

18<sup>th</sup> December 2020



**BRIDGEHILL**  
GROUP

Bridgehill (Tallawarra) Pty Ltd  
ACN 614 180 639  
15-23 Geddes Avenue  
Zetland NSW 2017  
Phone +61 2 8732 8600  
info@bridgehill.com.au  
www.bridgehill.com.au

Regional Manager  
Department of Planning, Industry and Environment  
Email to: [illawarra@planning.nsw.gov.au](mailto:illawarra@planning.nsw.gov.au)

Dear Sir/Madam

**SUBMISSION ON DRAFT ILLAWARRA SHOALHAVEN REGIONAL PLAN AND DRAFT  
SPECIAL INFRASTRUCTURE CONTRIBUTION IN RESPECT OF TALLAWARRA LANDS BY  
BRIDGEHILL GROUP**

Bridgehill is the developer of the Tallawarra Lands project and is pleased to make this submission on both the Draft Illawarra Shoalhaven Regional Plan and Special Infrastructure Contribution.

***About Bridgehill***

Bridgehill is a privately-owned residential property developer with over 10 years' experience in delivering high quality residential projects to both investors and owner occupiers. Our philosophy 'Beyond Development' drives quality outcomes for urban dwellers and aims to continually innovate and improve quality of urban living has been recognised by the industry with multiple international and national awards. Our success fuels the success of others and we pride ourselves on providing opportunities for our partners to grow with us.

For over 10 years, Bridgehill has engaged thousands of specialist personnel by injecting significant capital into NSW economy. We have delivered over 4,000 construction jobs and over 1,000 specialist consultant jobs. Our rapid growth is matched only by our ambition to be the best in the market. Supported by our exceptionally strong financial position we are poised to deliver another exceptional project in Tallawarra. Our continuous success has meant that Bridgehill does not depend on financial institutions to deliver projects we have the capital and capacity to realise exceptional projects .

Having already established a strong presence in Sydney, Bridgehill is constantly looking to diversify its portfolio and expand its market share into other property sectors. In 2015, Bridgehill saw an opportunity to expand its market presence by investing in Tallawarra Lands, in regional NSW. Tallawarra Lands approved Concept Master Plan offers an opportunity to deliver a diverse portfolio of projects with significant value to NSW economy.

### ***About Tallawarra Lands***

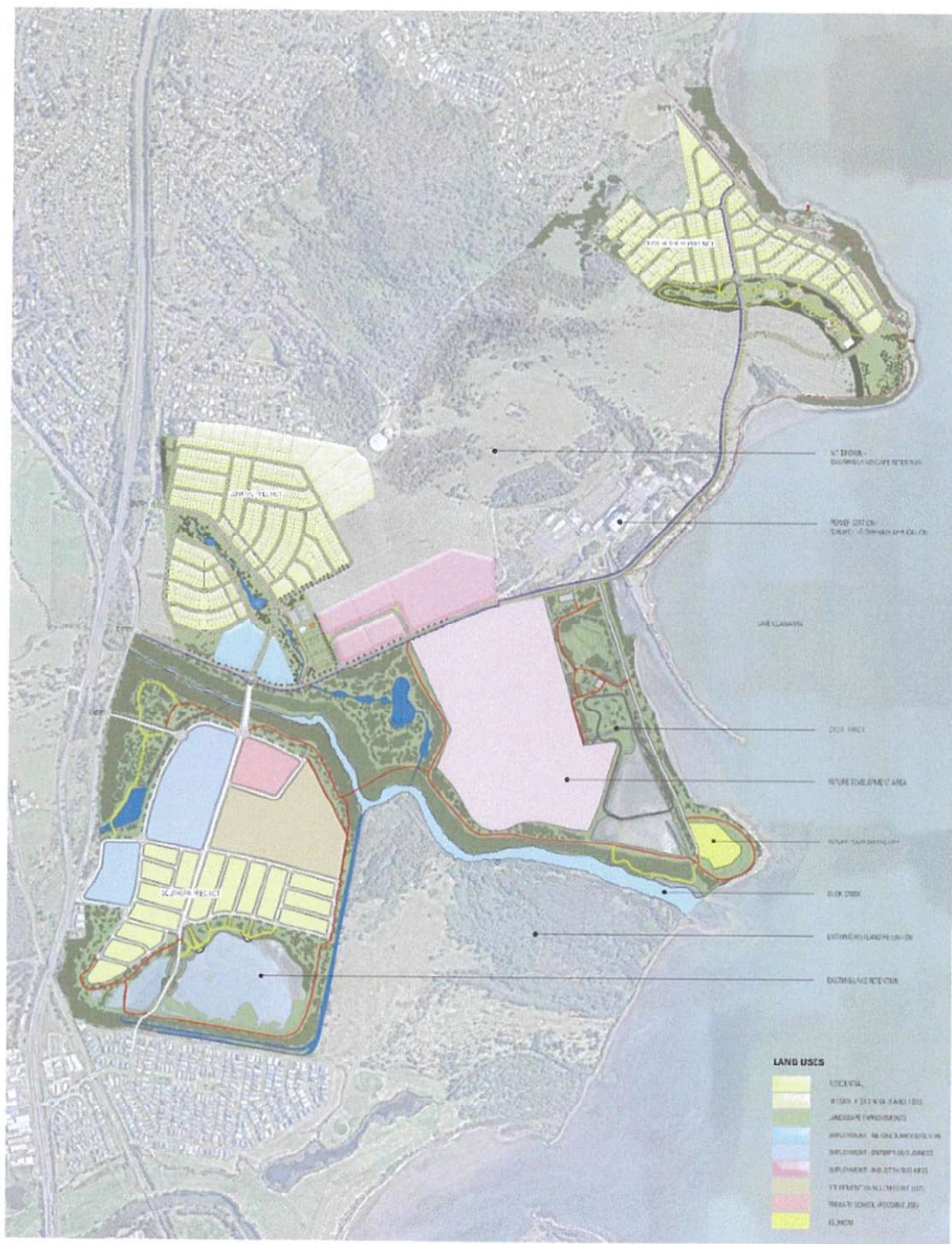
Tallawarra Lands is a vibrant and dynamic community surrounding the western foreshore of Lake Illawarra. Land will be used for a mix of residential, commercial, industrial, community, tourism, recreation and environmental enhancement purposes. Residential dwelling design and construction will deliver energy and water efficient outcomes.

