

SHELLHARBOUR CITY COUNCIL'S SUBMISSION ON THE DRAFT ILLAWARRA SHOALHAVEN REGIONAL PLAN

Thank you for the opportunity to provide feedback on the draft Illawarra Shoalhaven Regional Plan (ISRP) and draft Illawarra Shoalhaven Special Infrastructure Contribution (SIC). Council has appreciated the ongoing collaboration between the Department of Planning, Industry and Environment (DPIE) and Council in reviewing and development these documents.

A number of Council staff have been involved in reviewing the draft ISRP to inform this submission and ensuring the draft Regional Plan is consistent with the future direction for Shellharbour LGA as identified by our Community and Councillors.

We look forward to working with the State Government on finalising the draft ISRP and working collaboratively to implement the plan and ensuring the best outcomes for our region.

Summary of key considerations

Overall, Council is generally supportive of the draft ISRP and draft SIC. The main issues for Shellharbour City Council in the draft ISRP and Draft SIC are:

- The West Lake Illawarra Growth Area identified in both the draft ISRP and draft SIC has mapped housing release areas that extend past the Calderwood urban release project area as identified in the State Environmental Planning Policy (State Significant Precincts) 2005 (State Significant Precincts SEPP) and the Calderwood Concept Plan Approval Area. These additional areas mapped for 'housing release areas' are currently zoned rural and environment and is not required to meet our housing demand targets as identified in our Local Housing Strategy.

This is Council's main contention with both the draft ISRP and draft SIC. This is outlined in further detail below.

- Council requests that the Department formally endorse in the ISRP our existing urban area as the boundary for urban growth. Our Local Housing Strategy as endorsed by the Department in May 2020 identifies no need for additional urban release areas to meet housing demand.
- The Ministerial Determination in relation to the draft SIC does not address how amenities and services provided through voluntary planning agreements (VPAs) or through Council's general budget will be exempt from the SIC.
- The works identified in the SIC for funding from the State Government requires further information in regards to the extent and location of works identified to be funded through the SIC.

Mapping of the Calderwood Housing Release Area

The mapping of Calderwood in the West Lake Illawarra Growth Area in Objective 18 on page 63 of the draft ISRP and contained within Schedule 1 of the draft Ministerial Direction remains an ongoing issue for Council. The Calderwood area identified as 'housing release areas' (See Figure 1 below) extends past the Calderwood Urban Release project area as identified in the State Significant Precincts SEPP and in the Calderwood Concept Plan Approval Area (See Figure 2 below).

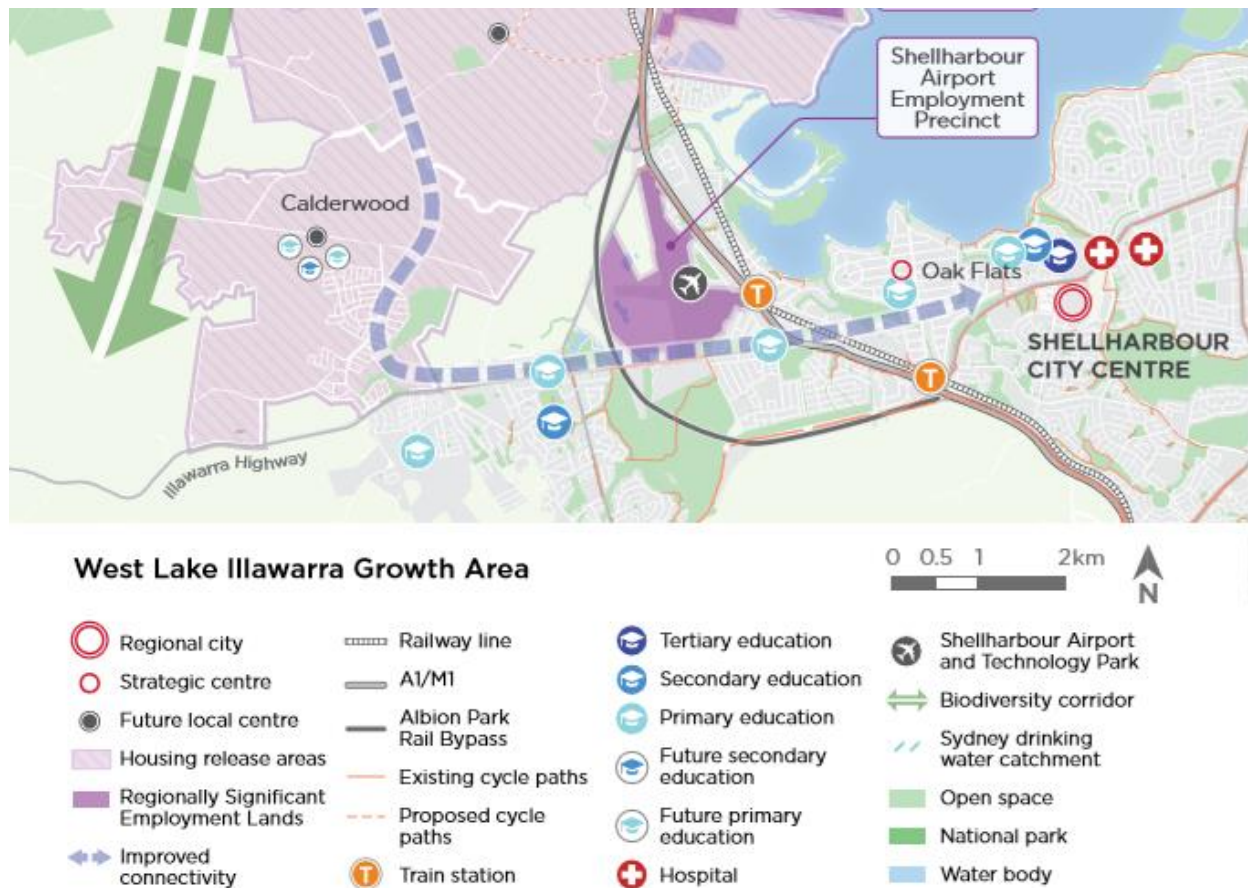


Figure 1 - West Lake Illawarra Growth Area as mapped in the draft ISRP



Figure 2 - Map showing extent of the Calderwood urban release project area as identified in the SEPP and as mapped in the draft ISRP¹

