



allen, price & associates
land and development consultants

18 June 2008
Our Ref: 24532 LDC

NSW Department of Planning
Level 1
23-33 Bridge Street
SYDNEY NSW 2000

Attention: Chris Wilson

Dear Mr Wilson

COASTAL SUBDIVISION AND REZONING AT MUNDAMIA (WEST OF NOWRA) IN THE CITY OF SHOALHAVEN

We are writing on behalf of our clients, Malbec Properties (and Malbec Mundamia Pty Limited) the proponents for the subdivision of land at Mundamia, West Nowra.

The subject land is located within an urban release area referred to as New Living Area No. 5 identified in the Shoalhaven Council's Nowra Bomaderry Structure Plan which was endorsed by the NSW Department of Planning in February 2008. Mundamia New Living Area No. 5 is identified in the Structure Plan to be one of the first new living areas to be released for urban development as it satisfies Council's strategic imperatives in regards to its location and attributes.

Shoalhaven City Council resolved on 2 November 2005 to prepare an LEP which would give affect to the rezoning of the Mundamia New Living Area No. 5 – the land subject of this letter, as part of the Nowra Bomaderry Structure Plan (see appendix 2 & 3 Council s.54 resolutions for Nowra Bomaderry LEP and Citywide LEP). The Section 54 Notifications were sent to the Department of Planning on 8 December 2005 (Nowra Bomaderry) and 12 December 2005 (Citywide) respectively.

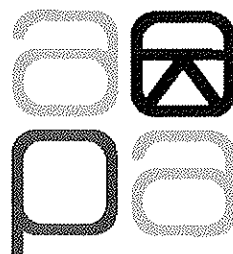
The rezoning of the Mundamia release area is now included as part of the Citywide LEP due to be completed by Council by March 2009. The LES and draft LEP is currently being drafted by Council as part of this process.

The purpose of this letter is to seek the Minister's opinion that the development proposal is a development of the kind described in Schedule 2 (specified sites – coastal areas) of State Environmental Planning Policy (Major Projects) 2005 (the Major Projects SEPP) and therefore, is a 'major project' to be determined under Part 3A of the Environmental Planning & Assessment Act, 1979 (the EP&A Act).

75 Plunkett Street, Nowra NSW 2541 • PO Box 73, Nowra NSW 2541 DX5310
tel 02 4421 8544 • fax 02 4429 1871 • email consultants@allenprice.com.au
directors RJ Doukas, AR Aulsebrook, MJ Bennett, AF Isaac • associate PW Rowley • consultants PM Price, EA Panatier

ABN 15 141 099 470
a partnership of • Foster Douglas Surveys Pty Limited • Layland Pty Limited • Torbush Pty Limited • Torbush & Layland Pty Limited

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Should the Minister form the necessary opinion, we request the Director General issue the requirements as to the level and scope of the necessary documentation and assessment for the preparation of an Environmental Assessment to accompany a Project Application for the proposed development.

To support the request for the Director-General's requirements relating to the environmental assessment, a **Preliminary Assessment** relating to the project is provided below. The Preliminary Assessment provides detail on the site location and an outline of the project, and identifies the key likely environmental and planning issues associated with the proposal.

THE PROJECT

The development will enable the creation of approximately **380 residential allotments**. An indicative concept plan of the proposed subdivision layout has been prepared (see appendix 4). It should be recognised that this plan is preliminary in nature and will need to be further developed during the preparation of the environmental assessment report.

NOWRA - BOMADERRY STRUCTURE PLAN AND DRAFT LOCAL ENVIRONMENTAL PLAN

The subject land is located within the urban release area referred to as New Living Area No. 5 of the Nowra-Bomaderry Structure Plan prepared by Shoalhaven City Council. The Structure Plan was endorsed by the Department of Planning on 28 February 2008.