The community will live in a 20-minute neighbourhood where typical daily needs have the potential to be met by the diversity of land uses and the options for movement within, to and from the site.

Tallawarra Lands will evolve consistent with the Concept Plan for overall development approved with Major Project Approval MP 09\_0131 as modified. Sequencing of works will be matched with new infrastructure, open space areas, restoration of riparian areas and improvements in water quality management.

The approved Concept Plan describes the development as follows:

- (a) Three residential precincts accommodating up to 1,257 lots - the Northern Precinct, Central Precinct and the Lakeside (southern) Precinct;*
- (b) Lands for a neighbourhood centre within the Central Precinct;*
- (c) Lands for a future tourism facility on the eastern headland of the Central Precinct;*
- (d) Lands within the central and southern precincts for industrial, light industrial and business purposes;*
- (e) An internal road network, a network walkways, cycle paths, share paths; and*



0 100 200 300 400m  
SCALE 1:8000 @ A1, 1:12000 @ A3



landscape architecture  
urban design  
environmental management

FIGURE 7.5 LANDSCAPE CONCEPT PLAN

BRIDGEHILL GROUP PTY LTD TALLAWARRA LANDS

DATE: 10.11.2020 PROJECT NO: 82617142-02 DRAWING NO: 1.1000 ISSUE: 1

(f) Open space, public recreation areas and conservation lands.

The Concept Plan includes:

- > **The Northern Precinct** which includes residential land, open space areas and an environmental corridor linking the lake foreshore with elevated areas of Mount Brown
- > **The Central Precinct** which includes residential land ranging from medium density areas to large residential lots, a commercial and community centre, an active open space area and employment lands
- > **The Southern Precinct** which includes employment and commercial lands, a tourist facility site on the lake foreshore, regional scale recreational space and residential land of medium and low density
- > **Environmental Lands** establishing a buffer to the Tallawarra Power Station and containing lands to be managed for environmental enhancement

Land adjacent to the Princes Motorway will be dedicated to TfNSW for future road and road infrastructure construction.

Major initiatives assisted by this project include the extension of Yallah Bay Road, contributions towards north facing ramps at Dapto South Interchange, undergrounding of high voltage power lines, activation of Lake Illawarra Foreshore and Rehabilitation of Mount Brown Nature Reserve.

The Tallawarra Lands Project has been design to take into account the existing and proposed development of the Tallawarra Power Station which is a 435-megawatt combined cycle natural gas power station. The station is the first of its type in New South Wales and produces electricity for the state during periods of high demand. The station comprises a 260-megawatt gas turbine and a 160-megawatt steam turbine unit. In terms of future proofing, the Tallawarra Lands development accommodates an additional power plant known as Tallawarra B Open Cycle Gas Turbine which will create hundreds of jobs and inject \$300 million to the local economy. Once commissioned, the 300-megawatt plant will be ready to start generating electricity for 60,000 homes with only 25 minutes' notice.

For Bridgehill, Tallawarra Lands is set to become the most significant project to date. Bridgehill has already committed \$25 million towards securing the site including planning and design work associated with the start of construction with further a \$300 million planned to fast track delivery. Bridgehill's current projects in Sydney are near completion (385 apartments in Green Square Zetland \$133M to be completed 2022). With almost 3 years in the planning system and recent S75W MOD determination, Bridgehill is ready to deliver Tallawarra Lands. Bridgehill's strong financial position means that the project can be initiated without the need of financial institutions support and it can be 'shovel' ready within a short period of time, making Tallawarra Lands one of the key projects ready to assist with COVID-19 economic recovery.

