

Planning Proposal


131 St Vincent Street Ulladulla, NSW

Client Reference No. 3002793

Prepared for: Shoalhaven City Council

5 November 2024





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Executive Summary

SMEC has been engaged by the Ulladulla Precinct Trust to prepare a Planning Proposal to rezone a one-hectare land holding at 131 St Vincent Street, Ulladulla, to permit the construction of a mixed-use residential and commercial precinct. The site is formally identified as Lot 26 DP759018 and Lot 14 DP1105304 (the Site) and is zoned E4 General Industrial under the Shoalhaven Local Environmental Plan 2014 (LEP), and currently contains Bunnings Warehouse.

This Planning Proposal seeks to:

- Amend the zoning from E4 General Industrial to MU1 Mixed Use
- Increase the Height of Buildings permitted under Clause 4.3 of the Shoalhaven LEP 2014 from 11 metres to a maximum of 21 metres, and
- Introduce a Floor Space Ratio (FSR) of 3.5:1 under Clause 4.4 of the Shoalhaven LEP 2014.

Community Need

This Planning Proposal responds to a need for additional housing, affordable and key worker accommodation, and childcare services in the Shoalhaven region. The emerging housing affordability and availability crisis in the Shoalhaven Local Government Area (LGA) is being compounded by high population growth and a lack of housing diversity. In the review of the Milton Ulladulla Structure Plan 2014, Shoalhaven City Council (SCC) identified that an additional 3,250 dwellings will be needed by 2051. The Shoalhaven Affordable Housing Strategy 2017 also forecasts a need for 8,000 affordable dwellings by 2031.

The rezoning of the Site will enable the delivery of a vibrant mixed use precinct. The indicative development will provide 182 new residential apartments, including 50 affordable dwellings. It is intended that a total of 50 affordable dwellings will be rented long term via a Community Housing Provider and 10 dwellings sold to the market at an affordable price for key workers and vulnerable community members.

Workers in essential services or ‘key worker’ jobs are critical to the functioning of the local economy, however due to the constrained local housing market, are often unable to find affordable and/or appropriate accommodation. This results in long commuting times and costs for many, and the inability of local businesses and services to access workers, exacerbating existing labour and skill shortages in industries such as health care, social assistance, aged care, construction trades, and hospitality. The rezoning of the Site will provide much needed housing stock, particularly affordable stock, to support the continued growth and diversity of the region.

Economic Benefits

The mixed-use precinct is expected to accommodate around 430 residents and includes 5,750 sqm of commercial floor area and a 120-place childcare centre. This will significantly increase the employment generation of the Site from the current 60 Full Time Equivalent (FTE) to 257 FTE positions. In addition, it is expected 386 FTE construction jobs would be created during the two-year construction period. This Planning Proposal would result in significant economic benefits for Ulladulla and the broader Shoalhaven region including:

- An estimated annual contribution to Shoalhaven LGA’s Gross Regional Product (GRP) of \$3.8 – 7.5 million
- An estimated development phase contribution to Shoalhaven LGA’s GRP of \$53 million over 24 months (estimated construction cost of \$90 million)
- The proposed development would provide an estimated \$0.5 – 0.65 million in annual rates to Council.
- Increased retail expenditure of around \$6 – 7 million in Ulladulla and Shoalhaven as a result of the expected population of the development (430 people).

Avoiding Greenfield Sprawl

The Illawarra Shoalhaven Regional Plan 2041 seeks to provide housing ‘in the right locations’, with new development and intensive uses in existing centres rather than in the scenic hinterland and agricultural areas that define the rural coastal character of the region. The Site is currently used for bulky goods retail by Bunnings Warehouse and is located 350 m south of the Ulladulla CBD. The rezoning sought under this Planning Proposal will achieve the overarching objectives of the Regional Plan by reducing the reliance on greenfield development and avoiding urban sprawl into the hinterlands.

Technical Studies

The following technical studies have been prepared following pre-lodgement scoping discussions with Council officers and seek to address environmental constraints and confirm site suitability:

- An Economic Impact Assessment has been prepared to justify the inconsistency with Local Planning Direction 7.1 – Employment Zones, and to weigh up the economic impacts associated with the development. This technical assessment supports the proposed rezoning and confirms that the use of the Site as a mixed-use development presents significant and higher value than its current use by increased jobs and greater economic activity.
- A Traffic Impact Assessment has been prepared and confirms that peak traffic generated by the proposed development will not exceed that generated by the Bunnings Warehouse that presently occupies the Site. Satisfactory performance of surrounding intersections will be maintained to the required design year of 2033, and the road network is assessed as having adequate capacity for the indicative development sought under this Planning Proposal.
- An Air and Odour Assessment was undertaken to confirm impacts arising from the proximity to adjoining industrial uses. The assessment undertook air quality monitoring and modelling to confirm that impacts on the Project site are unlikely, however precinct layout, orientation and building design can ensure good air flow and appropriate internal noise levels.
- An Acoustic Assessment was also prepared, including a baseline noise survey to establish project-specific intrusive and amenity noise levels. The modelling of the operational development confirms that all targets will be met, and that the industrial use of the adjoining site is not expected to impact future residential amenity. The analysis also confirms that road traffic noise will not impact internal amenity, even with windows open. The acoustic assessment also considers the future centre based childcare centre and potential noise impacts from the use of the outdoor play area onto neighbouring properties. Subject to recommended noise control measures, the assessment confirms that the intended future childcare use can be accommodated without impacting neighbouring amenity.
- A Preliminary Site Investigation (PSI) has been prepared to assess the Site for potential contamination and to address Planning Direction 4.4: Remediation of Contaminated Sites. The PSI indicates that the Site is suitable for the intended development and the introduction of more sensitive residential and educational uses, as the proposal includes substantial excavation works for two levels of basement carparking which will remove much of the soil from the Site.
- A Social Impact Assessment has accompanied the Planning Proposal and analyses the need for additional housing diversity and affordability given the demographic profile of the region, particularly the number of low to very low income households that are currently in housing stress. An assessment of local services and facilities confirms they are considered adequate to meet the needs of new residents, noting future development contributions under Section 7.11 of the *Environmental Planning and Assessment Act 1979* will be available to Council to support the augmentation of local facilities in accordance with the Council's priorities.
- A Visual Impact Assessment has been undertaken to determine how visible a future development of the scale sought by this Planning Proposal would be within the visual landscape of Ulladulla and surrounding areas. Following consultation with Council Officers, a visual impact assessment methodology was established to test the visibility of the development from 11 viewpoints including Warden Head Light House and the Northern intersection of Princes Highway and St Vincent Street, looking south toward Ulladulla town centre. Due to the topography of the landscape, impacts are generally negligible to low from key viewpoints in the area. As expected, the buildings become more visible on approach from adjoining roads and neighbouring properties.

