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14 July 2021

Department of Planning
Wollongong Regional Office
84 Crown Street
Wollongong NSW 2520

Planning Proposal PP0006/2018 – 2514 Illawarra Highway Calderwood

Rezoning Review RR-2021-83

Attention Grainne Miller:

We refer to the Planning Proposal Rezoning Review recently lodged with the Department of Planning relating to Planning Proposal PP0006/2018, seeking support to rezone land at 2514 Illawarra Highway, Calderwood.

The Planning Proposal was originally lodged with Shellharbour Council on the 18th December 2018 with a revised package incorporating additional site investigations was lodged on the 9th February 2021.

An addendum package which provided an SP2 zoning along the Illawarra Highway was lodged on the 3rd March 2021. There was no change to the overall zoning intent under this addendum.

Following lodgement of the final package with Council, the *Illawarra Shoalhaven Regional Plan 2041* was released in May 2021.

This letter addresses the revised Illawarra Shoalhaven Regional Plan as it relates to the Planning Proposal and demonstrates that the rezoning as proposed remains wholly consistent with the regional plan.

As described in the plan *The Illawarra Shoalhaven Regional Plan sets the strategic framework for the region, aiming to protect and enhance the region's assets and plan for a sustainable future. It is a 20-year land use plan and applies to the local government areas of Wollongong, Shellharbour, Kiama and Shoalhaven.*

The plan states that *It will inform councils' land use planning, inform the work of infrastructure agencies to plan for growth and change, and inform the private sector and the wider community of the NSW Government's approach to creating a connected, sustainable, innovative and vibrant Illawarra Shoalhaven.*

Objectives 18 and 19 of the regional plan specifically address the planned location and delivery of housing supply across the region to respond to demand and meet projected housing targets.

We have addressed these objectives in Section 1 below.

Many of the objectives are not applicable to the subject site or proposal, relating to local and regional centres, mining and resource areas and broad level economic outcomes.

Notwithstanding, we have also provided a review of the proposal under each of the objectives of the regional plan in Section 2 below.

Section 1. Objectives Relating to Housing Supply and Delivery

Objective 18: Provide housing supply in the right locations

The regional plan indicates that there is demand for 58,000 new houses to 2041, with housing to be accommodated in urban release areas and existing urban areas.

The plan notes that the Illawarra Shoalhaven Urban Development Program (UDP) was established to manage regional land and housing supply in response to the region's recognised limited land supply.

In this regard, the Regional Plan states as follows:

As initial land release areas are now complete or nearing completion, investigation areas identified through the UDP can provide Councils with a longer term and strategic approach to respond to higher than expected housing demand. There is additional land near Calderwood in Shellharbour and at Meroo Meadow and Bamarang in Shoalhaven that is currently considered by the UDP as suitable for investigation.

The subject site has been identified as part of the broader Calderwood Urban Investigation Area for an extended period of time.

In 2010, the Department of Planning confirmed that the subject land formed part of the broad Calderwood Investigation Area (CIA). The Director General's assessment report for the Calderwood Project stated that

The proposed Calderwood development site extends further south to the Illawarra Highway than the site identified in the previous IUDP, and also extends further north into part of the Stage 5/Yallah Marshall Mount precinct of the West Dapto Release Area. It also does not extend as far to the east or west as identified in the IUDP.

The IUDP update no longer indicates a specified area for Calderwood, only noting the area generally on a map as the 'Calderwood Investigation Area'.

The report stated that the Director General and Department of Planning position is as follows:

Consideration of land previously identified outside of the IUDP map can be considered subject to a merit assessment of the potential impacts, in particular flooding. The level of development that can be supported in these areas will be dependent on the assessment of the constraints of these areas.

