



NUNDUK RETREAT & SPA

**PLANNING AND URBAN
CONTEXT REPORT**

April 2018

PREPARED FOR
SEACOMBE WEST PTY LTD

URBIS

NUNDUK

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EXECUTIVE SUMMARY

This Report has been prepared by Urbis on behalf of Seacombe West Pty Ltd in support of a planning application for the use and development of the Nunduk Retreat & Spa on land at 3215 Longford-Loch Sport Road in Seacombe.

Nunduk seeks to be Regional Victoria's first 5 Star luxury resort. It will be located on 200 acres to the southern foreshore of Lake Wellington, part of Australia's largest inland lakes system, known as the Gippsland Lakes Area. The site is situated just over 200 kilometres east of Melbourne by road.

Nunduk will consist of luxury accommodation and a wellness spa with geothermally heated pools that will provide guests with an immersive and restorative experience. The project seeks to become the benchmark premier luxury resort and well-being spa facility in Australia.

Research shows that there is a gap in the Victorian market for such a proposal, with accommodation offerings limited in the Gippsland Region. Planning policy acknowledges that nature-based tourism is a major economic driver for Regional Victoria and recognises that there are significant opportunities for Regional Victoria to increase its share of the tourism market. Nunduk will contribute to this growing market and will result in significant economic benefits for the State, increasing Victoria's gross state product by an estimated \$160 million between 2019-2030.

The Gippsland Lakes are recognised internationally for their environmental significance. Lake Wellington is the largest lake within the Gippsland Lakes Reserve. Sited on its southern foreshore, the location of the subject site provides a sense of uniqueness to Australia and an opportunity to showcase this natural environment.

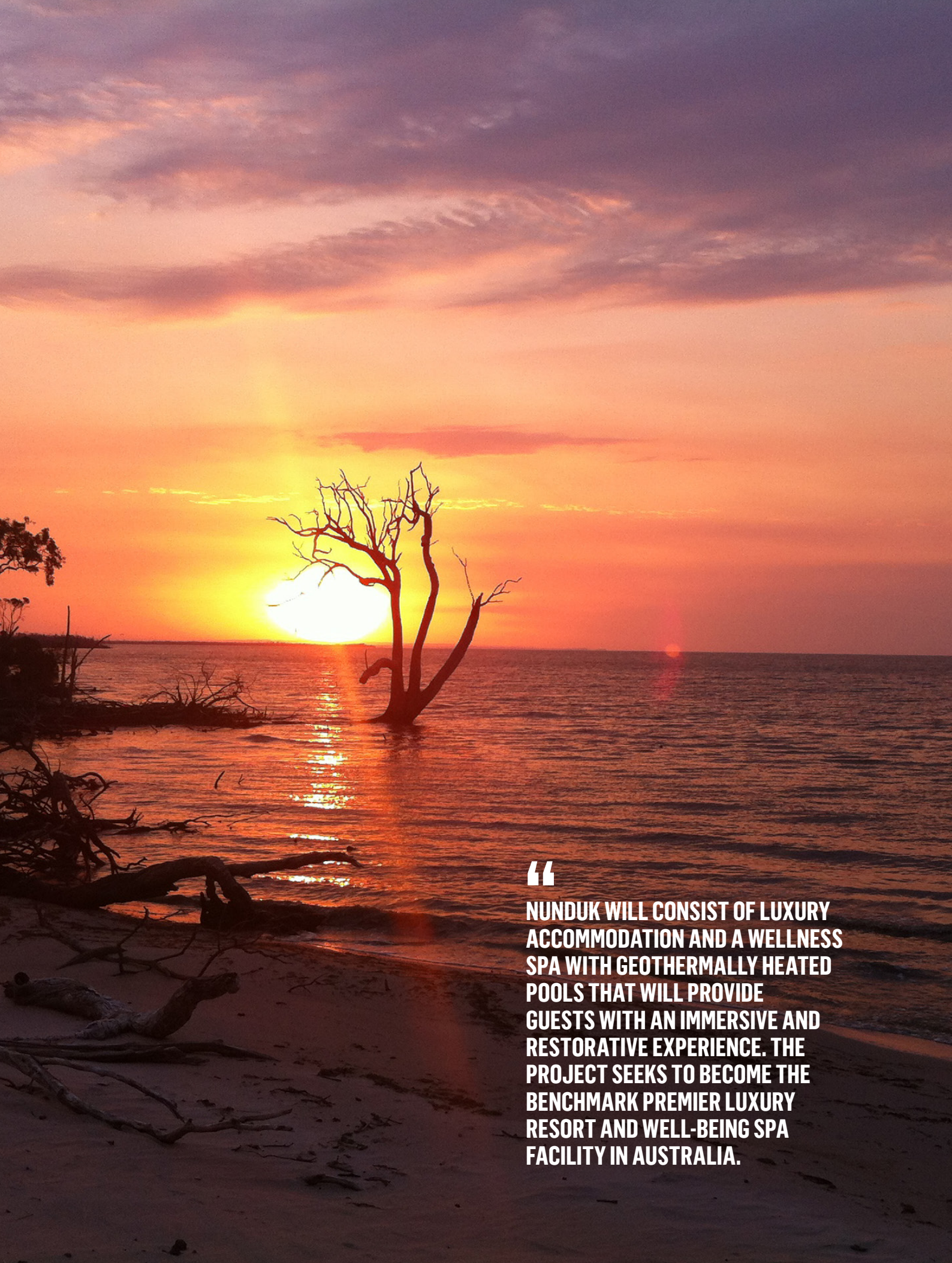
Historically, the subject site has been used for farming activities, however in recent years, the land closest to Lake Wellington has degraded due to rising salinity levels within the Lake. This has severely impacted soil quality and this land is no longer agriculturally viable. The changing environmental conditions have warranted consideration of an alternative use of the land.

Lake Wellington has a unique beauty, different to other lakes within the Gippsland Lakes area, with a flat and open landscape, providing expansive views in all directions. The proposed development provides an opportunity for visitors to experience the beauty of this landscape and will set an excellent precedent for nature-based tourism for Victoria.

The architecture demonstrates exemplary design that is responsive to the natural landscape. The development ambitiously targets world leadership in Environmentally Sustainable Design, being self-sufficient and off the grid, it will exemplify sustainable built form.

The location of the site is fundamental to the appeal of Nunduk, however its environmental sensitivity requires the development to be carefully planned and designed to ensure the environment is protected and conserved. The design approach has been strengthened through an iterative process and extensive collaboration between multiple disciplines. Ultimately, the proposal will not only protect the significant values of the site but seeks to enhance the environment, while enabling people to enjoy the natural asset of Lake Wellington.

The Wellington Planning Scheme acknowledges the need to balance conflicting objectives in favour of net community benefit and sustainable development. This Report demonstrates that the proposal aligns with the overarching objectives of relevant planning policy. Nunduk, as proposed, will result in net community benefit, delivering a significant social, economic and environmental contribution to regional Victoria.



“

NUNDUK WILL CONSIST OF LUXURY ACCOMMODATION AND A WELLNESS SPA WITH GEOTHERMALLY HEATED POOLS THAT WILL PROVIDE GUESTS WITH AN IMMERSIVE AND RESTORATIVE EXPERIENCE. THE PROJECT SEEKS TO BECOME THE BENCHMARK PREMIER LUXURY RESORT AND WELL-BEING SPA FACILITY IN AUSTRALIA.

01. INTRODUCTION

This report supports a planning application seeking approval for the use and development of the Nunduk Retreat & Spa on privately owned land at the southern edge of Lake Wellington in Victoria.

1.1. THE PROPOSAL

The Nunduk Retreat & Spa aims to be Regional Victoria's first 5 Star luxury resort.

The proposal consists of:

- A Central Retreat, comprising 36 hotel rooms, a restaurant, lounge and bar, gallery, shop and a spa and wellness centre;
- Secluded villas, with a total of 45 bedrooms; and
- An infrastructure area, including staff accommodation, parking and services.

The remoteness of the location and the combination of Lake Wellington, the openness of the rural landscape, naturally occurring geothermal springs and the occurrence of native wildlife, creates an idyllic setting for luxury accommodation, appealing to both local and global travellers.

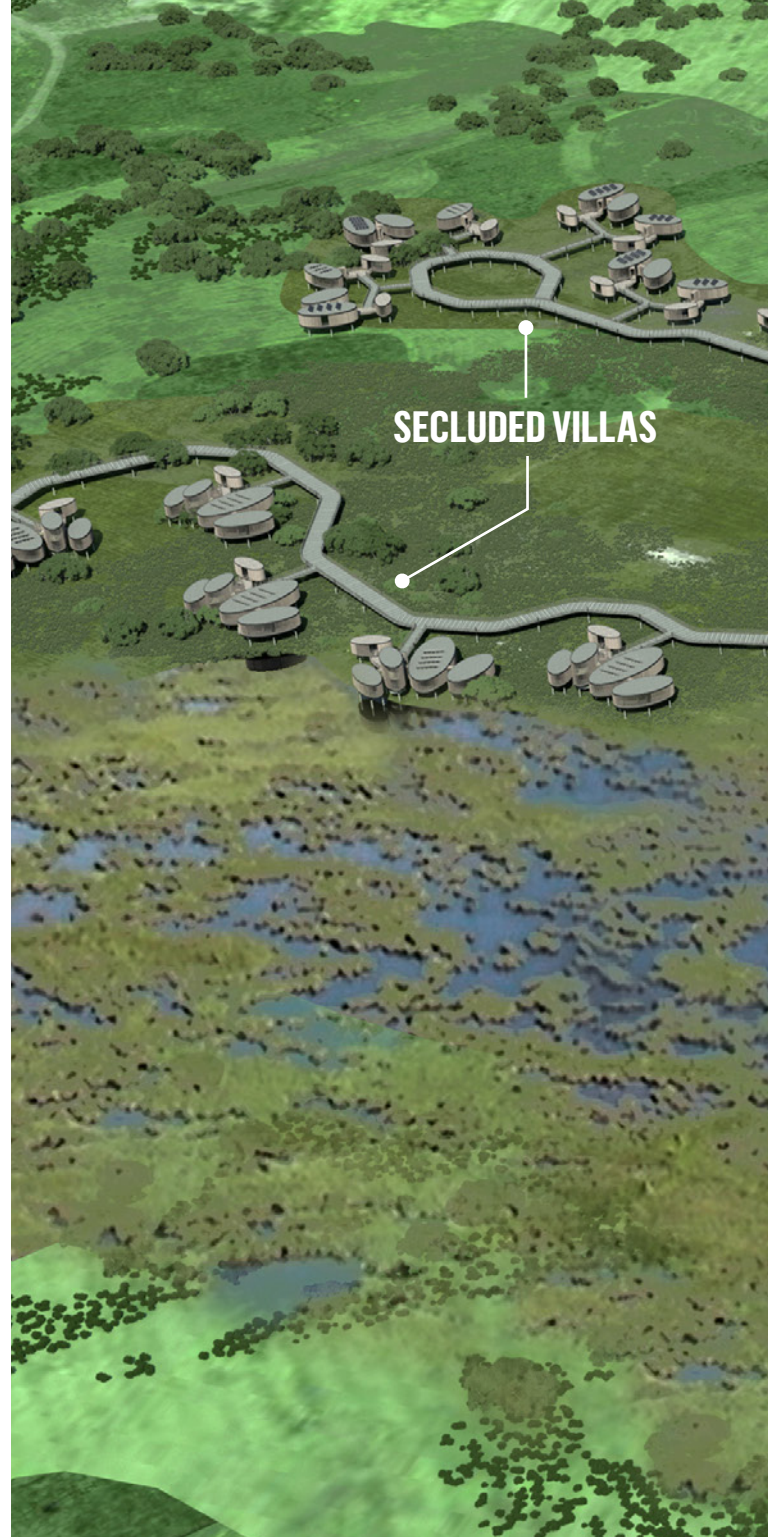


Figure 1 – Indicative image of the Retreat looking south-east



1.2. A UNIQUE SETTING

Nunduk will reveal to the world the natural beauty of Lake Wellington and its broader landscape.

The 'Gippsland Lakes' are Australia's largest inland waterways system, comprising a series of waterways, marshes and lagoons. The Gippsland Lakes are recognised internationally for their environmental significance under the Ramsar Convention. Lake Wellington is the largest lake within the Gippsland Lakes Reserve. Located on the southern foreshore of Lake Wellington, the location of the subject site provides a sense of uniqueness to Australia and an opportunity to utilise the site's values and support nature-based tourism in line with Victorian Government objectives.

Lake Wellington is currently underutilised. The majority of the Gippsland Lakes area comprises Crown Land, reserved for environmental conservation and public use, thereby minimising the opportunities to showcase this asset.

The subject site is private farming land, one of the few private landholdings adjacent to the Lake. Historically, the site has been used for cropping and sheep grazing. Naturally, these farming activities have impacted the landscape. In recent years, the natural environment has further degraded due to rising salinity levels within Lake Wellington. This has resulted in the loss of vegetation and the erosion of the foreshore, as well as severe impacts on soil quality. For these reasons, the land proximate to the Lake is no longer agriculturally viable.

The changing environmental conditions warrant consideration of an alternative use of the land. Lake Wellington has a unique beauty, different to other lakes within the Gippsland Lakes area, with a flat and open landscape, providing expansive views in all directions. The proposed development provides an opportunity for visitors to experience the beauty of this landscape and will set an excellent precedent for nature-based tourism for Victoria.



Picture 1 – View west from foreshore



Picture 2 – View north-east from foreshore

1.3. AN INNOVATIVE DESIGN RESPONSE

The development has been designed by Alfano Studio Architects and provides a highly innovative and site responsive architectural approach. The robustness of the Central Retreat form emerges from the landscape, contrasting to the delicate natural environment. The building presents to Lake Wellington, yet is concealed from the southern approach by a green roof, forming a mound in the landscape and camouflaging the development.

Secluded villas provide the ultimate opportunity for guests to engage with the natural environment, designed of natural, lighter materials, contrasting to the robustness of the Central Retreat.

The infrastructure area demonstrates Nunduk's commitment to sustainability. Presenting a raw and functional structure, it conceals the car parking and consolidates the services and facilities to enable the development to be entirely self-sufficient and off-grid.

The landscaping has been designed by TCL and takes a regenerative approach, which will enhance the ecological value of the site through the replanting of indigenous species.

Overall, the development embodies sustainable built form, targeting world leadership (6 Star Green Star) in environmental design.

1.4. THE PLANNING POLICY CONTEXT

The site's location is fundamental to its appeal, however its sensitivity requires development to be carefully planned and designed to ensure the environment is protected and conserved.

The site is subject to the provisions of the Wellington Planning Scheme. The Scheme acknowledges the need to balance conflicting objectives in favour of net community benefit and sustainable development. This Report demonstrates that the proposal aligns with the overarching objectives of relevant planning policy and will provide a significant social, economic and environmental contribution to regional Victoria.

A planning permit is required pursuant to the Wellington Planning Scheme for the following:

- The use of a residential hotel under the Farming Zone at Clause 35.07
- Buildings and works under:
 - The Farming Zone at Clause 35.07
 - The Environmental Significance Overlay, Schedule 1 and 2 at Clause 42.01
 - The Floodway Overlay at Clause 44.03
 - The Land Subject to Inundation Overlay at Clause 44.04
- Removal of vegetation under:
 - The Environmental Significance Overlay at Clause 42.01
 - Native Vegetation at Clause 52.17
- Alterations to a Road Zone Category 1 under Clause 52.29

1.5. PURPOSE AND STRUCTURE OF THIS REPORT

The report sets out and discusses the relevant context and planning policy considerations that are relevant to this unique proposal.

The structure of this report is summarised following:

Section 2 (The Nunduk Vision) describes the applicant's vision for the proposed development. This section outlines the design ethos and principles that the proposal is based on.

Section 3 (The Subject Site and Regional Context) provides a description of the subject site and its surrounding context. It details the value of the landscape and its inherent relationship with Lake Wellington, as well as the environmental qualities of the subject site and the degradation that has occurred to the land over the years.

Section 4 (The Proposal) provides a summary of the use and development proposed as relevant to the planning assessment.

Section 5 (Legislative and Approvals Framework) outlines the key legislative framework relevant to the planning application, in addition to the Planning and Environment Act which forms the focus of this report.

Section 6 (Planning Policy Context) provides an overview of the planning policy relevant to the consideration of the proposal under the Wellington Planning Scheme.

Section 7 (Planning Considerations) provides an assessment of the proposal in relation to the relevant planning controls and strategic objectives detailed in Section 6.

Section 8 (Conclusion) sets out the key reasons why the proposal is considered appropriate in light of relevant policy and summarises how its approval will result in a positive strategic outcome for the site and ultimately, net community benefit.

1.6. SUPPORTING DOCUMENTATION

The design approach has been strengthened through an iterative process and extensive collaboration between multiple disciplines. This report has been informed by, and should be read in conjunction with, the following documents:

- Architectural Plans prepared by Alfano Studio
- Design Philosophy prepared by Alfano Studio
- Landscape Architectural Report prepared by TCL
- Environmental Impact Assessment prepared by Ecology & Heritage Partners
- Environmental Management Plan prepared by Aecom
- Civil Engineering Report prepared by Cardno
- Flooding and Hydrodynamics Report prepared by Cardno
- Integrated Water Cycle Management Strategy prepared by CJ Arms
- Traffic and Transport Assessment prepared by Cardno
- Cultural Heritage Management Plan prepared by Biosis
- Tourism Product Evaluation prepared by Westerlund Global
- Waste Management Plan prepared by Arup
- Geotechnical Investigation prepared by Cardno
- Economic Impact Assessment prepared by Deloitte
- Preliminary Structural Concept prepared by Felicetti



02. THE NUNDUK VISION

Nunduk will provide guests with an immersive and restorative experience that will leave lasting impressions for guests and become the benchmark premier luxury retreat and well-being spa facility in Australia.

The project is based on the following design principles:

- Create a unique tourism experience
- Embrace the water
- Enhance the connection to the land
- Integrate the natural systems with the development



NUNDUK WILL PROVIDE GUESTS WITH AN IMMERSIVE AND RESTORATIVE EXPERIENCE THAT WILL LEAVE LASTING IMPRESSIONS FOR GUESTS AND BECOME THE BENCHMARK PREMIER LUXURY RETREAT AND WELL-BEING SPA FACILITY IN AUSTRALIA.

Based on the design principles, the project seeks to:

- Be integrally connected to the outdoors and provide relaxation and well-being benefits of a hot springs spa in a stunning natural landscape
- Harness the natural site assets including geothermal resources
- Be one of the first Australian projects purpose built on regenerative design principles and be a model and world leader in the export of regenerative development knowledge
- Provide economic and financial benefit to the region and build the local economy by supporting local businesses
- Protect and encourage resident and migratory species
- Ensure development is self-sustaining
- Support local food intake and agriculture
- Be economically viable as an integrated operating business, matching the ecological vision of the project with an appropriately sustainable economic model
- Provide leading edge sustainable construction and operation
- Showcase Australian Flora and Fauna in a natural setting
- Promote the regeneration of the land thereby increasing biodiversity
- Understand, honour and respect the aboriginal ancestry of the landscape
- Involve local aboriginal community in the management of the land and to showcase Aboriginal culture

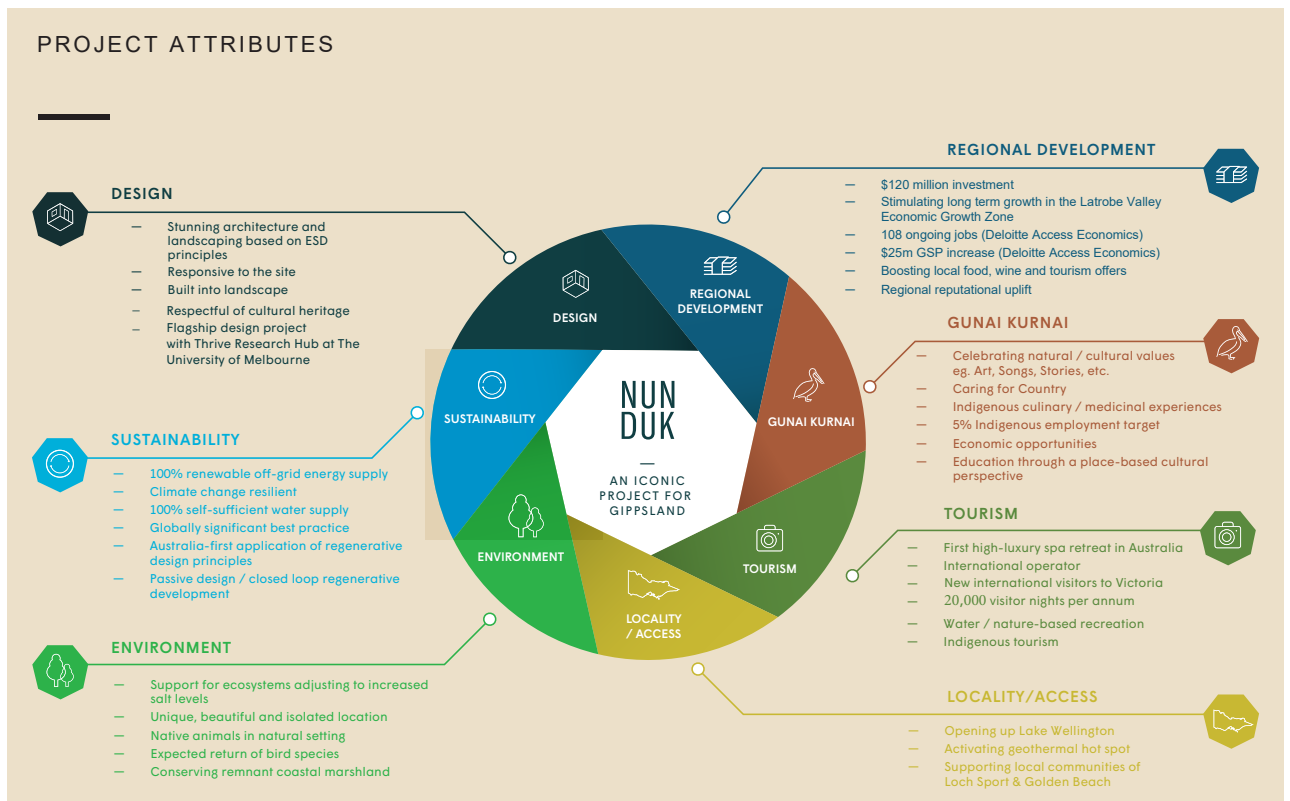



Figure 2 – Project attributes



03. THE SUBJECT SITE AND REGIONAL CONTEXT

This section introduces the regional context, the immediate surrounds and a description of the site and its existing conditions.

3.1. THE REGION

3.1.1. Gippsland

The subject site is located on the southern side of Lake Wellington in the municipality of Wellington Shire.

The regional location and context is illustrated in Figure 3.

The site lies within the Gippsland region of Victoria, approximately 216km (3 hours), east of Melbourne by road. Wellington Shire has a population of approximately 41,440.

