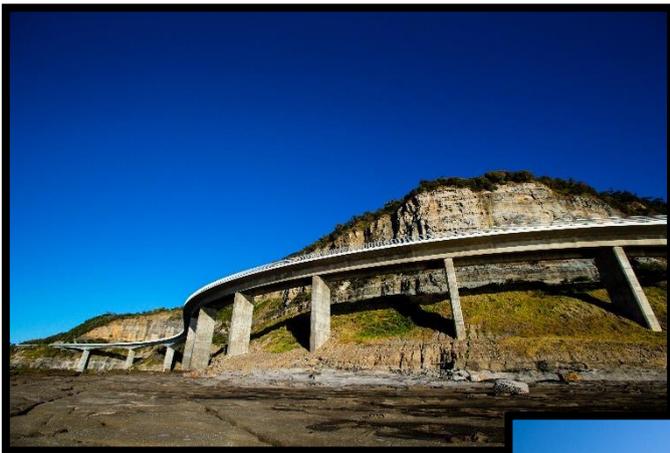


DRAFT ILLAWARRA SHOALHAVEN REGIONAL PLAN 2041

**A Submission by Regional Development Australia
(RDA) Illawarra**



Executive Summary

The Draft Illawarra Shoalhaven Regional Plan 2041 (DRAFT Plan) is a comprehensive revision of the previous regional plan, completed in 2015. Its intent is to deliver an overall regional strategy for land use, with a twenty-year planning horizon.

There appears to have been a change in focus from Key Industry Sectors to Regionally Significant Precincts, which has resulted in reduced emphasis on economic development, which RDA Illawarra believes should be central to the Regional Planning agenda.

Whilst recent bushfires and the impact of COVID-19 are important issues with potentially long-term impact, strategic plans with a 20-year timeframe should focus on consistent strategic objectives, not short-term tactical responses.

There is reference to monitoring and review of the Regional Plan but RDA Illawarra believes the review mechanism should be better defined, more transparent and involve collaboration with key stakeholders outside State and Local Government bodies – such as peak bodies and industry. Overall metrics should be established for the Regional Plan and progress assessed against objective, published measures.

The Regional Plan draws heavily from Local Strategic Planning Statements (LSPS) and therefore aligns well with council strategies. However, the plan is also consistent with the initiatives included in the Illawarra Shoalhaven City Deal Prospectus and creates a unified approach to strategic planning that will garner support beyond State and Local Government.

RDA Illawarra supports the broad range of Objectives that the Department of Planning, Infrastructure and Environment (DPIE) seeks to achieve through a coordinated land use strategy as outlined in the Plan. RDA Illawarra has made several observations on specific objectives and feels it can add value and collaborate with DPIE and others specifically:

- ▶ **Action 3 & Objective 4** - Development of regionally significant employment lands, and
- ▶ **Collaboration Activity 1** – Revitalise the Illawarra Sports & Entertainment Precinct and activate the foreshore
- ▶ **Objective 3** – Growth of Port of Port Kembla.

These initiatives will support future economic growth and RDA Illawarra would welcome the opportunity to be further engaged with these activities.

Based on observations of the Draft Illawarra Shoalhaven Regional Plan, RDA Illawarra makes the following recommendations:

- 1) Economic Development objectives and key industry growth sectors should be made more explicit in the Regional Plan, along with links to the previous version of the Plan.
- 2) The Objectives should have specific deliverables that are measurable, achievable, realistic and timed. Monitoring and review should take place against scheduled dates for completion of Objectives/Actions, or against progress milestones. Overall metrics should be established for the Regional Plan.
- 3) Formal reviews should take place every 6 months and include not only State and Local Government representation, but also peak bodies and other key stakeholders, such as RDA Illawarra.
- 4) Further emphasis is required on collaboration with key stakeholders outside State and Local Government institutions and a model for collaboration should be established.
- 5) The impact of COVID-19 on the long-term requirements for commercial space in Metro Wollongong need to be assessed through critical research.
- 6) The role of the Innovation Campus as part of a proposed health precinct should be emphasised in the Regional Plan.
- 7) Where incentives are referenced in the Regional Plan, the source and method of the incentive should be included.
- 8) RDA Illawarra believes that the revitalisation of the Illawarra Sports and Entertainment Precinct is best led by Wollongong City Council on behalf of the region and should be activated as soon as possible.
- 9) Extension of rail links south of the Shoalhaven River should be included in future land-use strategies.
- 10) Planning of land use associated with the development of the port of Port Kembla should not be limited to the freight rail corridor. Land – and buffer measures – also need to be identified for future use in container handling and storage. More granular planning should commence as soon as possible to ensure that opportunities for growth at the Port are not missed.
- 11) RDA Illawarra recommends that planning will be best served by early engagement with other key stakeholders beyond council and DPIE. RDA Illawarra would welcome the opportunity to collaborate with DPIE and local councils to engage the required stakeholders. RDA believes this is an area where it can add value as a neutral broker in the planning process.
- 12) RDA Illawarra recommends that the Destination networks could also form part of **Objective 5**.
- 13) RDA Illawarra recommends that the issue of regional connectivity be included in the Actions to be directed by DPIE, as many other strategic land use

