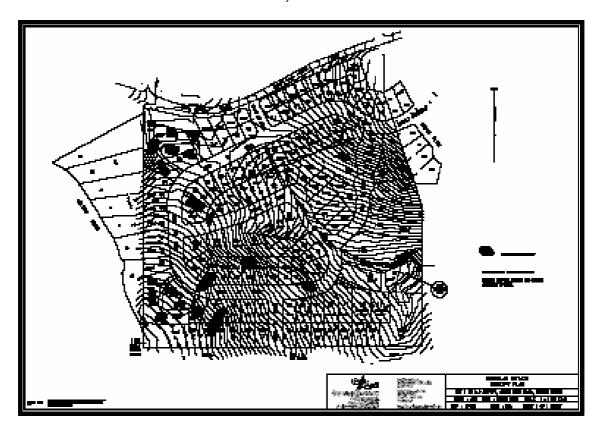
MAJOR PROJECT PRELIMINARY ASSESSMENT

Prepared by KEEPLAN, Planning and Development Services for Portbout Pty Ltd

LOT 2 DP 534555 SOUTH HEAD ROAD, MORUYA HEADS



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Preliminary Assessment –107 lot Residential Subdivision, South Head Road, Moruya Heads

PRELIMINARY ASSESSMENT

1.0 Proposed Project

Approval is sought for a staged 107 lot residential subdivision of a large irregular shaped parcel of land located within the 1 kilometre coastal zone at South Head Road, Moruya Heads.

The subdivision is proposed to be undertaken in 5 stages consisting of:

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Stage 1 24 lots (lots 37 - 60)
Stage 2 21 lots (lots 29 - 36, 61 - 68 & 88 - 92)
Stage 3 23 lots (lots 78 - 87 & 93 - 105)
Stage 4 25 lots (lots106 -108,16 - 28 & 69 - 77)
Stage 5 15 lots (lots1 - 15)
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The residential allotments are variable in size and range from 700m² to 7180m² with an average area of 900m². Proposed lots 28 and 36 are identified for future medium density development however no definitive layout has been prepared. A conceptual medium density layout has been identified upon the 2 proposed lots however the future medium density development does not form part of the development proposal.

The allotment layout has been created taking into account the physical characteristics and natural landform of the site. In particular larger allotments have been created over the higher steeper (10 degrees plus) portions of the site on the lower south eastern side of Crest Crescent extension and also upon the higher south western corner of the site where median visual exposure to Moruya exists. A public reserve has been created in the far south western corner of the site to both preserve the natural attributes of a ridge crest that is visible from the west and also to protect the archaeological significance of the site. Larger lots have also been created over the lower south eastern portion of the site where a low order drainage depression traverses the site in order to achieve suitable buffers to development.

Access to the subdivision is proposed via a new 20 metre wide loop style of road system that intersects with South Head Road and also serves as an extension from the existing Crest Crescent to the east. The intersection with South Head Road is located approximately 120 metres east of the existing Dress Circle intersection. Each road reserve within the subdivision accommodates road alignments to Council standards.

The proposed subdivision incorporates water sensitive urban design measures recommended by Storm Consulting.

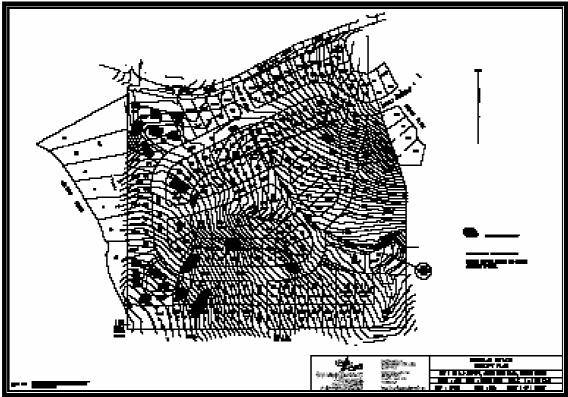


Figure 1 Subdivision Layout

2.0 Site Details

2.1 Site Location

The subject site is located on the southern side of South Head Road, approximately 3.5 kilometres west of Moruya and 2.5 kilometres west of Moruya Heads. The subject site is located a variable distance of 750 metres to 1.25 kilometres south of the Moruya River and approximately three kilometres west of the coastline.

It is bordered to the north by South Head Road, east by existing low density housing fronting Crest Crescent, west by residential allotments with frontage to Halyard Drive and south by a Crown road reserve.

2.2 Site Description

The property's legal description is Lot 2 DP534555.

The property is a large roughly square shaped parcel of land with a total area of 16 hectares. The property has a northern boundary frontage of approximately 300 metres to South Head Road, eastern boundary frontage to Crest Crescent of 20 metres and southern rear boundary frontage to the unformed Telegraph Road.

The north western portion of the property comprises a single storey brick residence, parking area and gravel driveway. Existing above ground power and telephone lines cross the site from South Head Road to service the existing dwelling.

The subject site is generally undulating over the broader property with the exception of the north eastern portion of the site which comprises relatively steep sloping land to the south. The south west corner of the site also comprises an elevated ridge spur. The lowest point of the site is the south eastern corner where a highly eroded low order drainage depression traverses the property towards Gilmores Creek.