These additional lands are zoned rural and environmental. They are not required to meet any identified housing demand and are essentially a remnant from outdated planning that

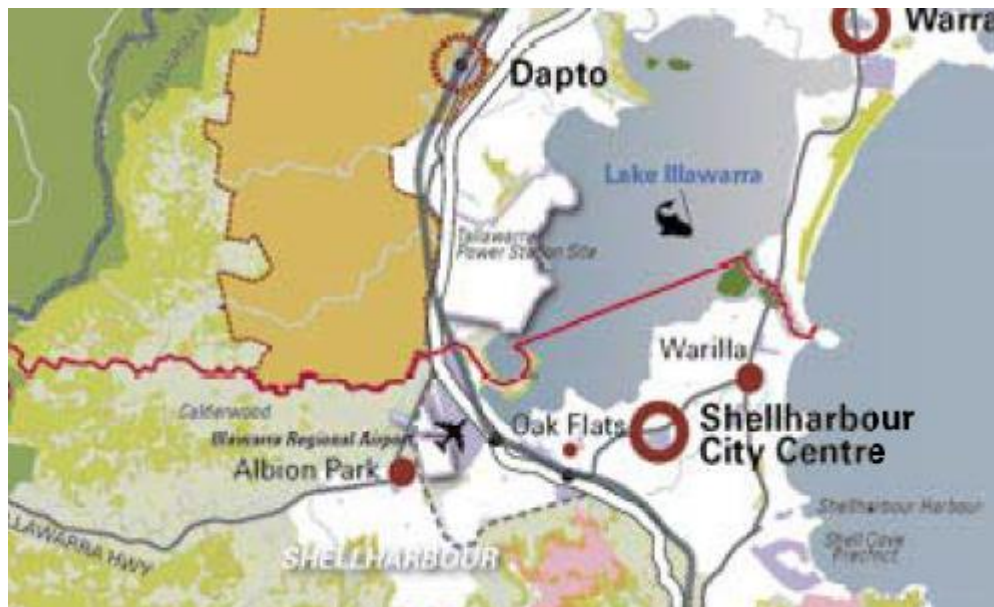
¹ Director-General's Environmental Assessment Report (2010) *Calderwood Concept Plan Proposed by Delfin Lend Lease Project Application MP 09-0082*.

was done prior to and superseded by the Illawarra Regional Strategy which was adopted by the State in 2007.

The 2007 Illawarra Regional Strategy's main action in relation to Calderwood was:

- Provide for an additional future urban expansion area at Calderwood if demand for additional regional housing supply arises because of growth beyond the projections of this Strategy or regional lot supplies are lower than required.

The Strategy Map made no reference to Calderwood being an urban release area, see *Figure 3* below.



NEW RELEASE AREA – WEST DAPTO

West Dapto is the priority new release area for the region and will deliver approximately 19,000 new dwellings over the next 30 to 40 years. The design of West Dapto is ongoing but will include new town centres, improved public transport opportunities and Kembla Grange employment lands. The West Dapto release area will also incorporate total water cycle management measures including harvesting and onsite reuse of stormwater and recycling of waste water for industrial use.

Figure 3 - Illawarra Regional Strategy 2007 mapping

Soon after the release of the Illawarra Regional Strategy, The Illawarra Urban Development Program (UDP) was reconstituted to assist with the implementation of the Illawarra Regional Strategy. The UDP is the State Government's program for managing land and housing supply in the Illawarra (and Shoalhaven). Importantly, the UDP "Strategically plan(s) to ensure the sustainable supply of housing to meet the Region's needs".

In 2010 a UDP update was issued. It did not map Calderwood as an urban release area but had a notation without identifying a specific land area as "Calderwood Investigation Area".

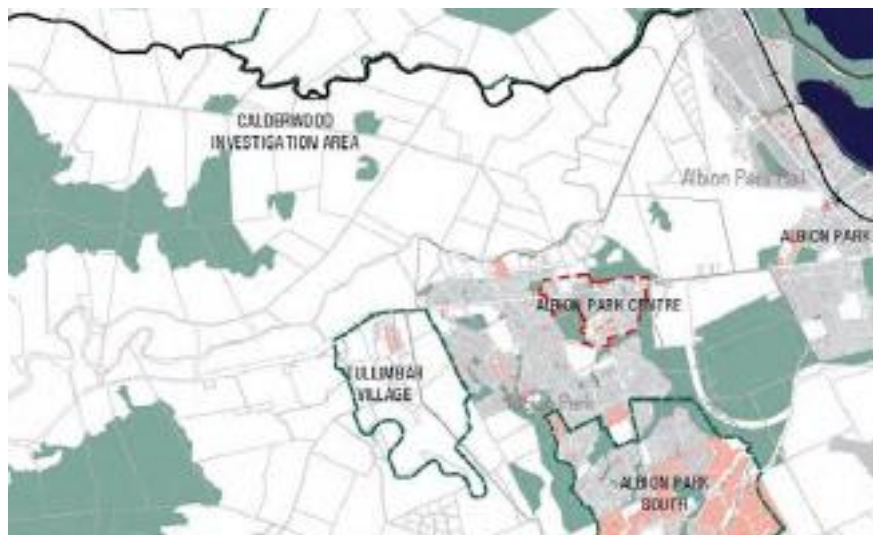


Figure 4 – 2010 Urban Development Program mapping

This is important as the previous Metropolitan Development Program (Which included the Illawarra) did have parts of Calderwood specifically identified as release areas. (Areas 52.7 and 52.8A). It was this superseded program that identified up to 8,000 dwellings at Calderwood without any detailed investigation or validation.