outcomes depend on improved connectivity to the west of the region.

- 14) RDA Illawarra recommends the inclusion of the Maldon-Dombarton Rail Corridor within *State Environmental Planning Policy (Major Infrastructure Corridors) 2020*.

Context

The Draft Illawarra Shoalhaven Regional Plan 2041 (DRAFT Plan) is a comprehensive revision of the first Regional Plan also developed by the NSW Department of Planning, Infrastructure and Environment (DPIE) in 2015. The DRAFT Plan focus is on land use over a 20-year planning horizon and aims to develop a strategic framework for the region, comprising Wollongong, Shellharbour, Kiama and Shoalhaven Local Government Areas (LGAs).

DPIE and Transport for NSW are to be commended on the alignment of consultation on the DRAFT Plan with the Draft Illawarra Shoalhaven Transport Regional Plan. We envisage that the alignment of timing, as well as the opportunity for integration of feedback in concert with both plans, will provide better quality outcomes for the region.

Unlike the 2015 iteration of the Regional Plan, which focussed on six key industry sectors:

1. Tourism
2. Health, Disability and Aged Care
3. ICT / Knowledge services
4. Education and Training
5. Aviation, Defence and Advanced Manufacturing
6. Freight and Logistics

the 2020 Draft Plan is based on Regionally Significant Precincts, defined as:

- ▶ Employment Land (*Business Parks, Employment Precincts, Technology Parks*)
- ▶ Growth Areas (*residential housing*)
- ▶ Centres (*cities*).

However, the change in focus leaves a perception that the DRAFT Plan is less of a review of the 2015 Plan but a complete revision with no explicit links to the previous Plan. It appears that the strategic objectives previously outlined have been abandoned in favour of more tactical and topical issues related to locations rather than key industries, or the impact of recent bushfires and COVID-19.

The change in focus from Key Industries Sectors to Precincts has also reduced the emphasis on economic development, which RDA Illawarra believes should be central to the Regional Planning agenda. Having clear economic development and industry sector focus in the Regional Plan is paramount, as it is a signal to investors of the future direction of the region. This is clearly a missed opportunity.

Monitoring and Review

RDA Illawarra believes that there should be ongoing monitoring and regular review of the plan, outside the five-yearly review period.

Deliverables could be developed for each Objective and the Actions, Strategies and Collaborative Activities planned for their delivery. Monitoring should take place against scheduled dates for their completion, or against progress milestones. Formal reviews should take place every 6 months and include not only State and Local Government but also peak bodies and other key stakeholders who can contribute expertise and resources to ensure effective progress.

Overall metrics should be established for the Regional Plan, perhaps including annual data for:

- ▶ Investment attraction
- ▶ Jobs created
- ▶ Local procurement / supply chain
- ▶ Other regional development outcomes (e.g. completion of activities/initiatives)

The establishment of overall Regional Plan metrics, as per the data suggested above, would enable us to know how we are progressing with the 20-year Strategy. The publication of outcomes against the plan metrics on a six-monthly basis would enable the five-year formal review process to be based on an evidence-based approach.

It is imperative to understand if we are achieving our desired outcomes. The 'hard metrics' proposed would also serve to demonstrate that we are creating the right investment framework to enable economic development and growth. It is imperative that we set the planning framework for success, which is measured only when we see investment and jobs in our region.

Collaboration

RDA Illawarra believes that more emphasis is required on collaboration with key stakeholders outside State and Local Government institutions. Whilst welcomed during discussions with DPIE, a desire for collaboration should be made explicit within the DRAFT Plan. A model for collaboration could be included in the Regional Plan.

