
- *New development, including infrastructure (e.g. stormwater controls), will be located, designed and constructed in a manner which does not degrade land based or aquatic ecosystems or processes.*
- *Infrastructure works will not have a detrimental impact on the water quality of receiving waters in the region.*

Comment:

The EPA Water Quality and River Flow Objectives (2006) will be addressed through further investigation reports into the gateway process for this planning proposal. Proposed urban development will be connected to a reticulated sewage network to reduce adverse water quality impacts on oyster leases.

As previously outlined, the Robinson Water Consultants report, 2009, demonstrated through the use of MUSIC modelling that urban development can be undertaken with post development flows achieving reduced nutrient levels in adjacent waterbodies than pre development flows.

Freshwater, Marine and Estuarine Biodiversity:

- *Freshwater, marine and estuarine attributes such as mangrove forests, salt marshes, sea grasses and other aquatic, marine or estuarine habitat will be protection from the impacts of new development in the region.*
- *Significant populations of, and habitats for, threatened species, populations and ecological communities listed under the Fisheries Management Act will be conserved and managed under proposed planning instruments associated with new development.*
- *Public access to riparian, marine and estuarine areas may be provided if such access can be achieved without or with minimal disruption to freshwater, marine or estuarine biodiversity.*

Comment:

Water quality via stormwater runoff from developed areas is likely to be the largest concern for adverse impacts upon freshwater, marine and estuarine biodiversity. Council has previously determined (as provided in the Wollumboola Estuary Management Plan) **that development within the Lake Wollumboola catchment can occur provided that there is no net increase in nutrient or sediment, through appropriate staging, quality control and monitoring.** The Lake Wollumboola Estuary Management Plan requires proponents “to provide a pollution risk map, showing the potential for any location within the development that, if disturbed (fine and course [sic]), will generate sediment or nutrient in flows to the lake”.

Further detailed investigations will be undertaken for those areas proposed to be developed for urban investigation purposes within the Lake Wollumboola catchment where studies have not been undertaken to date. As identified in previous comments on the Part 3A major project Culburra Beach urban expansion and the Part 4 Golf Course application, detailed studies have been undertaken for those applications and mitigation measures have been recommended. The latter proposal does not involve urban development and is considered to be consistent with the recommendations of the Commission of Inquiry.

These studies are based on up to date best practice methodologies and ground truthing. There have been a number of technological advances in stormwater quality modelling and management techniques since the Long Bow Point Commission of Inquiry that leads to the conclusion that some development within the catchment can occur without significant adverse impact upon water quality or ecological communities & natural cycles of the Lake.

Land based biodiversity:

- *New settlement in the region will meet the statutory requirements of the Jervis Bay REP in respect of Clause 14 (Habitat Corridors) and Clause 15 (Disturbed Habitat and Vegetation).*
- *New settlement will be located and designed so as to avoid detrimental impacts on land-based biodiversity.*
- *Decisions regarding the location and design of new development in the region will recognise that the conservation of biodiversity is dependent on maintaining landscape connectivity through a native vegetation system of National Parks, habitat corridors established by the JBREP, environment protection zones under the Shoalhaven Local Environmental Plan, and bushland on private property.*
- *Policy options to offset unavoidable impact(s) of new development on land-based biodiversity in the region will be explored. These options may include strategies for mitigation and compensatory habitat, and will be investigated at all levels of the planning system.*
- *The habitat values, ecological and hydrological processes of wetlands will be conserved and managed so that the impact of development in the catchments of wetlands (SEPP14 and other) will be minimised.*
- *Remnant vegetation will be conserved and protected where-ever possible to maintain and increase natural species diversity.*

- *Locally significant habitat corridors not identified in the JBREP will be addressed at all levels of the planning system, to protect locally significant biodiversity values.*

Comment:

Land based biodiversity has been studied over large parts of the site for the 1993 Long Bow Point subdivision, the West Culburra expansion area Part 3A application and the Part 4 Golf Course application. These studies have identified areas of high conservation value or determined where lands are suitable for development.

There may be lands within the overall holding with significant conservation attributes that can be offset as conservation areas generally in accordance with the Natural Environment actions of the South Coast Regional Strategy & JBSS, permitting urban development to be undertaken in marginal habitat locations in other areas of the West Culburra area. With the exception of part of Long Bow Point and that part of the Lake Wollumboola catchment between the ridge and Culburra Road, long term conservation is proposed of lands within the Lake Wollumboola catchment for offset purposes, through gifting of the identified lands within the catchment to the NSW Government.