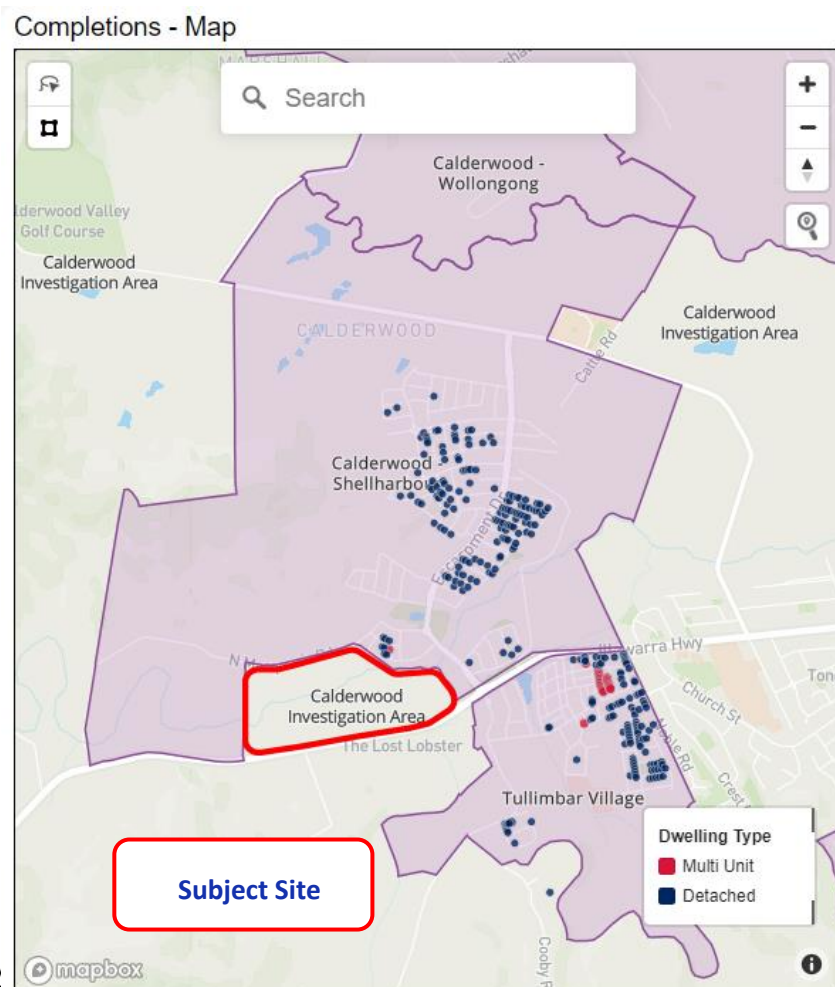
This is confirmed in the 2020 IUDP mapping which identifies the subject site as part of the Calderwood Urban Investigation Area as shown below.

As outlined in the 2020 IUDP dashboard, delivery of residential dwellings within the Calderwood Release Area is addressed in three separate components under the IUDP which deliver a total of 6,900 dwellings. These areas include:

- Calderwood (Lendlease project area) = 4,455 dwellings
- Calderwood (North Macquarie Road) = 300 dwellings
- Calderwood (Remainder) = 2,145 dwellings.

The subject land forms part of the Calderwood (Remainder) dwelling delivery area, which is identified to provide a minimum of 2,145 dwellings from 2023 onwards in order to achieve dwelling yield targets under the IUDP and ISRP.

Figure 1: 2020 IUDP Dashboard – Department of Planning



The Regional Plan indicates that these areas would require further investigation to consider a range of factors including land suitability for urban use, regional housing supply and demand, population changes, potential alternative sites, competing land uses and environmental impacts.

The Planning Proposal and associated site investigations have sufficiently addressed all of these matters to demonstrate that the land has strategic merit and a Gateway Determination is able to be issued with any further detailed studies to be addressed prior to exhibition.

The Regional Plan notes that Shellharbour City Council Local Housing Strategy indicated that there was adequate land supply for the next 20 years to meet projected demand for housing.

The Regional Plan states that *If future reviews of council's local strategic plans or the Urban Development Program identifies additional land is needed, Council will consider the suitability of locations for additional greenfield land across the local government area.*

As part of the Planning Proposal, we provided a detailed review of the Shellharbour Local Housing Strategy which has demonstrated a critical shortfall in housing supply over the 20 year period due to inaccurate consideration of areas already developed and demand for housing.