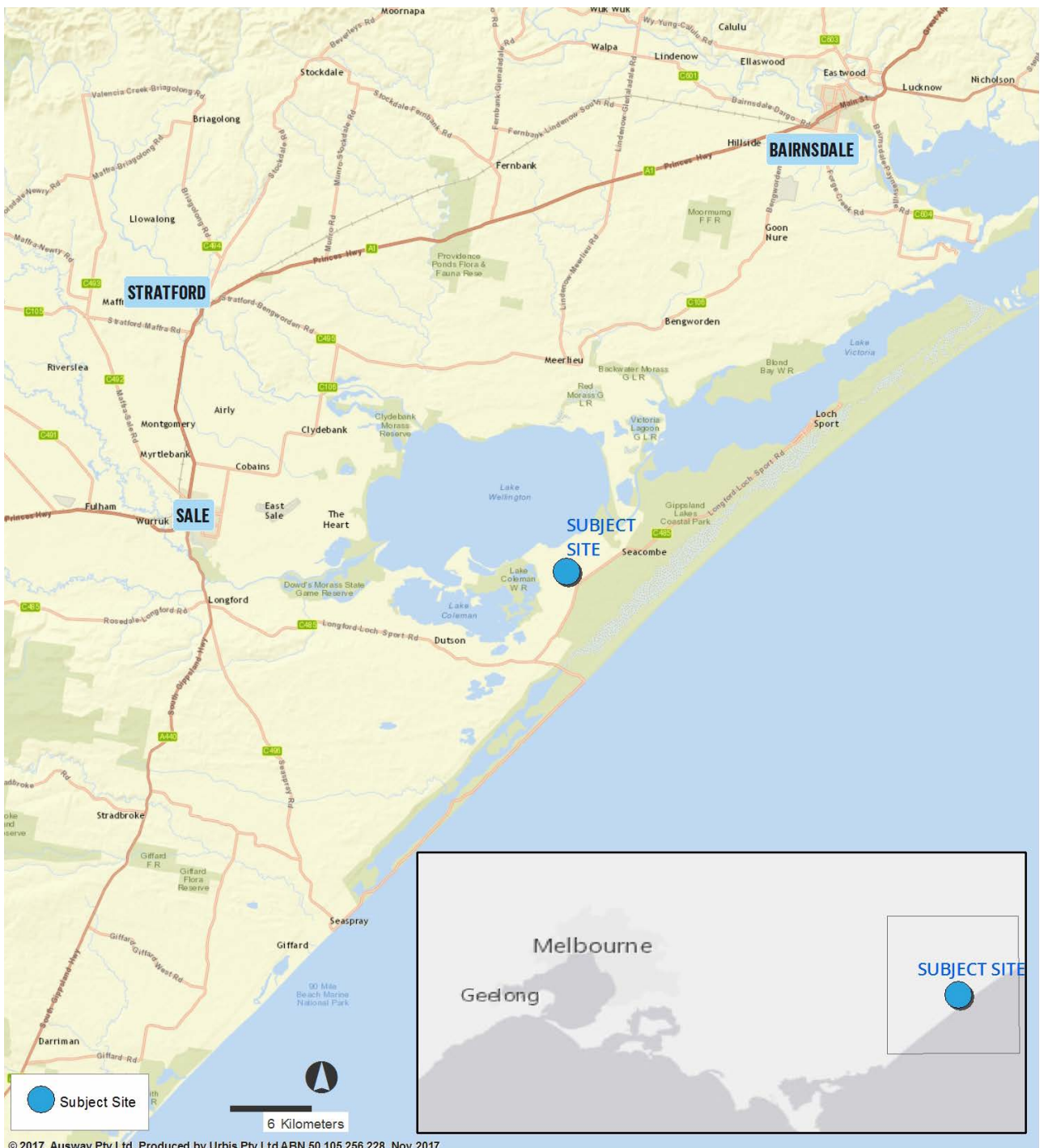


Figure 2 – Regional location

Sitting within the 'Coastal Ward' of the municipality, the subject site is located within a low-lying rural coastal environment and is surrounded by diverse ecosystems of the Gippsland Lakes system (including Ramsar wetlands) and Gippsland Coastal Park.

The small, generally informal, rural settlement of Seacombe is located to the east of the site. This settlement comprises a number of scattered buildings, yet contains no community services or amenities.

The site is located approximately 6km (as the crow flies) to the north-west of the coastal lake of Lake Reeve and approximately 8km north-west of the Bass Strait. A number of coastal settlements are located along the coast, with the subject site sitting in between Loch Sport (approximately 12km to the south-east) and Paradise Beach (approximately 11km). These settlements contain limited services and facilities.

Inland, Sale (with a population of approximately 14,783) is the Shire's main town, providing a range of services and facilities, including education, medical and commercial. Sale is approximately 45km to the north-west from the subject site via the Longford-Loch Sport/C485 roads.

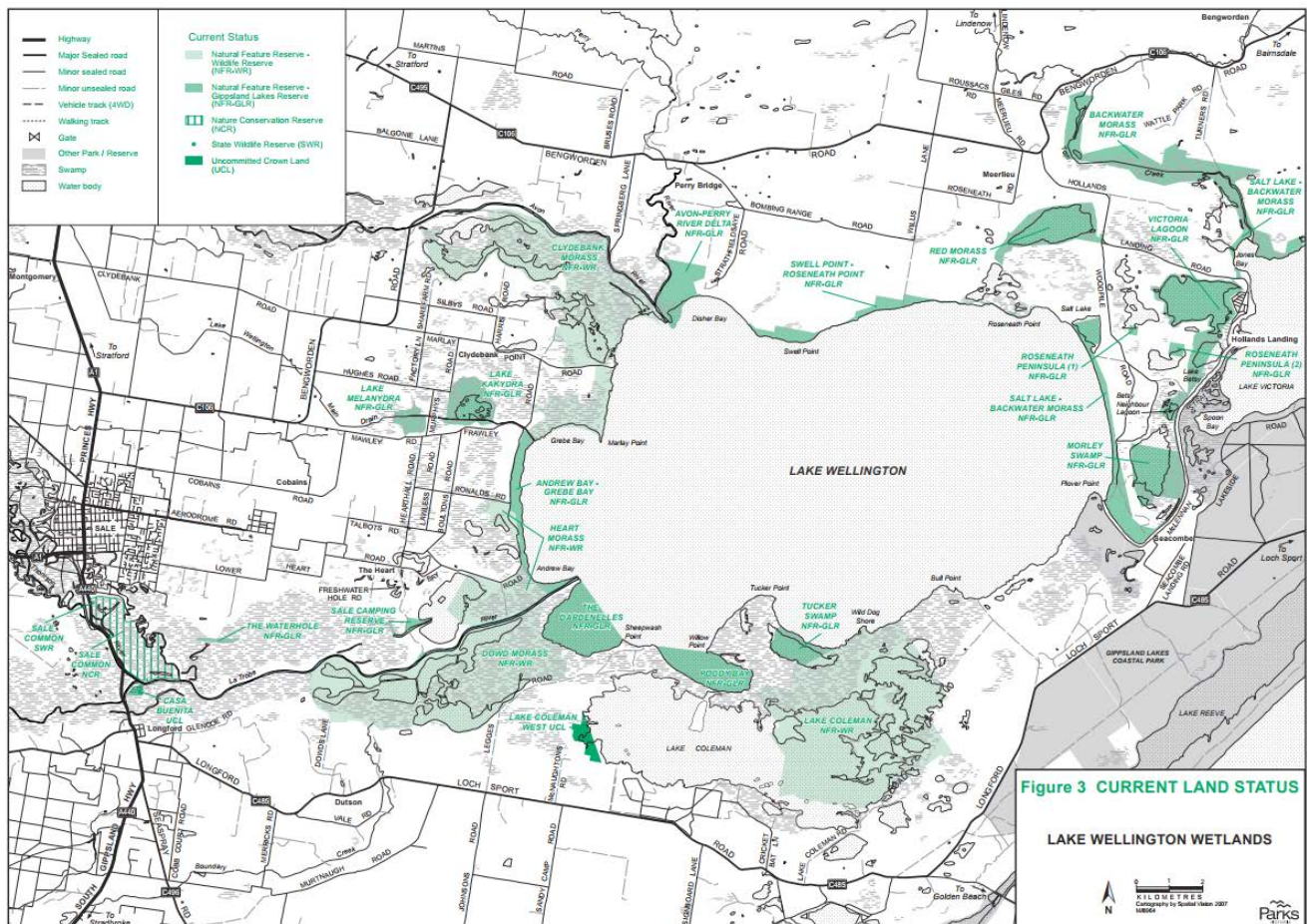
3.1.2. Lake Wellington and the Gippsland Lakes Reserve

The subject site is separated from Lake Wellington only by a small linear parcel of Crown land.

Lake Wellington is the largest lake within the 600km² plus Gippsland Lakes Reserve. The 'Gippsland Lakes' are Australia's largest inland waterways and comprise a series of waterways, marshes and lagoons. They are separated from the coast by the coastal dune system known as Ninety Mile Beach.

Lake Wellington and significant areas surrounding it form part of the 9000ha Lake Wellington Wetlands and comprise over 20 separate areas of Crown Land.

The subject site (privately owned land) does not form part of the Wetlands Reserve, yet plays a contributory role to the landscape and ecosystem surrounding the lake.



Source: Lake Wellington Wetlands – Management Plan, November 2008, Parks Vic

3.2. THE SITE'S INTERFACES

The subject site forms part of a large pocket of private farming land surrounded predominantly by public reserves. The proposed location of the development is well separated from adjoining properties to the south, east and west. Located over 2 kilometres from adjoining land, the proposal benefits from significant separation from more sensitive areas, detailed following.

NORTH

The land to the north comprises Lake Wellington. Immediately north of the site at the foreshore is a small section of land zoned for Public Conservation and Resource, separating the subject site from the Lake.

SOUTH

The land to the south is bounded by Longford-Loch Sport Road. To the south of this, the land is heavily vegetated and forms part of the Gippsland Lakes Coastal Park. The Coastal Park covers a long portion of the Ninety Mile Beach, from Seaspray to Lakes Entrance and is zoned for Public Conservation and Resource purposes.

EAST

The land to the north-east of the subject site comprises lake reserve and swamplands within the Public Conservation and Resource Zone. Further to the south-east is a small pocket of farming land comprising semi-rural residential development along Seacombe Landing Road.

WEST

The land to the west of the subject site forms a series of waterways, comprising Lake Coleman and the Lake Coleman Wildlife Reserve. The Reserve is separated from the proposed area of works by over 2 kilometres.



3.3. THE SUBJECT SITE

3.3.1. The Landholding

The subject site forms part of a much larger privately owned rural property, known as 3215 Longford-Loch Sport Road. The site is formally described as Crown Allotment 29 Parish of Booran in Certificate of Title Volume 06323, Folio 433.

The overall site is approximately 2481 hectares in its entirety and is located on the southern side of Lake Wellington. Longford-Loch Sport Road generally forms the southern boundary of the site and provides the main road access. The parcels of land forming the overall site are shown in Figure 5 below.



Figure 5 – Aerial of the landholding

Topographically, the land is relatively flat, with a gentle fall towards the foreshore. The land comprises an open, rural landscape and currently consists of undeveloped pasture. The site partly comprises wetlands to the north associated with the Gippsland Lakes system.

The land has been in the same ownership since 1982 and has been used for cropping and sheep grazing. The farm is known as Wellington Park. The farm homestead and associated farm buildings are located to the south of the site, to the east of the main access track.

Farming operations continue within the south of the land, however the agricultural viability of the land closest to the lake has decreased drastically in recent years as a result of rising salinity. This is discussed further in Section 3.3.2 below.

Deep geothermal springs lie beneath the site. These are located within an aquifer with a depth of approximately 1 kilometre and are capable of providing geothermal water with temperatures of approximately 55 degrees if extracted.

The site is accessed from Longford-Loch Sport Road, with the site entry shown in Figure 6. This provides local access from Sale along the coast through the Gippsland Lakes Coastal Park. The road formally ends at Loch Sport, from where a number of tracks enter the coastal park areas. There is no through road access to broader regional areas to the eastern end of the lake system.



Figure 6 – Site access

3.3.2. The Subject Site

The subject site (the area of proposed works) is limited to a small portion of the overall site and is located at southern edge of Lake Wellington. The site is illustrated in Figure 7. It comprises approximately 91.5 hectares, however the land impacted by the development is limited to approximately 9.7 hectares.

Access is provided via the main access track up the eastern boundary (see Picture 7), however no further

formal infrastructure services the subject site. The land is relatively low-lying and prone to flooding, with much of the subject site comprising wetlands as water levels rise. A view from above the subject site is shown in Picture 6.

The majority of the site has been cleared of significant trees and any dense vegetation, however low-lying grasses and shrubs exist. The relatively flat topography provides expansive, distant views across the landscape.



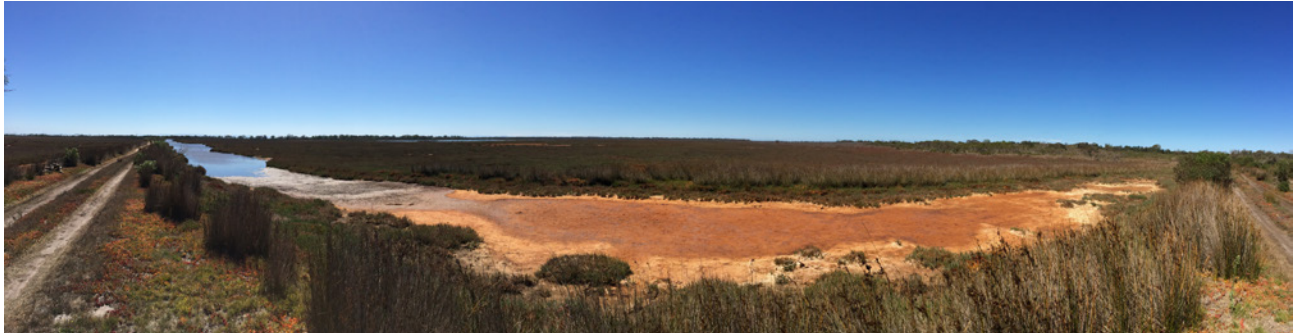
Picture 7 – Aerial of the subject site



Figure 8 – Approximate location of site pictures



Picture 3 – View east from above the western portion of the subject site



Picture 4 – View north-east (looking towards proposed infrastructure area)



Picture 5 – View north to subject site



Picture 6 – View east across the site



Picture 7 – View west of woodland area within the site



Picture 8 – View north-east along foreshore



Picture 9 – View east along foreshore



Picture 10 – View south-west towards subject site

The Changing Environment

The landscape in this area has changed significantly in recent years, with increasing salinity from Lake Wellington. The rising lake levels and the growing salinity, in addition to the farming practices occurring on the land, have caused extensive damage to the protective vegetation guarding the shoreline, which is now open to the erosive forces of the water. For this reason, much of the sandy deposits on the foreshore have been eroded away in the western extent of the area of works.

This has resulted in the area of works becoming seriously degraded due to the rising salinity. Salinity impacts are greatest in the low-lying areas of the site where increasing current from the feeding entry points to the lake have introduced larger salt content. As a consequence of the rising movement of the foreshore area, vegetation has been gradually removed and contributed to foreshore erosion.

The land degradation is detailed in the Environmental Impact Assessment prepared by Ecology & Heritage Partners. In summary, it has resulted in the following changes to the land:

- The erosion of lake edge reducing the extent of Estuarine Scrub;
- The deterioration in health of overstorey vegetation particularly Red Gums;
- The loss of understorey shrubs especially Swamp Paperbarks; and
- The replacement of grassy-understorey by halophytic species.

An example of the foreshore erosion is illustrated in Figures 9 and 10 following.

Given these changes, the use of the subject site for agricultural purposes has proven no longer viable.



Figure 9 – Erosion of foreshore at eastern end of Wellington Park



Figure 10 – Salinity damage to Tea Tree scrub



04. THE PROPOSAL

The proposal seeks approval for the use and development of the Nunduk Retreat & Spa. The key components of the proposal are outlined following.

4.1. PROJECT SUMMARY

The proposal is defined in three key areas comprising the central retreat building, the villas and the infrastructure area.



CENTRAL RETREAT

- GFA: 13,000sqm
- 36 rooms (approx. 85sqm each)
- Spa/wellness centre
- Restaurant
- Lounge and Bar
- Gallery



VILLAS

- GFA: 6,800-6,900sqm
- Max. 45 bedrooms (varying configurations)



INFRASTRUCTURE/SERVICES

- GFA: 6,900sqm
- Staff accommodation
- Car park
- Waste and water treatment and storage
- Renewable energy facilities

The Masterplan at Figure 11 illustrates the proposed concept. In addition, there are two interfacing projects, which although not included in this planning application, are complimentary to the proposal. These include geothermal water use and the existing farm resources.

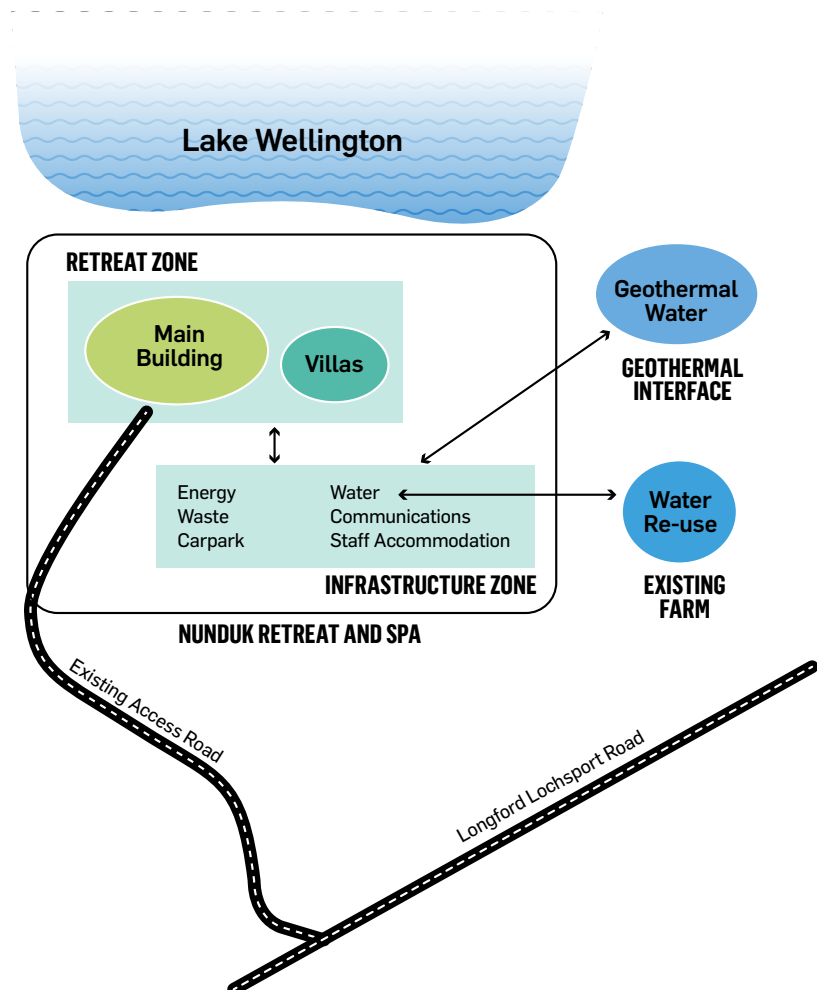


Figure 11 – Site masterplan

4.2. USE OF THE RETREAT

The proposed use is defined as a 'residential hotel' pursuant to Clause 74 of the Planning Scheme.

The proposal will accommodate people in serviced rooms away from their normal place of residence, both in the main building and in secluded villas.

Within the hotel, the following associated uses are proposed:

- Spa and wellness centre (approximately 1,500sqm)
- Restaurant (approximately 620sqm)
- Lounge and bar (approximately 1530sqm)
- Gallery (approximately 1070sqm)

The Retreat will operate year-round for 7 days, 24 hours a day.

The number of staff are estimated between 80-120, however not all will be on site at one time. The staff will work in shifts, with three shifts, one of these being overnight. As such, it is estimated that approximately 50% of the staff will be on site at any one time.

The maximum number of guests that can be accommodated in the retreat are 162 people (comprising 81 couples).

4.3. ELEMENTS OF THE DEVELOPMENT

The key elements of the proposed development comprise the Central Retreat, the villas, the infrastructure/services area and the access tracks/boardwalks. These are shown in Figures 12 and 13 and detailed following.

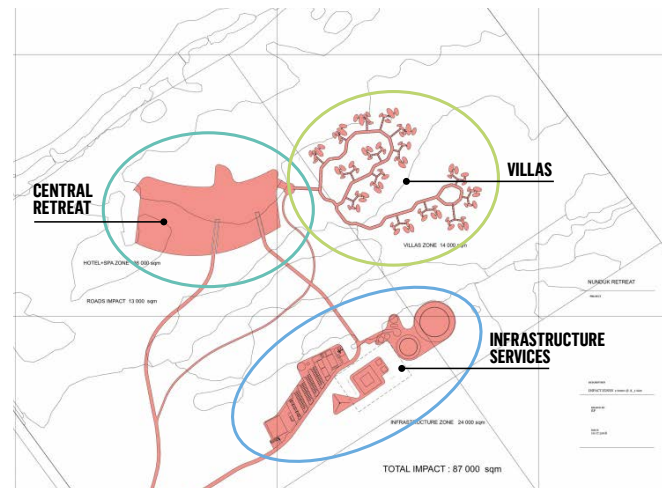


Figure 12 – The three key elements of the development

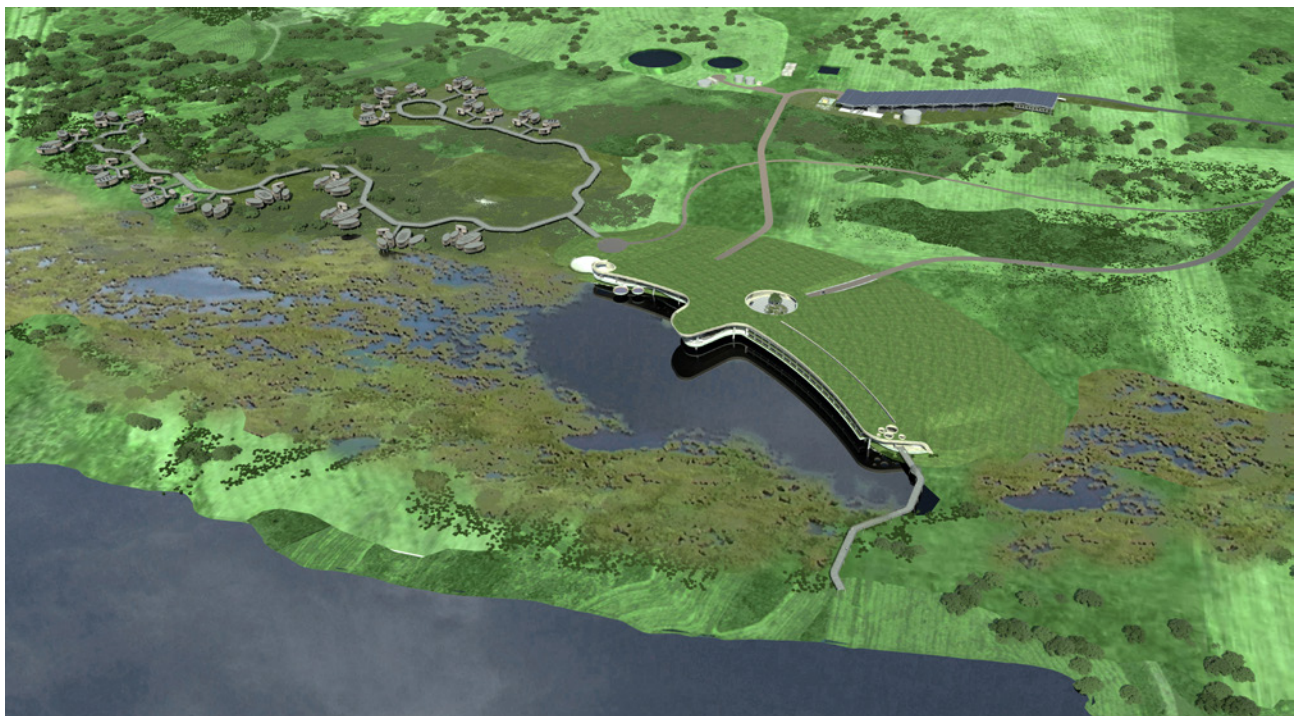


Figure 13 – Indicative image of the proposed site layout

4.3.1. The Central Retreat

The Central Retreat forms the main hotel building and demonstrates architectural innovation, providing seamless integration with the natural landscape. The building presents to Lake Wellington with a height of two storeys and then folds into the landscape, with fill to the rear and a green roof, camouflaging the building from the south. Indicative images are provided at Figures 14 and 15.

The Central Retreat is setback 120 metres from the foreshore. The building has an overall GFA of approximately 13,780sqm, with a maximum length of approximately 280 metres, varying in depth. The building height varies as the form folds, with a maximum height of 16.95 metres above natural ground. The finished floor level of ground floor is raised to RL3.2 metres, to sit above the flood level.

The building includes 36 hotel rooms and other complementary uses, as follows:

Lower Level:

- A service tunnel (364sqm)

Ground Floor:

- 18 hotel rooms (85sqm each) within the western wing
- Health and Wellness Centre within the eastern wing, including:
 - Spa (1000sqm)
 - Massage rooms (80sqm)
 - Sauna (50sqm)
 - Health club (120sqm)
- Gallery space within the arts corridor servicing the hotel rooms (1070sqm)
- Shop (90sqm)
- Back of house services and amenities

First Floor:

- 18 hotel rooms (85sqm each) within the western wing
- Restaurant and bar (620sqm)
- Back of house services and amenities



Figure 14 – Indicative image of the Central Retreat looking south-west from the foreshore



Figure 15 – Indicative image of the Central Retreat looking north upon the approach

4.3.2. Secluded Villas

The villas will be located to the east and south-east of the Central Retreat. They have been designed to enable flexibility in configurations of 1, 2 or 3 rooms, with a total of 45 bedrooms.

The detailed design of the villas will be subject to the requirements of the operator of the retreat. At this stage, two design options have been presented as part of this application (see Figures 16 and 17), however the detailed design of the built form may vary.

The detailed design of the villas will remain within the following parameters:

- A maximum of two storeys, with a height up to 8.7 metres
- Floor levels generally elevated approximately 2.2 metres above natural ground
- An organic form, utilising natural materials, such as recycled timber

Each villa will include:

- A bedroom
- Open plan living and kitchen areas
- Entertainment room
- Sun deck
- Spa

Villa occupants will be able to access the Central Retreat amenities.