Soils:

- *Areas of potential acid sulfate soils will be identified and excluded from new development areas in the region.*

Comment:

Areas of high potential for acid sulfate soils at ground surface or within 1m of ground surface are largely located immediately adjacent to the Crookhaven River / Curleys Bay and Downes Creek. Acid sulfate soils are characteristic of periodic influence of floodwaters in coastal riverine and estuarine environments.

Additional lands proposed to be developed for urban purposes under this planning proposal are not characterised by the potential to contain acid sulfate soils; detailed assessment will be undertaken in the future to ensure that development and the marine environment will not be adversely impacted by actual acid soils.

Landscape:

- *New settlement in the region will meet the statutory requirements of the JBREP in respect of clause 12 – Landscape Quality and where-ever possible landscape values should not be compromised by new development.*
- *New subdivision and housing will be designed in sympathy with the landscape features of the locality.*
- *Important visual aspects of the landscape will be identified and conserved, including the aesthetic quality of the coastal landscape.*

Comment:

Clause 12 of the JBREP states:

“A proposal must:

- (a) maintain the visual quality of a waterbody, a wetland, or a foreshore dune, and*
- (b) maintain distinct urban communities that have an individual identity, and*
- (c) let the landscape, not the structures, be the dominant feature outside the settlements, and*
- (d) allow the existing tree canopy, on or around the site, to dominate.”*

Within the JBREP area the visual quality of the lake, foreshore and wetlands will be preserved as there is limited new development within those areas. Lands adjacent to Lake Wollumboola will be conserved in conjunction with low environmental impact outdoor recreation pursuits and conservation.

In terms of the West Culburra expansion area, the intention is to retain the existing forested streetscape appearance of Culburra Road with the retention of a wide public reserve buffer to the urban expansion development to the north (e.g. 100m in width). Further, vegetated foreshore areas within the REP area will be retained for conservation, with other high biodiversity areas also being conserved through gifting to the NSW Government for example, for additional protection. In these ways the landscape will largely dominate as it currently appears to the travelling public.

Within the development areas of the urban expansion precincts, it is proposed that these be fully developed for urban subdivision purposes but interspersed with appropriately located public reserves, in lieu of development within the conservation areas south of Culburra Road.

Cultural Heritage:

- All development meet the statutory requirements of the JBREP in respect of Clause 13 – Cultural Heritage*
- The Aboriginal and European heritage significance of the landscape will be recognised and assessed prior to new development proposals in the region.*
- Significant cultural heritage places, items and landscapes will be conserved and managed, and not detrimentally affected by new development in the region.*

Comment:

Some Aboriginal and European heritage assessment has been undertaken to date for currently lodged and undetermined applications. This will be expanded as necessary for the proposed development & investigation areas in accordance with current due diligence best practice guidelines.

Bushfire:

- Appropriate asset protection zones will be incorporated into planning instruments associated with new settlement in the region in accordance with the requirements of S117 Direction Planning for Bushfire Protection.*
- Asset protection zones associated with new development will be contained within the developable areas, and will be excluded from areas set aside for the protection of natural or cultural attributes.*
- New settlement will be planned to include bushfire risk management measures that are relative to the associated fire risk in the locality*

- *The implementation of bushfire risk management measures associated with new settlement will comply with relevant legislative assessment requirements.*

Comment:

The requirements of Planning for Bushfire Protection 2006 will be taken into consideration in the zoning and lot size requirements, placement of urban development and potential mitigation measures, on into the gateway process.

The development of the West Culburra area can cater for bushfire protection mitigation measures for the existing Culburra Beach township. Lands further to the west are contain significant clearings, but land to the south towards Culburra Road will retain hazard vegetation along Culburra Road.

Flooding:

- *Land within the Flood Planning Area (1%AEP) will not be rezoned to provide for residential development.*

Comment:

There is no intention as part of this planning proposal to rezone lands within the 1% AEP for residential development.

Urban Stormwater Management:

- *A hierarchy of sizes and types of stormwater infrastructure will be provided.*
- *Stormwater infrastructure associated with new development in the region should be designed and constructed in a manner that does not degrade existing natural land-based or aquatic ecosystems or processes.*

Comment:

An integrated water cycle management plan will be prepared for any future development. Compliance with the Lake Wollumboola Estuary Management Plan should be achieved in each stage of development to reduce the likelihood of the off-site migration of pollutants.

Risk mapping as required by the Lake Wollumboola Estuary Management Plan will be prepared as necessary as this proposal progresses.