The Shellharbour Local Housing Strategy (LHS) was adopted in December 2019 and predicted a supply of approximately 5,000 new dwelling in greenfield areas.

These figures were based on population estimates by "Population id", which indicated a total dwelling demand of 4,929 new dwellings in greenfield release areas within Shellharbour LGA between 2016 and 2041, at an average demand / delivery rate of 197 dwellings per year.

This is inconsistent with the Regional Plan and IUDP which estimated a demand / supply of up to 10,000 dwellings in these greenfield areas between 2016 and 2041.

We have undertaken a detailed analysis of each development project listed in the Population id figures that informed the Shellharbour LHS as part of the Planning Proposal. This has demonstrated that, of the 4,929 potential dwellings listed in the Shellharbour LHS, only 2,463 dwellings remained undeveloped in 2020.

Furthermore, given current construction works and Development Application approvals, it is estimated that over 1,300 lots / dwellings will be delivered in 2021 and 2022. This is consistent with the IUDP predictions of approximately 1,500 dwellings / lots in this period.

On average, greenfield release areas within Shellharbour have delivered 500 lots / dwellings per year from 2016 to 2022. This is considerably higher than the 2016 Population id estimates of an average of 197 dwellings / lots per year.

Based on current known development delivery and lot production rates, the 4,924 lots identified in the Shellharbour LHS will be exhausted by as early as 2024.

It is expected that, subject to rezoning and subsequent Development Applications, dwellings are able to be delivered on the subject site from 2024 to 2030. In this regard, the rezoning of the subject site as proposed will assist in meeting ongoing demand outlined under the Shellharbour LHS and address supply shortfalls discussed above.

The rezoning and delivery of residential housing as proposed is wholly consistent with the Illawarra Regional Plan and associated IUDP dwelling delivery requirements and timeframes.

Table 1 below provides a review of the Planning Proposal under the key strategies listed under Objective 18.

Strategy	Consistency Comment
Strategy 18.1: Identify urban growth boundaries and facilitate opportunities to support ongoing supply of housing in appropriate locations.	<p>The subject land forms part of an identified Urban Investigation Area which has been included in the IUDP housing supply forecasts.</p> <p>Support for this Planning Proposal will assist in supporting the ongoing supply of housing within an existing urban growth area.</p>
Strategy 18.2: Facilitate housing opportunities in existing urban areas, particularly within strategic centres. Strategic planning and local plans should consider opportunities to: <ul style="list-style-type: none"> review planning controls so that they are creating flexible and feasible conditions for housing supply 	<p>This strategy is to be implemented by Shellharbour Council, requiring amendment to planning controls to enhance flexibility.</p>
<ul style="list-style-type: none"> align infrastructure and service delivery to match housing supply needs 	<p>The subject land is able to be serviced by minor augmentation of existing infrastructure which is being delivered as part of the residential development surrounding the site.</p> <p>This will enhance efficiency in infrastructure provision and housing supply.</p>
<ul style="list-style-type: none"> explore public domain improvements that would increase capacity for growth 	<p>This strategy will be implemented by Councils across the Illawarra as a review of public domain areas.</p> <p>The proposal delivers substantial areas of open space and riparian corridor connections which enhance public domain outcomes for the broader Calderwood community.</p>
<ul style="list-style-type: none"> identify policies and processes that could be reviewed to improve certainty and streamline development processes 	<p>This strategy will be implemented by Councils and the department to improve certainty and reduce timeframes on development processes.</p>