The site has been extensively cleared through recent bushfire hazard reduction works. The vegetation on site primarily comprises dry Sclerophyll forest, in the form of Stringybark & Spotted Gums, Bangalay Forest and Casuarina in the lower south eastern gully area.

The site comprises scattered outcrops of granite bedrock, particularly on the higher northern side of the property.

2.3 Site Context

It is an elevated site located on the fringe of Moruya Heads township and outer periphery of the Moruya Heads 60 km road speed zone on South Head Road. It is located within a large cluster of land zoned urban expansion under Eurobodalla Local Environmental Plan 1987.

The subject land is immediately adjoined to the west by 2ec Residential-Environmental Constraints zoned land that is developed with residential housing, to the north by undeveloped 2ec zoned land. The northern half of the property's eastern boundary is partly adjoined by existing 2g Residential-General zoned land which is developed with low density housing whereas the southern half of the property's eastern boundary is comprised of undeveloped Urban Expansion zoned land. The property's southern boundary directly adjoins an unformed Crown Road Reserve and undeveloped Urban Expansion zoned land.

3.0 Statutory Planning Considerations

3.1 Eurobodalla Rural Local Environmental Plan 1987

The subject land is zoned Urban Expansion 10 under the provisions of Eurobodalla Rural Local Environmental Plan 1987 and the proposed subdivision is permissible under Clause 12 with consent. The proposal represents a low density residential subdivision that is consistent with the future urban objectives of the zone.

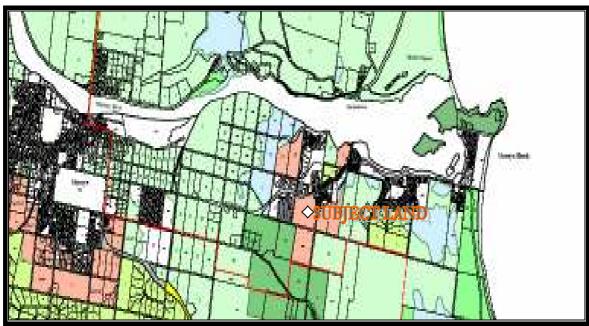


Figure 2 Eurobodalla Rural Local Environmental Plan 1987 zoning map

3.2 Draft Eurobodalla Urban Settlement Strategy

Eurobodalla Shire Council has recently publicly exhibited both its Draft Urban and Rural Lands Settlement Strategies for the next 20 years.

The Draft Urban Settlement Strategy identifies the subject land as "under investigation" for low density "coastal village" urban development.

3.3 Development Control Plan No.182-Urban Expansion Constraint Mapping

The subject land is subject to the provisions of Development Control Plan No.182 which applies constraint mapping for Urban Expansion zoned properties within Eurobodalla Shire. The constraint mapping identifies two primary constraints upon the property consisting of a ridge protection zone over the upper south western corner of the site and a low order drainage depression over the lower south eastern portion of the site. The proposed subdivision has been sensitively designed so as to minimise impacts upon the constraints. It is pointed out that the ridge spur has a low level of visibility from Moruya and the drainage line is a low order drainage line that is highly eroded and does not constitute a creek as defined under the provisions of the Rivers and Foreshores Improvement Act. A public reserve has been specifically created in the south western corner of the site upon the crest spur so as to preserve the most visually sensitive element of the site.

3.4 Residential Design Code

The proposed subdivision is subject to assessment under the Residential Design Code, which stipulates development guidelines for Residential Subdivisions. In particular the DCP requires a minimum allotment size of 450m².

It is noteworthy that the proposed allotment sizes in the subdivision vary from 700m² to 7180m² with an average area of 900m² and comply with the minimum permitted allotment size of 450m².

3.5 State Environmental Planning Policy (Major Projects)

The proposal constitutes a major project under Schedule 2 Part 3A of the Major Projects SEPP given it is for a subdivision comprising more than 25 lots and located within the 1km coastal zone under the provisions of State Environmental Planning Policy No.71-Coastal Protection.

3.6 State Environmental Planning Policy No.71-Coastal Protection

The subject land is located within the 1 kilometre coastal zone as defined under the Coastal Protection Act 1979 and subject to the provisions of State Environmental Planning Policy No.71-Coastal Protection.

3.7 Lower South Coast Regional Environmental Plan No.2 (REP No.2)

The Lower South Coast Regional Environmental Plan No.2 (REP No.2) policy came into force on 6 July 1992 and applies to land within the Shires of Eurobodalla and Bega Valley.

The proposed subdivision is generally consistent with the aims and objectives of Regional Environmental Plan No.2 that are relevant to subdivision of land.

3.8 Draft South Coast Regional Strategy

The Department of Planning is currently publicly exhibiting its Draft South Coast Regional Strategy which applies to the local government area of Shoalhaven, Eurobodalla & Bega Valley and sets the regional planning for the next 25 years to 2031.

It is understood that all urban expansion zoned land within the Shires of Bega Valley, Eurobodalla and Shoalhaven will be subject to consideration of suitability for urban purposes by the Department of Planning as part of a "Panel' that is to be formed as part of the Draft Strategy's recommendations.