Riparian Areas:

- *Design and location of new development in the region (including infrastructure) will seek to protect riparian habitat values and their ecological and hydrological function in the landscape.*
- *Riparian areas will be protected from ancillary detrimental uses (e.g. under-scrubbing / clearing) that undermine habitat values and their ecological and hydrological function in the landscape.*

Comment:

Riparian habitats, including wetland areas and the foreshore of Lake Wollumboola, will be conserved from high intensity development or zoned appropriately as necessary for environmental conservation.

Economic Resources:

- *Statutory planning controls will include appropriate protection for any viable areas of prime crop and pasture land in the region.*

Comment:

The only land classified as prime crop and pasture by the Department Agriculture mapping is at Copper Cup Point and will be conserved through gifting to NSW Government.

This conservation however does not achieve this particular action of the JBSS as the land will likely be allowed to regenerate in the future to forest vegetation form.

Residential Development:

- *The supply of housing opportunities for future residential development will be provided within the environmental and servicing limits of the region.*
- *Areas of new settlement in the region will be located and designed in accordance with the guiding principles and policy actions identified in this Strategy.*
- *A range of land and household sizes will be encouraged in new residential areas to allow for housing choice and affordability*
- *The following opportunities for new residential development are identified subject to guiding principles and policy actions outlined in this Strategy*
 - *Culburra Beach – review the planning controls for the existing Culburra expansion area in light of the Long Bow Point Commission of Inquiry and Minister for Planning’s decision in June 2000.*

Comment:

There is capacity within the existing infrastructure networks (primarily sewer and water) for at least 600 dwellings in the Culburra expansion area as provided by Shoalhaven City Council.

Development areas are proposed with long term conservation offsets which provide significant community and ecological benefits.

A range of development densities are to be investigated through the rezoning of land, from standard residential to medium density, with low density at the urban fringe, and higher density within the town centre expansion area.

This planning proposal generally complies with these actions of the JBSS.

Infrastructure Requirements:

- *All new urban development identified in the Strategy will be provided with reticulated water only if reticulated sewage is available.*

Comment:

Both reticulated water & sewage infrastructure will be provided to all urban development proposed in the Culburra Expansion area.

Access:

- *New development will be designed to provide for permeability and accessibility by pedestrian and cyclists within the local service network.*

Comment:

Pedestrian and cyclist access will be provided within and through the urban environment proposed. As evidenced through the Part 3A application currently with Department of Environment & Planning, a shared pedestrian cycle link is proposed throughout the subdivision and the foreshore reserves linking to the existing village.

4. **Parts 2, 3 and 4 – Explanation of Provisions, Justification & Planning Proposal Maps – Callala Bay Woods Estate / Wollumboola**