Figure 16 – Indicative image of villas (Option 1)

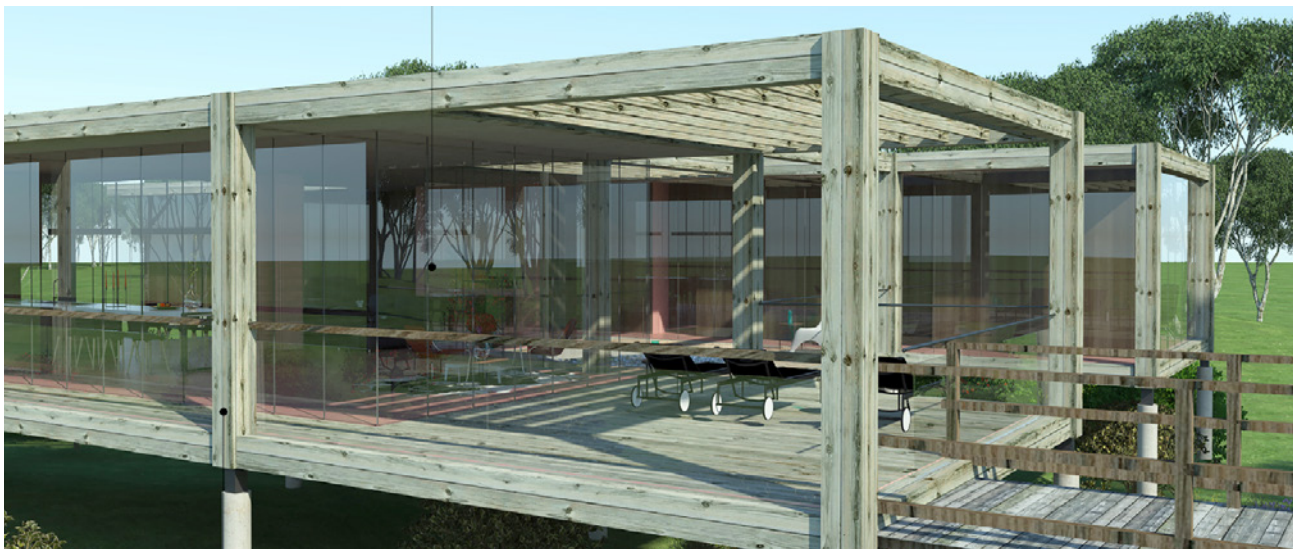


Figure 17 – Indicative image of villas (Option 2)

4.3.3. Access

It is proposed to utilise the existing access track from Longford-Loch Sport Road to the south to provide vehicular access to the Retreat. Within the area of works, the existing access will be extended to provide vehicular access to the porte-cochere within the Central Retreat, as well as to the infrastructure area.

The access roads will be approximately 4 metres wide (with a larger impact area of a maximum of 6.5 metres for access to the Central Retreat and 7.5 metres for access to the infrastructure area) and will be predominantly gravel, however some sections will be sealed, as illustrated in Figure 18.

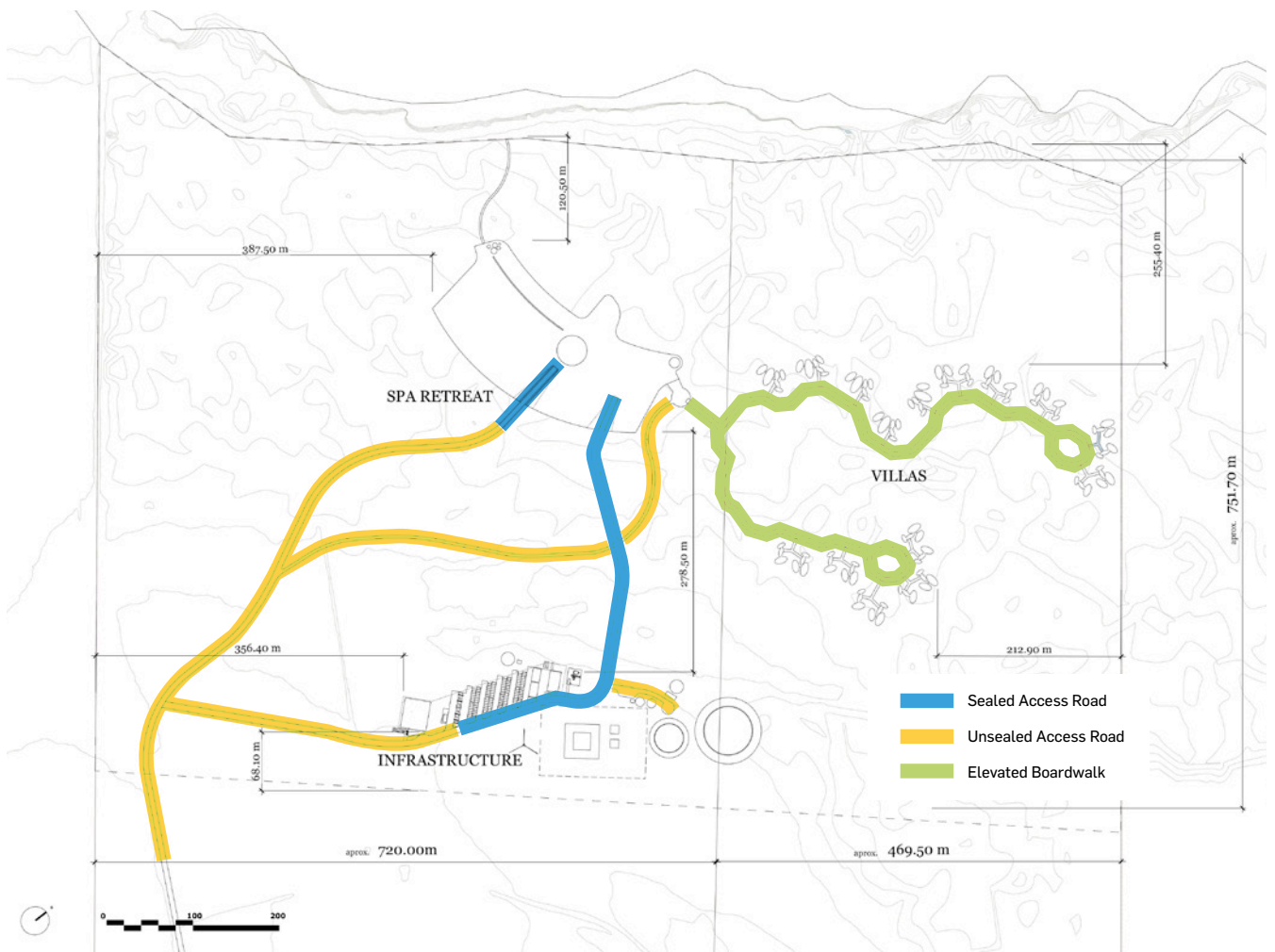


Figure 18 – Proposed access tracks

4.3.4. Infrastructure/Services Area

The infrastructure/services area is separated from the Central Retreat and villas, located to the south, approximately 250 metres from the Central Retreat. The area includes the staff accommodation, car parking for staff and guests and other supporting services, such as waste and water treatment and storage and renewable energy facilities.

These components are predominantly located with a 5000sqm roofed area, comprising an open-sided, lightweight steel structure. This structure provides for weather protection for the car park, as well as rainwater collection from the roof and the support for an extensive solar panel array. The building will have an overall height of 8.4 metres.

The components of the infrastructure area are outlined following.



Figure 19 – Indicative image of the infrastructure area

Staff Accommodation

The staff accommodation building is located to the west of the infrastructure area and includes:

- A floor area of 1040sqm
- A building length of 34.6 metres and a width of 30 metres
- A building height of approximately 5.2 metres (sitting under the 8.4 metre high open structure)
- A finished floor level of RL3.2 metres (2.2 metres above natural ground level)
- A total of 28 bedrooms, each with an area of over 13sqm
- Communal kitchen, dining and lounge facilities
- Communal bathroom amenities
- A single point of entry from the access road to the south, via stairs, as well as an accessible ramp
- An airlock entry to provide for climate control.



Figure 20 – Indicative image of the car parking area

Car Parking

The car parking area is proposed at-grade and includes:

- A total of 104 car parks for staff and guests
- An electric vehicle parking and charging area (10 spaces)
- Oversized vehicle parking for buses



Figure 21 – Indicative image of the car parking area

Water Treatment and Storage

The wastewater storage and treatment areas form a fundamental component of the development, providing water supply for the Retreat, as well as providing irrigation for the existing farm. The key elements are summarised as follows:

- **Spa water holding pond (400sqm) and incoming pump metre house (100sqm)** – the holding pond is used to balance flows with the water for the spa being stored here, with the pump house used to measure volumes.
- **Rainwater collection tank (180sqm) and pump house (20sqm)** – this area will collect and store water harvested from the roof of the infrastructure area.
- **Potable water tank (190sqm) and treatment facility (65sqm)** – potable water will be provided through the collection of rainwater from the roof of the infrastructure area, as well as with desalination of water from Lake Wellington. It is estimated that the desalination plant will be able to provide 40 kL per day (1 peak days water requirements) and will be powered by the renewable energy.
- **Winter storage and wastewater wetland (2400sqm)** – the winter storage dam will have an estimated volume of 4.8 ML allowing for the winter storage of treated effluent when not required for irrigation purposes. It will be planted out with wetland plants, providing a double use of space as a freshwater wetland environment improving biodiversity, providing water for ecology, and partly replacing lost wetland habitat.
- **Waste water treatment system (850sqm)** – the wastewater treatment will be performed using passive reedbed technology in which raw sewage is treated using vegetated constructed wetlands.
- **Fire pump house (20sqm) and water storage (180sqm)** – a dedicated 500kL water storage tank and diesel pumps will provide water to the development for firefighting purposes.

The wastewater storage and treatment areas will be protected from flooding by raised earth surrounding each structure. Mechanical equipment (i.e. screening, disinfection, control and monitoring equipment) will be located above the flood level.



Figure 22 – Indicative aerial image of the infrastructure area and water treatment area

Renewable Energy and Service Facilities

Nunduk will be a self-sufficient development utilising off-grid renewable electricity (and thermal energy subject to separate consent). The following is proposed within the infrastructure area:

- **Solar panels** – these will be mounted on the roof of the structure, with an installation of 500kW
- **Battery storage** – the storage is an essential component to support the renewable energy system and will be used to store excess renewable energy generation for use when required. This will ensure sufficient power during periods of peak demand or low solar energy generation.
- **Biodiesel generators (50sqm)** – these will be used to meet residual demand after PV and batteries, with the biodiesel made from waste vegetable oil and tallow, utilising a waste product and providing a source of low-carbon, renewable energy.

There is potential in this area for further renewable generation technologies to be included in this area in future as the Retreat is established.



Other Services

The following elements are also included within the infrastructure area:

- **Maintenance shed (300sqm)** – this shed will be used for the storage of equipment for landscaping and other purposes required for the maintenance of the development.
- **Waste transfer area (150sqm)**
- **Laundry (160sqm)** – the laundry from the Central Retreat and villas will be transferred to this area which will be used to undertake the washing.



05. LEGISLATION AND APPROVALS FRAMEWORK

The key legislation relevant to the proposal is summarised following..

Planning and Environment Act 1987 (P&E Act)

The P&E Act establishes a framework for the use and development of land in Victoria. The land use and development controls relevant to the proposal are implemented through the Wellington Planning Scheme.

Under the Wellington Planning Scheme, a planning permit is required for:

- The use of a residential hotel under the Farming Zone at Clause 35.07
- Buildings and works under:
 - The Farming Zone at Clause 35.07
 - The Environmental Significance Overlay, Schedule 1 and 2 at Clause 42.01
 - The Floodway Overlay at Clause 44.03
 - The Land Subject to Inundation Overlay at Clause 44.04
- Removal of vegetation under:
 - The Environmental Significance Overlay at Clause 42.01
 - Native Vegetation at Clause 52.17
- Alterations to a Road Zone Category 1 under Clause 52.29

The relevant planning controls are summarised at Section 6.

Aboriginal Heritage Act 2006 (AH Act)

The AH Act provides for the protection and conservation of Aboriginal cultural heritage. The AH Act details the criteria for the requirement of a Cultural Heritage Management Plan (CHMP) for activities defined as High Impact Activities (those which cause significant ground disturbance) and are within an Area of Cultural Heritage Sensitivity.

The proposal falls within this criterion and therefore, a CHMP has been prepared by Biosis. The CHMP requires approval from Aboriginal Victoria.

Environmental Effects Act 1978 (EE Act)

The EE Act provides a framework for the assessment of projects that are capable of having a significant effect on the environment. The Ministerial Guidelines for Assessment of Environmental Effects (DSE, 2006) outlines criteria under which a proposal must be referred to the Minister for Planning to determine whether an Environmental Effects Statement (EES) is required. The assessment of a project under the EE Act does not constitute a statutory approval in its own right, rather if required, the preparation of an EES informs decision makers as to whether potential environmental impacts are acceptable.

A self-assessment has been undertaken by Ecology & Heritage Partners to assess the need for an EES referral to the Minister for Planning. It has been determined that the proposal does not trigger the need for a referral in accordance with the EES referral criteria and therefore, an EES referral is not considered necessary pursuant to the EE Act. Refer to the Environmental Impact Assessment for full details.

Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)

The EPBC Act provides a framework for the protection and conservation of matters of national environmental significance, including listed flora and fauna. Actions that are likely to have a significant impact on these matters require approval from the Australian Government Minister for the Environment. The Matters of National Environmental Significance Significant Impact Guidelines 1.1 (DoE 2013) provide guidance on determining whether a proposal is likely to have a significant impact on matters protected under the EPBC Act.

Ramsar sites are a matter of national environmental significance under the EPBC Act. Further the Gippsland Lakes, and more specifically, Lake Wellington are considered Wetlands of International Significance. An assessment has been undertaken by Ecology & Heritage Partners to assess the likelihood of impacts on Matters of National Environmental Significance as a result of the project. It has been determined that the proposal is unlikely to have a significant impact and therefore, an EPBC Act referral is not required. Refer to the Environmental Impact Assessment for full details.

06. PLANNING POLICY CONTEXT

The proposal is subject to the provisions of the Wellington Planning Scheme. An overview of the existing zone and overlay controls that apply to the subject site, as well as relevant State and local policy and strategic documents are outlined following.



6.1. THE FARMING ZONE

The subject site is located within the Farming Zone (FZ) pursuant to Clause 35.07, as illustrated in Figure 23. The purpose of the Farming Zone is:

- 'To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To provide for the use of land for agriculture.
- To encourage the retention of productive agricultural land.
- To ensure that non-agricultural uses, including dwellings, do not adversely affect the use of land for agriculture.
- To encourage the retention of employment and population to support rural communities.
- To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.'

Pursuant to Clause 35.07-1, a permit is required to use the land for a residential hotel.

Pursuant to Clause 35.07-4, a permit is required to construct or carry out works associated with a Section 2 use, including the use of the land for a residential hotel.

The Schedule to the Farming Zone, specifies the following minimum setback requirements:

- 100 metres to a Road Zone Category 1;
- 40 metres to a Road Zone Category 2;
- 20 metres to any other road;
- 5 metres from a boundary.

A response to the purpose and the decision guidelines of the Farming Zone is provided at Section 7.2 of this report.

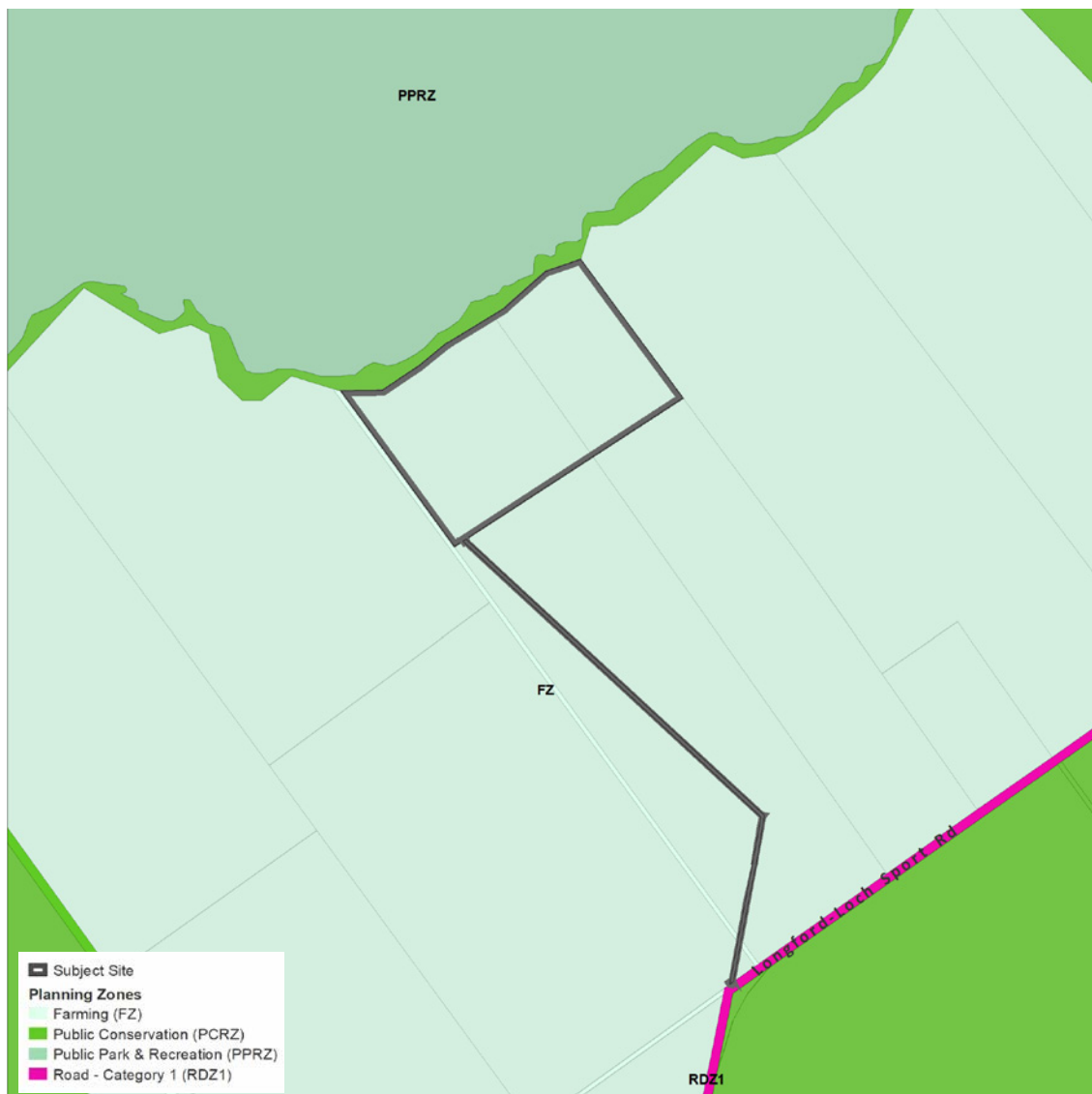


Figure 23 – Zoning Map

6.2. OVERLAYS

The subject site is affected by the following overlays:

- Environmental Significance Overlay Schedule 1 (ESO1)
- Environmental Significance Overlay Schedule 2 (ESO2)
- Bushfire Management Overlay (BMO)
- Floodway Overlay (FO)
- Land Subject to Inundation Overlay (LSIO)

In addition, the site lies within an area of Aboriginal Cultural Heritage Sensitivity. These controls are expanded upon following.

6.2.1. Bushfire Management Overlay

The subject site is partially covered by the Bushfire Management Overlay (BMO) along the south-east portion of the site. The proposal has been designed to avoid the land covered by the BMO, with the exception of a small portion of the access track.

The purpose of the Bushfire Management Overlay includes:

- To ensure that the development of land prioritises the protection of human life and strengthens community resilience to bushfire.
- To identify areas where the bushfire hazard warrants bushfire protection measures to be implemented.
- To ensure development is only permitted where the risk to life and property from bushfire can be reduced to an acceptable level.

Pursuant to Clause 44.06-2, a planning permit is required to construct a building or construct or carry out works associated with accommodation, including a residential hotel. As only minor resurfacing works are proposed to the section of the access track within the BMO, no permit is required under this overlay.

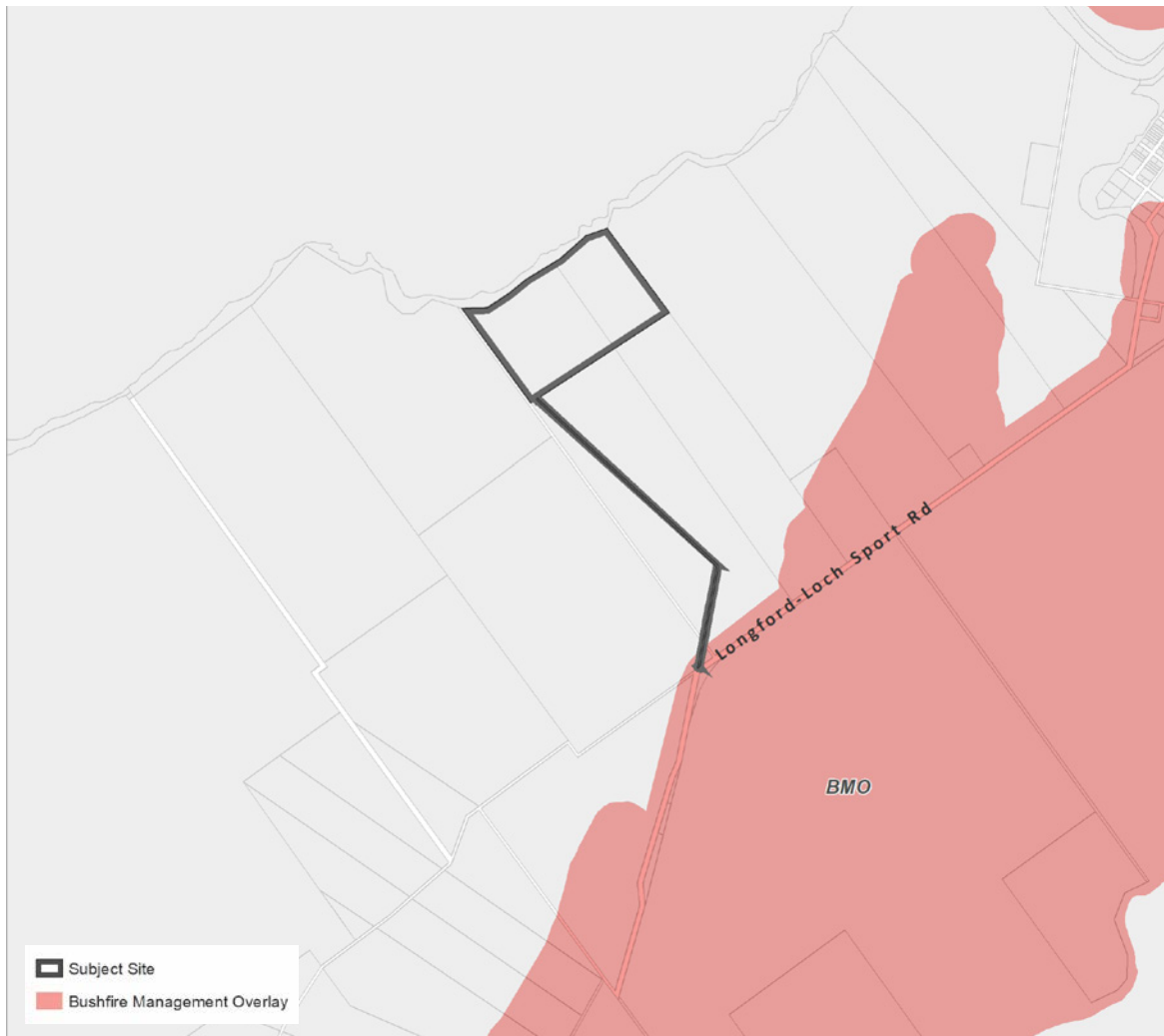


Figure 24 – Bushfire Management Overlay

6.2.2. Environmental Significance Overlay – Schedule 1 and Schedule 2

The purpose of the Environmental Significance Overlay (ESO) is to identify areas where the development of land may be affected by environmental constraints and to ensure that development is compatible with identified environmental values.

Pursuant to Clause 42.01-2, a permit is required to construct a building or construct or carry out works, and to remove, destroy or lop any vegetation, including dead vegetation.

The specific requirements of the relevant schedules to the ESO are summarised following.

Environmental Significance Overlay - Schedule 1 (ESO1)

ESO1 specifically refers to the Coastal and Gippsland Lakes Environs area and its environmental significance, recognising that there are significant environmental issues in this area, including water quality, flooding, groundwater contamination and the vulnerability of coastal systems.

The ESO1 includes the following environmental objectives to be achieved:

- To ensure that the development of land is compatible with the environmentally sensitive coastal area, including the Gippsland Lakes.
- To conserve and enhance the environmental quality of the coastal area.
- To protect and enhance the natural beauty of the coastal landscape.
- To protect and enhance the visual amenity and landscape of the coastal area.
- To minimise the risk of erosion, pollution, and destruction by fire.
- To minimise the impact of human activities on the ecological values of the coastal and lakes environments.