The total construction cost based on the final project (inclusive of the proposed modification and vision initiatives) could be in the order of \$940.6 million over 10 years, equating to an annual construction cost of \$94.1 million (Urbis, 2017). Construction is forecast to generate an estimated 92 direct jobs and 196 indirect jobs in each year of the construction phase. This employment represents total number of employees without any conversions to full-time equivalence. The construction project is estimated to have the potential to generate \$17.4 million in direct Gross Regional Product (GRP) per year, and \$30 million in indirect GRP. Across the 10-year construction phase of the project, the capital investment of \$940.6 million is forecast to generate direct GRP of \$174.5 million and indirect GRP of \$300 million.

### **Comments on Draft Illawarra Shoalhaven Regional Plan**

1. The Draft ISRP has a comprehensive set of four x themes, 30 x objectives, and a mix of actions, strategies and collaboration activities. Without additional funding and resources DPIE will face a challenge in delivering the plan.
2. The four themes are appropriate (productive and innovative region, sustainable and resilient region, region that values its people and places and smart and connected region) and set the region on a good trajectory. They are more forward looking (i.e. what we can be not what we are already) than previous regional Plans.
3. The Draft ISRP states (pp8) that the Regional Plan has been prepared concurrently with Transport for NSW's Illawarra Shoalhaven Regional Transport Plan, yet this document is not scheduled for exhibition. It was disappointing that the exhibition of the Draft ISRP does not align with the Draft Transport Plan by TFNSW – or more importantly why could not we have one plan only.
4. The draft ISRP mentions a few infrastructure projects required to support growth, although more are identified in the draft SIC. This is contrary to statements made in the Draft SIC that both documents are aligned. This raises questions about delivery and resourcing.
5. The identification of regional significant precincts, including Metro Wollongong, West Dapto (residential and employment areas), **Tallawarra (residential and employment areas)** and Port Kembla, is supported. These precincts deliver on multiple themes and objectives. These precincts will continue to be important for employment and housing opportunities in the region.
6. The actions/strategies need more detail in terms of who/when/why/how/when. These are important concepts and will elevate the Draft ISRP from a simple discussion document to a real Plan. Each of these needs a budget, commitment, timeframe, key measurements of success. They could be included in pull out boxes or a schedule at the back of the report in an Appendix.
7. The **Tallawarra Employment Lands** are mentioned several times in the Draft ISRP. This is an important project for the region and possibly the largest single private investment. In addition to employment lands, it has significant residential lands, institutional and health, recreational esp. when associated with the activation of Mount Brown and the Lake Illawarra Foreshore. What affects the employment lands aspects of this project however is the lack of regional road connections which were removed with the Albion Park Rail Bypass northern interchange was removed from the project? We would hope that this is corrected in the current Draft ISRP.
8. We support the goals and discussion on housing affordability. However, and as discussed in more detail below, the new Draft SIC effectively doubles the rate of contribution which will impact across the board on housing affordability. There is no analysis of the combined effect of both local and state charges on the bottom line. This was mentioned at the industry feedback session but does not appear to have been considered in an overall context and supplementary feasibility model. There is little mention about positive change by way of policy and activation of surplus government assets. New approaches must be made to tackle this intractable problem.

**Comments on Illawarra Shoalhaven Draft Special Infrastructure Contribution**

9. The Draft SIC is much welcomed and will save the industry much unnecessary time, effort and uncertainty negotiating individual state based VPAs on projects. This improves certainty and timeliness for developers.
10. There are no details on the items beyond a simply list and cost. This raises the question on the maturity of the concept, effectiveness and developability. At the very least, a map and concept sketch and overview/cost would really help. For example, what are the **Tallawarra on and off ramps**? Are they the same as north facing ramps in the previous Draft SIC? Where are they located, have they been designed, will they work, has the land been acquired? Do they appear in a report and have they been endorsed by the proponent (RMS in this case). How robust is the cost estimate? Does the design integrate with the current Albion Park Rail Bypass and more importantly the Tallawarra Lands project? Could Bridgehill as developer of Tallawarra undertake such works as an in-kind contribution?
11. We note that many of the infrastructure items are carry overs from the Draft 2011 SIC yet with significant cost increases. Widening of the M1 (like the Albion Park Bypass) should be considered a regional cost not partly attributed to West Dapto and burdened on a wider taxpayer base.
12. There is no expenditure plan to match expected growth which present risks and uncertainty to developers and their projects. There is also no priority plan which then provides an opportunity for 'interference' in proper and orderly planning.
13. The SIC only generates a proportion of the cost (say 10%) of the overall capital item. Has government made a commitment to the other important 90%?
14. The new Draft SIC effectively doubles the rate of contribution which will impact across the board on housing affordability. There is no analysis of the combined effect of both local and state charges on the bottom line. This was mentioned at the industry feedback session but does not appear to have been considered in an overall context and supplementary feasibility model.
15. We certainly support the reduction in SIC rate for Tallawarra as compared to West Dapto and Calderwood and would like to review DPIE's inputs to understand the differences between the different rates for the release areas.

We would be pleased to meet with DPIE and run through our comments in more detail.

Yours Sincerely,

A large black rectangular redaction box covering the signature area of the letter.

Tallawarra Lands  
Senior Development Manager