<ul style="list-style-type: none"> • promote urban design outcomes to support healthy and vibrant communities. 	<p>A preliminary concept plan has been provided which demonstrates the proposed urban design outcomes.</p> <p>Key place making and urban design outcomes embodied in the plan include:</p> <ul style="list-style-type: none"> • Creation of a local pocket park which allows retention of two large existing fig trees and reflects the location of the original homestead site. • Utilise the east – west riparian corridor to deliver cross site pedestrian and cycle linkages between existing residential land. • Allow for a variety of housing product and lot typologies, with small lot density housing focused around the pocket park. • Provide a clear and legible road layout and hierarchy which also encourages pedestrian movements through the site to open space and pedestrian/cycle connections. • Provide for a future road connection to the development area to the south-west as requested by RMS.
<p>Strategy 18.3: Identify, prioritise, and coordinate infrastructure needed to support vibrant and healthy communities in the region's urban release areas through the Illawarra Shoalhaven Urban Development Program.</p>	<p>As outlined above, the subject land is able to be serviced by minor augmentation of the existing infrastructure delivered as part of the residential development surrounding the site.</p>
<p>Strategy 18.4: Monitor land and housing supply through the Illawarra Shoalhaven Urban Development Program.</p>	<p>As discussed above, the site is identified as an Urban Investigation Area under the IUDP.</p> <p>Rezoning of the site and delivery of housing is consistent with dwelling demand and supply forecasts under the IUDP for the balance of the Calderwood Urban Investigation Area.</p>

Objective 19: Deliver housing that is more diverse and affordable

This objective and associated actions in the Regional Plan focus on delivering housing diversity across the region and addressing affordable housing needs.

The Regional Plan requires that Council's local strategic planning and local plans address this matter through encouraging housing diversity.

The proposal is consistent with this objective and Strategy 19.1 as:

- The layout plan facilitates a mix of housing types and lot sizes including small lot housing specified in the Regional Plan.
- The project is able deliver a housing sizes including studios and one-bedroom dwellings.
- The proposed minimum lot sizes and associated provisions allow opportunities for diverse housing options.

Section 2. General Objectives

Objective 1: Strengthen Metro Wollongong as a connected, innovative and progressive City

This objective is not applicable to the proposal as the subject site is not situated within the Wollongong Metro area.

Notwithstanding, the proposal does not seek to introduce any land use outcomes which would undermine this objective.

Objective 2: Grow the region's Regional Cities

This objective is not applicable to the proposal as the subject site is not situated an identified regional city area.

Notwithstanding, the delivery of housing as proposed will further enhance and support Shellharbour City Centre with additional residents accessing the centre, shops and facilities.

Objective 3: Grow the Port of Port Kembla as an international trade hub

This objective is not applicable to the proposal as the subject site does not form part of Port Kembla.

Objective 4: Activate regionally significant employment precincts to support new and innovative economic enterprises

This objective is not applicable to the proposal as the subject site does not form part of an identified regionally significant employment area.

Notwithstanding, the land holding is located within close proximity of the Illawarra Airport Regionally Significant Employment Lands, providing high levels of access to employment opportunities for future residents, consistent with this objective.

Objective 5: Create a diverse visitor economy

This objective is not applicable to the proposal as it relates to tourism related industries and development.

Objective 6: Activate the region's harbours to promote the blue highway

This objective is not applicable to the proposal as the subject site does not form part of any harbour areas.

Objective 7: Respond to the changing nature of retail

This objective is not applicable to the proposal as the rezoning does not relate to or seek to introduce any retail zoned land.

Objective 8: Strengthen the economic self-determination of Aboriginal communities

This objective is not applicable to the proposal as the site is not part of an aboriginal community land area.

Objective 9: Promote agriculture innovation, sustainability and value-add opportunities

Map 6 of the Regional Plan identifies areas of key Biophysical strategic agricultural land within the region.

The subject site does not incorporate and is not situated within proximity of any land mapped as Biophysical strategic agricultural land.

The strategy aims to protect identified important agricultural land and industries from other land uses, land use conflict and fragmentation.

The land is not identified as important agricultural land, is surrounded by zoned residential land and existing dwellings.

In this regard, support for this planning proposal will reduce existing land use conflict, without impacting any areas of important agricultural land.

Objective 10: Sustainably maximise the productivity of resource lands

This objective is not applicable as the subject site does not incorporate any resource (mining and mineral resource) lands.

The site is not located within proximity of any mines or resource lands.

Objective 11: Protect important environmental assets

The Regional Plan maps areas of High Environmental Value across the Illawarra and Shoalhaven. Map 7 of the plan identifies the central creek line which traverses the site as being mapped as High Environmental Value.

There are no mapped Biodiversity corridors within or adjoining the subject site.

The Planning proposal is consistent with this objective as it will retain, protect and enhance the creek corridor.