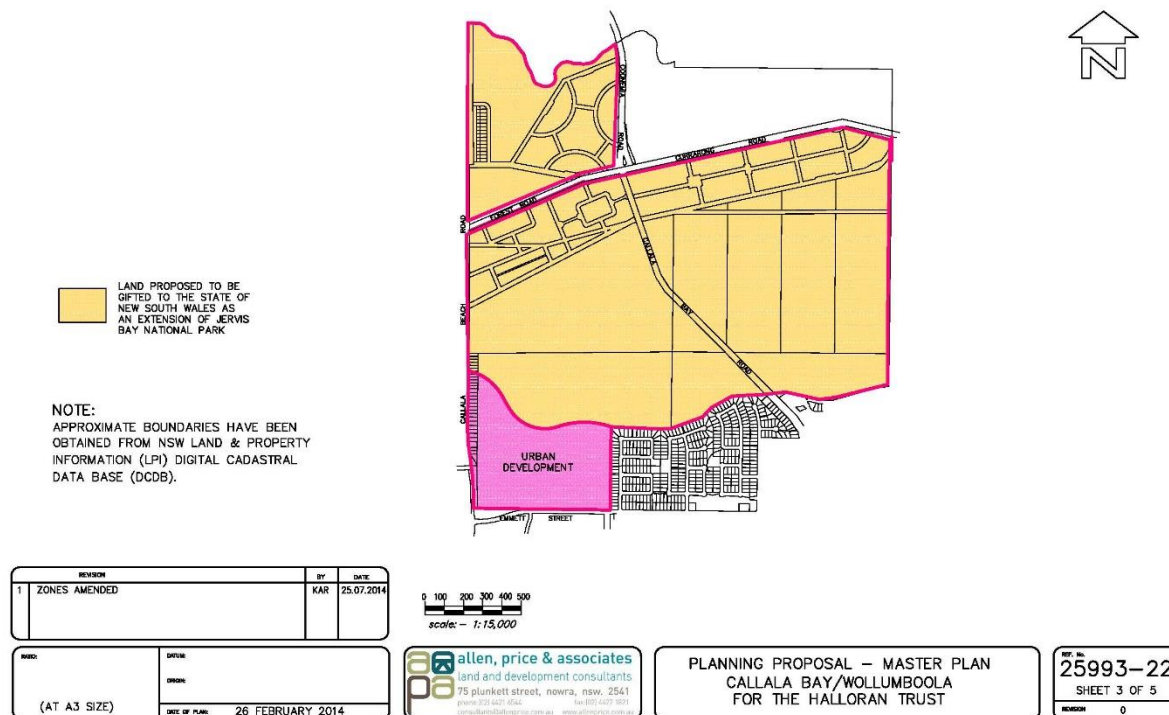


Figure 23 – Callala Bay Woods Estate / Wollumboola proposed land use overlay (A3 version provided in Appendix 7)

The land at Callala Bay under the control of the Halloran Trust has an area of 364.7 ha in 693 lots. The area north of Forest Road (approximately 34.9ha) and along a 4km frontage with a depth of approximately 300 m south of Forest / Currarong Road is subdivided into small lots known as the Woods Estate. The balance is woodland save for a bank of small lots with frontage to Callala Beach Road (49 lots, approximately 292ha area). It is proposed that the balance of the land will be gifted to the NSW Government, resolving the paper subdivision issue.

The Jervis Bay Regional Environmental Plan indicates that land in the vicinity of Callala Bay was considered suitable for urban expansion (see Figure 25 following). Council, through the Jervis Bay Settlement Strategy proposed to reduce the area identified for urban expansion to land immediately adjacent to the existing township, to the west of Callala Bay through to Callala Beach Road, north of Emmett Street, as illustrated on Figure 24 following.

As per the Jervis Bay Settlement Strategy, it is proposed to pursue the residential expansion of the village to the immediate west of the township through this planning proposal. It is also proposed to resolve the current small lot 'paper' subdivision configuration through gifting the remainder of the land to the NSW Government.

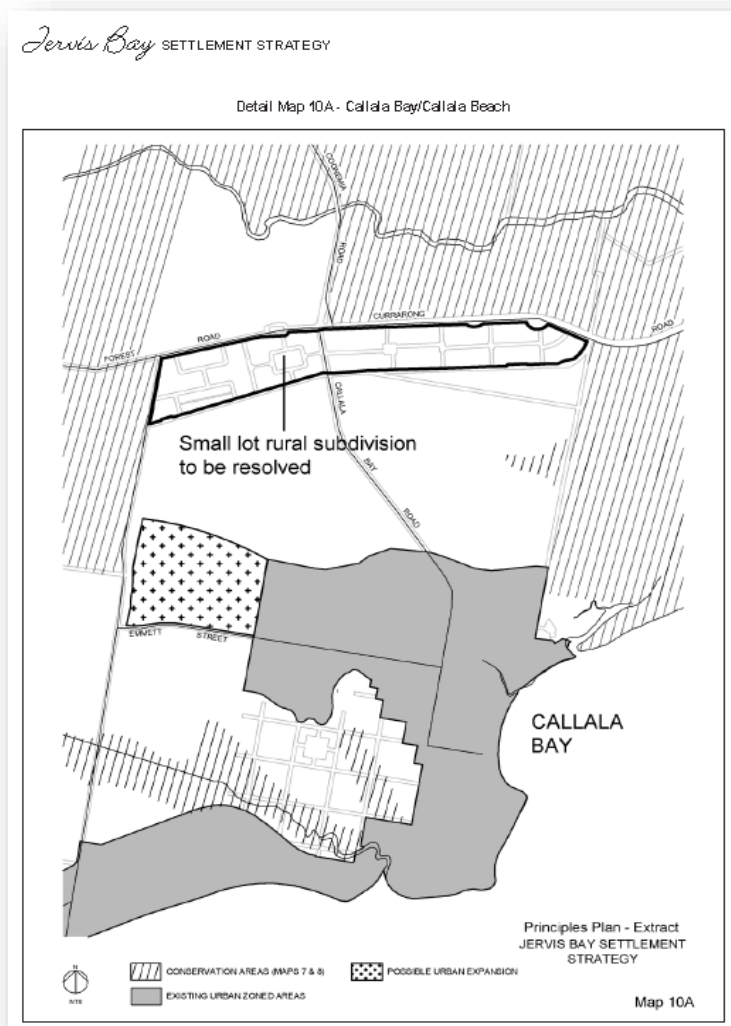


Figure 24 - Extract from the Jervis Bay Settlement Strategy ©2003 Shoalhaven City Council