4.0 Key Issues

4.1 Heritage Conservation

The subject site has been subject of detailed archaeological investigation commencing initially with the preparation of a detailed Archaeological Assessment/survey prepared by South East Coast Archaeology Pty Ltd. The site has also been subject to sub surface probing and reporting by Archaeo Analysis. Archaeo Analysis recommended that the proposed subdivision is suitable to proceed subject to recommendations.

4.2 Flora and Fauna

A detailed Flora and Fauna Report assessment was prepared by PMA Consulting in order to identify the type and distribution of ecological communities present on the subject land. The report concludes that the proposed subdivision can occur without having a significant effect on any threatened species, populations or ecological communities or their habitats under the Threatened Species Conservation Act.

4.3 Bushfire Assessment

The subject land is classified as bush fire prone under the NSW Rural Fire Services Bushfire Classification Mapping. Accordingly a detailed Bushfire Assessment report has been undertaken by Geospatial Integrity Pty Ltd of the subdivision's suitability.

The Bushfire Assessment Report recommends that the consent authority may determine that the subdivision complies with Planning for Bushfire Protection 2001 as required under section 79BA of the Environmental Planning and Assessment Act 1979 subject to various recommendations relating to creation of asset protection zones, etc.

4.4 Natural Drainage

The site is traversed by a highly eroded low order drainage depression across the lower south eastern portion of the site that drains to the south eastern corner of the site towards Gilmores Creek. The drainage reserve is identified on under Eurobodalla Shire Council's Constraint mapping for the site.

The Department of Infrastructure, Planning and Natural Resources have inspected the site and advised in writing via letter dated 27 June 2005 that the drainage depression does not constitute a "River" as defined under the Rivers and Foreshores Improvement Act and accordingly the development does not constitute integrated development.

Storm Consulting has prepared a stormwater management plan for the subdivision incorporating water sensitive urban design (WSUD) principles incorporating gross pollutant traps.

The development has been designed according to water sensitive urban design principles to ensure that runoff from the development site meets Council objectives for stormwater quality, ie 75%, 45% and 45% reductions, respectively for TSS, TP and TN. Additionally a

Gross Pollutant Trap is recommended to minimise impacts upon the downstream Gilmores Creek.

Appropriate soil and erosion controls will also be implemented at the construction stage in accordance with the recommendations of the Storm Consulting Report.

4.5 Visual Impact

The south western corner portion of the site comprises the crest of a ridge line that is identified as a "ridge protection zone" under the provisions of Eurobodalla Council's DCP 182. Although the ridge line is only marginally visible from the west, a public reserve is proposed over that portion of the site to protect that portion of the site.

4.6 Access

The intersection of the new access road to the subdivision from South Head Road has been prepared in accordance with prescribed RTA intersection design criteria. The access point is located on the outer edge of the 60km Moruya Head town boundary.

5.0 Consultation

Eurobodalla Shire Council

The final plan of subdivision has been prepared following detailed and lengthy consultation with Michael McILveen and Peter Pritchett of Eurobodalla Shire Council's Subdivisions Section. This has involved the preparation of a number of layouts up to the present design. The meetings have revolved around a number of matters and in particular constraint analysis of the site. In particular Council had initially raised concern regarding the number of lots larger than 900m² and also the length of cul de sacs being longer than 150 metres, which has subsequently been adjusted to suit Council's Subdivision Specifications. Discussions have also occurred regarding the intersection design with South Head Road and drainage treatment options for the drainage depression traversing the lower south eastern portion of the site. It is understood that the subdivision has been appropriately redesigned in accordance with Council's general requirements.

DIPNR

Detailed consultation occurred with the Natural Resource section of the former Department of Infrastructure, Planning and Natural Resources in respect to the drainage depression that traverses the lower south eastern portion of the site. Former DIPNR advised in writing by letter dated 27 June 2005 that the existing drainage depression did not constitute a "river" as defined under the Rivers & Foreshores Improvement Act 1948 and raised no objection in principle to the subdivision layout subject to:

The development of the site be consistent with the guidelines provided in the Landcom Manual "Managing Urban Stormwater-Soils and Construction (4th edition) and secondly that a stormwater management plan be prepared with the possible inclusion of water sensitive urban design practices.

6.0 Conclusion

The subdivision layout has been derived following detailed constraint analysis involving the preparation of a number of expert reports, including a bushfire assessment report by Geospatial Integrity, a Flora and Fauna Report by PMA Consulting, detailed archaeological survey investigation and sub surface testing by South East Archaeology and Arceo Analysis and a detailed stormwater management plan has been prepared by Storm Consulting using WSUD principles.

The proposed subdivision is permissible in the Zone 10 Urban Expansion under Eurobodalla Rural Local Environmental Plan 1987. The subdivision is also consistent with Eurobodalla Shire Council's recently exhibited Draft Eurobodalla Urban Lands Settlement Strategy that identifies the site as "under investigation for low density "coastal village" urban development.

In view of the above, the proposal is considered appropriate. It would be appreciated if the Director General's Requirements could be forwarded as soon as possible.