The corridor will be rezoned E2 Environmental Conservation, recognising and protecting its environmental status.

Delivery of the project will also incorporate rehabilitation and revegetation of the creek line as a Riparian corridor, and also remove agricultural activities and grazing from this area.

Support for this proposal will deliver an enhanced environmental outcome along this creek corridor.

Objective 12: Build resilient places and communities

This objective relates primarily to the preparation of a resilience benchmark matrix by the State Government and local community resilience plans by Councils.

Notwithstanding, the proposal has taken into consideration addressed all natural hazards including bushfire, flood affectation and the like.

As detailed in the Planning Proposal, support for the rezoning and development outcomes proposed will achieve a reduction in food levels for adjoining sites to the south and across the Illawarra Highway delivering positive community benefit.

Objective 13: Increase urban tree canopy cover

This objective is focussed primarily on increasing the urban tree canopy on existing urban areas.

Notwithstanding, the proponents will commit to delivering a high quality landscape outcome which promotes an appropriate urban tree canopy coverage.

Objective 14: Enhance and connect parks, open spaces and bushland with walking and cycling paths

The Planning Proposal is consistent with this objective as it will deliver significant areas of open space and facilitate extend pedestrian and cycle path linkages and connections.

The Proposal seeks to deliver the missing link green space connection along the riparian corridor between the existing zoned land to the east and west. This area will also accommodate proposed pedestrian and cycle paths linking these communities and providing access to the local centre for future residents.

Objective 15: Plan for a Net Zero region by 2050

This objective primarily relates to state and local government bodies working with energy companies in the region and coordinating broad energy and emissions targets.

This objective is not specifically applicable to individual development projects.

Objective 16: Support the development of a circular economy

Not applicable to this proposal.

Objective 17: Secure water resources

This objective is not applicable as the subject site is not located within a drinking water catchment area.

Objective 20: Establish a shared vision for the future of Bombo Quarry lands

This objective is not applicable as the subject site is part of the Bombo Quarry lands.

Objective 21: Respond to the changing needs of local neighbourhoods

AV Jennings are able to deliver housing which responds to the changing needs of the community and allow for diversity in housing responding to post Covid requirements.

Objective 22: Embrace and respect the region's local character

Not applicable to this proposal. This objective relates to Council preparing a Local Character Statement.

Objective 23: Celebrate, conserve and reuse cultural heritage

An Aboriginal Heritage Assessment has been provided as part of the rezoning package.

A detailed Aboriginal Cultural Heritage Assessment (ACHA) will be completed if required prior to rezoning. This is able to be addressed as a condition of a Gateway Determination if necessary.

Objective 24: Support major events, public art and cultural activities

Not applicable to this proposal.

25: Collaborate to leverage opportunities from Western Sydney's growth

Not applicable to this proposal.

26: Create faster rail connections between Greater Sydney, Wollongong and Nowra

Not applicable to this proposal.

27: Protect major freight networks

Not applicable to this proposal.

28: Create connected and accessible walking and cycling networks

This objective and associated strategies seek to improve and/or create connected and accessible walking and cycling networks across the Illawarra Region.

This proposal will enhance local pedestrian and cycle connections, providing a missing link in the east-west pedestrian and cycle paths through the Calderwood release area.

At present, pedestrian and cycle pathways along the creek corridor will terminate on the eastern and western boundary. Support for this planning proposal will allow for the delivery of this key missing link, enhancing connectivity for residents to access the planned local centre.

29: Utilise smart infrastructure to drive resilience, prosperity and vibrant places

Collaboration with Shellharbour Council during the delivery phase will allow for the installation of smart infrastructure technology where possible.

30: Prepare for mobility changes that improve connectivity and sustainability

This objective relates to a regional approach to matters such as provision of electric vehicle charging stations, automated vehicles and drone technology.

This objective is not applicable to this proposal.

We are keen to work closely with Council, Department of Planning and Planning Panel to achieve resolution of the land use arrangements for this site.

Please do not hesitate to contact me on 0455 994 957 should you any questions regarding the Planning Proposal.

Your faithfully
URBANCO.



Michael Rodger