Therefore, urban release areas at Calderwood were effectively removed through the Illawarra Regional Strategy and Illawarra Urban Development Program.

The next UDP update in 2012 only includes the land that was approved for urban development under the State Significant Precincts SEPP and the Calderwood Concept Plan Approval. The area to the west of this land is indistinctly identified as “Calderwood investigation area”. There are no annotations for land to the east.

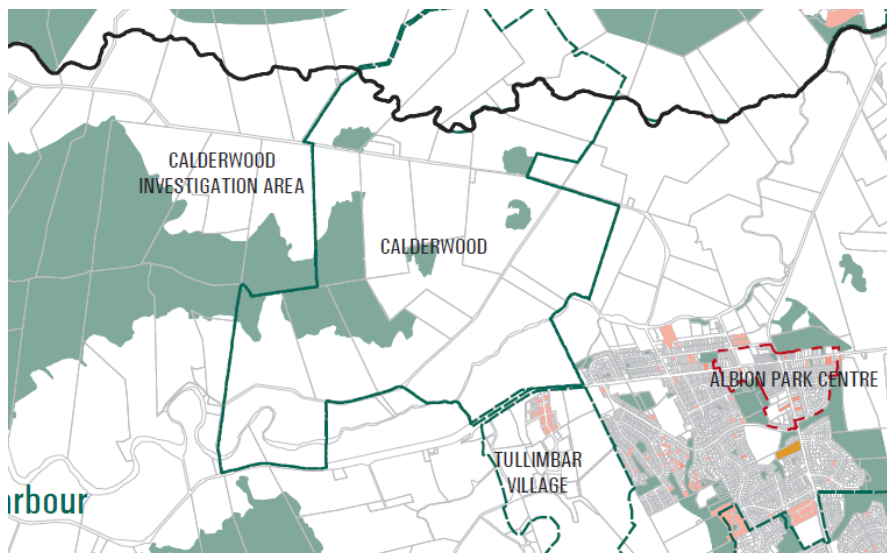


Figure 5 – 2012 Urban Development Program mapping

The 2012 IUDP also states:

Shellharbour LGA has a sufficient supply of strategy identified greenfield land (10,706 lots). This is well above the required 3,135 lots needed according to the 15 year benchmark. There are 7,806 lots zoned which means Shellharbour LGA also

meets the 8 year benchmark of 1,672 lots zoned. Based on the 7.3 year benchmark for zoned and service ready lots, Shellharbour LGA would require 1,526 lots. There are 4,151 lots zoned and service ready. (page 21 of 2012 UDP)

Interestingly the 2012 UDP update made reference to a potential dwelling yield at Calderwood of 6,555 dwellings based on “the assumptions underpinning the draft Illawarra (West Lake Illawarra) Special Infrastructure Contributions Plan”. This plan was not proceeded with and to date no special infrastructure contributions plan has been adopted by the State for the area.

The UDP was again reviewed in 2014, 2016 and 2018. The 2014 and 2016 reviews contained the same mapped area, that is only showing the approved Calderwood Concept Plan Approval Area as greenfield release area. Notably in 2016, the term “Calderwood investigation area” was also removed from the maps.

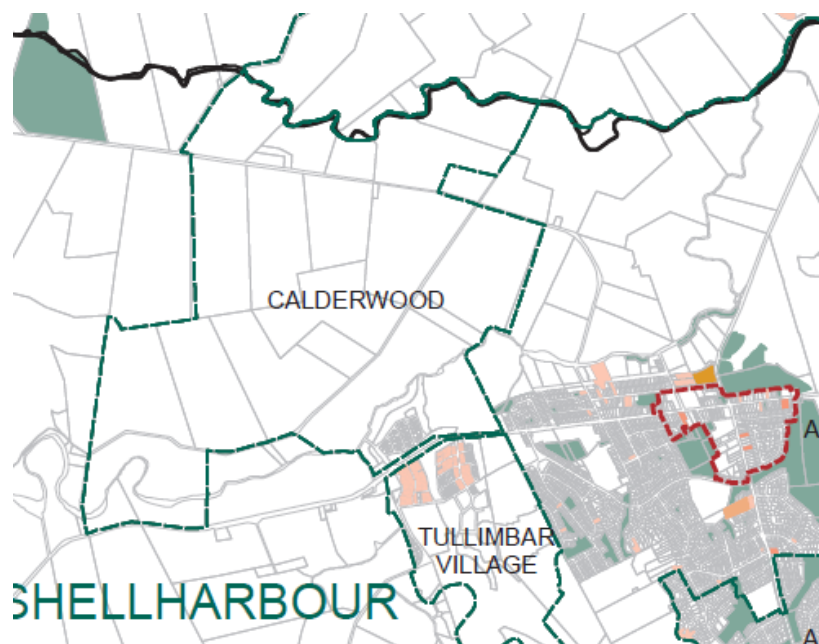


Figure 6 - 2016 Urban Development Program mapping

In the 2018 UDP review, the update and dropped commentary in relation to benchmarks for serviced and zoned land. This 2018 Update has internal inconsistencies in relation to dwelling yields and zoned and serviced land at Calderwood. The mapped area in the 2018 review for Calderwood only shows the approved Calderwood Concept Plan Approval Area as greenfield release area, see Figure 7 below.