The decision guidelines of ESO1 are outlined following, as well as the sections of this report that respond to each guideline:

- Incorporates stormwater systems which prevent high nutrient and sediment concentration entering waterways, wetlands and groundwater – Refer to Section 7.6.5
- Avoids the discharge of wastes unless it can be demonstrated that the wastes can be assimilated without detrimental effect to the receiving environment – Refer to Section 7.6.5

- Avoids and/or controls waste discharges to areas of high conservation significance – Refer to Section 7.6.5
- Complements the scale, height, colour, materials, and finishes of buildings with the coastal environment and any identified local settlement character, with the intent of minimising any visual impact, including visual impact as seen from the water – Refer to Section 7.3
- Minimises ground surface disturbance – Refer to Section 7.6.6
- Minimises the impact of construction (including construction of roads) within prominent areas such as hillsides, promontories, ridge-lines and headlands – Refer to Section 7.3
- Avoids the construction (including construction of roads) and works in fragile or unstable areas, including land subject to inundation and land adjoining coastal or lake foreshore boundaries – Refer to Section 7.6.4
- Protects sensitive coastal and foreshore vegetation, in particular heath-lands and dune vegetation, from clearing, pollution, grazing, and trampling – Refer to Section 7.6.2 and 7.6.3
- Emphasises the use of indigenous species in revegetation programs – Refer to Section 7.6.3
- Takes into account coastal processes for all construction and development on the coast – Refer to Section 7.6.6
- Takes into account possible sea and water level rises when planning the siting and design of buildings and works – Refer to Section 7.6.4
- Avoids development with any associated wastewater within 100 metres of a waterway, wetland, coastal foreshore boundary or lake foreshore boundary – Refer to Section 7.6.4
- Enables the built form of commercial and community facilities to reflect the individual character of the settlement within which it is to be developed – Refer to Section 7.3
- Ensures that the scale, height and materials of buildings complements the coastal environment and local township character – Refer to Section 7.3
- Includes provision for the retention of vegetation and fauna habitat, the need to revegetate riparian buffers along waterways, gullies, ridge-lines, property boundaries and recharge areas, as well as site management measures to minimise the occurrence of salinity, erosion, groundwater and surface water problems for applications for agricultural use or development – Refer to Section 7.6

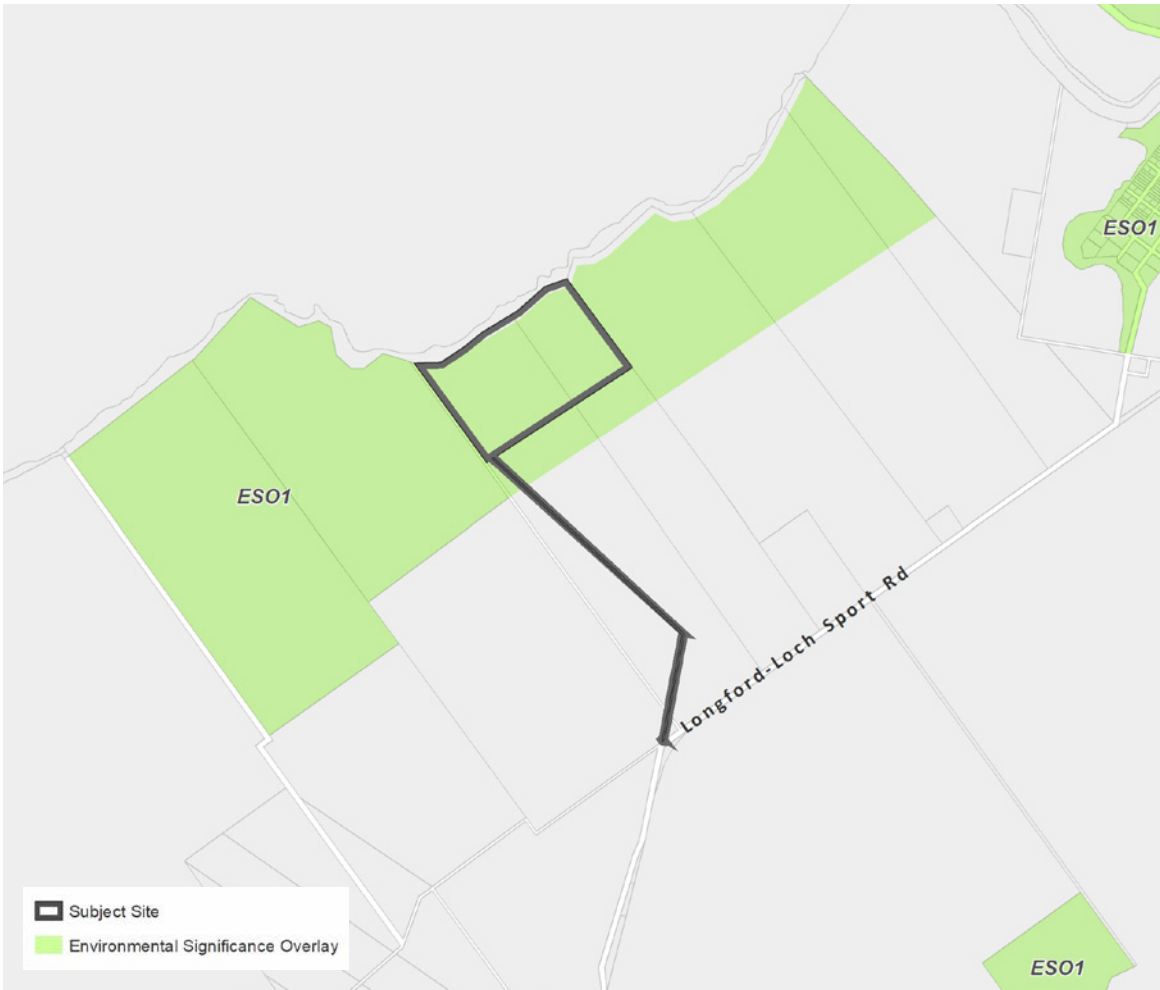


Figure 25 – Environmental Significance Overlay Schedule 1

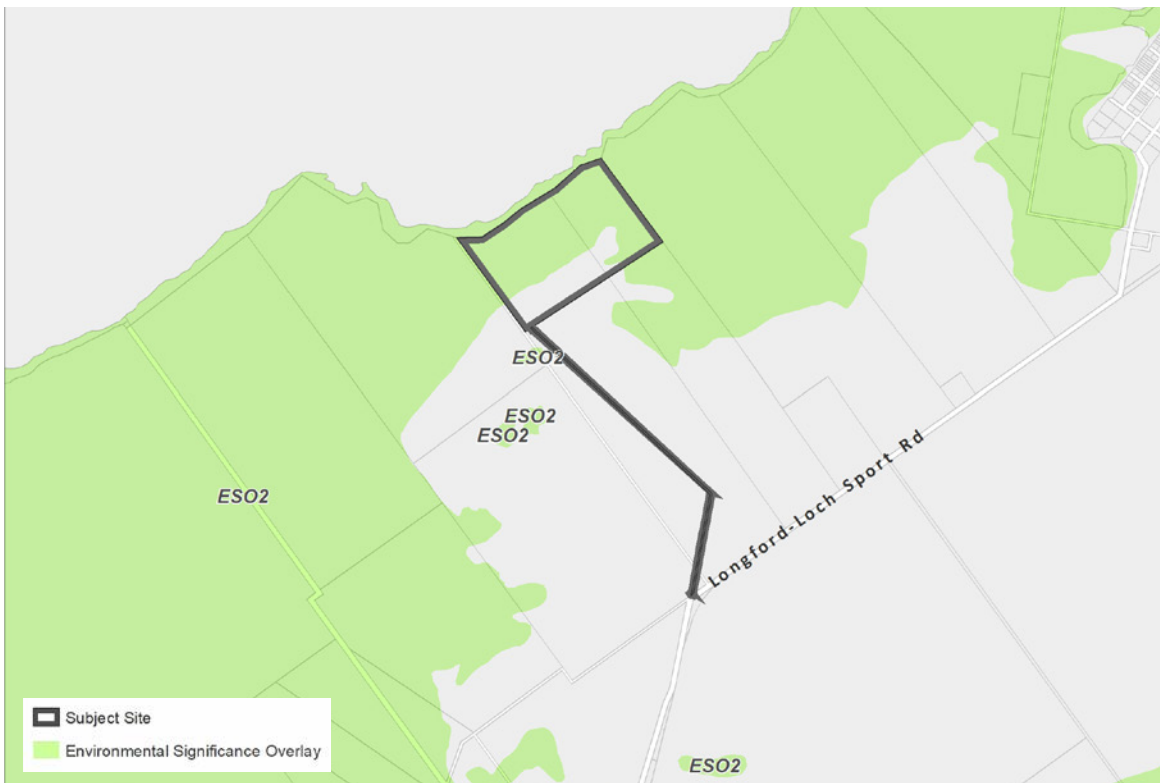


Figure 26 – Environmental Significance Overlay Schedule 2

Environmental Significance Overlay – Schedule 2 (ES02)

ES02 specifically refers to Wetlands and their environmental significance, recognising that wetlands are one of the most productive and diverse biological systems in the world and are a valuable resource for recreational activities.

Specifically, ES02 outlines the following environmental objectives to be achieved as well as the sections of this report that respond to each guideline:

- To protect and enhance the ecological, habitat, aesthetic, scientific, floristic, faunal, cultural, educational, and recreation values of wetlands through the control of development.
- To implement obligations under international, national, State, or other agreements to protect and enhance plant and animal species and habitats.

The decision guidelines of ES02 are outlined following, as well as the sections of this report that respond to each guideline:

- The integrity and long-term ecological and hydrological functioning of the wetland and areas surrounding the wetland – Refer to Section 7.6
- The contribution of the proposal towards the ecological restoration of the wetland, or the potential for the proposal to reduce the capability for ecological restoration of the wetland -- Refer to Section 7.6.2 and 7.6.3
- The benefit of requiring an agreement with the owner of the land under the Planning and Environment Act 1987, Wildlife Act 1975, Conservation, Forests and Lands Act 1987, or any other Act, to further protect or enhance the wetland and its flora and fauna – The project has been designed to minimise impacts to the wetland environment and therefore, no agreement is considered necessary.

- The benefit of a condition requiring:
 - The retention or planting of a buffer strip of native vegetation within a specified distance of the wetland – The development has been carefully designed and lies above the wetlands. Thus, a buffer would not be appropriate in light of the design.
 - The fencing of the wetland to exclude stock or vermin – An Environmental Management Plan has been prepared, including measures to protect from stock and vermin.
- The need for, or existence of, an appropriate land management plan and whether the proposed development is in accordance with such a plan – An Environmental Management Plan has been prepared, including management measures and requirements for the preparation of future management plans, ensuring appropriate land management practices will be in place for the development.
- For an application to subdivide land, consider the intended development of the land and its likely effects on the wetland and if acceptable, the need to impose conditions on lot sizes, lot boundaries, road network, open space, building envelopes or effluent disposal sites to ensure better protection of the wetland – N/A as no subdivision is proposed at this stage.
- The views of the Department of Environment, Land, Water and Planning – DELWP's views will be sought during the application assessment.

Refer to the Environmental Impact Assessment for further discussion.

6.2.3. Floodway Overlay

The site is subject to the Floodway Overlay (FO), except for the south-eastern portion of the site, as shown in Figure 27. The purpose of the overlay includes:

- To identify waterways, major floodpaths, drainage depressions and high hazard areas which have the greatest risk and frequency of being affected by flooding.
- To ensure that any development maintains the free passage and temporary storage of floodwater, minimises flood damage and is compatible with flood hazard, local drainage conditions and the minimisation of soil erosion, sedimentation and silting.
- To reflect any declarations under Division 4 of Part 10 of the Water Act, 1989 if a declaration has been made.

- To protect water quality and waterways as natural resources in accordance with the provisions of relevant State Environment Protection Policies, and particularly in accordance with Clauses 33 and 35 of the State Environment Protection Policy (Waters of Victoria).
- To ensure that development maintains or improves river and wetland health, waterway protection and flood plain health.

Pursuant to Clause 44.03-1, a permit is required to construct a building or to construct or carry out works.

A response to the decision guidelines of this overlay are provided at Section 7.6.4.

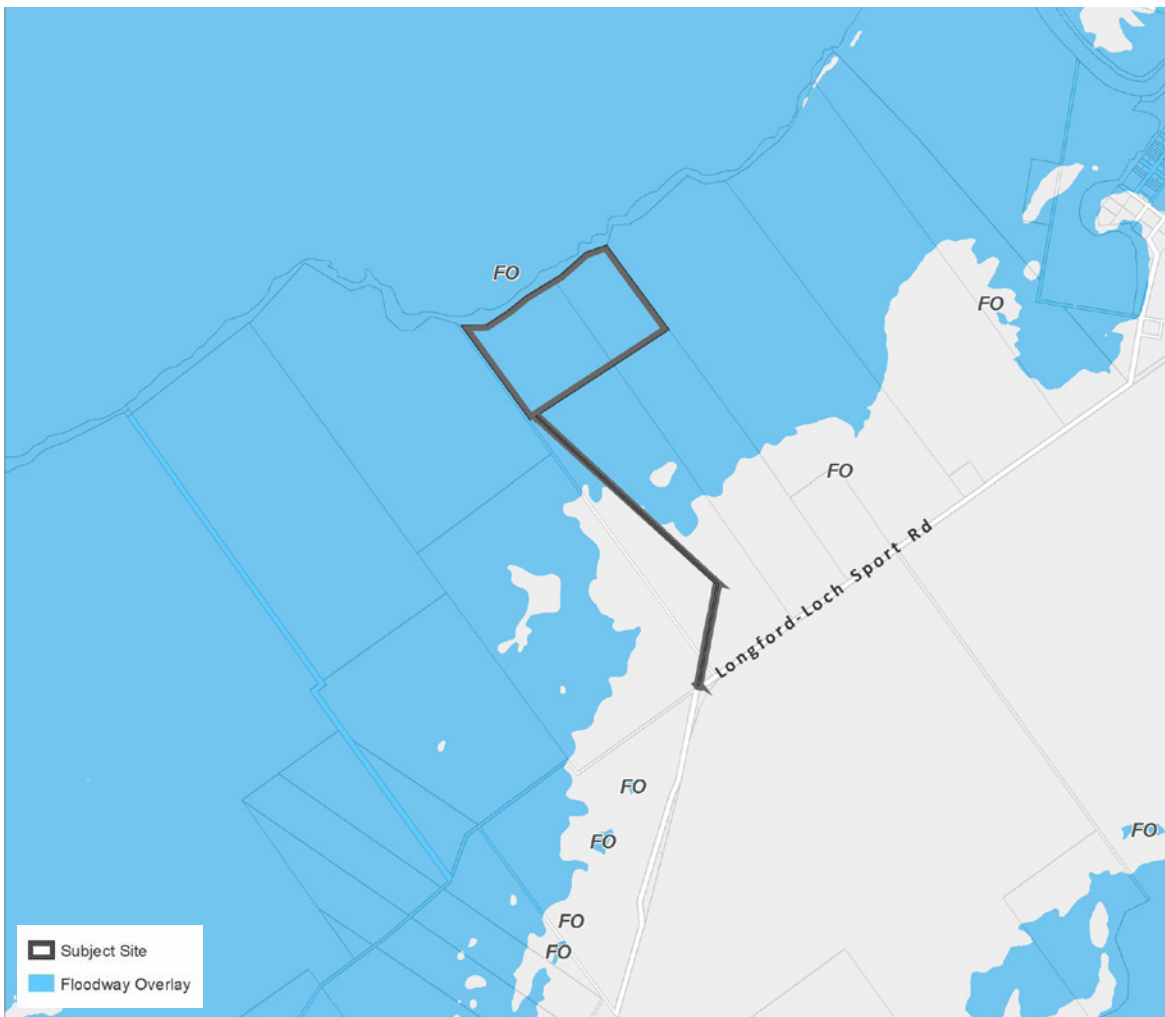


Figure 27 – Floodway Overlay

6.2.4. Land Subject to Inundation Overlay)

A small portion of the landholding (as seen in Figure 28) is affected by the Land Subject to Inundation Overlay (LSIO). The purpose of the LSIO is similar to the purpose of the Floodway Overlay, however includes the following:

- To identify land in a flood storage or flood fringe area affected by the 1 in 100 year flood or any other area determined by the floodplain management authority.
- To ensure that development will not cause any significant rise in flood level or flow velocity.

Pursuant to Clause 44.03-1, a permit is required to construct a building or to construct or carry out works.

A response to the objectives of this overlay are provided at Section 7.6.4.

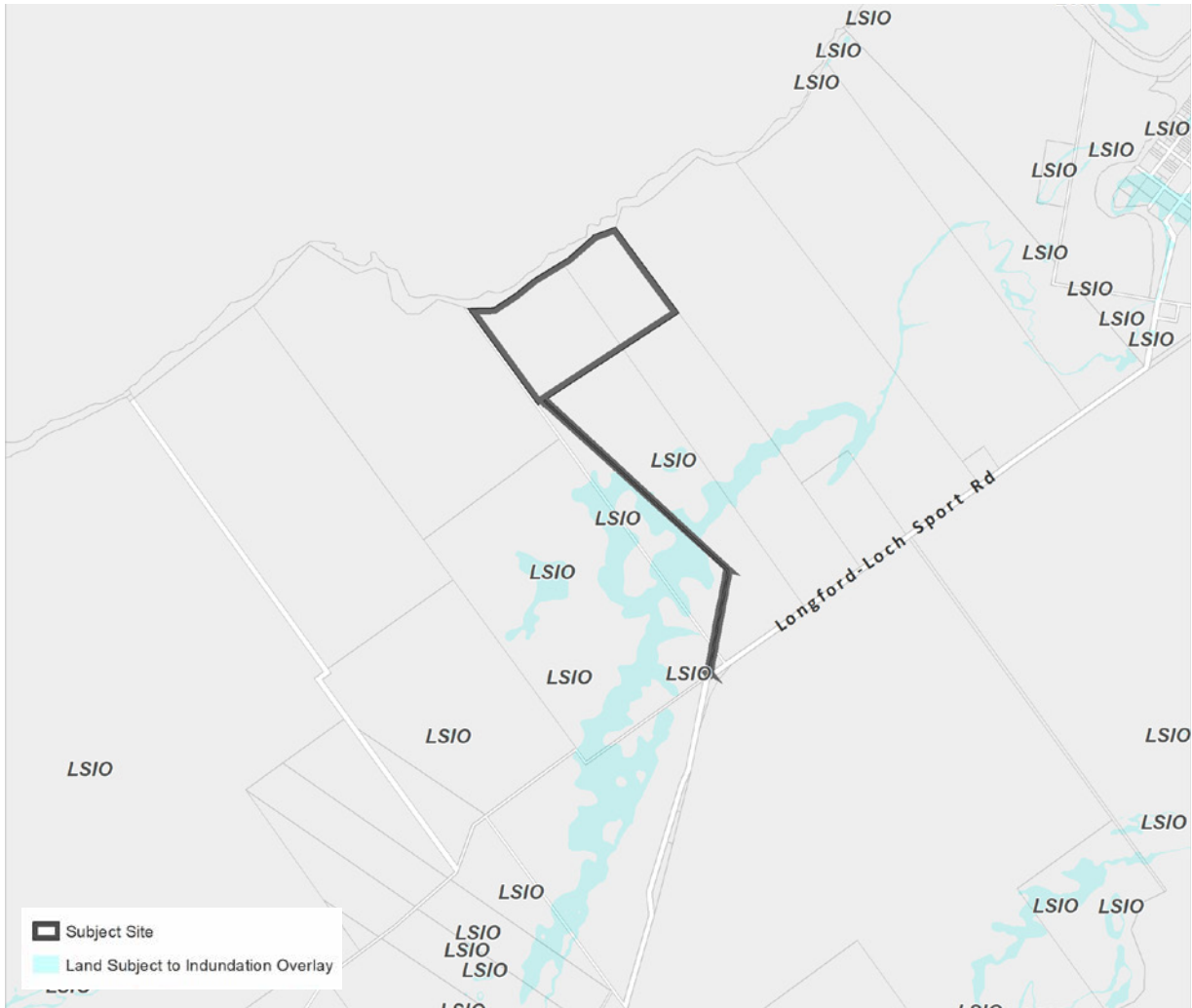


Figure 28 – Land Subject to Inundation Overlay

6.2.5. Aboriginal Cultural Heritage Sensitivity

The subject site is affected by an area of Aboriginal Cultural Heritage Sensitivity. Given the nature of works proposed, a Cultural Heritage Management Plan (CHMP) is required for the activities proposed on site, as defined by the Aboriginal Heritage Regulations 2007.

A response to the objectives of the area of Aboriginal heritage sensitivity is provided at Section 7.6.7.

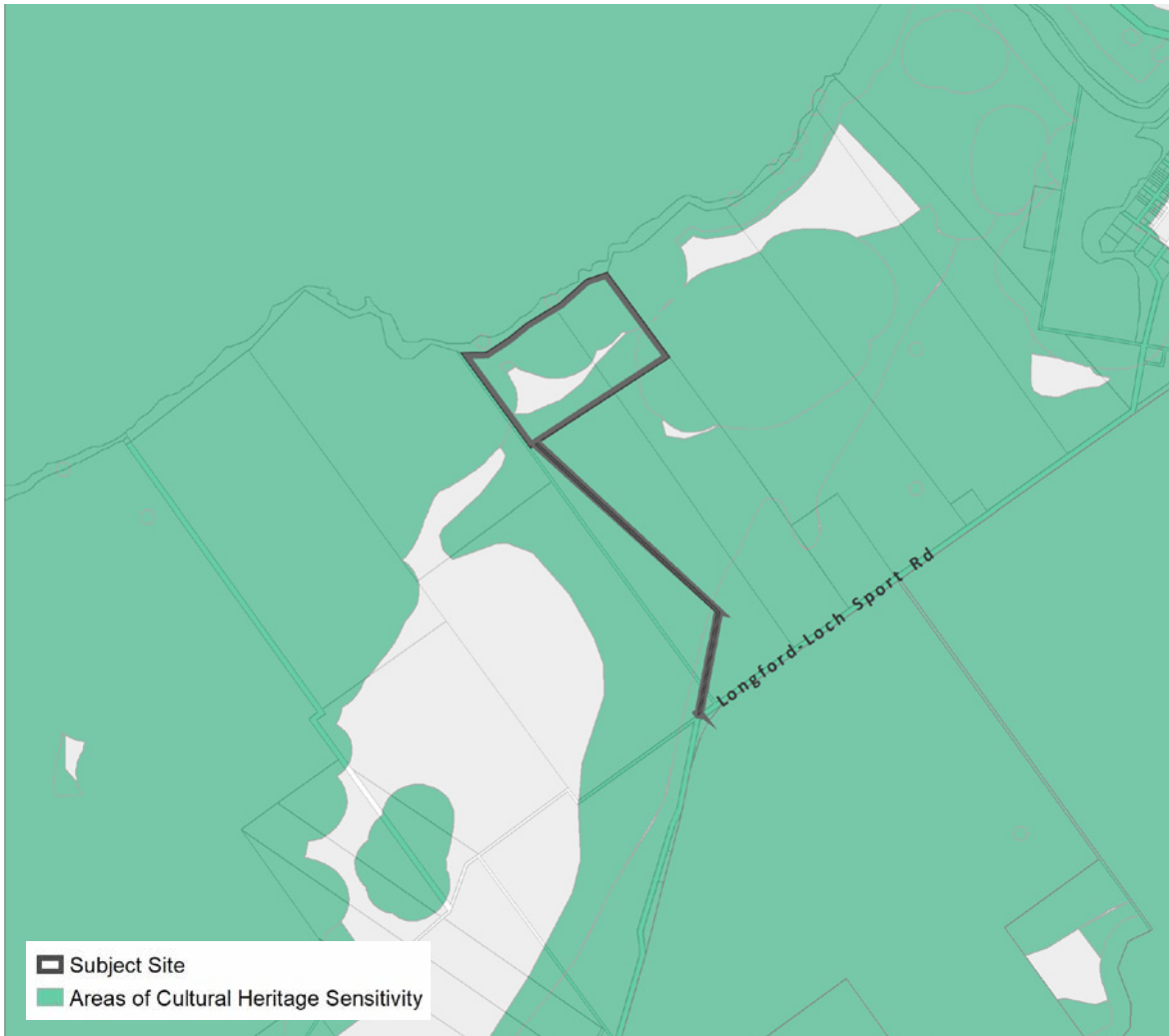


Figure 29 – Area of cultural heritage significance

6.3. STATE PLANNING POLICY FRAMEWORK

The State Planning Policy Framework (SPPF) seeks to develop the objectives for planning in Victoria (as set out in the Planning and Environment Act 1987) to foster appropriate land-use and development planning policies and practices that encompass relevant environmental, social and economic factors. The sections of the SPPF of relevance to this application are summarised below.