We are willing to work with DPIE to get the best outcome for a collaboration model that could extend from involving peak bodies and regional stakeholders in the formal review process, to increased transparency and reporting on outcomes. We suggest that the Delivery framework outlined on page 16 could be enhanced through a more extensive collaboration model.

Alignment with other Plans

The DRAFT Plan is structured such that DPIE has responsibility for nine key Actions. The DRAFT Plan then draws heavily on the Local Strategic Planning Statements (LSPS) and other local plans prepared by each of the local government areas and incorporates their output as Strategies. Initiatives that are led by State agencies and councils are included as Collaboration Activities.

The DRAFT Plan has a strong focus on collaboration with the four local councils and utilises their Local Strategic Planning Statements (LSPS) to develop strategies to deliver its 30 objectives.

However, there is a gap in the alignment with the Regional Economic Development Strategies (REDS), which do not exist across the entire Illawarra Shoalhaven region. Furthermore, the 20-year Economic Vision for Regional NSW similarly excludes part of the Region. Therefore, we contend that the Regional Plan should have clear economic imperatives, statements and/or industry sectors identified, similar to the 2015 Regional Plan.

The DRAFT Plan is also consistent with the Federal Government's key regional priorities, outlined by the Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development, the Hon Michael McCormack MP in October 2020. The Deputy Prime Minister stated that Regional Australia is based on the six foundations of growth and include:

1. Connectivity and Infrastructure incorporating digital connectivity, transport links, and freight and supply chain infrastructure.
2. Human Capital and Skills to provide skilled and adaptable workforces, Regional Universities and training, and schooling.
3. Regional Employment and Business to develop regional businesses and industry, local R&D and innovation and a strategic regional vision.
4. Leadership and Collaboration by investing in regional leadership, capable local government and the Indigenous community.
5. Amenity and Liveability providing services, facilities and liveability, and support for local priorities.
6. Sustainable Natural Resources to build future resilience, ensure sustainable foundations and provide economic opportunities and jobs.

The DRAFT Plan is also broadly consistent with funded Federal priorities for Regional Australia as announced in the Budget:

- ▶ Bushfire and COVID Recovery
- ▶ Healthcare
- ▶ Water Security
- ▶ Aviation
- ▶ Infrastructure
- ▶ Visitor Economy
- ▶ Digital Technology
- ▶ Decentralisation
- ▶ Regional Partnerships
- ▶ Primary Industry
- ▶ Energy.

From RDA Illawarra’s perspective, the DRAFT Plan is consistent with the land use for initiatives in the proposed Illawarra Shoalhaven City Deal:

Initiative	City Deal	Draft Regional Plan
South West Illawarra Rail Link (SWIRL)	✓	✓
Picton Rd Duplication & Mount Ousley Interchange	✓	✓
M1 Offramps at Albion Park	✓	○
Stages 5 & 6 of Albatross Aviation Precinct	✓	✓
Wollongong Entertainment Precinct	✓	✓
Regional Marine Infrastructure Framework	✓	✓
Kiama Arts & Cultural Precinct	✓	✓
Nowra Riverfront Mixed-Use Precinct	✓	✓
Smart City Projects	✓	✓
Circular Economy & Reduce Waste to Landfill	✓	✓
Direct inclusion	✓	
Indirect inclusion	○	

Specific Observations

Actions

The nine Actions for which DPIE have taken responsibility are a mix of high-level regional strategies and specific precinct-related initiatives for Wollongong, Kiama and Shoalhaven.

Overall, RDA Illawarra supports the Actions that have been developed, especially those regarding regionally significant employment lands. This initiative will support future economic growth and RDA Illawarra would welcome the opportunity to be further involved as part of the collaboration team specifically with **Action 3** – *Develop precinct profiles for the regionally significant employment lands and where required, establish precinct collaboration teams to activate land for economic growth.*

Objectives

The Draft Plan identifies 30 Objectives that DPIE seeks to achieve through a coordinated land use strategy as outlined in the Plan. The Actions, Strategies and Collaboration Activities have been developed to deliver against the Objectives.

RDA Illawarra supports the Objectives but notes that some are very specific in nature (e.g. plan for a Net Zero region by 2050) and others are less well defined (e.g. Respond to the changing needs of local neighbourhoods) even in the more detailed descriptions.

The Objectives lack specific deliverables that are measurable, achievable, realistic and timed – making measures of progress subjective and achievements open to interpretation.