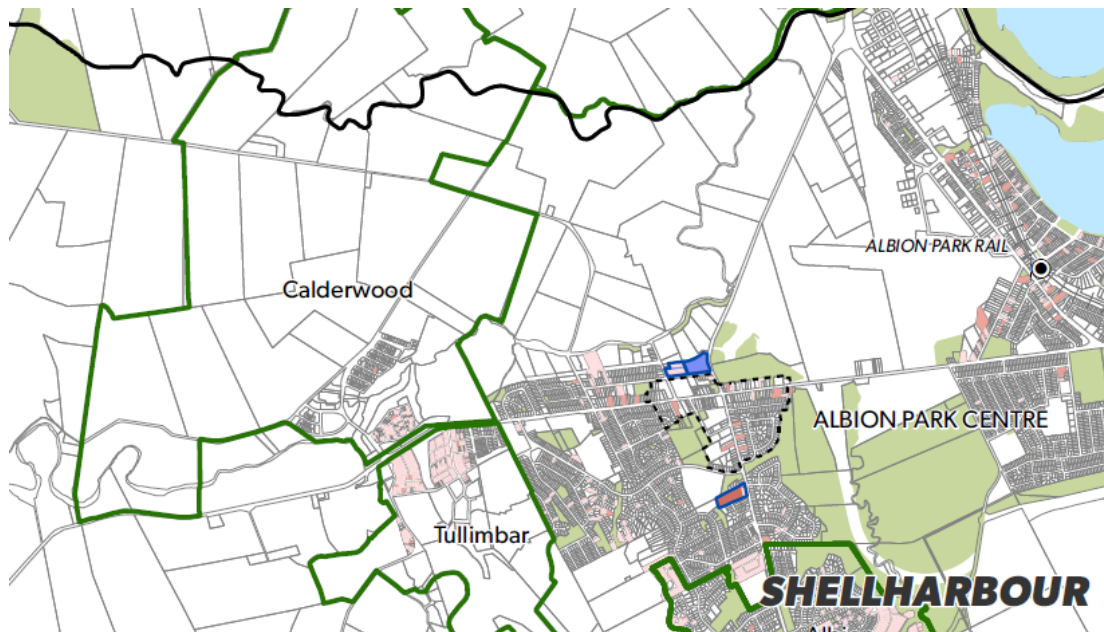


Figure 7 - 2018 Urban Development Program mapping

The clear message is that since 2007, Shellharbour City Council has consistently met its obligations in relation to the provision of green field housing and there is no detailed justification for rezoning more rural and environmental land for residential development.

The existing adopted Illawarra Shoalhaven Regional Plan was adopted by the State in 2015. Notwithstanding all of the above, it too shows an expanded area of Calderwood as a “regionally significant release area”. Council raised the mapping discrepancy when the current plan was a draft and Council objects to this mapping being incorporated into an updated Regional Plan. In the current Draft ISRP this land is now identified as “housing release areas”.

The major difference this time is that while the Draft ISRP recognises the importance of the UDP to monitor land and housing supply, it also has the following Strategy (18.1):

Identify urban growth boundaries and facilitate opportunities to create and ongoing supply of housing in local strategic planning and local plans.

Lead: Councils.

The DPIE endorsed Council’s Local Housing Strategy (LHS) in May 2020. The LHS found that there is no need for additional urban release areas to meet housing demand in the Shellharbour LGA over the next 20 years. Further, the full extent of the existing residentially zoned lands at Calderwood is not required to meet overall projected housing demand over the next 20 years. If the DPIE approve Modification 4 of the Concept Plan Approval to allow an additional 1200 dwellings (all within Shellharbour City LGA), there will be an even greater supply of residential housing on existing zoned residential land at Calderwood.

This position was further reiterated in Council’s Local Strategic Planning Statement (LSPS) which was endorsed by the DPIE in May 2020. The LSPS acknowledges that there is no need for Council to zone more land for residential development, but rather that Council needs to consider delivering greater diversity in housing and investigating opportunities to provide greater provision of affordable housing.

The inclusion of rural and environmental lands to the east and west of the Calderwood urban zoned release project area is not supported by the local policy position of Council that have

been formed through our recent LHS and LSPS. Both of which have been endorsed by the Department. Additionally, as outlined in detail above, the Calderwood area as mapped in the draft ISRP and Schedule 1 of the draft Ministerial Direction is from outdated planning that was done prior to and superseded by the Illawarra Regional Strategy adopted in 2007.

There has been no detailed investigation as to the suitability of this land for residential development and it has not been identified as being required in Council's LHS. Keeping the West Lake Illawarra Growth Area as currently mapped in the draft ISRP and Schedule 1 of the draft Ministerial Direction indicates that these areas may be suitable for a planning proposal and undermines the policy position of Council, which has been endorsed by the DPIE.

Council requests that the West Lake Illawarra Growth Area map for the Calderwood area be amended to only incorporate those lands currently zoned for residential purposes under the State Significant Precincts SEPP and the Calderwood Concept Plan Approval Area in both the draft ISRP and the map in Schedule 1 of the Ministerial Direction.

The draft Illawarra Shoalhaven Regional Plan

Council has a strong commitment to strategic planning in our City to ensure we are planning for the best outcomes for our Community, working closely with the State Government and the other councils within our region.

The following sections outline Council's comments in regards to the various Objectives in the draft ISRP that are applicable to Shellharbour City Council. We provide these comments to ensure that the next iteration of regional planning for the Illawarra Shoalhaven Regional Plan will continue to protect and enhance the region's assets and plan for a sustainable future.

A productive and innovative region

Objective 2: Grow the region's regional cities

Council supports the inclusion of Shellharbour City Centre as one of the regions key regional cities. It is considered that Strategy 2.2 is consistent with existing strategies that Council has adopted recently, including the Local Strategic Planning Statement (LSPS), the Local Housing Strategy (LHS) and the Open Space and Recreation Needs Study and Strategy.

The section titled "Enhance the diversity and strength of Shellharbour City Centre" refers to the Civic Centre as a 'hub'. It should be noted that the building is referred to as the "Shellharbour Civic Centre" not a hub. It is recommended that the draft plan be amended to reflect this. Additionally, the Civic Centre also contains the Shellharbour City Museum, which provides information about the LGA and is open to the public. The Museum should be referenced in the services that the Civic Centre offers to the public.