6.3.1. Clause 9 – Plan Melbourne

This Clause requires responsible authorities to consider and apply Plan Melbourne 2017-2050: Metropolitan Planning Strategy (DELWP, 2017), as relevant. Refer to Section 6.1.9 for further detail.

A response to this Clause is provided at Section 7.1 of this report.

6.3.2. Clause 10 – Operation of the State Planning Policy Framework

This Clause requires responsible authorities to consider the policies contained within the SPPF in the assessment of planning applications or Scheme amendments. It encourages integrated decision making and acknowledges the need to balance conflicting objectives in favour of net community benefit and sustainable development.

A response to this Clause is provided at Section 7.1 of this report.

6.3.3. Clause 11 – Settlement

Clause 11.07 – Regional Victoria

Clause 11.07 refers to regional planning in Victoria and seeks 'to develop regions and settlements which have a strong identity, are prosperous and are environmentally sustainable.' This Clause sets out principles for regional planning in Victoria around several key themes, including environmental health and productivity, climate change, natural hazards and community safety, distinct and diverse regional settlements, and liveable settlements and healthy communities.

The principles of relevance to the proposal can be summarised as follows:

- Maintain and enhance the environmental productivity and health of the landscapes through managing natural resources and the impacts of development.

- Design and locate new development to minimise risk to life, property and the natural environment from the impacts of natural hazards.
- Encourage environmentally sustainable building design, which aims to reduce energy, water consumption and greenhouse gas emissions.
- Encourage high-quality architectural design which respects the identity of the area and enhances the scenic amenity, landscape features and view corridors.

A response to this Clause is provided throughout Section 7 of this report.

Clause 11.10 – Gippsland

Clause 11.10 refers to the Gippsland region covered in the Gippsland Regional Growth Plan and includes objectives and strategies under four key themes, a diversified economy, planning for growth, sustainable communities and infrastructure. Specifically, this Clause seeks to support the development of industry sections with strong prospects for increased employment, particularly the tourism industry and international markets, while it also seeks to protect significant coastal landscapes and cultural heritage assets.

A response to this Clause is provided at Section 7.1 of this report.

6.3.4. Clause 12 – Environmental and Landscape Values

Clause 12 states that 'planning should protect sites and features of nature conservation, biodiversity, geological or landscape value'. This Clause provides objectives and strategies under several key themes including, protection of biodiversity, native vegetation management, protection of coastal areas, appropriate development of coastal areas, coastal tourism and significant environments and landscapes. The following objectives and strategies are relevant to the proposal:

- 'Planning should consider the impacts of land-use and development changes on internationally significant sites including wetlands and wetland wildlife habitat.'
- 'To recognise and enhance the value of the coastal areas to the community and ensure sustainable use of natural coastal resources.'
- 'Ensure development is sensitively sited and designed and respects the character of coastal settlements.'
- 'To encourage suitably located and designed coastal and marine tourism opportunities.'

- 'Ensure tourism developments demonstrate a tourist accommodation need and support a nature based approach within non-urban areas.'

A response to this Clause is provided at Section 7.1 of this report.

6.3.5. Clause 13 – Environmental Risks

Clause 13 (Environmental Risks) seeks to adopt best practice environmental and risk management to manage economic, environmental and social impacts of environmental changes. This Clause focuses on the management of environmental risks including, coastal inundation and erosion, floodplain, soil degradation, salinity and bushfire.

A response to this Clause is provided at Section 7.6 of this report.

6.3.6. Clause 14 – Natural Resource Management

Clause 14 (Natural Resource Management) seeks to assist in the efficient use and conservation of natural resources, including water and energy, to support environmental quality and sustainable development. Clause 14.02-1 relates specifically to catchment planning and management sets out the objective 'to assist the protection and, where possible, restoration of catchments, waterways, water bodies, groundwater, and the marine environment'.

A response to this Clause is provided at Section 7.6 of this report.

6.3.7. Clause 15 – Built Environment and Heritage

Clause 15 (Built Environment and Heritage) seeks to ensure that all new development appropriately responds to its landscape, cultural context and protect places and sites with significant aesthetic, scientific and cultural value. Sustainable development is a key theme set out in this Clause which seeks to encourage development and land use that is consistent with the efficient use of energy and minimisation of greenhouse gas emissions.

A response to this Clause is provided at Section 7.3, 7.5 and 7.6.7 of this report.

6.3.8. Clause 17 – Economic Development

Clause 17 (Economic Development) seeks to provide for a strong and innovative economy by supporting economic growth and development where each district can build on its strengths. Clause 17.03-1 refers specifically to facilitating tourism and sets out the objective, 'to encourage tourism development to maximise the employment and long-term economic, social and cultural benefits of developing the State as a competitive domestic and international tourist destination.'

A response to this Clause is provided at Section 7.1 of this report.

6.4. LOCAL PLANNING POLICY FRAMEWORK

The Local Planning Policy Framework (LPPF) comprises the Municipal Strategic Statement (MSS) and Local Planning Policies applicable to Wellington City Council. The relevant sections of the MSS and LPPF are summarised below.

6.4.1. Municipal Strategic Statement

The Municipal Strategic Statement (MSS) of the Wellington City Council seeks to outline the broad strategic vision for the future of the municipality identifying key land use challenges and providing a framework to guide the development of land. The Municipality's plan for growth incorporates Wellington City Council's vision in relation to eight broad themes; natural environment, economy, transport and roads, population, development, wellbeing and safety, culture and liveability. Key issues and influences of relevance to the proposal that underpin the vision directing land use planning in the Municipality include:

- The Shire's coastal and riverine environments are sensitive to inappropriate development and can be easily and irreversibly damaged.
- The Shire contains areas of land that are liable to flooding and susceptible to fire.
- The natural resource base provides a significant economic opportunity for the Shire.
- The environmental diversity of the Shire is a key tourism opportunity.

Clause 21.01 – Municipal Profile

Clause 21.01 (Municipal Profile) identifies the subject site to be located within the Coastal East, Hinterland (Planning Unit 7). This clause recognises that the Coastal East, Hinterland comprises of farming areas which are sparsely settled and generally have low levels of productivity, resulting in limited strategic agricultural importance of the area.

Clause 21.04 – Settlement & Housing

Clause 21.04 (Settlement and Housing) recognises the significant environmental issues in coastal areas and the importance of effectively managing the impacts of development on the environment and the need for provision of infrastructure. This Clause sets out settlement objectives and strategies, in relation to urban and rural townships, rural lifestyle, rural areas, infrastructure and coastal areas, including:

- To ensure all development in coastal areas has the necessary infrastructure to protect environmental values, particularly water quality of the Gippsland Lakes.
- To provide rural lifestyle opportunities in appropriate locations.
- To provide and improve stormwater systems so that high nutrient and sediment concentrations are prevented from entering waterways and wetlands.
- Ensure development and works within a wetland are associated with the ongoing use of the land as a wetland.
- Promote coastal tourism in areas with attractive natural attributes and appropriate access and infrastructure.

Clause 21.13 – Environment and Landscape Values

Clause 21.13 (Environment and Landscape Values) recognises the importance of protecting the rural and natural landscapes, coastal landscape character and biodiversity of the region. Specifically, clause 21.13-3 (Coastal Landscape Character and Significance) identifies the subject site to be located within the Gippsland Lakes Plains landscape character area (Area 6.1) and specifically seeks to ensure that coastal development responds appropriately and is subordinate to the natural, visual and environmental landscape character and significance. In addition, Clause 21.13-3 aims to maintain locally significant views that contribute to the character of the coastal region and to strengthen the presence of native and indigenous vegetation in the area.

A response to this Clause is provided at Section 7.3 and 7.6 of this report.

Clause 21.14 – Environmental Risk

Clause 21.14 (Environmental Risk) recognises that there are a number of environmental risks facing Wellington Shire Council which may impact on land use and development decisions, including climate change, fire, flooding and salinity and land degradation. This Clause seeks to manage the potential impacts of climate change on the environment, to protect the community from natural hazards, and to effectively manage land in areas of social erosion and salinity. Specifically, Clause 21.14-2 (fire) identifies the subject site to be located within the Coastal Heathland Fire Landscape, and recognises that the coastal heathlands are extremely prone to fire.

A response to this Clause is provided at Section 7.6.4 to 7.6.6 of this report.

Clause 21.15 – Natural Resource Management

Clause 21.15 (Natural Resource Management) recognises the importance of the Shire's natural assets, including the wetlands and the Gippsland Lakes, and the need to protect them as they are a significant factor in attracting people to Wellington Shire. This Clause sets out objectives and strategies in relation to key themes including catchment management and water quality, wetlands and sustainable land management. Specifically, Clause 21.15-1 (Water) notes that wetland environments are susceptible to impacts from inappropriate land use and development, and therefore outlines the following objectives:

- To achieve integrated catchment management that addresses salinity, erosion, sedimentation, water quality, biodiversity, and native vegetation retention.
- To protect watercourses, wetlands, remnant native vegetation, and areas of ecological, cultural, historic, archaeological and scientific interest.
- To minimise the impacts of development and human activity on the ecological values of the coast and around the Gippsland Lakes.
- To ensure that land use and development in water catchments do not adversely affect the quality and quantity of water that is available for domestic and agricultural consumption.
- To protect groundwater quality and aquifer recharge areas, particularly from the impacts of urban run-off.
- To support and implement environmentally sensitive waste management and recycling practices.

A response to this Clause is provided at Section 7.6.3 and 7.6.5 of this report.

Clause 21.16 – Built Environment and Heritage

Clause 21.16 (Built Environment and Heritage) seeks to (amongst other things) foster environmentally sustainable built form, through promoting the use of appropriately building materials, the retention of native vegetation and revegetation that enhances the scenic landscapes of the Shire's rural areas.

A response to this Clause is provided at Section 7.3 of this report.

Clause 21.17 – Economic Development

Clause 21.17 (Economic Development) sets out objectives and strategies to the several existing and new industries which are important to the economic wellbeing of the shire, including industry, retail and commerce, agriculture, timber, aviation, and tourism. Clause 21.17-5 (Tourism) recognises that tourism in Wellington Shire has significant potential for growth, particularly cultural and eco-tourism, including further promotion and development of the wetlands. This Clause sets out the following objectives in relation to tourism:

- To encourage the development of tourism around the Shire's natural environment, and cultural and heritage assets.
- To promote Sale, and the Shire, as tourist destinations through initiatives such as the Wetlands Centre.
- To promote and develop opportunities for eco-tourism and cultural tourism.

A response to this Clause is provided at Section 7.1 of this report.

Clause 21.19 – Infrastructure

Clause 21.19 (Infrastructure) refers both to physical and community infrastructure. Clause 21.19-1 (Physical Infrastructure) seeks to ensure development is provided with physical infrastructure to the level appropriate to the area and in a logical manner. Clause 21.19-2 (Community Infrastructure) seeks to provide the community with access to necessary human services and aims to support education within the Shire.

A response to this Clause is provided at Section 7.2 of this report.

6.4.2. Local Planning Policies

The local policies further support the directions contained within the MSS. Those policies relevant to the proposal are detailed below.

Clause 22.02 – Rural Policy

Clause 22.02 seeks to (amongst other things) 'ensure that inappropriate small rural lot development does not occur in areas of environmental significance and sensitivity'. Specifically, this Clause outlines policy in relation to tourism, aiming to encourage new opportunities for rural based tourism enterprises which are compatible with environmental and landscape characteristics of the area.

A response to this Clause is provided throughout Section 7 of this report.

6.5. PARTICULAR PROVISIONS

6.5.1. Clause 52.06 – Car Parking

Clause 52.06 seeks to ensure that the number of car parking spaces provisioned is appropriate having regard to the likely demand to be generated by the use of the site and the locality, and the design and location is of a high standard which ensures safety for users.

Pursuant to Clause 52.06-6 where a car parking requirement is not specified, before a new use commences car parking spaces must be provided to the satisfaction of the responsible authority.

A response to this Provision is provided at Section 7.7.2 of this report.

6.5.2. Clause 52.17 – Native Vegetation

Clause 52.17 seeks to ensure that there is no net loss to biodiversity as a result of native vegetation impacts. This provision requires the application of the Guidelines for the removal, destruction or lopping of native vegetation (DELWP 2017), which includes the following three step approach:

1. 'Avoid the removal, destruction or lopping of native vegetation.
2. Minimise impacts from the removal, destruction or lopping of native vegetation that cannot be avoided.
3. Provide an offset to compensate for the biodiversity impact if a permit is granted to remove, destroy or lop native vegetation.'

In accordance with Clause 52.17-1, a permit is required to destroy or lop native vegetation, including dead native vegetation.

Pursuant to Clause 52.17-5, if a permit is required to impact vegetation, the impact must be offset in accordance with the Guidelines for the removal, destruction or lopping of native vegetation.

A response to this Clause is provided at Section 7.6.2 of this report.

6.5.3. Clause 52.29 – Land Adjacent to a Road Zone, Category 1, or a Public Acquisition Overlay for a Category 1 Road

Clause 52.29 seeks to ensure appropriate access to identified roads, and requires a permit to create or alter access to a road in a Road Zone, Category 1.

Immediately abutting the site to the south-east is Longford-Loch Sport Road, which is located within Road Zone Category 1.

A response to this Clause is provided at Section 7.7.1 of this report.

6.6. OTHER KEY DOCUMENTS

6.6.1. Plan Melbourne 2017-2050

Plan Melbourne is the Victorian Government's vision for Melbourne's growth to 2050 and is a reference document in the Planning Scheme. This strategic plan provides guidance on how Melbourne's growth will be managed to meet the city's future environmental, population, housing and employment needs.

The Plan acknowledges that tourism is a major economic driver for regional Victoria, contributing \$11.5 billion to the regional Victorian economy (GRP) and generating 114,400 jobs. Of note:

'nature-based tourism visitors represented 70 per cent of all international overnight visitors to the state in 2013-14. Domestic nature-based visitors had approximately 4.3 million day trips to and within Victoria.'

Plan Melbourne acknowledges that 'there are huge opportunities for regional Victoria to increase its share of the tourism market.' As relevant to the proposal, the Plan seeks to:

'Facilitate sustainable year-round tourism, and new tourism development (including diverse attractions, accommodation and eating establishments) that maintains the integrity of the natural environment, provides social benefits for communities and visitors and contributes to local economies.'

The following directions and policies are particularly relevant to the proposal:

- 'Support the productive use of land and resources in Melbourne's non-urban areas' (Direction 1.4)
- Plan and facilitate private-sector tourism investment opportunities (Policy 4.2.3)
- Support existing and potential agribusiness activities, forestry, food production and tourism (Direction 4.5)
- Protect and enhance valued attributes of distinctive areas and landscape (Policy 4.5.2)

6.6.2. Victorian Coastal Strategy 2014

The Victorian Coastal Strategy is a reference document under Clause 12 of the Planning Scheme. The Strategy seeks to protect coastal waters, estuaries, wetlands and onshore environments. The Gippsland Lakes area is identified as a large estuary, which is intrinsically valuable. The Strategy notes that the Gippsland Lakes area has seen significant population growth, with both permanent residents and visitors in recent years, placing pressure on the aesthetic, cultural and environmental values of the area. The Gippsland Lakes area continues to be a focus for actions to improve water quality.

6.6.3. Gippsland Regional Coastal Plan 2015-2020

The Gippsland Regional Coastal Plan supports the Victorian Coastal Strategy. The Plan outlines the coastal values and calls for balanced decision making based on the following key principles of State coastal planning:

- 'Ensure the protection of significant environmental and cultural values;
- Undertake integrated planning and provide clear direction for the future; and –
- Ensure the sustainable use of natural coastal resources.'

If the above principles have been considered and addressed, then:

- 'Ensure development on the coast is located within existing modified and resilient environments where the demand for development is evident and any impacts can be managed sustainably.'

6.6.4. West Gippsland Regional Catchment Strategy 2013-2019

The West Gippsland Regional Catchment Strategy is a reference document at Clause 21.02 of the Planning Scheme. This Strategy recognises the importance of the ecosystems, natural resource base, unique natural feature and landscapes within the West Gippsland Region. The West Gippsland Region covers an area of 19,639 square kilometres (including the marine environment), with 59% of the region under public ownership.

The Gippsland Lakes are recognised in the Strategy as one of seven Landscape Priority Areas, which comprise groups of significant natural assets at most immediate risk. Key threats to the area include the disturbance of potential acid sulfate soils, invasive plants and animals, breached dunes/barriers which impact the salinity of the Lakes system and climate variability impact, such as storm surge, sea level rise, fire and flood.

The following goals are relevant to the West Gippsland Lakes Areas:

- Improved coastal dune system integrity
- Improved conservation status of threatened species and communities in the landscape
- Improved or maintained environmental condition of waterways, estuaries, wetlands and aquifers.
- Improved or maintained soil health.
- Improved quality of native vegetation in the landscape
- Improved soil health and sustainable agriculture in the Macalister Irrigation District
- Improved water quality in the landscape system
- Increased native vegetation extent and connectivity across the landscape

- Minimised disturbance of acid sulfate soils in the landscape
- Minimised flood damage to the floodplain and its occupants
- Preservation of Aboriginal cultural heritage sites
- Reduced shoreline erosion of the Gippsland Lakes fringing wetlands (Lake Wellington wetlands and Lake Reeve)
- Suitable management of the Gippsland Lakes system during the long term transition to a saline system
- Traditional Owners' knowledge and aspirations are incorporated into the management of the landscape

6.6.5. West Gippsland Waterway Strategy 2014-2022

The West Gippsland Waterway Strategy provides a framework for waterway management consistent with the West Gippsland Regional Catchment Strategy. The subject site falls within a priority area of threat reduction for the Wetlands Management Unit, as illustrated in Figure 30.

Since 1889, the Gippsland Lakes have been permanently connected to the Ocean at Lakes Entrance by an artificial opening. The Strategy acknowledges that this has changed the Lakes from being naturally fresh-brackish to truly estuarine. Further, land clearing, mining, farming, forestry, urban development and river regulation and diversion have had significant impacts on their environmental condition.

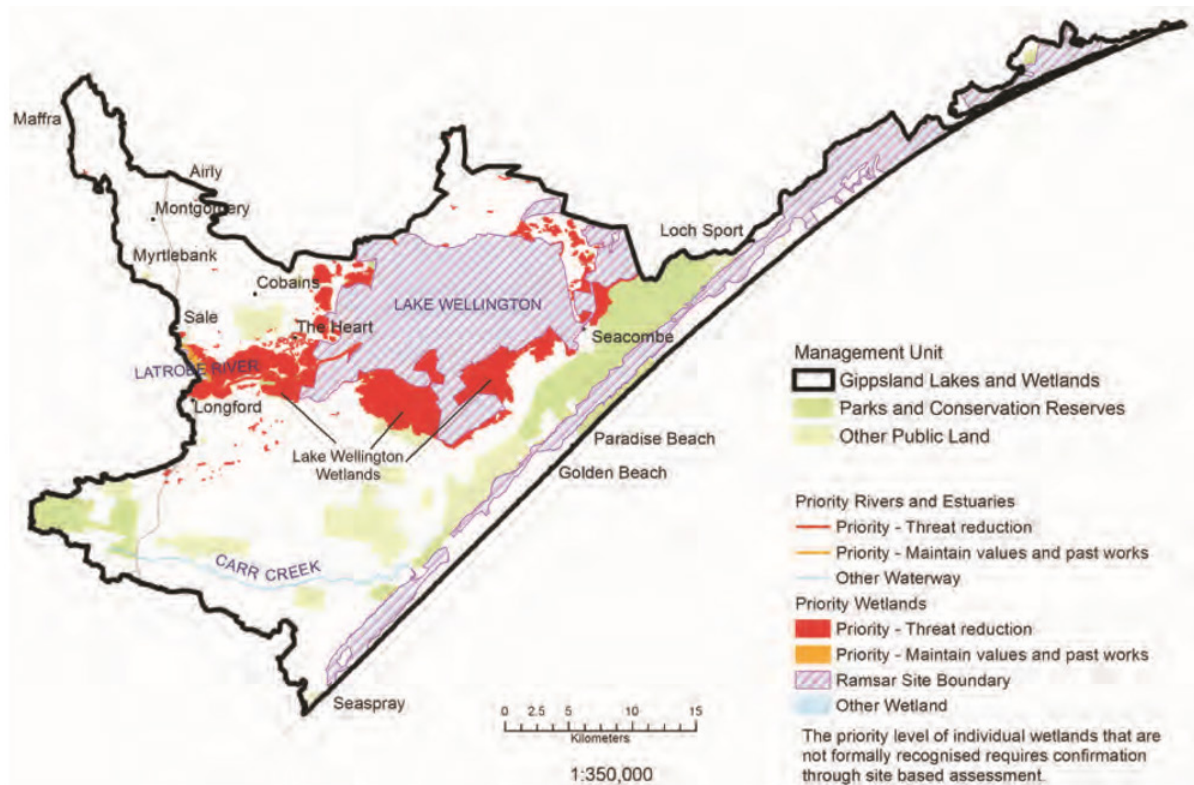


Figure 30 – Priority areas for threat reduction
 Source: West Gippsland Waterway Strategy 2014-2022

6.6.6. West Gippsland Floodplain Management Strategy 2018-2027

The West Gippsland Catchment Management Authority (WGCMA) prepared this Strategy in 2017 to identify parts of the region with significant flood risk, possible actions to mitigate those risks and establish actions to be implemented over a ten-year period.

The Strategy recognises the importance of effective land use planning and building controls in mitigating floodrisk, noting that these controls are generally more cost effective than other flood mitigation options, including flood mitigation infrastructure.

The key flooding issues relating to land use planning in West Gippsland are summarised as:

- The legacy of existing development in flood prone areas
- Lack of detailed flood mapping for large areas of the region
- A delay in the development of flood mapping and its incorporation into the planning scheme
- Timely and complex process required to update flood mapping and planning schemes
- The potential for proposals to be allowed by a LGA in contradiction of the WGCMA's referral advice.

The Strategy outlines the following key land use planning objectives:

- Works or structures must not affect floodwater flow capacity or the physical form of the waterway
- Works or structures must not reduce floodwater storage capacity
- Development must not be allowed where the depth and flow of floodwaters is hazardous
- Development must not be allowed where the depth and flow of floodwaters along the access to or from the property is hazardous
- Development must be designed to minimise the potential damage to property due to flooding
- Development must maintain or improve waterway condition
- Development must maintain or improve the quality of stormwater and catchment runoff in urban areas.

In accordance with the Strategy, if considered to be viable following assessment against these objectives, support may subject to conditions such as minimum floor level requirements.

6.6.7. The Ramsar Convention

The Ramsar Convention is an intergovernmental treaty that embodies the commitments of its member countries to maintain the ecological character of their Wetlands of International Importance and to plan for the sustainable use of wetlands.

The Gippsland Lakes is one of the 11 wetlands in Victoria listed under the Ramsar Convention. The major fringing wetlands of Lake Wellington that are within the Ramsar site boundary include the eastern sections of Lake Coleman (including Tucker Swamp), Dowd Morass, the Heart Morass and Clydebank Morass, as illustrated in Figure 31. The subject site lies outside the Ramsar site boundary to the south.

Within the Gippsland Lakes Ramsar site, three wetland types are recognised under the Ramsar Convention: coastal brackish/saline lagoons, permanent saline/brackish pools, and permanent freshwater marshes.

To be listed as Wetlands of International Importance or 'Ramsar sites', wetlands must meet one or more internationally accepted criteria in relation to their zoology, botany, ecology, hydrology or limnology and importance to waterbirds. When listed in 1982, the following criteria were met by the Gippsland Lakes site:

'1(a) – it is a particularly good representative of natural or near-natural wetland characteristic of the appropriate biogeographical region;

3(a) – it regularly supports 20,000 waterbirds;

3(b) – it regularly supports substantial numbers from particular groups of waterfowl, indicative of wetland values, productivity or diversity; and

3(c) – it regularly supports 1% of individuals in a population of one species or subspecies of waterfowl.'