The Structure Plan identifies New Living Area No. 5 as land to be released in the short term – that is in the first phase of urban release (see appendix 5 – map 8.1 of Nowra Bomaderry Structure Plan). Shoalhaven City Council has passed a section 54 resolution on 2 November 2005 resolving to prepare a draft LEP to rezone the land identified within the Nowra Bomaderry Structure Plan for future urban development, including New Living Area No. 5 and is currently preparing the LES and draft LEP as part of the Citywide LEP 2009.

The Nowra Bomaderry Structure Plan has included extensive specialist investigations and studies over two years to determine the areas suitable for residential development incorporating all socio-economic and environmental factors. The Structure Plan went through an exhaustive public and agency consultation process (eg with DECC, RTA, Dept Water Resources etc.) input from which was incorporated into the final Plan.

It is envisaged the preparation of the environmental assessment for the Project Application would occur concurrently with the assessment of the draft LEP in accordance with Section 72J of the EP&A Act, to ensure consistency in approach and that the permissibility of the development is resolved prior to the Minister's determination.

MAJOR PROJECTS SEPP 2005

Clause 6 of the Major Projects SEPP provides that development that in the opinion of the Minister is development of a kind referred to in Schedule 1 (Classes of development) and Schedule 2 (specified sites) is declared to be a project to which Part 3A of the EP&A Act applies.

Item 1 in Schedule 2 in the Major Projects SEPP, entitled Coastal areas, identifies development for the purpose of "subdivision of land in a residential zone into more than 25 lots or in a rural/residential zone into more than 5 lots, but in the case of the metropolitan coastal zone only if the land is wholly or partly within a sensitive coastal location".

In the context of the proposed LEP amendment, the proposed development is a subdivision of land located within a coastal residential area into more than 25 lots as identified above (see appendix 1 for coastal area map).

It is therefore requested that the Director-General issue the requirements for an environmental assessment for a **Project Application** for the proposed development, namely **infrastructure works and residential subdivision on the land**. The requirements will identify the key issues to be addressed, the level of assessment required in relation to these issues and any other requirements in accordance with the environmental assessment guidelines.

The information contained within this report has been prepared to assist the Director-General in identifying the general requirements and key environmental issues associated with the project.

PROJECT OVERVIEW

The development will enable the creation of approximately 380 residential lots on the Malbec land.

The project site is part of the proposed Council urban release area referred to as New Living Area No. 5 Mundamia in Council's Nowra Bomaderry Structure Plan currently undergoing rezoning by Council. The release area is comprised of a number of landholdings totalling approximately 53 hectares which Council has resolved to rezone as part of the Citywide LEP 2009. The Nowra Bomaderry Structure Plan indicates the potential for a total of 720 dwellings to be developed in the overall Mundamia release area.

The major landholders in the overall New Living Area No. 5 at Mundamia include Malbec Mundamia Pty Limited, Shoalhaven City Council and the Nowra LALC. The Malbec controlled land subject of this application constitutes approximately 60% of the developable area of New Living Area No. 5.

CONSTRUCTION COST

The proposed residential land development subject of this letter has an estimated construction cost of \$11.7 million.

THE SITE

The site is located at Mundamia, just west of the Nowra township as indicated on the Location Plan below.