The key sites identified on page 29 include a site in the eastern portion of Shellharbour City Centre. This site is currently zoned R3 and is not conducive to a mixed-use precinct. This should be reviewed for its potential to meet the requirements of a 'key site'.

Strategy 2.2

Council is supportive of this strategy and working towards enhancing the diversity and strength of the Shellharbour City Centre. We particularly look forward to working with Transport for NSW to improve the connectivity into and within the City Centre. This is a key issue for our community who are disadvantaged and young people who rely on public transport. The importance of connectivity for the Civic Centre was raised by the Shellharbour City community throughout consultation on our LSPS.

The first dot point identified in Strategy 2.2 refers to providing ample connected open space. Council requests that the word 'ample' be replaced with 'quality'. Ample refers to the quantity of open space, whereas Council believes that open space should be more about quality, particularly in areas where higher residential densities are possible.

The map associated with Strategy 2.2 should also be updated to reflect that accessibility to Shellharbour City Centre needs improvement on all approaches, not just the two approaches identified by this map's arrows.

Strategy 2.3

Shellharbour City Council looks forward to working with the Illawarra Shoalhaven Local Health District to identify appropriate opportunities for the future use of the existing Shellharbour Hospital Site. Council's LSPS recognises the importance of this precinct and its connection to Shellharbour City Centre. The future of this site will need to be cognisant of how it can maintain and improve connections with the TAFE and City Centre.

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

The land zoned figures included under Objective 4 is not entirely clear, specifically "Land zoned and undeveloped in Illawarra Shoalhaven" and "Land zoned and serviced in Illawarra Shoalhaven". Further clarity of what is included in each of these figures would be beneficial.

Strategy 4.4

Council appreciates the acknowledgement of the importance of Shellharbour Airport in the region.

Council would appreciate if Strategy 4.4 could be amended to include "*and related business*" as shown below:

Support the growth of Shellharbour Airport in local strategic planning and local plans by:

- Appropriately managing and protecting Shellharbour Airport's land-use and airspace to support aviation operations (including regular public transport) *and related business*.
- Activating employment lands surrounding the airport with flexible planning controls.

Objective 5: Create a diverse visitor economy

Council is supportive of ensuring the region is a destination of choice for visitors. For Shellharbour City Council, tourism is a key contributor to our local economy. In 2018, we attracted approximately 434,000 visitors, with an estimated spend of \$91 million. Improving connections throughout the region and to key visitor destinations will assist in growing the visitor economy of Shellharbour and the broader region.

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

Activating the region's harbours and promoting the blue highway will be a key drawcard for tourists visiting the region. Council is committed to working with the other three councils in the Illawarra Shoalhaven region to implementing the relevant actions of the NSW South Coast Marine Tourism Strategy and have acknowledged this through our LSPS.

Whilst Council supports the acknowledgement of the importance of Shell Cove in the region's blue highway, the paragraph discussing this is unclear. It is suggested that this paragraph be amended to:

“The addition of Shell Cove’s new 270-berth Shellharbour Marina development, which is due to be opened in mid-2021 will improve coastal connectivity across the region. The Shellharbour Marina will provide infrastructure to improve connectivity of the region’s blue highway, including safe harbour and a refuelling station for vessels travelling from Sydney along the South Coast. Further activating the regions harbours with the right infrastructure will unlock the opportunities of the blue highway and connect to marine parks at Jervis Bay and Batemans Bay.”

Objective 7: Respond to the changing nature of retail

The changing nature of retail as acknowledged in the Regional Plan will be a key consideration for councils moving forward. Shellharbour City Council’s LSPS acknowledges that while land use planning cannot ensure that businesses and jobs will locate in certain areas, it can provide the enabling regulatory, structural and infrastructure framework to make certain areas more attractive for businesses and investors.

Council is supportive of focusing future commercial and retail activity in existing commercial centres. This will work towards ensuring we create sustainable economic, social and environmental growth in our business centres.

Council has also recently public exhibited the Shellharbour Business Centres and Surrounding Residential Lands Study. This study recognises the importance of facilitating greater housing diversity and choice within and around key centres to improve access to employment, shops, businesses and other services. Creating greater diversity in our business centres through encouraging a mix of uses will also assist with keeping our centres viable and adaptable to the changing nature of retail.

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

Shellharbour City Council is committed to working with local Aboriginal and Torres Strait Islander communities and ensuring their involvement in local decision making. Shellharbour City Council is supportive of the commitment to working collaboratively with the Local Aboriginal Land Councils outlined in the Regional Plan to strengthen economic self-determination and build constructive relationships.

The Illawarra Aboriginal Corporation is the other key agency in the region that the State Government will need to work with to deliver Objective 8 to support and drive the economic self-determination of Aboriginal communities. The future role this agency can play in establishing social enterprises that provide health and social support services and other roles should be considered through the plan.

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

Shellharbour City Council’s rural lands are highly valued by the local community and are used mostly for crop farming, dairy farming and grazing. Council’s LSPS reflects the importance of rural and agricultural lands as outlined in the draft ISRP. The protection of agricultural lands from development and land use conflicts is becoming increasingly important. Council has committed to protecting our rural lands through the LSPS and will be undertaking a Rural Strategy to promote agricultural innovation, value-add opportunities and ensure that our agricultural lands are sustainable and viable into the future.

Objective 10: Sustainably maximise the productivity of resource lands

Overall, Council is supportive of this objective. We do note that a potential State strategy could assist in protecting areas with mineral and energy resource potential. Currently, land owners who are in the transition areas do not benefit from the resource as they are limited in their development opportunities.

A sustainable and resilient region

Objective 11: Protect important environmental assets

Council is committed to protecting and enhancing our natural environment. Shellharbour's environmental assets are highly valued by our community and visitors. This is reflected in Council's LSPS and through the implementation of the LSPS actions Council will be working to deliver Strategies contained in Objective 11 as appropriate.

