

Our Ref: 48982021-001-01:DFL

Contact: [REDACTED]

17 December 2020

The Regional Manager
Department of Planning, Industry and Environment
84 Crown Street
Wollongong NSW 2500

email to: illawarra@planning.nsw.gov.au

Dear Sir/Madam,

Cardno (NSW/ACT) Pty Ltd
ABN 95 001 145 035

16 Burelli Street
Wollongong NSW 2500
Australia

Phone +612 4228 4133
Fax +612 4228 6811

SUBMISSION ON DRAFT ILLAWARRA SHOALHAVEN REGIONAL PLAN AND DRAFT SPECIAL INFRASTRUCTURE CONTRIBUTION

Cardno is pleased to make this submission on the Draft Illawarra Shoalhaven Regional Plan and Special Infrastructure Contribution. We take our role as a leading professional services consultancy (with now 8 full time professionally qualified planners) seriously in our region.

These are important documents and it is imperative we get them right as they affect how we work, where we live and how we play. This is our personal submission and may not necessarily reflect the views of our clients or the industry associations we work closely with such as PCA, UDIA and PIA.

We also apologise in advance for the direct tone of the submission. We are all very busy at the moment on the run up to Christmas and it is hard finding 'spare time' to read the documents and prepare this submission. It is very much written from 'first principles' by the author. Bring on 2021 we say!

Draft Illawarra Shoalhaven Regional Plan

1. The acknowledgement at the foreword is a good initiative and places due recognition on our first nations people and the land they nurtured for millennia. This is the first time we have seen this so well done on bumping the obligatory politician.
2. Before we have a new plan can we review the effectiveness of the previous ones and there have been several? Many of the actions of the current plan have yet to be completed. The PCA did a review of good v not so good regional plans which was summarised in a simple review page on the effectiveness of regional plans. It would be good to see our successes against what we set out to do.
3. As noted in this Draft ISRP, the Coordinating and Monitoring Committee will monitor and review progress towards achieving the vision and meeting the objectives. It is stated that the Draft ISRP will be reviewed and adjusted every five years, or as necessary, to realise the vision for 2041. An online dashboard (quite helpful but hard to see how it integrates with the Draft ISRP) will include indicators for housing, employment, communities and the environment. We need some measurable KPIs unlike previous plans.

4. The Draft ISRP like its predecessor has a Coordinating and Monitoring Committee jointly chaired by the Department of Planning, Industry and Environment and the Illawarra Shoalhaven Joint Organisation. The Committee will include representatives from the four local councils, the Department of Regional NSW, Transport for NSW and NSW Health, all of which are responsible for most of the Regional Plan's objectives. The Committee will report to the Illawarra Shoalhaven Leadership Executive, bringing a whole-of-regional government approach to planning. Whilst this is welcomed, there is merit in having an independent Chair and Board that sits outside the process akin to a Board of Directors on a Listed Company. As it stands the governance framework is all government and it should be noted that this is a plan for the region not just for government in the region. Would not it be novel to have a member of the community on the advisory Board?
5. The Draft ISRP plan is an overarching view of the region and is more explanatory than the current Regional Plan. The Draft ISRP explains the current situation and proposed direction, but many of the directions are carry overs from the previous plan.
6. 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.
7. This mammoth task appears to be met with a stronger focus on collaboration with each of the Council's to deliver on the strategies identified in the draft Plan. This is a real change of focus to previous Plans and whether this is a good thing or not time will tell. This would be the first Regional Plan when the lead agency is the local Council instead of DPIE. Paradoxically, the Draft ISRP does not contain any funding to resource the actions, strategies or activities and Council's may have other (possibly) conflicting tasks in say its LSPS, CSP, and LEP which it will put ahead of the Draft ISRP.
8. 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.
9. 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. It is also a bit disingenuous to say that the Transport Plan has been prepared in accordance with Draft ISRP when it has not yet been adopted. This leads to the obvious conclusion that the absence of any funding commitment to Mount Ousley, Picton Road, Maldon - Dombarton/SWIRL is a missed opportunity.
10. 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.
11. 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.
12. 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.
13. Dealing with Metro Wollongong (City Centre, Hospital precinct, Foreshore, University of Wollongong, and the Innovation Campus) is a novel idea but we need to get into the detail as to how this precinct functions and what are its barriers to growth. Where is the current planning/policy/infrastructure misaligned? Cardno was proud to be selected as a professional service that had prospered due to its location within the Wollongong CBD.

14. We support Wollongong Council's efforts to secure commitment for new schools at West Dapto. We would go further can call for more detailed planning for West Dapto in terms of the much-requested integrated infrastructure plan. This would pick up but physical and social infrastructure necessary to support the growing population. It would be a great improvement on the current ad-hoc method of delivery.
15. The plan puts a focus on the scenic hinterland that defines the coastal rural character of the region. This is not detailed any further and then throws in a reference to Bombo Quarry as a growth area. In size the latter is very small and constrained and would hardly be described as an area – more akin to a project. Bombo appears to have lost its title as a regionally significant employment land in favour of residential land to appease the community of Kiama who area opposed to growth of their town. Using Bombo for this purpose may be short sighted given its heavy road and rail services and distance away from exiting centres. It is comparable to the other Regionally Significant Employment Lands (perhaps even smaller) yet it is been dropped off entirely. It is completely different to the Regionally Significant Growth Areas which are large Greenfield urban release areas of West Dapto and Nowra-Bomaderry within which it is grouped. Our work for previous Regional Plan identified Kiama having virtually no employment lands within its LGA.
16. 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, is 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.
17. Cardno was proud to be able to contribute two studies to the regionally significant precinct of Port Kembla, namely the buffer zone and surplus lands studies. Both provided more detail on the operation of the Port and some innovate ideas to move the dial forward. We believe that many outcomes of the studies could be included in the Draft ISRP to give more clarity about the potential for the Port and its ongoing production. We would also encourage DPIE to work with NSW Ports to develop Port Kembla in a more meaningful timeframe to that proposed in their 30 year masterplan. There are many businesses in NSW and beyond that would benefit from a second container port. This is a significant component of the SWIRL concept supported by the region's business leaders.
18. The theme of a smart and connected region is strongly supported. However, potential rail improvements in the region are not discussed in any exhaustive manner such as passing loops at Thirroul, Unanderra, congestion between Wollongong and Sydney.
19. Strengthening the self determination of aboriginal communities is a laudable goal. However little progress has been made with regards to goals about appropriate and development of aboriginal land as per the previous regional Plan. It is a sad irony that the ILALC own little land themselves and this needs to be addressed. The current system of aboriginal claims on crown Land is unworkable both for the claimants and Crown Land itself.
20. 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.
21. There are some good sections about using SMART technology in planning for our region. The Draft ISRP itself could adopt many of these technologies in terms of its assessment, planning and monitoring of the region. DPIE should lead this initiative not local Councils and it has shown it can do such with many of the Smart Plans being prepared.