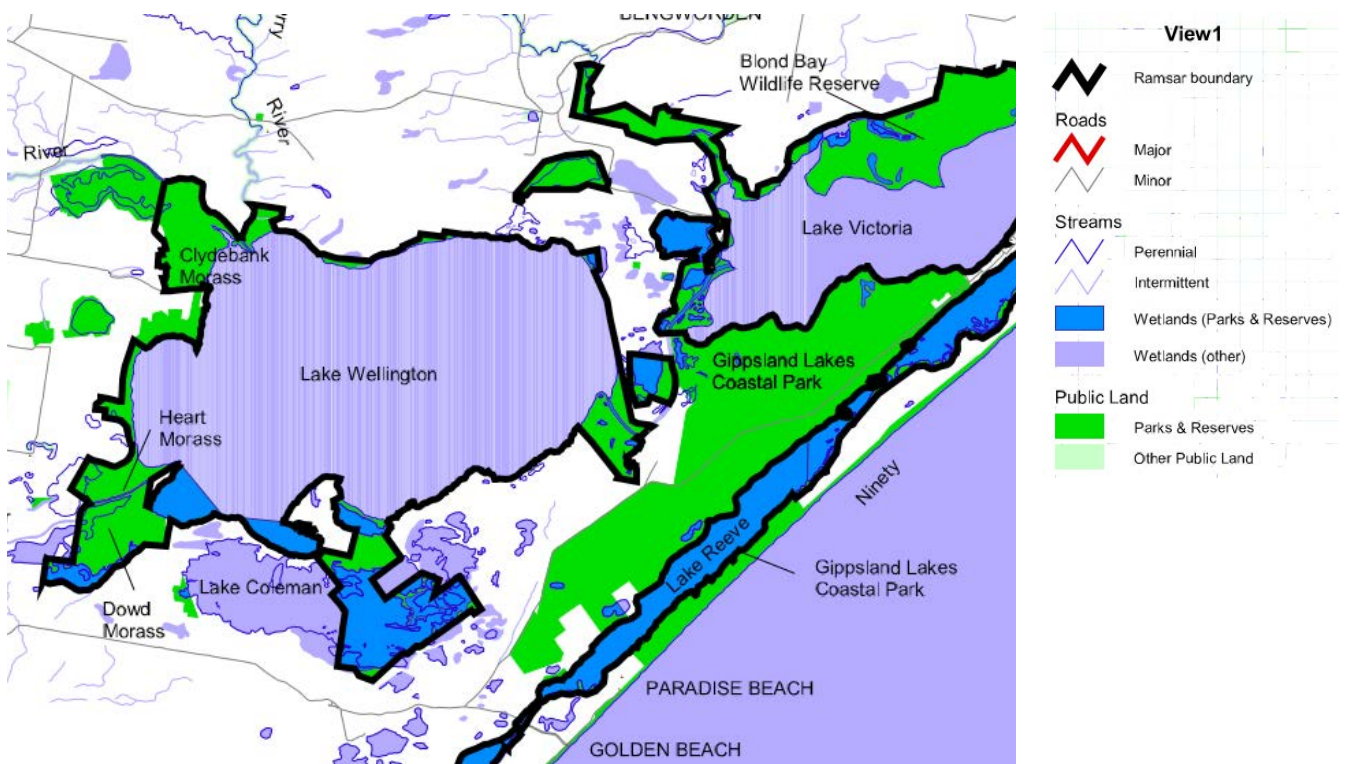
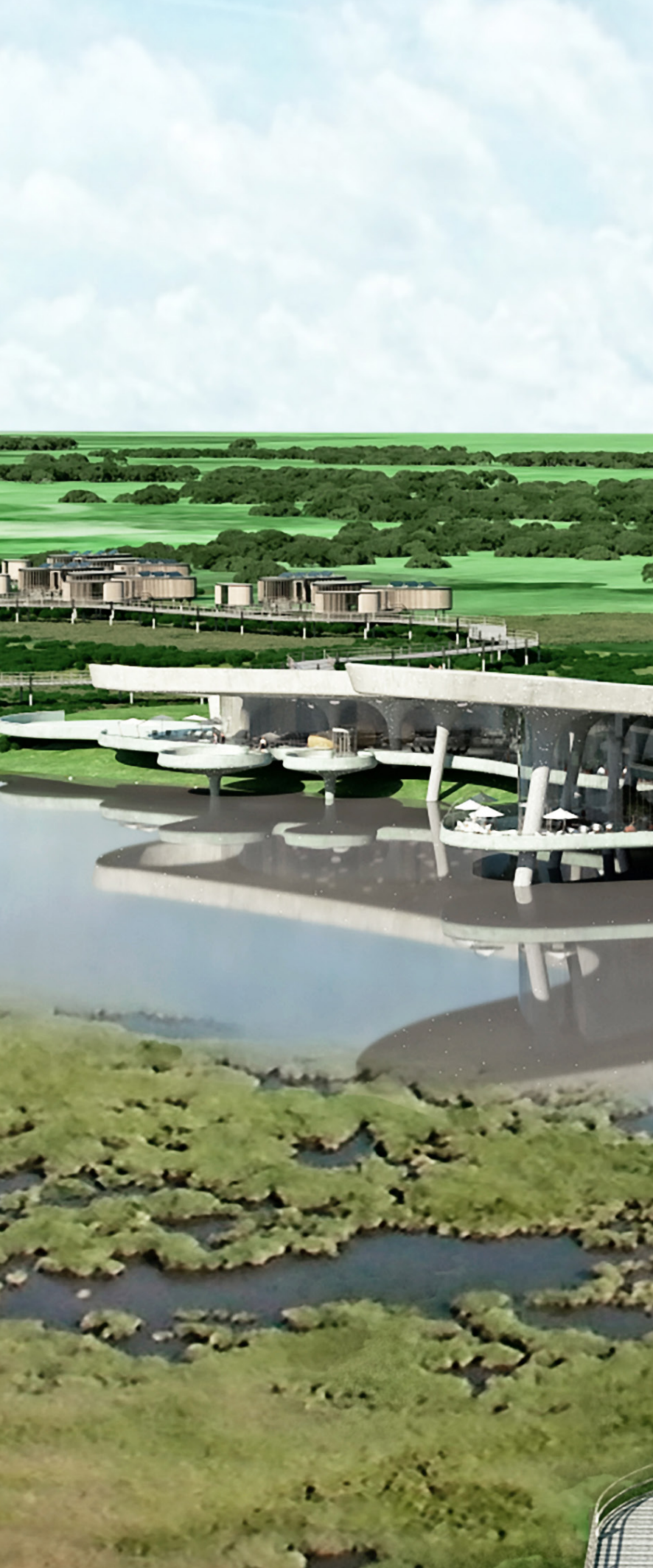


Figure 31 – Ramsar boundary

6.6.8. Gippsland Lakes Ramsar Site Strategic Management Plan 2003

The Strategic Management Plan facilitates the conservation and use of the Ramsar site to maintain, and where practical restore, the ecological values for which it is recognised as a Ramsar wetland.





07. PLANNING CONSIDERATIONS

Planning policy recognises the strategic environmental significance of the Gippsland Lakes area, making this an ideal location to utilise the site's values and support nature-based tourism, in line with the objectives of Plan Melbourne.

The site's location is fundamental to its appeal, however its sensitivity requires development to be carefully planned and designed to ensure the environment is protected and conserved. The design approach has been strengthened through an iterative process and extensive collaboration between multiple disciplines. Ultimately, the proposal will not only protect the significant values of the site but seeks to enhance the environment, while also enabling people to enjoy the natural asset of Lake Wellington.

The Wellington Planning Scheme acknowledges the need to balance conflicting objectives in favour of net community benefit and sustainable development. The following assessment demonstrates that the proposal aligns with the overarching objectives of planning policy and will provide a significant social, economic and environmental contribution to regional Victoria, ultimately resulting in net community benefit.

This section responds to the following key questions pertinent to the planning assessment:

- **Will the proposal contribute positively to the State?**
- **Is the proposed use appropriate in the Farming Zone?**
- **Is the built form responsive to the sensitive landscape?**
- **Will the development provide good amenity for occupants?**
- **Will the development protect and conserve the natural environment?**
- **Has the proposal been given appropriate consideration in terms of access, car parking and services?**

7.1. CONTRIBUTION TO THE STATE

The proposal will result in a significant tourism development that will contribute to the State's economy. As noted in Plan Melbourne, tourism is a major economic driver for regional Victoria, with nature-based tourism visitors representing 70% of all international overnight visitors to the State in 2013-2014. As such, Plan Melbourne and State policy (Clause 19) support tourism development and acknowledge that there are significant opportunities in regional Victoria to increase its share in the tourism market. The following discussion demonstrates the need for the proposal and the significant contribution it will have on the Victorian economy.

7.1.1. Regional Victoria's Need for Nunduk

As discussed following, the proposal will contribute positively to Regional Victoria, providing an opportunity to celebrate Lake Wellington in a way that is responsive to the natural environment. Nunduk will enhance the currently limited accommodation offering in the area, filling a gap in the market and ultimately, will result in a significant economic contribution to the State.

An Opportunity to Celebrate Lake Wellington

The Gippsland Lakes area is marketed by the Victorian Government as 'the largest network of inland waterways in Australia, the spectacular Gippsland Lakes are ideal for aquatic adventures and ardent relaxing.' Lake Wellington is the largest lake in the Gippsland Lakes Area, however currently, there are limited opportunities to enjoy the natural beauty of this asset.

With an area of approximately 150 square kilometres, Lake Wellington provides enormous potential to be enjoyed by the community. Surrounded by public reserves however, there are currently limited opportunities for the community to utilise the lake and benefit from the amenity it provides.

The Wellington Yacht Club at Marlay Point being the only community facility utilising the waterbody. This is located on the north-western foreshore. A caravan park (Roseneath) is located along the eastern foreshore, also providing visitors access to the Lake. Thus, the Lake is extremely underutilised.

The proposal will provide an opportunity for visitors to experience the beauty of the Gippsland Lakes and be immersed in the natural environs of Lake Wellington. Nunduk offers a new way to experience the landscape, unique to Regional Victoria. The proposal will be the first 5 star luxury resort in Regional Victoria. It will not only provide for a new accommodation offering (discussed below) but is based on regenerative principles that will showcase Lake Wellington, recognising the sensitivity of the landscape and supporting the natural environment.

The proposal sets an excellent precedent for nature-based tourism for Victoria in line with Government objectives. The development exhibits exemplary architecture that is responsive to the site, ensuring that views from Lake Wellington and along the foreshore are preserved. The Retreat will offer experiences for guests to educate visitors on the natural environment and indigenous history. The development will support the Lake ecosystems, with the revegetation of indigenous species and importantly, will contribute to the ongoing management of the land in a sustainable way.

Nunduk provides the opportunity for people to experience Lake Wellington and the Gippsland Lakes Area in line with the Government's tourism objectives.

The Gap in the Market

The proposal seeks to be Regional Victoria's first 5 Star luxury Retreat. Nunduk will be run by an international hotel operator, expecting 20,000 visitor nights each year.

In August 2017, a Tourism Product Evaluation was undertaken by Westerlund Global confirming the opportunity for the proposal in the Victorian market. The Evaluation confirmed that the Australian hotel market continues to perform strongly, with the key findings outlined following.

The Gippsland/Lakes tourism region received over 5.6 million overnight visitors in the year end to March 2017. During this period, the average length of a stay in the region was 2.7 nights for domestic visitors and 9.5 nights for international visitors.

Of approximately 1.93 million surveyed in the year end to March 2017, the main reasons for visiting the region was for holidays (51%), visiting friends and relatives (30%) and business (10%). This supports the main accommodation requirement in the region to cater to family flexible accommodation product and a level of sophistication and quality suited to business use and relaxation. Demographically, most visitors (around 33%) to the area are between 40 to 54 years old, as well as a younger demographic between 25 - 39 years' old (around 30%). This suggests that the majority of visitors are adult couples and family groups.

Over 57% of visitors to the region stay in private accommodation, followed by hotel/resort/motel/motor inn/serviced apartment accommodation (20%) and Caravan Parks/Camping (15%). The proliferation of this type of accommodation and the limited commercial accommodation offerings in the region sustains this pattern.

The limited commercial accommodation offering provides both an opportunity and a challenge for Nunduk. The closest town of Loch Sport has limited casual accommodation and relies on Bed and Breakfasts, holiday lettings and Airbnb to meet the need of travellers, with camp grounds and caravan parks also providing accommodation options. The closest established accommodation market is Sale.

Westerlund found that based on recent experience, providing a main stream accommodation product in Regional Victoria will be challenging and given the location of the proposal, a main stream commercial hotel is unlikely to be feasible. The remote nature of the subject site would require a full-service operation, including restaurant and bar facilities and appropriate on-site guest amenities. Further, in order to meet guest expectations, the accommodation would need to include access to tourism services, that are currently not available locally.

While a main stream product is not recommended in this location, the combination of Lake Wellington and distant mountain ranges, the open rural landscape and natural geothermal springs and the habitat of Australia's iconic wildlife, provides a potential to create a luxury accommodation product that has proven successful in other remote regional locations of Australia.

There are a number of examples of luxury resorts in regional Australia that have established genuine international appeal and have been economically successful. These include Southern Ocean Lodge in South Australia, Qualia at Hamilton Island, Longitude 131° in the Northern Territory and Saffire Freycinet in Tasmania. This is a specialised sector of the hospitality industry and relies on a high quality physical amenity, with guests driven by authentic experiences and opulence. Increasingly, there is a desire identified for sustainable projects that embrace ecological values.

Given the above and based on the market analysis undertaken by Westerlund, the proposal would fill a gap in the regional Victorian accommodation market and would take best advantage of the natural environment and its beauty.

7.1.2. The Contribution to the Victorian Economy

An economic impact assessment has been undertaken by Deloitte, estimating the contribution of the proposed development on the economy. The assessment found that the development would result in a significant material and lasting economic impact, in the form of investment, revenue and jobs for the State.

The proposal is forecast to:

- Increase the Gippsland region's gross regional product by \$140 million between 2019-2030
- Increase the State's gross state product by \$160 million between 2019-2030
- An additional 108 full-time equivalent jobs by 2030, with an increase during the construction phase

Given the above, it is clear the proposed Nunduk Retreat & Spa will contribute to a strong tourism economy, supporting the objectives of State and local policy, specifically Clause 17 and 21.17.

7.2. INTRODUCTION OF A RETREAT IN THE FARMING ZONE

The site is located within the Farming Zone, in which the key purpose is to provide for the use of agriculture. The agricultural capacity of the land however, has been severely impacted by salinity in recent decades. Agricultural activities, including cropping were undertaken on site up to the past decade, when the land became severely degraded due to the rising salinity. These impacts are due to Lake Wellington becoming salt-affected as a result of the opening of the Gippsland Lakes to the sea. Lake Wellington is expected to become increasingly saline over time. This will continue to impact soil quality and thus, it is anticipated that the viability of the land for farming activities will further reduce.

Given the above, it is appropriate to consider alternative uses for the subject site, particularly those that support other purposes of the Farming Zone, such as encouraging employment to support rural communities and facilitating use and development based on comprehensive and sustainable land management practices. It is considered that the proposed use and development supports these purposes.

Pursuant to Clause 74, the proposal is defined as a 'residential hotel'. The use of a residential hotel requires a planning permit under Clause 35.07. The definition of a 'residential hotel' can embody a number of other uses which support the function of the accommodation. In this case, the proposal includes a number of ancillary uses which support the accommodation and are fundamental to the appeal of a luxury resort. The key ancillary uses comprise a spa/wellness centre, a restaurant, lounge and bar and gallery. These uses will be interrelated and contribute to the operation of the retreat and enjoyment of the facility for guests.

The proposal responds to the decision guidelines of the Farming Zone at Clause 35.07-6. A discussion of how the proposal addresses the 'general issues' and the 'agricultural issues and the impacts from non-agricultural issues' of the Zone is provided following. The other decision guidelines, specifically the 'environmental issues' are addressed in Section 7.6 and the 'design and siting issues' are addressed at Section 7.3 of this report.

General issues

- **The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.**

In general, State and local policy supports tourism facilities in appropriate locations. Of note, the proposal complies with the general objectives of Clause 12, being a tourism development that demonstrates a tourist accommodation need and supports a nature based approach. The market need for the proposal is demonstrated in Section 7.1.1.

The MSS acknowledges that the environmental assets of the Shire form a key tourism opportunity, with Clauses 21.04 and 21.07 encouraging tourism in areas with attractive natural assets (such as Lake Wellington and the wetlands) and appropriate access to infrastructure, specifically supporting eco-tourism. Local policy at Clause 22.02 further supports rural based tourism enterprises, such as the proposed.

Nunduk aims to be Regional Victoria's first 5 Star regenerative retreat in line with the objectives of the abovementioned policy.

- **Any Regional Catchment Strategy and associated plan applying to the land.**

The West Gippsland Regional Catchment Strategy recognises the Gippsland Lakes as a significant natural asset at immediate risk. Key threats identified in the Strategy and relevant to the proposal include the disturbance of acid sulfate soils, invasive plants and animals, and flooding.

As discussed in Section 7.6, the proposal has been designed to minimise impact on acid sulfate soils (Section 7.6.6). The development will incorporate sensitive landscaping, reintroducing indigenous species to the site (Section 7.6.3) and an EMP has been prepared detailing the measures that will be undertaken to ensure the management of invasive species. Further, the development has been designed to respond appropriately to flooding risk (Section 7.6.5).

The proposal responds to the key threats identified in the Strategy and, with the land management measures proposed in place, will contribute positively to the catchment environment.

- **The capability of the land to accommodate the proposed use or development, including the disposal of effluent.**

The development responds to the site's sensitivities, with indirect impacts such as pollution from

wastewater treatment, salinization and surface-water flows mitigated via engineering solutions, such as plastic lining of water storage areas, infiltration swales for stormwater and management and a Land Capability Analysis (LCA) being undertaken for irrigated farm land. The LCA will be prepared to identify minimum irrigation areas, winter storage volume and the appropriate way to irrigate the wastewater on the farm in a sustainable manner whilst avoiding environmental risks such as nutrient overload and groundwater contamination.

- **How the use or development relates to sustainable land management.**

The development incorporates ESD initiatives to ensure the proposal contributes to sustainable built form, as detailed in Section 7.5. In addition, the landscaping will include the revegetation of indigenous species which will contribute to the regeneration of the land. An EMP has been prepared by Aecom ensuring all environmental impacts will be appropriately mitigated through the future development of management plans.

- **Whether the site is suitable for the use or development and whether the proposal is compatible with adjoining and nearby land uses.**

The site is entirely suitable for the proposed use, particularly given the inability to undertake viable agricultural activities on the area of the proposed works. Further, the development has been carefully designed to minimise environmental impacts, ensuring the proposal is compatible both with the remainder of the subject site and surrounding land. The surrounding land is undeveloped, comprising public land associated with the wetlands and nature reserves. The site is of a scale that can comfortably accommodate the proposal, with impacts mitigated and maintained predominantly within the development envelope, ensuring no conflict with nearby land uses.

- **How the use and development makes use of existing infrastructure and services.**

The proposal is located within a remote environment, with limited provision of infrastructure and services. For instance, there is no opportunity to connect to water mains with no authority potable water supply available. There are electricity mains running along Longford-Loch Sport Road and in regard to the sewerage system, recently a pressure sewer pipeline was installed along Longford-Loch Sport Road to service Loch Sport with a reticulated sewer system.

While there may be potential to connect to the electricity grid and reticulated sewerage, the proposed development is to be entirely self-sufficient and does not propose to connect to these. All infrastructure required has been consolidated within

a confined area to minimise environmental impacts and has been designed with the intention that the development will be off-grid with 100% renewable energy supply and water supply.

Agricultural issues and the impacts from non-agricultural uses

- **Whether the use or development will support and enhance agricultural production.**

The retreat will support agricultural production on other areas of the larger land holding, which remain agriculturally viable. This farm has been in operation for decades and the farming activities are expected to be enhanced as a result of this proposal. Treated wastewater from the proposed development will be provided for beneficial reuse on the farm. This will make use of both the water and nutrients to provide pasture and grow fodder for stock (sheep). Further details are provided in the Integrated Water Cycle Management Strategy prepared by CJ Arms.

- **Whether the use or development will adversely affect soil quality or permanently remove land from agricultural production.**

Due to the rising salinity, the land on which the retreat is to be located is no longer productive for agricultural purposes. The development will not further adversely affect soil quality, as detailed in Section 7.6.6.

- **The potential for the use or development to limit the operation and expansion of adjoining and nearby agricultural uses.**

The subject site is well separated from surrounding farming land and therefore, will have no detrimental impact on agricultural uses outside the subject site. Rather the proposal will contribute positively to existing farm uses, through providing irrigation, as detailed above and in the Integrated Water Cycle Management Strategy prepared by CJ Arms.

- **The capacity of the site to sustain the agricultural use.**

The area of the proposed works has been severely impacted by salinity and can no longer sustain viable agricultural activities. Other areas of site further from the Lake however, are still capable of farming activities. As discussed previously, the proposal supports the farming activities on remaining viable agricultural land.

- **The agricultural qualities of the land, such as soil quality, access to water and access to rural infrastructure.**

As detailed in Section 3.3.2, the land is no longer agriculturally viable, with poor soil quality due to the effects of salinisation.

- **Any integrated land management plan prepared for the site.**

An EMP has been prepared by Aecom which details the mitigation measures that will be undertaken and the future land management plans that will be prepared to ensure the land is managed sustainably during the construction and operation of the proposed development.

7.3. INNOVATIVE ARCHITECTURE AND DESIGN

Relevant design objectives in State and local policy, particularly Clause 15 and 21.16, encourage site responsive design that enhances the natural landscape. As discussed in the following assessment, the proposed development has been designed in line with these objectives, minimising both physical and visual impacts in this sensitive context.

Further description of the design intent is provided in the Design Philosophy Report prepared by Alfano Studio Architects accompanying this application.

7.3.1. The Design Philosophy

Alfano Studio and TCL have worked closely to realise the design vision for Nunduk, in which architecture and landscape comes together seamlessly, complementing the natural environment. A summary of the design philosophy, in TCL's words, is provided following.

Nunduk reveals to the world the raw beauty of Lake Wellington and its broader landscape.

This is a vast place, with vistas across waters as far as the eye can see and distant mountains floating above the horizon. These broad horizontal expanses and big skies, contrast with the delicate beauty of its flora and fauna, which have uniquely adapted to this dynamic and changing land.

Lake Wellington is host to many journeys, yet few venture to this place. It has mysteries too, especially deep underground, where geothermal waters will draw new visitors to experience its restorative qualities.

This is also a site of important cultural stories, from Gunai stories of creation, to stories of resilience and adaption and more recent narratives of agriculture and farming.

Nunduk evocatively reveals these places, these experiences and these stories in a destination that uniquely merges landscape with architecture within a sublime setting. This will be a destination ecologically focussed, also luxurious but challenging too, a destination that will ask visitors to immerse themselves in a distinct experience, like no other.

Nunduk emerged from a vision to create a place that merged with its setting, but also to be a catalyst for restorative ecologies, a place to test, learn and interpret the important process of regeneration.

Nunduk is a site responsive design, its unique expression emerged from walking its landscape, experiencing its moods and understanding its distinct values.

The experience of Nunduk is carefully nuanced and choreographed. Visitors will be drawn through a landscape of subtleties, from authentic farmland to bands of Eucalypt woodlands, on to broad expanses of coastal saltmarsh backed by lines of delicate paperbarks.

The architecture upon arrival is subsumed by a subtle topography, its mysterious form blanketed by flora of this place, merging architecture with site. This is a strategy to deliberately recede the building, but also to curate a remarkable experience. Entering into this cloaked land form, visitors are invited into a framed arrival courtyard, deliberately recessive and muted, so as to contrast with the remarkable vistas upon entering into Nunduk, the hotel.

Here the broader site is revealed, its horizontality, accentuated by the patterned saltmarsh and the vastness of lake beyond. Striking views of unconventional beauty, a roughly hewn textural landscape.

Architecture is equally raw, muscular, textural and expressive as if in dialogue with its broader landscape.

Visitors at Nunduk are asked to journey to remarkable and contrasting experience, one that captures the subtlety of a vast landscapes, within an architecture of powerful resonance.

7.3.2. Central Retreat

The Central Retreat building comprises a robust built form expression which has been designed to contrast to the delicacy of the natural landscape. The building is irregular in shape echoing geological formations, with an overall length of approximately 280 metres, varying depth with a relatively shallow floorplate. The Central Retreat is oriented to the Lake, providing uninterrupted views along the length of the building across Lake Wellington, as illustrated in Figure 32.

The building uses solid and raw materials. Comprising predominantly concrete for the structure, the building provides for stability and durability, which is fundamental for its structural integrity. The concrete form presents a strong, curvilinear design to the Lake. This form folds and wraps down to natural ground at either side and the rear, giving the appearance that the building is emerging from the ground. Between the solid concrete elements, full height glazing has been maximised, providing a seamless integration for occupants within the building with the outside environment.

The building is two storeys with a maximum height of 16.95 metres, with a service tunnel below. The form responds to the relatively flat topography of the land and has been carefully designed into the landscape, with an earth mound to the rear of the building, camouflaging the building on the approach and providing an occupiable plane. Therefore, while clearly visible from the Lake, the Central Retreat appears to form part of the natural landscape when viewed from the south, as illustrated in Figures 33 and 34. The roof also provides the opportunity for views across the expansive landscape.