It should be noted that paragraph 4 in Objective 11 refers to the State Environmental Planning Policy No 26 – Littoral Rainforests 1988. This SEPP has been repealed and replaced with the State Environmental Planning Policy (Coastal Management) 2019.

Under the section titled 'Connect biodiversity corridors' reference is made to the Illawarra Biodiversity Action Plan 2011. The Action Plan is part of the Illawarra Biodiversity Strategy 2011. It would be preferable to refer to the Strategy rather than the Action Plan as the Strategy is the overarching and better known document.

Strategy 11.3

Council is supportive of this Strategy, however it will be important that councils are appropriately resourced and supported to ensure that this strategy can be progressed.

Objective 12: Build resilient places and communities

Shellharbour City Council's acknowledgement of the importance of building resilient places and communities is outlined through our commitment to implementing the relevant recommendations of Illawarra Shoalhaven Enabling Regional Adaptation report and through actions in Council's LSPS to plan for a sustainable and adaptable City as well as managing water, energy and waste efficiently to ensure a sustainable environment.

Council looks forward to work on the resilience maturity matrix to further understand how we can increase resilience in our local land use planning system.

Strategy 12.1

Social connectivity in local communities and social cohesion are well documented enhancers of community resilience. Any resilience strategy should look to increase these community features. Council considers that this key component should be referenced in Strategy 12.1.

Objective 13: Increase urban tree canopy cover

As outlined in the draft ISRP, Shellharbour City Council has committed to developing a Greening Strategy as a short term action in our LSPS. This will look at opportunities to improve our urban tree canopy cover.

While the Public Spaces project commissioned by the DPIE to inform the draft ISRP notes that certain urban areas of Shellharbour LGA have a relatively low urban tree canopy cover, it is important to note that our LGA is home to Blackbutt Forest Reserve which is one of the largest urban natural bushland reserves in the Illawarra. Covering over 100 hectares, the Reserve is a key feature of Shellharbour and is unique due to its location in the centre of an urban area and provides significant amenity to surrounding residential areas.

The future Greening Strategy that Council will undertake will build on significant assets like Blackbutt Forest Reserve in the Shellharbour City Council area.

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

Shellharbour City Council's Open Space and Recreation Needs Study and Strategy identified that the Shellharbour LGA has good connectivity to our open spaces and parks. Our program of library upgrades, as outlined in our Libraries and Museum Strategy also highlights Council's commitment to delivering high quality libraries to our community. We will continue to ensure we are delivering high quality public spaces for our community and ensure these are well connected, particularly by walking and cycling paths. Objective 14 will be considered further by Council as we review our Footpath and Shared Use Path Strategy which was identified as a short term action in our LSPS.

Another key stakeholder that should be involved in the implementation of Objective 14 is the Illawarra Walk Alliance. It would be beneficial to acknowledge that the councils have initiated the work to improve our connectivity through participating in the Illawarra Walk Alliance.

Objective 15: Plan for a Net Zero region by 2050

Council has committed to the development of Sustainable Design Guidelines which will include minimum energy efficiency benchmarks for all planning applications, to inform development controls and promote sustainable development controls in Shellharbour City. The proposed Illawarra Shoalhaven Sustainability Roadmap will assist Council in its work to creating a sustainable and resilient City.

While Council has committed to ensuring we create a local planning framework that encourages energy efficiency and reduce emissions, this framework does not apply to complying development applications. The draft ISRP does not outline how promoting energy efficiency and working to reduce emissions will be ensured through applications that are not applicable to our local planning framework. Ensuring that this objective is reflected through State Environmental Planning Policies will be key to ensuring we can achieve the goals of the draft ISRP.

Strategy 15.5

There is opportunity to include seaweed farming under Strategy 15.5. Australia's Climate Change Council advises seaweed has high potential for long-term carbon storage, seaweed farming operations are already established in the Shoalhaven LGA.

Objective 16: Support the development of a circular economy

As noted in the draft ISRP, resource optimisation is a priority for Shellharbour Council. We will continue to undertake work to support resource optimisation within the Shellharbour LGA. In addition to developing a strategy to reduce waste to landfill, we also continue to provide education for our community to support waste avoidance. Education of our communities is a key element to ensuring that we can support the development of a circular economy. The implementation of this objective will require the collaboration across all tiers of government.

Objective 17: Secure water resources

Council acknowledges the importance of securing our water resources and ensuring that we encourage sustainable use of water resources. Our community has told us through consultation undertaken as part of the LSPS that that they would like to ensure that the future of our City is sustainable. Securing our water resources is a key component of this. Council will continue to work to implement water sensitive urban design measures and identify opportunities to encourage sustainable use of water across the LGA.

The implementation of this Objective will require support from Sydney Water and ensuring that councils are appropriately resourced to encourage sustainable use of water.

A region that values its people and places

Objective 18: Provide housing supply in the right locations

As outlined above in this submission, the mapping for the West Lake Illawarra Growth Area as it relates to Calderwood is Council's main contention with the draft ISRP. Notwithstanding the issues in relation to the map contained on page 63 of the draft ISRP, Council provides the following comments in relation to Objective 18.

Meeting future housing demand requires a balance between urban release areas and within existing urban areas, but also a balance in the type of housing product that is being delivered. As noted in the draft ISRP, the Shellharbour Local Housing Strategy has identified that the LGA has a sufficient supply of housing to meet demand beyond 2041.

Council further notes under Objective 18, when developing local housing strategies, Councils will need to create urban growth boundaries to clearly identify where urban growth is acceptable and where it should be avoided.

Council's Shellharbour Local Housing Strategy was endorsed by the Department in May 2020 and identifies no need for additional urban release areas to meet housing demand. We therefore request that the Department formally endorse in the ISRP, Council's existing urban zoned area as the boundary for urban growth.

Objective 19: Deliver housing that is more diverse and affordable

Council's Local Housing Strategy, adopted in December 2019, identified that Council should consider options to increase affordable housing provision within Shellharbour LGA and options to increase dwelling diversity. A draft Business Centres and Surrounding Residential Lands Study assesses planning controls in and around our business centres to ensure we are encouraging housing diversity within these key locations.