Whilst the DRAFT Plan is a strategic land use document (not a delivery plan), there is an expectation that the planning will degenerate into action – or at least provide guidance for future activity. The coordination, delivery, monitoring and reporting of 30 Objectives is an ambitious undertaking and will require suitable resourcing, funding and focus at State and Local Government levels.

Plan Area	Comment
<p><i>Objective 1 – Metro Wollongong</i></p>	<p>Whilst strategy developed by DPIE and town planning policy introduced by Council are vital in developing Wollongong’s Commercial Core, it will also require significant collaboration with industry and Peak Bodies. The impact of COVID-19 on the long-term requirements for commercial space also need to be assessed through critical research.</p> <p>The role of the Innovation Campus as part of a proposed health precinct appears to be discounted in the Draft Regional Plan. RDA Illawarra believes the Innovation Campus is an important regional development asset as a driver of significant jobs growth and economic transformation in Wollongong. The Health and Wellbeing Precinct proposed for the Innovation Campus site is considered a major initiative to position the region as a leader in innovative approaches to the growing challenges of an aging population.</p> <p>The DRAFT Plan (p.21) also alludes to “incentivising a mix of health and medical uses” and it would be in RDA Illawarra’s opinion, it would be useful to define the incentives to be offered, and by whom.</p> <p>RDA Illawarra fully supports the revitalisation of the Illawarra Sports and Entertainment Precinct and activation of the foreshore, which also integrates with the <i>South Coast Marine Tourism Strategy</i>. However, RDA Illawarra believes that this initiative should be led by Wollongong City Council on behalf of the region. We contend that this revitalisation (Strategy 1.3 and 1.4) should take place in the near term given the opportunity costs on our visitor economy of not developing this precinct. Each year that the revitalisation of this Precinct is delayed, is a significant missed opportunity for economic benefits from our visitor economy.</p> <p>RDA Illawarra seeks to be involved in Collaboration Activity 1, as we have undertaken market analysis, business case research and supported regional development activities to re-activate this area over the past few years. This collaboration activity is aligned with RDA Illawarra’s strategic priority to grow the visitor economy in the region.</p>

<p><i>Objective 1 – Metro Wollongong</i></p>	<p>Recommendations</p> <ul style="list-style-type: none"> ▶ The impact of COVID-19 on the long-term requirements for commercial space in Metro Wollongong need to be assessed through critical research. ▶ The role of the Innovation Campus as part of a proposed health precinct should be emphasised in the Regional Plan. ▶ Where incentives are referenced in the Regional Plan, the source and method of the incentive should be included. ▶ RDA Illawarra believes that the revitalisation of the Illawarra Sports and Entertainment Precinct is best led by Wollongong City Council on behalf of the region and should be activated as soon as possible.
<p><i>Objective 2 – Grow Regional Centres</i></p>	<p>RDA Illawarra supports plans for the transformation of Nowra City centre, but strategies must include initiatives to activate the Riverfront Precinct; allow for night-time entertainment opportunities; and integrate passive and active transport.</p> <p>Not extending rail links south of the Shoalhaven River as part of the recently announced new river crossing is a missed opportunity that should be included in future land-use planning strategies.</p> <p>Enhancing the diversity and strength of Shellharbour City Centre is supported by RDA Illawarra, especially the desire for creating a more diverse economic environment and a framework for jobs growth within the LGA. This LGA is also critically important given the recent new hospital announcement of \$722 million by State and Federal Governments.</p> <p>Recommendations</p> <ul style="list-style-type: none"> ▶ Extension of rail links south of the Shoalhaven River should be included in future land-use strategies.