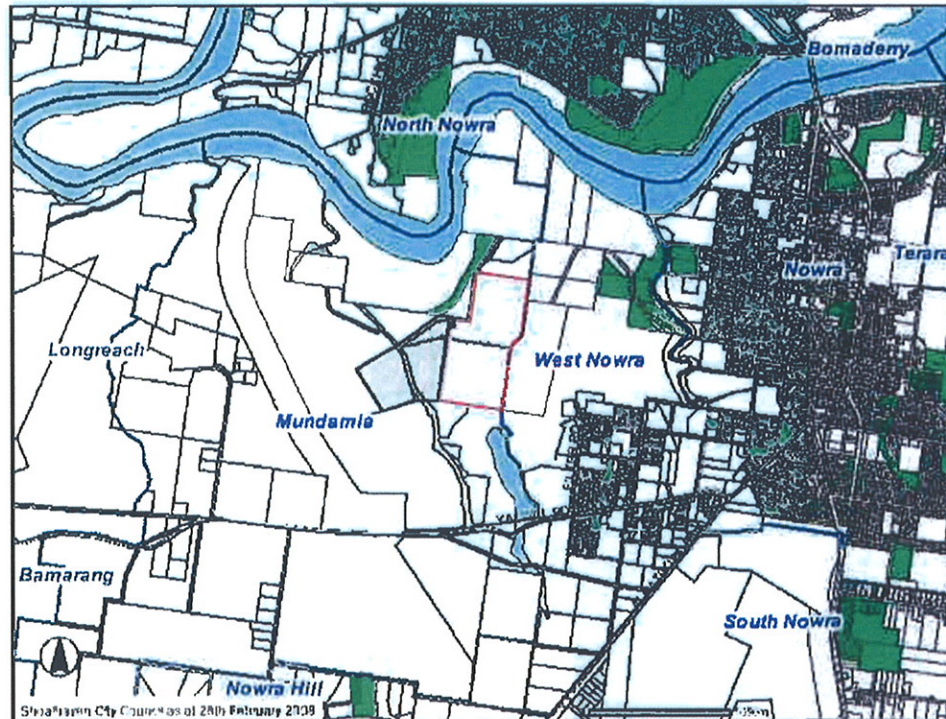


FIGURE 1: LOCATION PLAN

The site comprises the following lots, which total approximately 43.13 hectares as per Table 1 below.

Parcel Description	Ownership	Area (ha)
Lot 3 DP 568613	L & J Griffiths (under contract to Malbec Mundamia P/L)	21.63 ha
Lot 384 DP 755952	Malbec Mundamia P/L	21.5 ha
Total		43.13 ha

Table 1 – Land ownership, description and parcel size

- The majority of the land subject of the application has been cleared and used for agricultural purposes. The eastern perimeter of the site is vegetated with species including Scribbly Gum-Bloodwood Woodland, Kunzea Shrubland/Heathland, Paperbark Closed Forest, Grey Gum-Blue-leaved Stringybark Forest/Woodland, and an area of **regenerating native vegetation**.
- The neighbouring land to the east and west is predominantly vegetated.

SCOPE AND STAGING OF PROPOSAL

The project application aims to facilitate the following works on the site:

- Subdivision;
- Street layout; and
- Associated capital works

RELEVANT PLANNING INSTRUMENTS AND CONTROLS

The following planning instruments and policy documents are of key relevance to the proposed development:

- State Environmental Planning Policy (Major Projects) 2005;
- State Environmental Planning Policy Infrastructure 2007;
- State Environmental Planning Policy 71 – Coastal Protection;
- Shoalhaven Local Environmental Plan 1985;
- Illawarra Regional Environmental Plan 1986;
- Draft Nowra Bomaderry Citywide Local Environmental Plan;
- South Coast Regional Strategy
- Shoalhaven City Council Development Control Plan 100 – Subdivision Code.
- Shoalhaven Housing Strategy 2006
- Nowra Bomaderry Structure Plan (Feb. 2008)

EXISTING ZONE PROVISIONS

The zoning and other key relevant provisions of the Shoalhaven Local Environmental Plan 1985 are set out in Table 2 below.

Issue	Standard
Zones	Part: 1(d) Rural (General Rural Zone) 7(d1) Environment Protection (Scenic) zone.
Permitted Uses	Both the 1(d) and 7(d1) zones permit single residential dwellings with development consent. Medium density or commercial / village retail development is not permitted within the zones.
Subdivision	Subdivision of land is not prohibited within these zones.

Table 2 – Key existing zoning provisions

FUTURE ZONE PROVISIONS

Shoalhaven City Council's draft Citywide LEP will give effect to the rezoning of New Living Area No. 5 identified in the Nowra Bomaderry Structure Plan. It is envisaged that the new residential zoning for New Living Area No. 5 will allow a range of residential zoning densities and uses and will therefore facilitate the development envisaged in this report.