4.1 NEED FOR THE PLANNING PROPOSAL – SECTION A

4.1.1 Question 1 - Is the Planning Proposal a result of any strategic study or report?

This planning proposal has principally arisen from a resolution of Shoalhaven City Council in their consideration of the Draft Shoalhaven Local Environmental Plan, 2013 as previously outlined. This planning proposal is consistent with the Jervis Bay Settlement Strategy (JBSS) and the South Coast Regional Strategy (SCRS) with regard to the Callala Bay area.

The Jervis Bay Regional Environmental Plan, 1996, a deemed State Environmental Planning Policy, identified the lands in the Callala Bay / Woods Estate as having potential for urban development; Council did not pursue this rezoning potential under the draft SLEP2013.

The mapping above includes the “paper subdivision” to the south of the Forest Road within the urban expansion area; when preparing the Jervis Bay Settlement Strategy, the area provided for potential urban expansion in the vicinity of Callala Bay was significantly different to that provided in the JBREP (see Figure 25 following). Council did not pursue the potential rezoning of the whole of the area identified on the JBREP due to an area of the identified expansion area containing a wetland and potentially significant native vegetation – identified on the draft SLEP2013 as E2 environmental conservation.

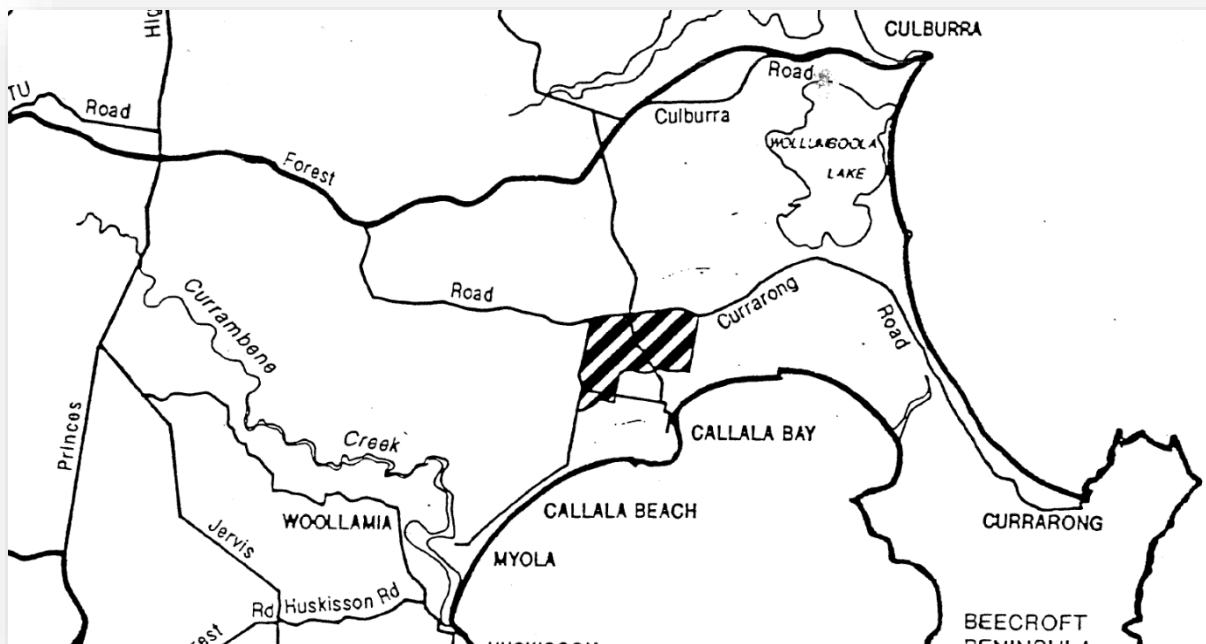


Figure 25 - extract from Jervis Bay REP 1996 - hatching = opportunities for urban development

The JBSS also seeks to resolve the paper subdivisions (Section 10.5 Small Lot Rural Subdivisions), and in this case, the land remains within one ownership. The strategy states with regard to North Callala Bay:

“The North Callala Bay small lot rural subdivision (Map 10A) should be resolved in connection with the proposed rezoning of land adjacent to Callala Bay, as discussed in Section 10.2 of this Strategy. Any future rezoning of the proposed Callala Bay urban expansion areas should seek to consolidate this existing small lot rural subdivision, as part of the urban development outcomes associated with the Callala Bay township.”