<p><i>Objective 3 – Growth of Port of Port Kembla</i></p>	<p>The growth of the Port of Port Kembla is also a key strategic priority of RDA Illawarra. The potential for a 'Hydrogen Hub' at Port Kembla has long been recognised and supported by RDA Illawarra. However, the full potential of the port may not be recognised without a fully operational container facility. RDA Illawarra considers that planning land use only for a freight rail corridor is insufficient and limiting; land – and buffer measures – also need to be identified for future use in container handling and storage.</p> <p>The forward planning from NSW Ports indicates a 30-year horizon for full development of container handling at the Port of Port Kembla. RDA Illawarra would like to see that accelerated, hence inclusion in the current DRAFT Plan is important. RDA Illawarra would welcome involvement in delivery of Strategy 3.1 and 3.2.</p> <p>Recommendations</p> <ul style="list-style-type: none"> ▶ Planning of land use associated with the development of the port of Port Kembla should not be limited to the freight rail corridor. Land – and buffer measures – also need to be identified for future use in container handling and storage. More granular planning should commence as soon as possible to ensure that opportunities for growth at the Port are not missed.
<p><i>Objective 4 – Activate Employment Precincts</i></p>	<p>RDA Illawarra is fully supportive of measures to activate and develop employment precincts. We are aware that DPIE recently commissioned an employment lands study, and we are seeking transparency and the provision of this study. We believe that planning for activation of regionally significant employment precincts – as well as its eventual execution – will be best served by early engagement with other key stakeholders beyond council and DPIE. We do not believe that Councils are best to lead Strategy 4.1, as the ability to extend beyond LGA boundaries can be problematic, especially for initiatives such as the Port precinct (1) and the Shellharbour Airport (4), which clearly have regionally significant outcomes, if not national in the case of the Port.</p> <p>To that end, RDA Illawarra would welcome the opportunity to collaborate with DPIE and local councils to engage the required stakeholders on Objective 4. RDA believes this is an area where it can add value as a neutral broker in the planning process.</p>

	<p>Recommendation</p> <ul style="list-style-type: none"> ▶ RDA recommends that planning will be best served by early engagement with other key stakeholders beyond council and DPIE. RDA Illawarra would welcome the opportunity to collaborate with DPIE and local councils to engage the required stakeholders. RDA believes this is an area where it can add value as a neutral broker in the planning process.
<i>Objective 5 – Create a diverse visitor economy</i>	<p>RDA Illawarra is fully supportive of strategies that will assist with the growth of the visitor economy. We recommend that the Destination networks could also form part of Objective 5. These strategies support a key part of the Illawarra Shoalhaven City Deal prospectus.</p> <p>Recommendation RDA Illawarra recommends that the Destination networks could also form part of Objective 5.</p>
<i>Objective 6 – Create and promote a 'Blue Highway'</i>	<p>RDA Illawarra is fully supportive of strategies that will assist with realisation of a Blue Highway for the region, which forms a key part of the Illawarra Shoalhaven City Deal prospectus.</p>
<i>Objective 10 – Sustainable use of resource lands</i>	<p>RDA Illawarra recognises the need to balance economic development with environmentally sustainable practices and does not consider the two as mutually exclusive.</p>
<i>Objective 11 – Protect important environmental assets</i>	<p>RDA Illawarra suggests that the Table on p.50 be labelled as Table 1, as referenced in the body text.</p>
<i>Objective 12 – Build resilient places</i>	<p>RDA Illawarra notes the difficulty of locating development away from areas of bushfire risk, flooding hazards and coastal erosion given available land and the topography of the Illawarra Shoalhaven region.</p> <p>Also, the apparent contradiction between lowering bushfire risk, increasing the urban tree canopy cover (Objective 13) and development of urban release areas.</p>
<i>Objective 16 – Circular Economy</i>	<p>RDA Illawarra is fully supportive of strategies that will assist with realisation of a Circular Economy for the region, which forms a key part of the Illawarra Shoalhaven City Deal prospectus.</p>

<p><i>Objectives 18 & 19 – Affordable, available housing options</i></p>	<p>RDA Illawarra supports strategies for the provision of affordable housing. This will directly and indirectly support future economic growth for the region.</p> <p>RDA believes that planning – and ultimate execution – will be best served by early engagement with other key stakeholders beyond council and DPIE; the case studies included on p.68 and p.69 support further collaboration with external parties.</p>
<p><i>Objectives 21: Changing needs of neighbourhoods</i></p>	<p>RDA Illawarra contends that the changing needs of local neighbourhoods will become more polarised given the changing nature of remote work because of COVID-19. The opportunity exists for the Illawarra region to become a Centre of Excellence for Decentralisation (public and private sector), and investment in Co-working Hubs and shared use facilities should be supported in the DRAFT Plan. RDA Illawarra is undertaking a project on 'The Future of Work', and is willing to collaborate on Strategy 21.1, which could include collaboration with the NSW and Federal Governments with respect to Decentralisation.</p>
<p><i>Objective 24 – Events, public art and culture</i></p>	<p>RDA Illawarra is fully supportive of strategies that will stimulate the visitor economy for the region. We note that the proposed Kiama Arts and Cultural Precinct Development includes the revitalisation of the Old Fire Station, which forms a key part of the Illawarra Shoalhaven City Deal prospectus.</p>
<p><i>Objectives 25, 26 & 27 – Regional Connectivity by Rail and Road</i></p>	<p>RDA Illawarra considers the road and rail connection between the Illawarra Shoalhaven and Western/Greater Sydney to be critical in delivery of the DRAFT Plan. RDA Illawarra recommends that the issue of regional connectivity should be included in the Actions to be directed by DPIE. Many other land use outcomes depend on improved connectivity to the west of the region.</p> <p>Improvements in road and rail linkages are vital to activation of the Port of Port Kembla and the connection of the Illawarra Shoalhaven region to the Western Sydney Aerotropolis, Greater Sydney, Parramatta and further north to Newcastle.</p> <p>Improved connectivity will also improve access to the growing population centres of Wilton and western Sydney. To that end, RDA Illawarra feels that the Maldon-Dombarton Rail Corridor should be included within <i>State Environmental Planning Policy (Major Infrastructure</i></p>