As mentioned previously, it is proposed that the preparation of the environmental assessment for the Project Application would occur concurrently with the assessment of the draft LEP in accordance with Section 72J of the EP&A Act, to ensure consistency in approach and that the permissibility of the development is resolved prior to the Minister's determination.

CONSULTATION

Residential development on this land has been foreshadowed by Shoalhaven City Council for a considerable period of time. The development proposed is entirely consistent with the Nowra Bomaderry Structure plan that was prepared by Shoalhaven City Council and was endorsed by the Department of Planning in February 2008. The preparation of the Structure Plan has included an extensive public and **agency consultation process** (including DECC, RTA, Dept Water Resources etc.) over the last 2 to 3 years. Council has passed a s.54 resolution to prepare and subsequently exhibit a draft LEP to implement the rezoning of New Living Area No. 5 subject of this letter as part of the Nowra Bomaderry Structure Plan rezoning in Council's Citywide LEP.

Malbec Properties has been communicating with Shoalhaven City Council regarding the future development of the Mundamia release area for approximately two years in this regard, and Shoalhaven City Council are aware of Malbec Property's intentions to develop the subject land. Consultation has taken place with Council as both an adjoining land owner and as a consent authority.

KEY ENVIRONMENTAL IMPACTS

The key environmental considerations associated with the proposed development are as follows:

- Site Suitability
- Flora and Fauna
- Water Quality and Stormwater Management
- Zoning and Development Controls
- Transport and Access
- Infrastructure Provision, Staging and Funding
- Development Staging and Delivery
- Bushfire Management
- Heritage and Archaeology

SITE SUITABILITY

The proposed development is situated in an area that has been identified for urban release in the Nowra Bomaderry Structure Plan, and Council's proposed rezoning of this site is consistent with this objective.

The Nowra Bomaderry Structure Plan has identified the developable portion of the site that is proposed to be zoned residential with an environmental buffer identified on the eastern edge of the site. There are a number of existing roads in the locality and the subdivision has been designed to incorporate and utilise access from these roads.

The South Coast Regional Strategy, which has been adopted by Department of Planning, proposes to accommodate over 26,300 new dwellings in the Shoalhaven local government area over the next 25 years. The Strategy indicates that about 15,800 of these new dwellings can be accommodated within existing vacant urban land and existing investigation areas (e.g. Mundamia New Living Area No. 5). In addition, the Nowra Bomaderry Structure Plan (refer Table 3 below) indicates a projected population increase for the Nowra Bomaderry area of 23,500 people by 2036 which is a 78% increase in population, a major proportion of which will need to be accommodated in the designated growth and release areas.

Table 3 – Nowra Bomaderry Population Projections

	2001	2006	2011	2016	2021	2026	2031	2036
Total Population	30168	31681	34307	37866	41531	45736	49771	53710

Source: Shoalhaven City Council Nowra Bomaderry Structure Plan (Ken Murray) 2005

The proposed subdivision of the subject site at Mundamia, at West Nowra for purposes of the residential development is consistent with the local and regional growth strategies for the area that have been endorsed by both the Council and the Department of Planning.

The environmental assessment will consider:

- Accessibility and suitability of the site;
- Compatibility with surrounding land uses; and
- Linkages with, and augmentation of, existing infrastructure.

FLORA AND FAUNA

The Nowra Bomaderry Structure Plan has identified the majority of the site as suitable for rezoning to residential use with an environmental buffer identified along the eastern perimeter of the site containing some threatened flora and fauna. In this regard, the Environmental Assessment will be accompanied by a threatened species (flora and fauna) report prepared by a suitably qualified consultant which will supplement the substantive flora and fauna studies carried out as part of the recently completed Nowra Bomaderry Structure Plan and which was endorsed by the Department of Planning and other agencies including DECC.

WATER QUALITY MANAGEMENT

With respect to water quality management, the environmental assessment report for the development will identify impacts of the subdivision adjoining undeveloped and developed lands. The report will also identify methods by which impacts of the development on local hydrology, groundwater and ecology can be minimised.