In terms of the small lot rural subdivisions, Council through this Settlement Strategy deemed the most appropriate options for the Woods Estate paper subdivision was either:

“Option 2: investigate rezoning in accordance with this Strategy and, where appropriate, allow each lot to have a dwelling built upon it;

Option 3: investigate rezoning in accordance with this Strategy and, where appropriate, amalgamate lots to a minimum size in order to accommodate on-site effluent disposal.”

The paper subdivision issue will be resolved through this planning proposal via gifting the land beyond the JBSS identified urban development area to the NSW Government.

4.1.2 Question 2 - Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

In the circumstances of this case, it is considered that the planning proposal is the best mechanism for achieving the overall master planning approach for the Halloran Trust land holdings, as it provides an opportunity for site specific and detailed investigation of the lands that could not be achieved through the overall SLEP85 transfer to the standard template format. A site specific planning proposal approach can

guide the detailed assessment and provide a suitable outcome or alternative outcomes which result in a better environmental outcome for the catchment.

The detailed assessment of the site will inform the master plan and determine the zone boundaries along with the appropriate lot sizes for each area, as the planning proposal moves through the gateway process if supported initially by Shoalhaven City Council as the relevant planning authority.

As provided in the Executive Summary, the Minister for Planning & Infrastructure, through the notification of the Shoalhaven Local Environmental Plan, 2014 deferred land within the ownership of The Halloran Trust from the provisions of SLEP2014, but only until 29 August 2014 to permit the submission of a Planning Proposal for the deferred lands.

Necessary studies to be provided into the future of this planning proposal for this study area, include but are not limited to:

- Threatened species assessment;
- Geotechnical assessment, including potential acid sulfate soils determination if potential exists for such soils;
- Stormwater management and water quality impacts for the SEPP14 wetland;
- Infrastructure provisioning;
- Traffic impact assessment;
- Aboriginal archaeological assessment;
- Bushfire assessment in accordance with Planning for Bushfire Protection;
- Visual analysis where necessary particularly for land fronting Callala Bay Road;
- Other studies required by Council or Department of Planning & Environment through the Gateway Process

There is a valuable net benefit to the wider community through the proposed long term conservation of land within the Lake Wollumboola catchment, in accordance with the provisions of the Jervis Bay Settlement Strategy and the South Coast Regional Strategy, through gifting of land to the NSW Government. The strategies provided result in the removal of the small lot paper subdivisions within the relevant study areas.

Further community benefit is achieved through the land term conservation of significant ecology, the wetlands associated with Wowly Creek, threatened species and endangered ecological communities, Aboriginal Heritage cultural artefacts, etc.

Community benefit arises from increased bush fire mitigation and protection measures around existing villages, by incorporating what are effectively strategic asset protection zones in place as a buffer to development, with potential for open space or larger lots in the peri-urban environment. This is in line with S117 Local Planning Direction 4.4 – Hazard & Risk – Planning for Bushfire Protection.

Community benefit also arises from increasing the size of the Callala Bay settlement; providing the only access to the northern reaches of Jervis Bay, resulting in an efficient settlement sized to support schools, facilities, infrastructure and access.

4.2 RELATIONSHIP TO STRATEGIC PLANNING FRAMEWORK – SECTION B

4.2.1 Question 3 - Is the planning proposal consistent with the objectives and actions contained within the applicable regional or sub-regional strategy?

4.2.1A South Coast Regional Strategy – relevant actions provided in the SCRS that are applicable to this study area include:

Natural Environment:

- *New urban development is to be prohibited by local environmental plans on land assessed as being of high conservation value; and appropriate planning controls are to be incorporated into LEPs to protect biodiversity values on land of lower conservation value.*
- *Local environmental plans will not include further residential or rural – residential zoning in the catchment of coastal lakes and estuaries shown on Map 2 unless it is demonstrated that a neutral or beneficial effect on water quality as measured at the boundary of the proposed new zoning plan can be achieved. In certain circumstances it may be possible to use offsetting actions to ensure improved water quality in the coastal lake or estuary.*
- *Councils will review the suitability of planning controls in existing urban zoned and undeveloped lands in the catchments of nominated coastal lakes and estuaries. Councils will consider the NSW Government – endorsed estuary management and coastal zone management plans and Coastal Lake Sustainability Assessments in undertaking this task.*
- *Future development in the catchments of SEPP 14 wetlands will need to demonstrate no net impact on the hydrology, water quality or ecology of these wetlands.*

Comment:

In terms of the Callala Bay study area, the urban development expansion area west of the existing village is in line with an endorsed settlement strategy and that land is outside the catchment of Lake Wollumboola. Lands north of the identified urban expansion area are to be gifted to the NSW Government as an extension of Jervis Bay National Park.