Figure 32 – Indicative image of the Central Retreat looking south-west

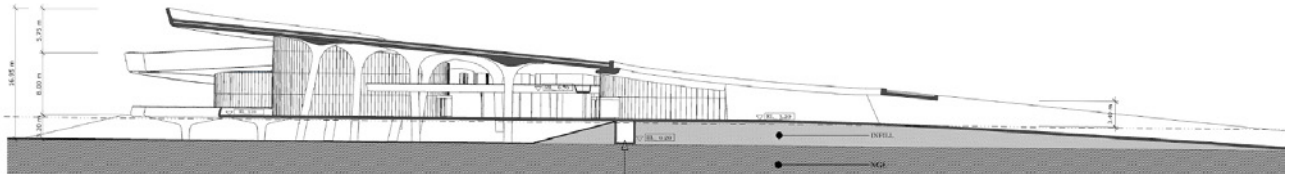


Figure 33 – North-south section through the Central Retreat



Figure 34 – Indicative image of the Central Retreat looking north

The scale of the building sits comfortably within the open, rural environment. The height and form, particularly with the inclusion of a landscaped roof, will ensure that the building will not result in visually obtrusive built form and will maintain the openness of the landscape.

The building will not be clearly visible from outside the site when viewed from the south, east or west. Located approximately 120 metres south of the Lake Wellington foreshore, the building will be visible when viewed from

the north. The building will be viewed at a significant distance however, and the design will ensure that the proposal does not detract from the natural quality of the landscape. Rather the development will enhance visual interest, with exemplary architecture that may provide a landmark for users of the Lake.

7.3.2. The Villas

The villas have been designed around an elevated boardwalk providing direct access to the Central Retreat. A total of 15 villa units are proposed, which are each designed into a number of separate rooms comprising bedrooms, lounge spaces, recreation, dining and relaxation spaces.

The detailed architectural design of the villas will be subject to the requirements of the future operator of the Nunduk. As such, flexibility is required in the design outcome at this stage. For this reason, a maximum impact area has been identified, which can comfortably accommodate varying building footprints within this space. Design parameters have been identified and any future detailed design will remain within these parameters. This will ensure, future changes will have no further planning or environmental implications.

Two indicative design options have been presented as part of this application to indicate potential outcomes. These are illustrated in Figure 35 below. The first option comprises oval-shaped rooms, while the second comprises a more linear, rectangular design. The villas will be designed within the following parameters:

- The villas will comprise a maximum of two storeys, with a height up to 8.7 metres.
- The floor levels will be generally elevated approximately 2.2 metres above natural ground.
- The villas will comprise an organic form, utilising natural materials, such as recycled timber to provide integration with the landscape.

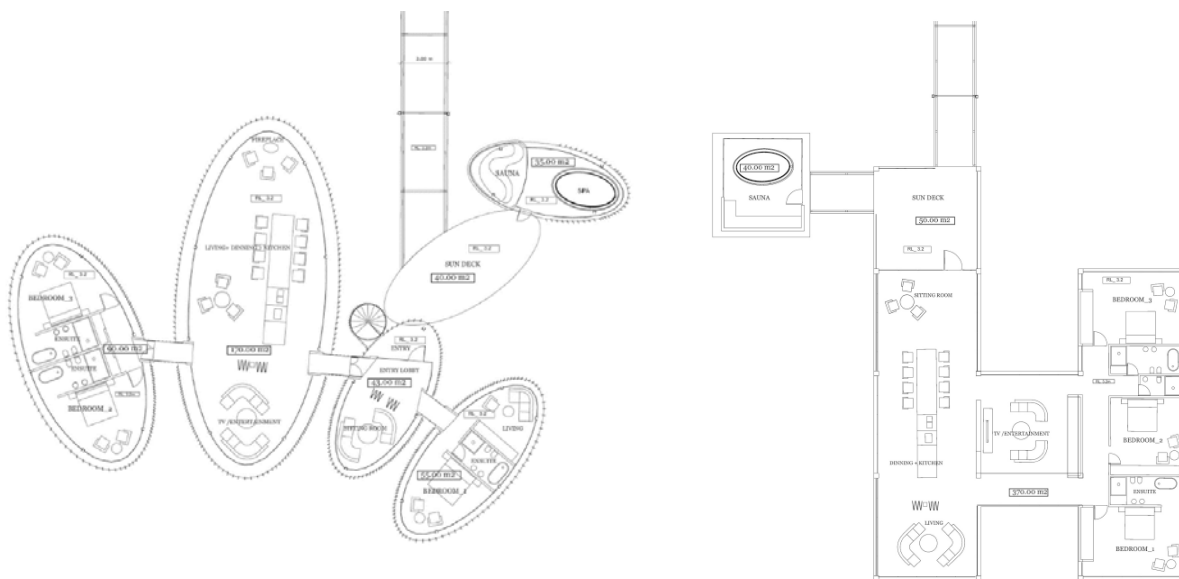


Figure 35 – Villa design options

Regardless of the final design option that is pursued, the villas will comprise relatively low lying form nestled into the wetland landscape. An indicative view of the villas from the roof of the Central Retreat is shown in Figure 36. The scale and form respect the underlying natural landscape and will have no impacts on significant view lines or vistas.



Figure 36 – Indicative view of the villas looking east from the roof of the Central Retreat

7.3.4. The Infrastructure Area

This area has been designed to demonstrate the regenerative design philosophy of Nunduk, exposing highly technical and functional materiality and echoing large agricultural sheds.

The site's infrastructure needs are located within this area, purposefully separated from the guest areas of the Retreat. The facilities, comprising car parking, staff accommodation, waste room and maintenance and storage areas are contained within a large open roof structure, with a maximum building height of 8.4 metres. Being single storey in nature, although large in area, the building will not result in a visually obtrusive form, sitting below the canopy line of the woodland area to the north.

Further, comprising a predominantly open structure, views are maintained through much of the development, ensuring the building will not over-dominate the natural environment.

Steel frames are expressed, providing a suspended and lightweight structure, as illustrated in Figure 37. On the roof, a 5000 square metre solar panel installation will be installed, displaying the development's commitment to renewable energy.

Located over 1.5km from Longford-Loch Sport Road, this area, although the southern-most point of the development, will not be readily perceivable from the Road and will sit comfortably in the landscape.



Figure 37 – Indicative image of the infrastructure area looking north-west

7.4. INTERNAL AMENITY

The development has been designed with internal amenity at the forefront, providing excellent amenity for both guests and hotel staff, ensuring the optimum immersive and restorative experience in line with the vision for Nunduk.

7.4.1. Hotel Rooms and Communal Spaces

The Retreat will provide luxury hotel rooms with excellent internal amenity, with all rooms designed to ensure opportunities for engagement with the natural environment.

Within the Central Retreat, each room has a spacious layout, with an area of approximately 85 square metres. All rooms are provided with outlook to the Lake, with extensive full height glazing. The windows are operable, folding back to open the space to the outside.

The villas vary in size and comprise a cluster of connected rooms, providing individual, spacious and unique spaces for guests. The design will provide visual engagement with the environment, while providing for privacy and solar control.

In addition to the amenity provided within the private areas, guests will benefit from the facilities provided within the retreat, including the spa and wellness centre, gallery and the lounge and bar. The communal areas generally comprise expansive spaces, with high ceiling and floor to wall glazing, maximizing daylight into the spaces and providing a sense of theatre to the outside environment.

7.4.2. Staff Accommodation

The staff accommodation building comprises 28 private bedrooms, with shared kitchen, dining and living spaces and amenities. The bedrooms are located around the periphery of the building to maximum natural light and ventilation to each room. Each bedroom will have an area of approximately 13 square metres, ensuring the private spaces are usable and appealing for staff. Windows are provided to the communal areas at the end of each corridor space, ensuring natural light and ventilation within these areas. Airlocks are provided to the entry doors, enabling efficient climate control for the accommodation.

7.5. ENVIRONMENTALLY SUSTAINABLE DESIGN

The proposed development seeks to be self-sufficient and sustainable. Green Star – Design & As Built has been used to assess the sustainability outcomes of the proposal across nine holistic impact categories: management, indoor environment quality, energy, transport, water, materials and land use and ecology.

The design incorporates Environmentally Sustainable Design (ESD) principles with the aim to achieve world leadership recognition through achieving the Green Star

6 Star benchmark. An ESD Report has been prepared by Atelier Ten, which details the ESD initiatives proposed and the pathway to 6 Star. In addition, a specific Integrated Water Cycle Management Strategy has been prepared by CJ Arms, detailing the stormwater and water quality initiatives.



Figure 38 – The Green Star rating system

The proposal has been designed to optimise the health, well-being and comfort of guests, while reducing carbon emissions and energy consumption. The following initiatives contribute to achieving the ambitious 6 Star target:

- A Green Star Accredited professional will be active in all stages of the project, with ESD initiatives being implemented not only through the design and construction phase but also through the ongoing operation of Nunduk.
- The development will comprise a world class standard of indoor environmental quality including an aspiration to meet the Passive House Standard, representing international energy efficiency best practice
- The development will incorporate on-site renewable energy with an export of surplus green energy to the grid to be entirely self-sufficient

- There is no mains potable water connection proposed, with water provided through the harvesting of rainwater and on-site water resources
- Water waste will be treated by a waste water treatment system, with treated effluent exported to a local farm for use as pasture land irrigation supply.

With the incorporation of the ESD initiatives detailed in the ESD Report and those detailed in the Integrated Water Cycle Management Strategy, the proposal accords with the sustainability objectives of State and local policy. Specifically, the proposal accords with Clause 11, 15 and 21.16, which encourages sustainable building design, which aims to reduce energy, water consumption and greenhouse gas emissions.

7.6. A SENSITIVE ENVIRONMENTAL RESPONSE

The site is located within a sensitive environmental area. The planning controls highlight a number of environmental issues in the area, including water quality, flooding, landscape, protection of sand dunes and vegetation habitat and impacts on neighbouring wetlands and coastal parks. Planning policy seeks to ensure development is compatible with the environmental sensitivities and that the impact of human activities on ecological values is minimised. The following discussion demonstrates compliance with the environmental objectives of State and local policy.

7.6.1. Flora and Fauna

Flora and fauna assessments were undertaken by BioUrbem to identify if any significant species were present on site and whether there was potential habitat for threatened species in the proposed area of works. These results are detailed in the Environmental Impact Assessment prepared by Ecology & Heritage Partners and are summarised following.

Flora

A flora and fauna assessment has been undertaken by BioUrbem between 11-14 May 2017 and 5-9 October 2017. No significant flora was identified during these surveys and there are no records for significant flora species within, or in close proximity to the study area.

The lack of significant flora is largely accredited to the impacts of salinity and the historical agricultural impacts. As no significant species have been identified, impacts to significant flora as a result of the proposal are unlikely. The proposed landscaping discussed in Section 7.6.3 emphasises the use of indigenous species and will contribute to the regeneration of the landscape in accordance with the objectives of ES01.

Fauna

Birds

In addition to the flora and fauna assessment undertaken by BioUrbem in May and October 2017, BioUrbem also undertook an Avifauna assessment during this period. A total of 50 fauna species were recorded during these assessments, the majority being birds. Of these, the following nationally-significant and State-significant species were recorded:

- Common Tern, listed as Migratory under the EPBC Act
- Eastern Great Egret, listed as Threatened under the FFG Act

A search of records indicated that migratory shorebirds and wader birds have been recorded in large numbers in fringing wetlands around Lake Wellington. This included 16 nationally-threatened species within 10 kilometres of the study area. While the fringing wetlands and adjoining lakes provide important habitat for bird and amphibian species, the area of the proposed works is not considered to provide important habitat. Nonetheless, given the proximity of previous records, there is potential for significant species to occasionally use the ephemeral wetlands within the site and along the shoreline.

Ecology & Heritage Partners have identified a number of significant birds with potential to occur in the study area and adjoining Lake Wellington. Despite the importance of Lake Wellington, the subject site is not considered to provide important habitat for migratory shorebirds due to the lack of aquatic vegetation, the erosion of the foreshore and wave disturbance in this area.

Regardless, if present, it is possible that migratory shorebirds may be disturbed by noise or visual impacts from the proposal. If so, the birds would simply relocate along the shoreline to other areas of Lake Wellington. Given the size of Lake Wellington relative to the area impacted by the proposal, any disturbance to migratory shorebirds is expected to be insignificant.

Other Species

Only five non-bird species that are nationally threatened have been recorded within 10 kilometres of the study area. These comprise the New Holland Mouse, the Growling Grass Frog, the Green and Golden Bell Frog and two marine mammals that would not occur near the subject site. These species however, are considered unlikely to occur within the study area. Given the open-nature of the woodland habitat on site, there is considered to be a low potential for the New Holland Mouse to be present. Further, the salinity levels on site are considered too high to support amphibian species such as the Growling Grass Frog and the Green and Golden Bell Frog.

7.6.2. Native Vegetation

Remnant patches of native vegetation are found throughout the site, as well as some exotic species introduced predominantly along access tracks. The development has been designed within a designated "impact area" thereby consolidating and minimising impacts on the wider site. Overall, it is estimated that the project will impact approximately 9.7ha (9.663 ha) of native vegetation. This correlates to the impact area illustrated in Figure 39.

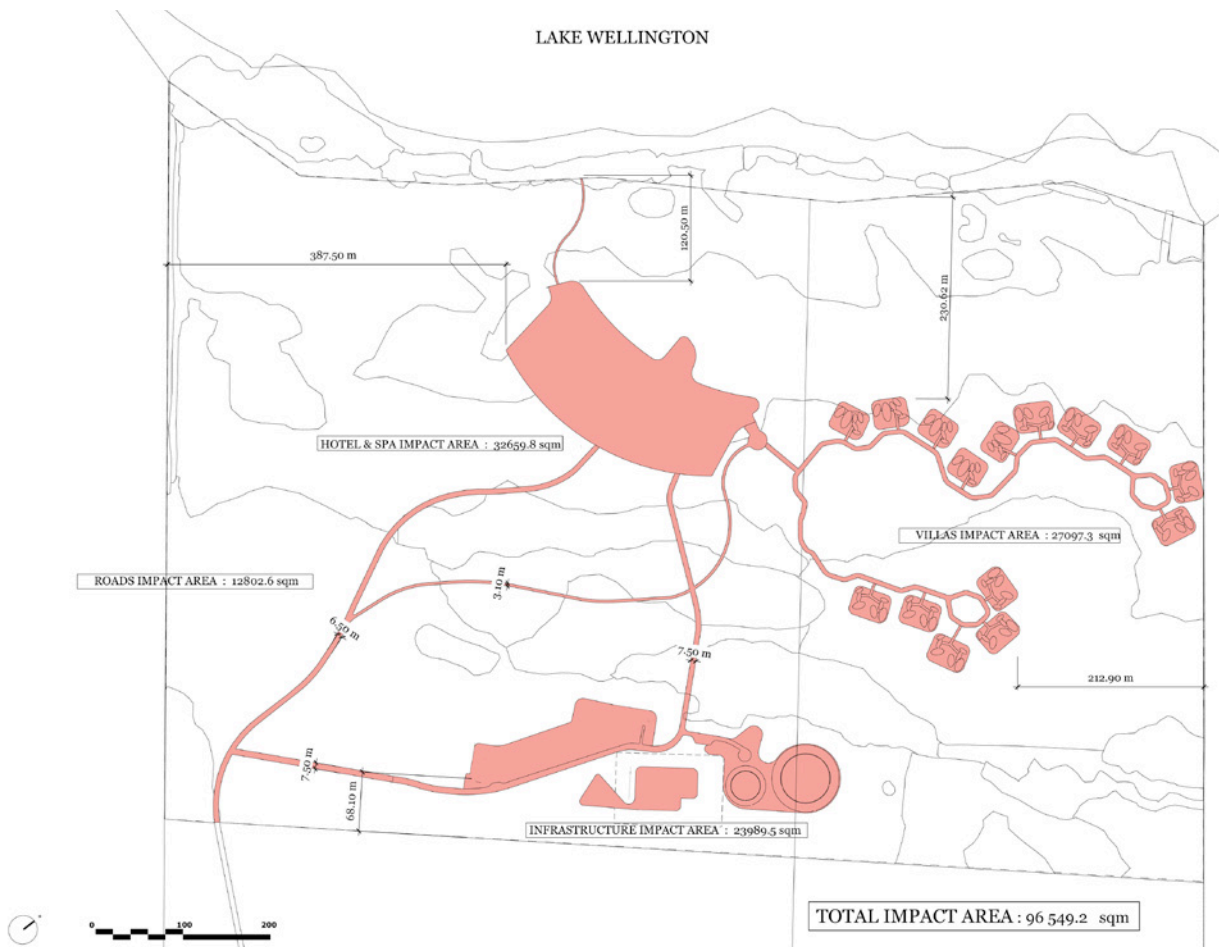


Figure 39 – Proposed impact area

A native vegetation assessment has been undertaken by Ecology & Heritage Partners to establish the extent and quality of native vegetation in accordance with Clause 52.17. Full details of this assessment are provided in the Environmental Impact Assessment accompanying this application, with a summary provided following.

A field assessment was undertaken by Ecology & Heritage Partners between the 17-19 October 2017. The

assessment identified three Environmental Vegetation Classes (EVCs) within the study area, as follows:

- Damp Sands Herb-rich Woodland (EVC3);
- Coastal Saltmarsh (EVC9); and
- Estuarine Shrub (EVC953).

Of these, Coastal Saltmarsh (EVC9) is listed as vulnerable under the EPBC Act.

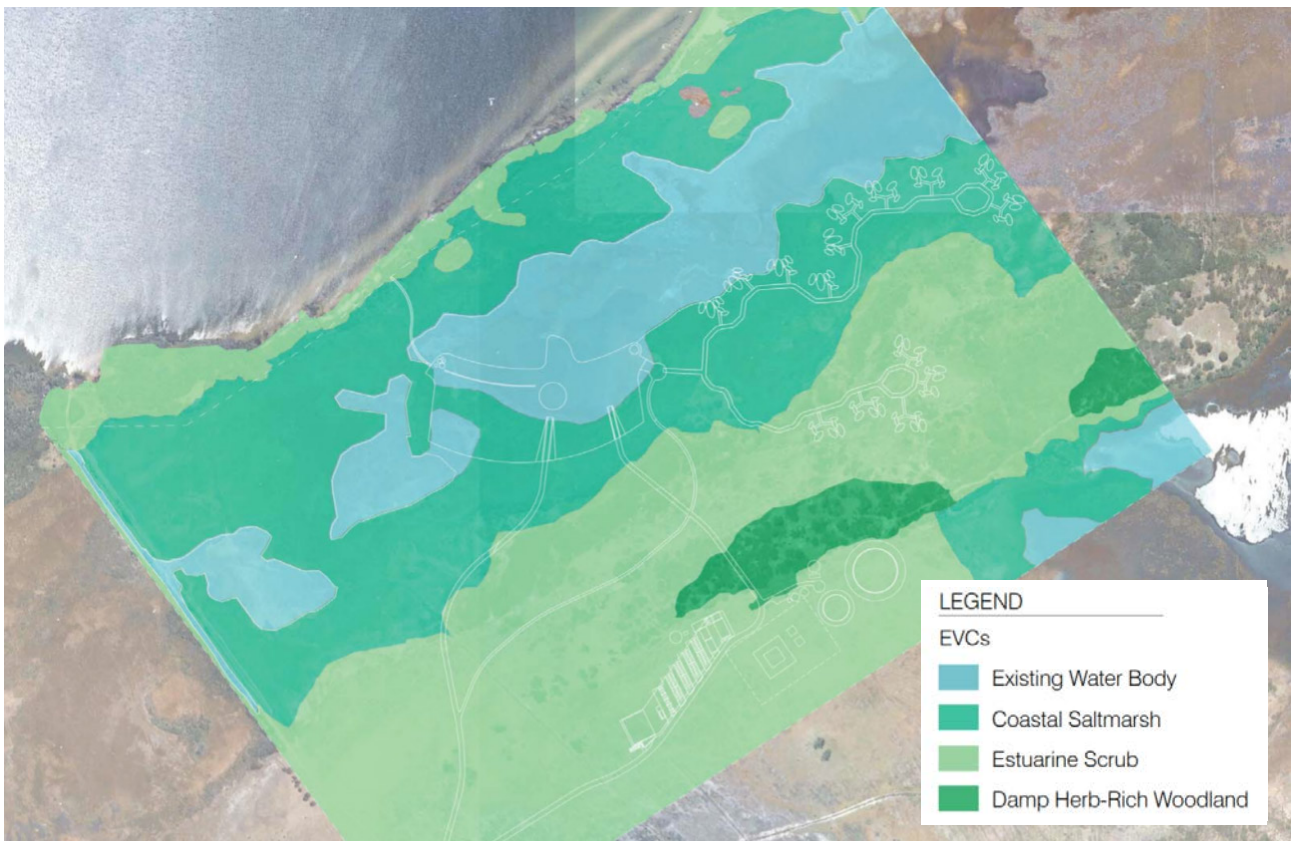


Figure 40 – EVC Map

In accordance with Clause 52.17, the proposal has been designed to avoid and minimise impacts to native vegetation. During the design process, since original conception, the footprint of the development has been significantly reduced to minimise impacts on vegetation. The key changes made to the proposal are:

- The removal of an internal lake that was originally proposed and preservation of the shoreline of Lake Wellington.
- The relocation of the main retreat building to utilise the land most impacted by salinity and minimise impacts to native vegetation.
- The micro-siting of villas to avoid impacts to Damp Sands Herb-rich Woodland, including avoidance of impacts to large Gippsland Red-gums.

The above changes resulted in a reduction in native vegetation removal of approximately 80% from the original project design.

To assess the vegetation removal currently proposed, the proposal has been assessed under the detailed pathway in accordance with the Guidelines for the removal, destruction or lopping of native vegetation and the requirements of Clause 52.17.

To ensure no net loss to Victoria's biodiversity as a result of the proposal, specific offsets have been identified in the Environmental Impact Assessment. A net gain assessment has been undertaken which indicates that an on-site offset would comfortably meet the offset targets. This equates to an offset area of approximately 65ha. The land for the offsets will be secured via a Section 173 Agreement. An Offset Management Plan will be prepared following approval of the planning application to ensure the offsets are appropriately managed and successfully contribute to Victoria's biodiversity.

7.6.3. Revegetation and Landscaping

The increasing salinity levels have severely impacted the landscape and degraded the vegetation within the proposed area of works. As explained in the Environmental Impact Assessment prepared by Ecology & Heritage Partners, this is apparent with the reduction of Estuarine Scrub, the loss of understory shrubs and the deterioration of the River Red Gums. The natural environment is fundamental to the appeal of the retreat. The proposal provides an opportunity not only to conserve, but to enhance the landscape, with the use of indigenous species in revegetation, as encouraged by ESO1.

A Landscape Architecture Report has been prepared by TCL, which accords with the landscaping objective of ESO1 with the existing coastal saltmarsh, estuarine scrub and woodland vegetation integral to the design approach. As illustrated in Figure 40, the majority of the development lies within Coastal Saltmarsh, with the slightly higher land comprising predominantly Estuarine Shrub. The proposed landscape concept is based on these EVCs, proposing to revegetate any areas impacted with the corresponding EVC, as illustrated in Figure 41. Site sourced seed will be used for all new vegetation to ensure ecological integrity in the landscaping.

Defined by TCL, the proposal includes the following five key landscape moves:

1. Create a Sense of Arrival – Visitors will arrive and park in the infrastructure area, where they will be greeted and transported along farm roads. The long path through existing rural and coastal landscapes will culminate in an arrival at a resort that is hidden under landform. Arrival is subtle, entry is choreographed resulting in heightened drama.

2. Retain Existing Water Bodies – The proposed resort architecture and landform are located to retain existing shallow water bodies. Views are orientated from the resort across these water elements which are used as foreground to more expansive views to the Lake.

3. Retain Existing Flora – The proposed resort architecture, landform and boardwalk pathways are located to retain existing flora. Existing coastal saltmarsh has been used to carefully site interventions to minimise impacts. Any localised impacts will be revegetated to match into existing EVC's.

4. Merge Built Form Seamlessly – A feature of the resort is the green roof which merges seamlessly into the existing landform. From southern views and arrival the resort architecture is not apparent. The reading of built form and landscape is merged seamlessly.

The roof will also provide environmental benefits including thermal massing, water harvesting, and habitat restoration. It is proposed to merge the roofscape with existing saltmarsh at its base and utilise a range of existing native flora at its higher elevations.

5. Make Delicate Insertions – Delicate hovering pathways will connect the villas that are located within the coastal saltmarsh and eucalypt woodland area.



Figure 41 – Proposed replanting of EVCs

7.6.4. Flooding

Being proximate to the Lake and wetlands, the majority of the site is subject to flooding and is covered by the Floodway Overlay (FO), with a small portion also covered by the Land Subject to Inundation Overlay (LSIO) to the south. The location of the retreat close to Lake Wellington is fundamental to its appeal and ultimate success. As such, the proposal cannot avoid flood risk but has been designed to appropriately respond to the risk and minimise the effects of the development on the natural water systems.

Pursuant to the application requirements of the FO, an assessment of flood risk has been undertaken to assess the proposal in accordance with Clause 44.03-3. Please refer to the Flooding and Hydrodynamics Assessment prepared by Cardno for full details.