Council looks forward to working with DPIE on increasing the supply of affordable housing, particularly through the establishment of the Illawarra Shoalhaven Affordable Housing Roundtable. This will further assist with the implementation of the Shellharbour Local Housing Strategy and ensure we are encouraging housing diversity and affordability across the region.

Objective 21: Respond to the changing needs of local neighbourhoods

Council strongly supports this Objective and what is proposed. Consideration of the changing needs to our communities through planning for the future of our local neighbourhood centres will ensure our City continues to remain a City of choice to live, work and play.

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

Council acknowledges that the development of local character guides for particular neighbourhoods can be beneficial and has the opportunity to inform neighbourhood specific planning controls. Developing locally-specific outcomes for housing development to reflect local character and desired outcomes was identified as a recommendation from the Shellharbour Local Housing Strategy. Implementing this action will ensure we embrace and respect the region's local character.

Whilst Council is overall supportive of this objective and considers it to be in line with our local strategic planning work, there are concerns about how local character can be maintained, embraced and respected through complying development. Further consideration should be given as to how the State planning framework can support or erode local character.

Objective 23: Celebrate, conserve and reuse cultural heritage

With the increasing urbanisation of the Illawarra Shoalhaven region, it is more important than ever that we maintain, celebrate and communicate our history. The Region's heritage is an important component of our character and can be a drawcard for visitors to our region. Council is currently in the process of reviewing our Heritage Strategy and look forward to continuing our work to celebrate and conserve our cultural heritage.

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

Council has recognised the importance of fostering major events, public art and cultural activities through our Public Art Strategy, Events Strategy and LSPS. Council is also in the process of assessing options to improve the Harbour Theatre in Shellharbour Village to ensure we are providing ample space for events and cultural activities. Council believes there is validity in mentioning the potential that the Harbour Theatre improvements could offer to the region.

As stated above, the Shellharbour Civic Centre is not known as the 'Civic Centre hub'. The draft plan should be amended to reference the building as the Shellharbour Civic Centre.

A smart and connected region

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

Improving connectivity to Western Sydney will be beneficial for the growth and economically viability of the Illawarra Shoalhaven Region. Council is supportive of this objective overall.

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

Overall, we are supportive of creating faster rail connections to improve connectivity not only within the region, but also to Sydney. This will provide opportunities to encourage people to live, work and play in the Region, while also creating options to grow and diversify the regional economy, particularly in terms of jobs and regions.

Objective 27: Protect major freight networks

Council has acknowledged through our LSPS the importance of major freight networks. Our LSPS acknowledges that we will continue to work with Transport for NSW and DPIE to ensure the transport network responds to future land use development and freight connections. We will continue to ensure that the viability of major freight networks in the Shellharbour LGA is maintained into the future.

Objective 28: Create connected and accessible walking and cycling networks

As stated previously in this submission, Shellharbour City Council recognises the importance of providing connected and accessible walking and cycling networks. During the development of our LSPS, we heard from the community how connectivity and the ability to get to where they need to go is integral to the people that live and visit our LGA. Our LSPS identifies that we will review our Shared Use Path Strategy as a short term action, to be undertaken within the next five years. This will identify opportunities for Council to improve the accessibility and connectivity of our City.

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

Council looks forward to working to deliver this objective. Our LSPS identifies two actions to investigate opportunities to implement smart city concepts throughout our LGA.

Objective 30: Prepare for mobility changes that improve connectivity and sustainability.

Council is supportive of DPIE investigating a regional approach to the rollout of electric vehicle charging infrastructure. Council has committed to implementing this through one of our Cities Power Partnership Pledges. Collaboration with Transport for NSW will be key to ensuring that the transport system is capable of adapting to mobility changes, improvements in connectivity and creating a more sustainable system.

The Draft Illawarra Shoalhaven Special Infrastructure Contribution

Council has a strong commitment to the strategic planning of infrastructure in our city and welcomes greater clarity regarding the funding of regional level infrastructure. Council is keen to ensure that the draft SIC, Council's Contributions Plan and existing voluntary planning agreements work together to provide liveable and interconnected communities.

The following comments are provided in the spirit of collaboration and cooperation with a focus on ensuring the system works together to provide the best outcomes for the community.

The area covered by the draft SIC

Council notes that a single SIC is proposed to cover development in both West Lake Illawarra Area and the Shoalhaven and all supporting documentation focusses on the combined benefit and scope of works. Although both these areas are covered by a single Regional Plan they are approximately 40 kilometres apart and have no shared boundaries or infrastructure.

Council believes that the two areas should be covered by separate SICs to ensure transparency of what is to be funded and by whom.

As outlined above in this submission, the boundary for the Calderwood area in the maps that accompany the draft SIC (refer to Schedule 1 of the draft Direction) replicate that shown in the draft ISRP. This is Council's main contention with the draft ISRP as the area mapped for Calderwood does not reflect the area of Calderwood as defined in the State Significant Precincts SEPP and the Calderwood Concept Plan Approval Area. The additional land identified in Schedule 1 of the draft Direction is not required to our projected housing demand over the next 20 years.

Council therefore requests that the map in Schedule 1 of the Ministerial Determination be adjusted to reflect the current boundaries as established in the State Significant Precincts SEPP.

Supporting documentation provided

Council acknowledges the benefit of providing supporting documentation to explain the purpose and content of the Draft SIC without the need to navigate the Ministerial Determination that is technical in its structure and content.

Although the brochure and fact sheet provided as part of the exhibition material provide basic information regarding the purpose and process associated with the preparation of a SIC, Council is concerned that it is not transparent regarding the allocation of the works between the two development areas.

Council also notes that no supporting information has been provided that show how the contribution rate has been calculated or the location of the infrastructure to be provided. Without this information it is difficult to ensure appropriate linkages between local and regional/state infrastructure are provided.