However, the proposed urban expansion area may be within the catchment of existing SEPP14 wetlands in the locality – Wowly Creek. Water quality and ecological impacts will be addressed through the progression of this planning proposal with detailed and site specific studies.

Natural Hazards:

- *Local environmental plans will zone areas subject to high hazard to reflect the limitations of the land*

Comment:

Natural hazard assessment for this planning proposal into the Gateway will predominantly be bushfire risk assessment.

There is no land identified within this study area mapped as flood prone land on Council's current or draft LEP maps and this planning proposal in the main seeks to gift lands that may otherwise be known to be liable to periodic inundation (the SEPP14 wetland associated with Wowly Creek) for long term conservation to the NSW Government for addition to Jervis Bay National Park.

While the study area is identified as bushfire prone land, future residential development should be able to occur taking the potential impact of bushfire into consideration, with ameliorative measures to reduce the risk, threat and hazard to human life and property, through appropriate lot sizes on the peri-urban fringe. This will also aid the bushfire protection of adjacent existing village of Callala Bay through a reduction in hazard vegetation north and northwest of the village.

Housing and Settlement:

- *Department of Planning will work with Council's, developers/landowners and relevant State agencies, using the recommendations of the Sensitive Urban Lands Panel to guide finalisation of the development form and environmental management of the sensitive urban lands.*
- *Only urban areas in endorsed strategies will be supported – i.e. Jervis Bay Settlement Strategy.*
- *Any additional development proposal will need to demonstrate that it can satisfy the Sustainability Criteria.*
- *Appropriate housing mix targets to meet the needs of smaller households and an ageing population.*

Comment:

The Sensitive Urban Lands Review recommendations provided that “*land within the catchment of Lake Wollumboola is considered unsuitable for urban development, principally on the grounds of the potential negative impacts on the Lake which is a sensitive intermittently closing and opening lake or lagoon (ICOLL).*” There were no recommendations with regard to the Callala Bay area as the SULR only dealt with the Culburra Beach expansion area.

The Jervis Bay Settlement Strategy has been endorsed by the Department of Planning & Environment and is relevant to this planning proposal. The housing and settlement outcomes achieved in this planning proposal comply with the provisions of this strategy, particularly with regard to the western expansion area identified in this planning proposal as being suitable for urban development.

The small lot ‘paper subdivision’ issue is resolved through gifting of the land outside the identified urban expansion area to the NSW Government as an extension to Jervis Bay National Park.

Rural Landscapes and rural communities:

- *Limited areas for additional rural residential must be located on cleared lands unsuitable for urban or agricultural uses and will only be agreed to by the Department as part of an endorsed growth management strategy or structure plan.*
- *The scale of development within and adjacent to existing villages and rural towns will support the role of the town in serving communities and preserve its character, scale cultural heritage and social values.*

Comment:

There are no cleared lands within this study area, which may otherwise be suitable for urban expansion; however, the area proposed for urban development in this planning proposal to the west of the existing Callala Bay village was identified as suitable for urban expansion through both the JBREP and the JBSS.

The proposal incorporates lands to be retained as natural areas through a long term conservation as an offset for development potential adjacent to the existing Callala Bay village.

Cultural Heritage:

- *Ensure that Aboriginal cultural and community values are considered in the future planning and management of the local government area.*

Comment:

As provided in the JBSS, there are over 300 culturally significant sites listed on the OEH Aboriginal Heritage Inventory Management System within the Jervis Bay area.

Detailed assessment is yet to be undertaken of the study area as necessary to support this proposal through the gateway process.

4.2.1B Jervis Bay Settlement Strategy: relevant actions of the JBSS that are pertinent to this planning proposal are identified as follows:

Water quality and flow:

- *All development will meet the statutory requirements of the Jervis Bay Regional Environmental Plan 1996 in respect of Clause 11 – Catchment Protection.*
- *New development will be located and designed so as to avoid detrimental impacts on waterbodies and watercourses, including groundwater. Where there are management impacts, erosion and sediment control measures and means to mitigate nutrient and other pollutants should be provided on the development site and be excluded from areas set aside for the protection of natural or cultural attributes.*
- *New development will be designed so that domestic effluent management does not have a detrimental impact on water quality and flow*
- *New development, including infrastructure (e.g. stormwater controls), will be located, designed and constructed in a manner which does not degrade land based or aquatic ecosystems or processes.*
- *Infrastructure works will not have a detrimental impact on the water quality of receiving waters in the region.*

Comment:

The EPA Water Quality and River Flow Objectives (2006) will be addressed & supported through further investigations into the gateway process for this planning proposal. The urban expansion area would be

connected to the reticulated sewage network to reduce the likelihood of adverse impact upon water quality of downstream waterbodies including the Wowly Creek SEPP14 wetlands.