The following discussion has been informed by the Flooding and Hydrodynamics Assessment and is based upon the decision guidelines of the FO. These encapsulate the key flooding issues pertinent to the assessment of the application and ensure compliance with the relevant objectives of the West Gippsland Floodplain Management Strategy 2018-2027.

The proposal has considered and responds to each decision guideline of the FO as follows:

- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies. Clause 13 and Clause 21.14 seek to ensure development responds appropriately to environmental risks, including flooding. The following discussion demonstrates that the flooding objectives contained within this State and local policy have been appropriately considered.
- Any local floodplain development plan. The West Gippsland Floodplain Management Strategy 2018-2027 was recently released. The proposal responds to the relevant land use planning objectives of this Strategy as follows:
 - Flood flow – The buildings have been elevated to allow the flow of floodwaters underneath, thereby minimising impacts on floodwater flow capacity and the physical form of the waterways.
 - Flood storage – As discussed in further detail below, the development will not unduly reduce floodwater storage capacity..

- Site safety – The depth and flow of floodwaters in this area is not hazardous given the slow rise and speed of the waters.
 - Site access – An emergency car park has been located on higher land near the entry to Longford-Loch Sport Road, providing safe access to and from the site in flooding events if required. The access to or from the property is not considered hazardous given the type of floodwaters. This is discussed in further detail below.
 - Flood Damage – The floor levels of the development are elevated above the flood level, minimising the potential for damage to property as a result of flooding.
 - Waterway condition – The proposal ensures the maintenance of waterway condition, as discussed in Section 7.6.5 below.
 - Water Quality – The development protects the quality of stormwater and catchment runoff, as discussed in Section 7.6.5 below.
- Any comments from the relevant floodplain management authority. Early consultation has been undertaken with the West Gippsland Catchment Management Authority (WGCMA) to inform the proposal. As advised by WGCMA, taking into account future climatic conditions, the proposal should be designed to flood level 3 metres AHD. In response, the proposal incorporates finished floor levels for all habitable areas of above 3.2 metre AHD.
 - The existing use and development of the land. The proposed area of works comprises vacant land. While previously used for agricultural purposes, the land is no longer viable for such uses.
 - Whether the proposed use or development could be located on flood-free land or land with a lesser flood hazard outside this overlay. The proposal is dependent on its strong relationship with Lake Wellington and the appeal of the Retreat requires direct access to the natural coastal environment. There is no ability to relocate the proposal on land with a lesser flood hazard and maintain the direct benefits of the Lake.
 - The susceptibility of the development to flooding and flood damage. The finished floor levels ensure that all occupiable areas of the development are protected from flooding. Further, the development has been designed to be resilient to flooding and associated impacts. Figures 42 and 43 show the areas inundated at 0.4 metres and then at the flood level of 3m. This shows the areas in white are above the flood level at each point.

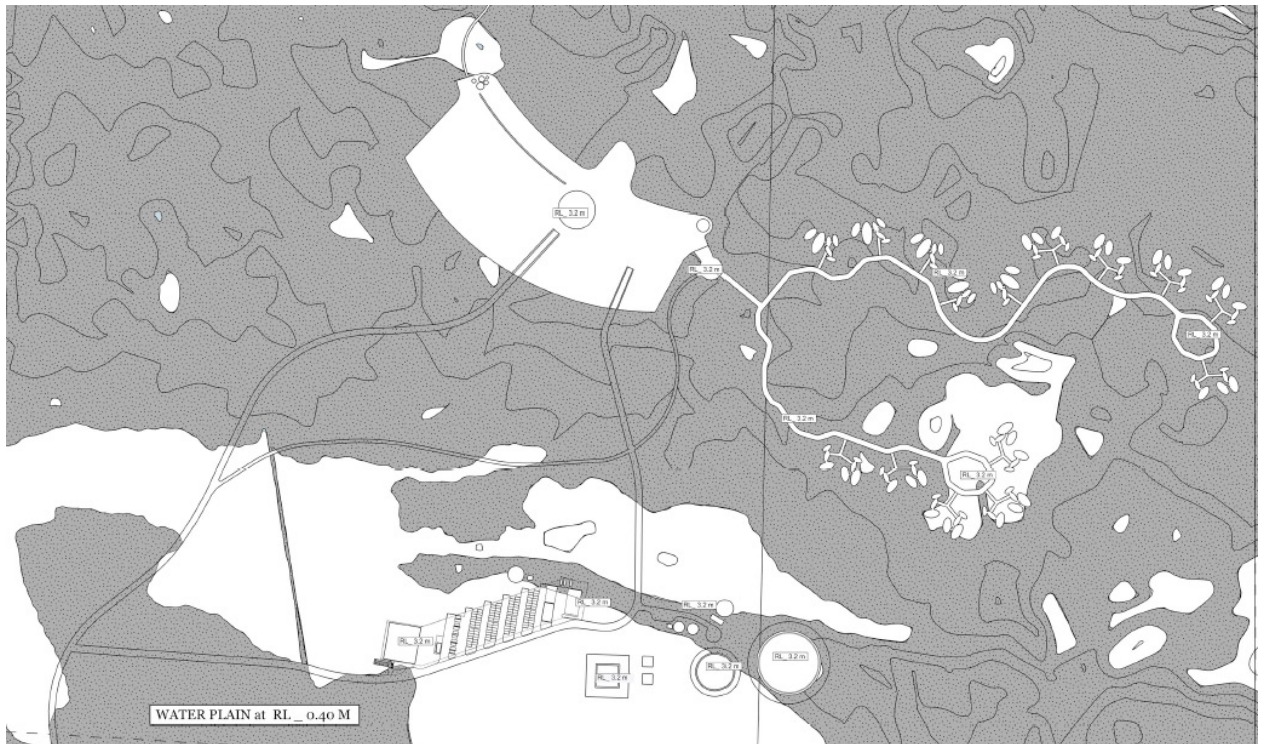


Figure 42 – The water level at RL0.4



Figure 43 – The water level at RL3

- The potential flood risk to life, health and safety associated with the development. Flood risk factors to consider include:
 - The frequency, duration, extent, depth and velocity of flooding of the site and accessway.

The site experiences flooding approximately once in every five years. The speed of water movement on site is very low, with no hazardous currents.
 - The flood warning time available.

Given the slow rise of the flooding in this area, there is expected to be a minimum warning time of approximately four to five days. This would enable ample time for staff and residents to implement flood plans for such events.
 - The danger to the occupants of the development, other floodplain residents and emergency personnel if the site or accessway is flooded.

The finished floor levels proposed ensure that danger to occupants is minimised, with the occupiable areas of the Retreat above flood level at all times. The vehicular accessways and the main car park however, at below the flood level. To minimise environmental impacts, it is preferable to avoid elevating the access roads. As such, a secondary car park is proposed approximately one kilometre in along the access road from Longford-Loch Sport Road. This car park will be located above the relevant flood level required by WGCMA and could be accessed by standard off-road vehicles in the case of an emergency. Further, in the unlikely event of an unforeseen emergency, helicopter access is available to the roof of the main Retreat building.

A detailed flood emergency plan will be prepared prior to the occupation of the development and will be activated in the event of a flood warning.

- The effect of the development on redirecting or obstructing floodwater, stormwater or drainage water and the effect of the development on reducing flood storage and increasing flood levels and flow velocities.

The development has been elevated not only to protect the buildings from flooding but also to allow the unobstructed flow of floodwater. The impact of the proposed development on flood storage will be minimal. With a comparatively small building area in comparison with the area of Lake Wellington at 150 km², the impact has been assessed as insignificant.
- The effects of the development on river health values including wetlands, natural habitat, stream stability, erosion, environmental flows, water quality and sites of scientific significance.

The proposal has been sensitively designed so not to unduly impact the sensitive waterways and environs. As there is no direct hydraulic connection between the proposed development and Lake Wellington, no impact on the water quality of Lake Wellington is expected. Further, the proposal is expected to have a positive strategic impact on the environment, though protective works and indigenous landscaping.

The above discussion demonstrates that flooding risk has been carefully considered in the design of the development, ensuring the proposal complies with the objectives of the FO and the LSIO.

7.6.5. Water Quality

The key issues relating to water quality arise from construction activities, however careful consideration has also been given to impacts during operation to ensure that stormwater runoff will be managed and treated in accordance with the objectives of ESO1 and Clause 21.04.

The key construction impacts include the release of runoff or sediment laden runoff into waterways/drains, chemical and/or fuel spills, storm water use and disposal and erosion from construction activities and stockpiles. The EMP requires the preparation of a Water Quality and Soil Erosion Management Plan, which will be incorporated into the CEMP, ensuring that stormwater runoff will be managed and treated to prevent high nutrient and sediment entering the waterways, wetlands and groundwater system.

With regards to operational impacts, a detailed Integrated Water Cycle Management Strategy has been prepared by CJ Arms. This details the wastewater collection and treatment systems proposed. Of note, wastewater will be collected from the Central Retreat and villas using localised pump wells and a small-bore pressure sewer network and reticulated to the wastewater treatment plant. The wastewater will be treated to equivalent of class C in accordance with EPA requirements using passive reedbed treatment technology. This uses little energy and treats sludge and water in one system.

Water is proposed to be reused for irrigation purposes of the existing farm. Water to be reused will be further treated through an open water wetland and storage dam to the east of the infrastructure area and then piped to the farm. Using this water for the irrigation of pasture makes use of beneficial nutrients from the wastewater, which would normally go to waste.

Winter storage will be provided to prevent over-irrigation in winter months, retention for pathogen removal and this will double as ecological fresh water wetland habitat.

In terms of stormwater management, it is unlikely that significant runoff will occur due the permeable nature of the existing sandy ground. Nonetheless, water from pavements will be directed to infiltration swales for treatment and disposal. A Land Capability Assessment and a Recycled Water Management Plan will be prepared to ensure the safe use of treated wastewater.

7.6.6. Geotechnical and Civil

State and local policy generally seeks to minimise ground disturbance and the impact of construction within sensitive areas, with ESO1 echoing these objectives. This is particularly important for this proposal as potential

acid sulfate soils are known to exist on site. Acid sulfate soils are naturally occurring, however if these soils are disturbed or exposed, the sulphides react with air to form sulfuric acid, which can have significant environmental impacts. Clause 12.02-2 and 13.01-1 acknowledge this risk and specifically seek to avoid the disturbance of coastal acid sulfate soils.

Given the potential for significant soil impacts, the proposal has been designed to minimise ground disturbance so far as possible. A Geotechnical Investigation and a Civil Engineering Report has been undertaken by Cardno to assess the soil and construction impacts and inform the design of the proposal. Further, the structural concept proposed has been informed by Felicetti Consulting Engineers.

As the development is located near the coast the structure will be required to be durable to withstand this environment, as well as potential acidic sulfate soils. Acid sulfate soil sampling was conducted during the geotechnical investigations, with samples taken at approximately 0.5 metre depth intervals. Groundwater was encountered at a depth between 0.5 and 3.5 metres and the soils at depths of 0.5 metres or more below ground level were shown to be at most risk of acid sulfate generation.

To ensure durability of materials and minimise soil disturbance, all buildings will be elevated above the flood level and will be supported by driven piles. Further, services will be suspended from walkways to avoid the need for trenching. This design and construction method will avoid exposing or dewatering the potential acid sulfate soils.

The superstructure of the Central Retreat building will be constructed of concrete, minimising maintenance and ensuring structural integrity. A batter slope is provided to the rear of the building with a maximum slope of 1:2. The roof form extends from the top of the batter and will be supported on piles. Significant earthworks are required to construct the fill mound behind the Central Retreat building. This will be constructed from imported material, which will be carefully placed and compacted to ensure its stability.

To minimise construction impacts, as much of the building will be prefabricated as possible and transported to the site.

The EMP prepared by Aecom outlines future management plans that will be prepared to minimise environmental impacts. An acid sulfate soil management plan will be prepared if required, and will be incorporated into a construction environment management plan. Refer to the EMP for further discussion of mitigation measures.

7.6.7. Cultural Heritage

The proposal is located within an area of Cultural Heritage Sensitivity. The proposal has not only been designed to protect and conserve existing Aboriginal cultural heritage during the construction of the Retreat, but seeks to celebrate cultural heritage throughout the ongoing operation of Nunduk.

Protection of Existing Aboriginal Cultural Heritage

The Gippsland Lakes have a long history as a resource-rich refuge for Aboriginal people. The land surrounding Lake Wellington comprises sensitive indigenous cultural landscape, with a high incidence of Aboriginal sites.

The proposal comprises a high impact activity and therefore, a mandatory Cultural Heritage Management Plan (CHMP) is required in accordance with the AH Act. A CHMP has been prepared by Biosis in consultation with Aboriginal representatives to ensure the proposal protects and conserves Aboriginal cultural heritage in accordance with the objectives of Clause 15 and the AH Act.

Given the cultural sensitivity of the area, a desktop, standard and complex assessment was completed in the preparation of the CHMP. The findings are summarised following.

The desktop assessment identified two previously recorded placed located on the foreshore of Lake Wellington. The assessment indicated that there is a high potential for unidentified cultural heritage material with the proposed area of works, most likely in the form of low density artefact distributions. As such, a standard

assessment was required to assess the condition of existing places, the potential for the presence of unidentified Aboriginal cultural heritage within the area of works and the sensitivity of landforms to contain such material.

The standard assessment identified two further areas of archaeological potential in the form of sandy deposits. The first area was located within a patch of native vegetation between the Central Retreat building and the proposed staff accommodation and the second corresponding to a sandy ridge running parallel with Loch Sport Road. The majority of the proposed works have been sited in areas that are expected to have minimal impact on cultural heritage. The main area of archaeological potential is shown in Figure 44 below.

The complex assessment included subsurface testing along the Lake foreshore, the sandy ridge and in areas where the highest impact activates are proposed. Surface material and low density subsurface scatters of cultural material were identified along the Lake Wellington foreshore. No cultural heritage material was recorded across other areas studied.

The CHMP demonstrates that any impacts to cultural heritage as a result of the proposal can be appropriately managed with the inclusion of contingency plans, detailing measures should any unexpected Aboriginal cultural heritage material be found.

Impacts on Aboriginal cultural heritage have been carefully considered and the CHMP ensures the proposal will protect and conserve Aboriginal cultural heritage.

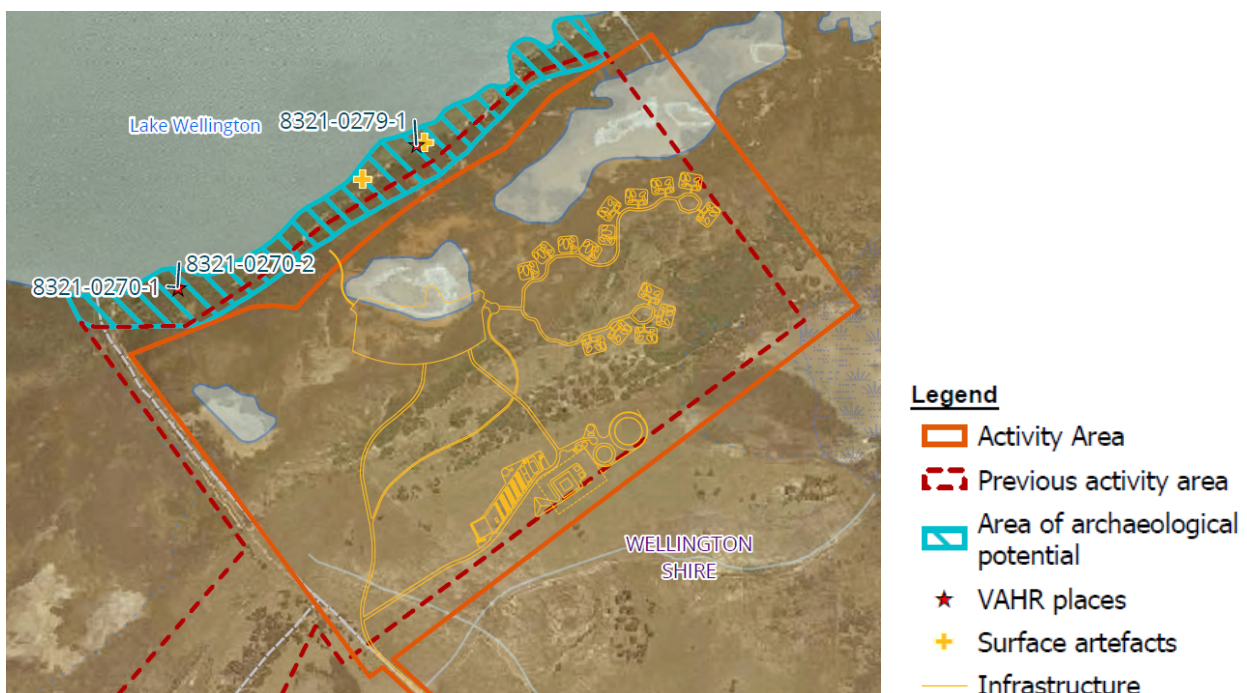


Figure 44 – Areas of archaeological potential

Recognition and Involvement of the Aboriginal Community

The proposal will not only conserve cultural heritage as discussed above, but seeks to truly honour and respect the Aboriginal ancestry of the land.

The traditional owners of the Gippsland area are collectively known as the Gunnai/Kurnai people and the Tatungooloong are the traditional owners of the subject site. Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) is the Registered Aboriginal Party.

To date, the proposal has been designed in consultation with representatives of GLaWAC to ensure a sensitive design response. Further, Nunduk, the name of the Retreat, was conceived in consultation with the Gunnai/Kurnai people and has been approved by GLaWAC.

The proposal will continue to involve the local Aboriginal community and showcase Aboriginal culture in the ongoing operation of Nunduk. Potential has been identified for the following:

- The use of Gunnai/Kurnai words throughout the development, with the use of language to reinforce the unique cultural identity of the land and increase greater cultural appreciation. Demonstrating the project's commitment to this, Nunduk, the name of the Retreat, was conceived in consultation with the Gunnai/Kurnai people and has been approved by GLaWAC.
- The offer of indigenous experiences run by local Gunnai/Kurnai people, including culinary/medical experiences through bush tucker trails
- The incorporation of a target of 5% indigenous employment associated with the Retreat

These initiatives will be further developed in consultation with the Gunnai/Kurnai people.

7.7. TRAFFIC AND CARPARKING

A Traffic and Transport Assessment has been undertaken by Cardno to access the access design, traffic implications and car parking provision, to ensure the proposal complies with the requirements of Clause 52.06. This Assessment has informed the following discussion.

7.7.1. Traffic Generation

The proposal is expected to generate 413 trips per day, with 213 trips made by guests and 200 by staff of the Retreat. This will equate to approximately one vehicle movement per minute in the peak hour, which is considered to have minimal effects on the function of Longford-Loch Sport Road.

A Traffic Management Plan will be prepared to manage traffic impacts during both the construction period and throughout operation of the development. Of note, traffic volumes will be reduced due to the proposed use of prefabricated modules for the building, thereby reducing the need for multiple vehicles for different construction materials. The Traffic Management Plan will ensure that the proposal will have no undue impacts on the local road network.

7.7.2. Car Parking

A total of 104 car parking spaces are proposed on site, located within the infrastructure area. These spaces will cater for both guests and staff. An electric vehicle parking and charging area is proposed to the west of the car park catering for 10 electric vehicles, with larger vehicle parking also provided to ensure that buses and service vehicles can be accommodated.

There is no statutory car parking provision for the use of a residential hotel under Clause 52.06 and therefore, the rate associated with a residential village has been used to inform the proposal. Based on this, the demand of approximately 78 spaces has been assumed for guests. This figure however, is expected to be overestimated as once operational and established, it is expected that approximately 50% of Nunduk's guests will be international and are likely to be transported via bus or chauffeured by private transport.

Given the remoteness of the site it is also required to provide staff parking. As such, the demand is expected to rise to a possible 100 spaces. While there are likely to be between 80-100 staff, the staff will work shifts and not all will be on-site at all times. Further, there is an expectation that the operator of the Retreat will operate a bus service at scheduled times to pick up multiple staff members from different locations within the region. This will further reduce car parking demand.

Therefore, with the provision of 104 spaces on site, the proposal is expected to comfortably meet the parking demand.

In accordance with the requirements of Clause 52.06-9, the car park will be designed generally in accordance with the Australian Standard for off-street car parking (AS/NZS 2890.1). This will ensure good manoeuvrability throughout the vehicular areas.

7.8. SERVICES

The proposal includes the provision of designated loading and waste areas to ensure that the retreat will be adequately serviced, and the amenity of guests will not be impacted by operational requirements.

7.8.1. Loading

A designated loading area is provided to the rear of the Central Retreat building to the east.

As detailed in the Traffic and Transport Assessment prepared by Cardno, it is intended that all loading vehicles will enter and exit all loading areas in a forward direction, with adequate area provided to allow loading vehicles to reverse into the loading bay/area whilst loading activities occur.

Accessways and circulation areas have been designed to ensure adequate manoeuvrability generally in accordance with the Australian Standard for Commercial Vehicles (AS2890.2:2002).

7.8.2. Waste

In line with the ambitious ESD initiatives proposed, waste will be minimised and re-used where practical on site. A Waste Management Plan has been prepared by Arup to inform the proposal. The Plan estimates waste generation and volumes for the proposed development to determine the waste storage, handling and collection/processing requirements.

Waste areas including a general waste, co-mingled recycling, paper/card recycling and food waste receptacle will be located in appropriate locations in front of house and back of house areas throughout the development.

The central waste storage and collection area will be located within the infrastructure area, approximately 250 metres south of the Central Retreat. Waste will be transferred to this area on a daily basis from a temporary waste storage facility located within the Central Retreat.

The waste areas will be designed according to best practice to ensure adequate ventilation and cleanliness. The design, in conjunction with the location being well separated from public areas will minimise amenity impacts. Waste will be collected by a private contractor in accordance with the requirements of the Waste Management Plan.



08. CONCLUSION

The proposed redevelopment of the site for the Nunduk Retreat & Spa supports the objectives of key State and local planning policy, aligning with the Government's vision to encourage nature-based tourism in Regional Victoria.

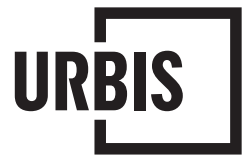
Nunduk will deliver an exemplary development, that will contribute positively to the image of the Gippsland Lakes area, and provide an enduring social and economic contribution to the State.

In light of the assessment contained within this Report, it is considered that Nunduk should be supported for the following reasons:

- Nunduk will provide a significant contribution to the Victorian economy, both during the construction phase of the project and on-going, with an estimated increase in Victoria's Gross State Product of \$160 million between 2019-2030.
- The Retreat will be the first 5 Star luxury resort in Regional Victoria, enhancing the accommodation offering and supporting nature-based tourism for the State.
- The development provides an opportunity to showcase and celebrate Lake Wellington and the internationally recognised Gippsland Lakes Area, acting as a draw for both internal and domestic visitors to the unique area.
- With agricultural uses no longer viable due to rising salinity impacts, the proposal provides an alternative use for the land and the opportunity to implement regenerative land management practices.
- The operation of Nunduk will support existing farming activities and local businesses, with the reuse of treated wastewater for irrigation purposes and the opportunity to utilise local produce in the Retreat.
- The development demonstrates exemplary architecture and sustainable built form, responsive to the sensitive landscape and the natural environment.
- Nunduk exemplifies high environmental sustainability standards, being self-sufficient, the development will outwardly demonstrate innovation and reduce the on-going operational costs of the Retreat.

The development has been carefully designed to respond to the sensitive environment near the Lake Wellington foreshore. Specifically:

- The development has been sited to minimise vegetation impacts and retain all significant trees on site. Any vegetation removed will be offset and the areas replanted with indigenous vegetation to ensure a positive strategic outcome for the land.
 - The development avoids the removal of important habitat for threatened species, with the replanting of indigenous vegetation providing the potential to attract native species.
 - The buildings have been designed in response to flooding, to minimise risk and ensure a safe environment for occupants during rare flooding events.
 - Construction and operational impacts have been carefully considered to minimise stormwater runoff and ensure water quality is protected.
 - The buildings have been elevated above natural ground and will be constructed to minimise ground impacts and avoid disturbance of potential acid sulfate soils.
 - The development has been sited to avoid impacts on known areas of Aboriginal cultural heritage sensitivity and a Cultural Heritage Management Plan has been prepared to ensure cultural heritage is protected and appropriately managed.
- There will be ongoing involvement with indigenous representatives throughout the design and operation of Nunduk, ensuring the Retreat appropriately acknowledges the indigenous history of the area and provides educational experiences for guests.
 - Given the remote nature of the site, the site is ideally placed for such a development and no unreasonable amenity impacts will result.
 - Excellent internal amenity will be provided for occupants of the development.
 - All services, including loading and waste, have been carefully considered in the design of the development to ensure appropriate areas are provided for the efficient operation of the Retreat.



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