	<p><i>Corridors) 2020</i>. That will protect the land from use that would potentially impact on the construction or operation of a future freight rail line.</p> <p>Whilst the Fast Rail Network strategy aims to improve service times along the Newcastle-Sydney-Wollongong-Canberra route, there is significant – and growing – need for a rail link to the west that will allow direct access from the Illawarra Shoalhaven region to Western Sydney.</p> <p>Recommendations</p> <ul style="list-style-type: none"> ▶ RDA Illawarra recommends that the issue of regional connectivity be included in the Actions to be directed by DPIE as many other strategic land use outcomes depend on improved connectivity to the west of the region. ▶ RDA Illawarra further recommends the inclusion of the Maldon-Dombarton Rail Corridor within <i>State Environmental Planning Policy (Major Infrastructure Corridors) 2020</i>.
<p><i>Objective 29 – Smart Infrastructure</i></p>	<p>RDA Illawarra is fully supportive of strategies that will further develop and implement the <i>Smart Region Strategy</i> for the region, which forms a key part of the Illawarra Shoalhaven City Deal prospectus.</p>

Recommendations

Based on observations of the Draft Illawarra Shoalhaven Regional Plan, RDA Illawarra makes the following recommendations:

- 1) Economic Development objectives and key industry growth sectors should be made more explicit in the Regional Plan, along with links to the previous version of the Plan.
- 2) The Objectives should have specific deliverables that are measurable, achievable, realistic and timed. Monitoring and review should take place against scheduled dates for completion of Objectives/Actions, or against progress milestones. Overall metrics should be established for the Regional Plan.
- 3) Formal reviews should take place every 6 months and include not only State and Local Government representation, but also peak bodies and other key stakeholders, such as RDA Illawarra.
- 4) Further emphasis is required on collaboration with key stakeholders outside State and Local Government institutions and a model for collaboration should be established.
- 5) The impact of COVID-19 on the long-term requirements for commercial space in Metro Wollongong need to be assessed through critical research.
- 6) The role of the Innovation Campus as part of a proposed health precinct should be emphasised in the Regional Plan.
- 7) Where incentives are referenced in the Regional Plan, the source and method of the incentive should be included.
- 8) RDA Illawarra believes that the revitalisation of the Illawarra Sports and Entertainment Precinct is best led by Wollongong City Council on behalf of the region and should be activated as soon as possible.
- 9) Extension of rail links south of the Shoalhaven River should be included in future land-use strategies.
- 10) Planning of land use associated with the development of the port of Port Kembla should not be limited to the freight rail corridor. Land – and buffer measures – also need to be identified for future use in container handling and storage. More granular planning should commence as soon as possible to ensure that opportunities for growth at the Port are not missed.
- 11) RDA Illawarra recommends that planning will be best served by early engagement with other key stakeholders beyond council and DPIE. RDA Illawarra would welcome the opportunity to collaborate with DPIE and local councils to engage the required stakeholders. RDA believes this is an area where it can add value as a neutral broker in the planning process.

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- 13) RDA Illawarra recommends that the issue of regional connectivity be included in the Actions to be directed by DPIE as many other strategic land use outcomes depend on improved connectivity to the west of the region.
- 14) RDA Illawarra recommends the inclusion of the Maldon-Dombarton Rail Corridor within *State Environmental Planning Policy (Major Infrastructure Corridors) 2020*.



Debra Murphy
Chief Executive Officer
RDA Illawarra