Freshwater, Marine and Estuarine Biodiversity:

- *Freshwater, marine and estuarine attributes such as mangrove forests, salt marshes, sea grasses and other aquatic, marine or estuarine habitat will be protected from the impacts of new development in the region.*
- *Significant populations of, and habitats for, threatened species, populations and ecological communities listed under the Fisheries Management Act will be conserved and managed under proposed planning instruments associated with new development.*
- *Public access to riparian, marine and estuarine areas may be provided if such access can be achieved without or with minimal disruption to freshwater, marine or estuarine biodiversity.*

Comment:

Water quality via stormwater runoff from developed areas is likely to be the largest concern with regard to adverse impacts upon freshwater, marine and estuarine biodiversity, in the case of this study area the nearby SEPP14 wetlands associated with Wowly Creek (No 336) is the receiving waters of concern.

Further investigations into appropriate mechanisms for stormwater disposal, water quality will be undertaken for those areas proposed for residential development within the SEPP 14 wetland catchment.

Land based biodiversity:

- *New settlement in the region will meet the statutory requirements of the Jervis Bay REP in respect of Clause 14 (Habitat Corridors) and Clause 15 (Disturbed Habitat and Vegetation).*
- *New settlement will be located and designed so as to avoid detrimental impacts on land-based biodiversity.*
- *Decisions regarding the location and design of new development in the region will recognise that the conservation of biodiversity is dependent on maintaining landscape connectivity through a native vegetation system of National Parks, habitat corridors established by the JBREP, environment protection zones under the Shoalhaven Local Environmental Plan, and bushland on private property.*
- *Policy options to offset unavoidable impact(s) of new development on land-based biodiversity in the region will be explored. These options may include strategies for mitigation and compensatory habitat, and will be investigated at all levels of the planning system.*
- *The habitat values, ecological and hydrological processes of wetlands will be conserved and managed so that the impact of development in the catchments of wetlands (SEPP14 and other) will be minimised.*
- *Remnant vegetation will be conserved and protected where-ever possible to maintain and increase natural species diversity.*

- *Locally significant habitat corridors not identified in the JBREP will be addressed at all levels of the planning system, to protect locally significant biodiversity values.*

Comment:

Land based biodiversity studies are yet to be finalised for this study area. There are lands within the area with significant conservation attributes that can be used as offsets in accordance with the Natural Environment actions of the South Coast Regional Strategy & JBSS, to permit additional urban development to be undertaken in marginal habitat locations. Those offset lands are identified as being gifted to the NSW Government as an extension to Jervis Bay National Park.

The Jervis Bay REP does not identify any of the subject lands as being within a habitat corridor or within an area of disturbed habitat and vegetation area.

Soils:

- *Areas of potential acid sulfate soils will be identified and excluded from new development areas in the region.*

Comment:

Areas of low potential for acid sulfate soils between 1 - 3m of ground surface may be located in the vicinity of the SEPP 14 wetland and are part of the land to be gifted to the NSW Government.

Additional lands proposed to be developed for urban purposes under this planning proposal are not characterised by the high potential to contain acid sulfate soils, however detailed assessment will be undertaken in future site specific studies to ensure that development and the wetland environment, will not be adversely impacted by actual acid soils.

Landscape:

- *New settlement in the region will meet the statutory requirements of the JBREP in respect of clause 12 – Landscape Quality and where-ever possible landscape values should not be compromised by new development.*
- *New subdivision and housing will be designed in sympathy with the landscape features of the locality.*
- *Important visual aspects of the landscape will be identified and conserved, including the aesthetic quality of the coastal landscape.*

Comment:

Clause 12 of the JBREP states:

“A proposal must:

- maintain the visual quality of a waterbody, a wetland, or a foreshore dune, and*
- maintain distinct urban communities that have an individual identity, and*
- let the landscape, not the structures, be the dominant feature outside the settlements, and*
- allow the existing tree canopy, on or around the site, to dominate.”*