To ensure transparency in the process Council requests the DPIE provide area specific information that allows the consideration of local implications to be undertaken.

Draft Ministerial Determination

Council has reviewed the draft Ministerial Determination and has identified a number of areas in which clarification is required to ensure that the provisions of the SIC can be implemented in the most efficient and effective manner possible.

Determining the contribution rate to be applied

Council notes that, although the contribution payable per hectare is stated in clause 11 of the Ministerial Determination, there is no information provided in the Ministerial Direction or supporting information that demonstrates how this contribution rate has been determined and what is being contributed to under each of the rates.

Council requests that the DPIE provide more details of the way in which the contribution payable was determined and what is being funded in each area.

Exemptions

Council considers it unreasonable to impose a SIC on Council provided public amenities and services regardless of their funding source as these facilities are provided to support the community and do not intensify demand for state and regional infrastructure. Clauses 6(2)(m) and 13(4)(m) of the Ministerial Determination provide an exemption from the payment of a SIC only for those public amenities and services for which a contribution may be imposed in accordance with a section 7.11 or section 7.12 plan. Works that are provided using a funding source other than development contributions are not exempt from the requirement to pay SIC.

Council request these clauses be amended to address this issue.

Calculating the Net Developable Area

The parameters for determining net developable area (NDA) in the draft Ministerial Direction are complex and lack clarity and certainty. This makes it difficult to determine the contribution that would be payable without the assistance of the DPIE and reduces the transparency of the process.

Council suggests the parameters be simplified to ensure transparency regarding the calculation of the contribution payable.

Mapping (Schedule 1)

As detailed above in this submission, the boundary shown in the maps contained in Schedule 1 of the draft Ministerial Direction does not reflect the land which is zoned for urban purposes under the State Significant Precincts SEPP. The additional land is not required to meet Council's dwelling targets and its inclusion in the draft SIC creates an unrealistic expectation regarding the future use of the land.

The map in Schedule 1 of the Ministerial Determination should be adjusted to reflect the current boundaries as established in the SEPP.

List of infrastructure (Schedule 2)

Council notes that a list of the infrastructure to be funded through the SIC has been provided in Schedule 2 of the Ministerial Determination and that this list includes both the total value of the works and the amount to be recovered through contributions.

Council notes the following in relation to this list:

- It is not accompanied by a map showing the location of the items
- There are not references to the source of the attributable cost
- It does not demonstrate how the contribution payable has been calculated
- There is no reference to the priorities or timing of provision
- The majority of infrastructure that is to be provided in the West Lake Illawarra area are roadworks that are required to address existing infrastructure shortfalls and relate directly to improving traffic flows on the F6 Freeway.
- There is no regional open space, active transport, emergency services or community health services proposed for the West Lake Illawarra area. The absence of this infrastructure in the draft SIC is not addressed in the supporting documentation.

The above information is not only essential to the transparency of the process but is also critical to enable Council to determine how the SIC will interact with both the contributions plan and any relevant VPAs.

Interaction with local infrastructure provision

Based on the information provided there are two projects that will be located in the Shellharbour City:

- Illawarra Highway upgrade and
- Tripoli Way extension

No details have been provided as to the works that will be carried out under the Illawarra Highway upgrade item and without this information Council cannot determine the way this item interacts with our existing contributions plan and VPA with Lendlease. Council requires this information to be provided prior to the finalisation of the draft Ministerial Determination to enable it to be considered in the review of traffic management in Albion Park.

The extension of Tripoli Way is currently contained in Council's Contributions Plan and the Lendlease VPA. No guidance has been provided regarding the interaction between these documents and the draft SIC and there is a substantial difference between the value of the works in the contributions plan and the draft SIC. This creates a point of conflict as it is not clear who will be providing this item, the scope of works proposed or timing of provision and represents a significant risk to Council. Council will need this to be addressed prior to the finalisation of the draft Ministerial Determination.

Summary of required actions

The following needs to be addressed prior to the finalisation of the draft SIC:

1. Consideration be given to the separation of the draft SIC into a separate SIC for the two areas to ensure transparency of what is to be funded and by whom
2. The map in Schedule 1 of the Ministerial Determination be adjusted to reflect the current boundaries as established in the State Significant Precincts SEPP
3. Provision of area specific information that allows the consideration of local implications to be undertaken
4. Amendment of the exemptions clauses to rectify the issues associated with public amenities and services
5. The provision of the following in relation to the infrastructure items in Schedule 2:
 - a. Provision of a map showing the location of the items
 - b. Details of the source of the attributable cost
 - c. Method of calculating contribution rates
 - d. Provision of priorities or timing of provision of infrastructure items

- e. Provision of an explanation of the disparity between the scope of infrastructure for the two areas
- 6. The provision of details regarding location and scope of works to be carried out under the Illawarra Highway upgrade item to enable Council to undertake a review of traffic management in Albion Park to inform the review of our own local contributions plan
- 7. The provision of details regarding the scope of works for the Tripoli Way extension and the interaction with current contribution plans and agreements. This needs to be resolved prior the SIC being finalised.

Conclusion

Council appreciates the opportunity to collaborate with the DPIE and the engagement that has been undertaken with Councillors, staff and our community.

Overall, we are mostly supportive of the proposed strategies contained within the draft ISRP and believe they are in accordance with some of our recently completed strategic land use planning work, including our LSPS.

There are several issues for consideration raised in the draft SIC. We believe that our concerns once addressed will lead to a better outcome and implementation of the SIC for the State Government and for Council.

The major concern for Shellharbour City Council is the West Lake Illawarra Growth Area mapping which indicates that the housing release area for the Shellharbour part of Calderwood extends past the land identified in the State Significant Precincts SEPP and the Calderwood Concept Approval Area. We request that this map be amended to reflect the extent of the Calderwood project area as defined prior to the finalisation of both these draft documents.

[REDACTED]