ZONING AND DEVELOPMENT CONTROLS

Shoalhaven City Council has resolved to prepare a draft Local Environmental Plan (LEP) for the subject land. The environmental assessment report will address:

- Consistency with the draft Local Environmental Plan for the Nowra Bomaderry area; and
- Consistency with the South Coast Regional Strategy.

TRANSPORT AND ACCESS

A detailed Traffic Concept Plan will be prepared, which will contain:

- Analysis of access to, and within the site;
- Arrangements for public transport to access the site;
- Details on the existing and future traffic networks and access points, including linkages to surrounding areas;
- Impact of construction and operation of proposed road network on adjoining areas;
- Pedestrian and cycle access to, and within the site.

- The transport initiatives contained within the Nowra Bomaderry structure plan will also be reviewed in light of this proposal.

INFRASTRUCTURE PROVISION, STAGING AND FUNDING

The development may necessitate the provision of a variety of community infrastructure and essential services. The environmental assessment report will consider:

- new infrastructure which is required to complement existing facilities and services;
- staging of new infrastructure, and augmentation of existing infrastructure is managed in an orderly manner;
- scope of any development contributions.

DEVELOPMENT STAGING AND DELIVERY

The subdivision and development of the proposal will be staged over a period of 10 years.

To minimise impacts on local habitats and infrastructure servicing surrounding areas, the environmental assessment report will address the staging program of the development to ensure land will be released in an orderly manner and will be in accordance with the staging outlined in the Council's Structure Plan.

BUSHFIRE MANAGEMENT

To minimise any risk of bushfires, the environmental assessment report for the development will address consistency with Planning for Bushfire Protection 2006 and section 100B of the Rural Fires Act 1997.

HERITAGE AND ARCHAEOLOGY

No significant sites have been identified following a detailed heritage survey recently carried out by the archaeological consultant on the subject site. In this regard, the Environmental Assessment will be accompanied by an Archaeological Heritage Report prepared by a suitably qualified consultant which will identify any heritage or archaeological impacts and how these will be mitigated.

CONCLUSION

In conclusion residential development of the subject land at Mundamia has been foreshadowed by Council for a considerable period of time and the information contained in this preliminary assessment clearly demonstrates that it has been identified by Council to be released for residential purposes in the short term as part of their endorsed land release strategy. In summary this is supported by the following factors:

- The New Living Area No.5 Mundamia has been included in Council's Nowra Bomaderry Structure Plan recently endorsed by the Department of Planning (February 2008);
- A rigorous analysis of the socio-economic and environmental factors was carried out in the formulation of the Structure Plan and its extensive consultation process with the public and government agencies;
- Council has adopted a s.54 resolution to prepare a Local Environmental Plan and subsequently proceed to exhibit the plan and rezone the subject land as part of the Citywide LEP; and,
- Council has identified New Living Area No. 5 Mundamia as a Phase 1 priority release area in the Structure Plan due to strategic reasons.

The information therefore serves to assist the Director-General in forming the opinion that it is a development of the kind described in Schedule 2 of the Major Projects SEPP and is a 'major project' to be determined under Part 3A of the EP&A Act.

In addition, the information contained in this preliminary assessment is to assist the Director-General in determining the level and scope of any requirements for an environmental assessment to accompany the lodgement of a Project Application for the development, under Part 3A of the EP&A Act; and, having regard to the above and in accordance with provisions in Part 3A of the EP&A Act, it is requested that the Director-General issue the environmental assessment requirements for the Project Application.

Should you have any queries or wish to discuss the matter further, please do not hesitate to contact me on 4421 6544.

Yours faithfully

ALLEN, PRICE & ASSOCIATES



Lee Carmichael

Attachments Appendix 1 Coastal land mapping
Appendix 2 Council Section 54 resolution – Nowra Bomaderry LEP
Appendix 3 Council Section 54 resolution – City Wide LEP
Appendix 4 Site Development Concept Plan
Appendix 5 Nowra Bomaderry Structure Plan extract Map