Illawarra Shoalhaven Draft Special Infrastructure Contribution

22. The Draft SIC is much welcomed and will save the industry much unnecessary time, effort and uncertainty negotiating individual state based VPAs on projects. Such a process takes a full year and hence it is virtually impossible to procure a DA outside of that minimum statutory period – even for minor works that attract a SIC. This system has been around for almost a decade and it is disappointing that we have not found a workable solution until now.
23. Wollongong City Council believe that almost \$10M has been collected via this method yet only \$600K has been allocated. It would be useful to get a full account of monies in/out during this period. It is noted that DPIE sought nomination for early works. Cardno on behalf of UDIA presented its updated Building Blocks reports with suggestions on how key infrastructure items could unlock land supply across the Greenfield areas.
24. Both the Draft SIC and ISRP state that there is alignment between both documents and ergo that the growth envisaged in the latter is funded (in part as the SIC only represents a proportion of the overall cost) by the former but beyond simple policy statements there is nothing linking the two.
25. This is an important part of the nexus test (that unfortunately does not apply to SICs as it does to say s.7.11 Contributions) as the reader is left wondering which parts of the infrastructure compendium are necessary, at what rates and at what times. Industry has advocated for some time for a more sophisticated network plan for the region.
26. DPIE states that it has consulted with government as to what is required but this is a qualitative response and an 'end of state'. This is rather vague and leads to broad identification of items that may or may not be needed, and or are not needed in the manner proposed.
27. Most of the items are simple estimates which can be seen in the order of costs (some down to the nearest dollar) which is indicative of broad estimates derived from either comparable projects or simple rates x quantities. Costs for the WD Biodiversity is a convenient \$20M (significantly higher than the earlier estimate), the Nowra Waterfront \$25M, the on and off ramps are the same dollar figure, Northcliffe Drive Extension is \$74M yet it is only at prelim concept stage.
28. 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 the developer of Tallawarra undertake such works as an in-kind contribution?
29. 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.
30. It is not clear whether some of these items are picked up in Council's S.7.11 Contribution Plan hence possibly leading to a double count. An authoritative review between DPIE/Council should be done.
31. Wollongong City Council's Biodiversity Certification has all but stalled since 2014 yet the details of the new scheme are yet to be fully released and appraised. Attempt to get copies of the draft Plan direct from Council and/or DPIE have been strongly rejected by Council and we are still to some degree left in the dark. We note the Draft plan is not currently supported by DPIE. A speedy solution to this problem is welcomed.

32. Few of the items are at concept design or better and hence present significant risk in their formulation. Development in the Greenfield areas (even for infrastructure) is tricky.
33. 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.
34. For many years, the development industry has called for an integrated infrastructure plan that aligns the infrastructure with the expected growth across both physical (infrastructure and utilities) and social (schools, open space, facilities) services. This needs to be quite detailed and allow changes in circumstances. This was discussed in the earlier Regional Plan.
35. The alternative to the 'grand plan' is the current system of ad-hoc responsive actions that see local and state road agencies, utilities, emergency services, developers working to different agendas. There are unfortunate examples of infrastructure being required to be designed twice and once built moved/upgraded.
36. The benefits of the SIC approach are acknowledged at pp6 and could be achieved if the current documentation supporting the SIC were improved.
37. 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% from consolidated revenue? This is the case for the Northcliffe Drive (\$74M) and West Dapto Ring Road (\$260M) where 90% of their cost is expected to be borne by the State Government.
38. The new Draft SIC proposes a contribution rate of \$125K/ha of NDA which is significantly higher than the current \$73K/ha of NDA proposed in the Draft 2011 SIC and the \$59K/ha NDA that developer are currently paying through VPAs.
39. 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.
40. The feasibility model shows that when the SIC rate moves from \$10,000 to \$12,500 the proportion of feasible lots drops. This is based on assumptions that were questions on the industry feedback day, but it is difficult to see who the overall cost is comprised. It was clear that the experiences from the industry (overall difficulty, timing, cost and associated risks) were different to DPIE and their consultants.
41. Again, without the clear inputs it is hard to see the differences between different rates for say Tallawarra, West Dapto and Calderwood.

We appreciate there is a lot of content here so would be pleased to meet with DPIE and run through our comments in more detail.

Yours Sincerely,

A large block of text is completely redacted with black ink. A small, handwritten loop is visible at the bottom right of the redacted area, likely representing the end of a signature.A list of five items is redacted with black ink. The items are represented by horizontal bars of varying lengths, suggesting a bulleted or numbered list.