This Planning Proposal has been prepared in accordance with the NSW Government Local Environment Plan Making Guideline (August 2023) and in close consultation with SCC. This Planning Proposal seeks to modify the current planning controls to enable the construction of a mixed use residential and commercial precinct of an appropriate density that responds to the need for additional housing in the Shoalhaven LGA. The proposed development is expected to provide significant economic and social benefit to the Shoalhaven Region.

The Planning Proposal (PP-2024-109) was submitted through the NSW Planning Portal on 19 January 2024 for pre-lodgement review and tabled at the SCC Ordinary Council Meeting on the 20 May 2024. Council resolved to support PP-2024-109 'in principle' and requested further information, including modification of building heights, which has been addressed in this revised submission.

Contents

1.	Introduction.....	1
1.1	Overview	1
1.2	Background	1
1.3.1	Scoping Proposal	3
1.3.2	Pre-Lodgement Meeting	4
1.3.3	Council Meeting	6
2.	Site Analysis.....	10
2.1	The Site.....	10
2.2	Characteristics of Surrounding Area	10
2.3	Surrounding Road Network.....	15
2.4	Active and Public Transport	16
3.	Indicative Master Plan	18
4.	Planning Proposal Request	20
4.1	Introduction	20
4.2	Current Statutory Controls.....	20
4.3	Shoalhaven Local Environmental Plan 2014	20
4.3.1	Zoning and Permissibility	20
4.6.1	Illawarra Shoalhaven Regional Plan 2041	24
4.6.2	Local Strategic Planning Statement: Shoalhaven 2040 – Our Strategic Land-use Planning Statement	26
4.6.3	Shoalhaven Affordable Housing Strategy 2017	26
4.6.4	Shoalhaven Growth Management Strategy 2014	27
4.6.5	Draft Shoalhaven Growth Management Strategy 2019-2041.....	27
4.6.6	Milton-Ulladulla Structure Plan 1996.....	27
5.	Design Development.....	30
5.1	Crossfall and Topography.....	30
5.2	Vehicular access	31
5.3	Visual Impact	33
5.4	Solar Access.....	36
5.5	Overshadowing	37
6.	Strategic and Site-Specific Merit	38
6.1	Section A – Need for the Planning Proposal	38
6.1.1	Is the planning proposal a result of an endorsed LSPS, strategic study or report?	38
6.2.3	Has the planning proposal adequately addressed any social and economic effects?	65
6.3	Section D – Infrastructure (Local, State and Commonwealth).....	68
6.3.1	Is there adequate public infrastructure for the planning proposal?	68
6.4	Section E – State and Commonwealth Interests	68
6.4.1	What are the views of state and federal public authorities and government agencies consulted in order to inform the gateway determination?	68
7.	Mapping	69
8.	Community Consultation	72
9.	Project Timeline.....	73
10.	Conclusion	74

Appendices

Appendix A	Architectural Drawings
Appendix B	Zoning Maps
Appendix C	Traffic Impact Assessment
Appendix D	Acoustic Assessment
Appendix E	Preliminary Site Investigation
Appendix F	Air and Odour Assessment
Appendix G	Urban Design and Visual Impact Assessment
Appendix H	Economic Impact Assessment
Appendix I	Social Impact Assessment
Appendix J	Development Feasibility Assessment
Appendix K	Draft Letter of Offer – Voluntary Planning Agreement
Appendix L	Quantity Survey

Figures

Table 1-1 Snapshot of proposed amendments to the Shoalhaven LEP 2014	1
Figure 1-1 Minutes of Ordinary Meeting (MIN24.273)	7
Figure 2-1 Site Locality Plan	10
Figure 2-2 Local Context Analysis.....	11
Figure 2-3 Aerial view of Ulladulla facing northeast showing the existing built form surrounding the Site (site outlined in orange)	12
Figure 2-4 View facing south along St Vincent Street towards the site	13
Figure 2-5 View facing north from the Dunn Lewis Community Centre towards the site	13
Figure 2-6 View south along St Vincent Street at the intersection of Deering Street	13
Figure 2-7 View north along the Princes Highway within close proximity to the site	13
Figure 2-8 Location of activity across the surrounding neighbourhood with the site identified in orange (Source: Neighbourlytics, 2023)	14
Figure 2-9 Surrounding Businesses (Source: Cox, 2023)	15
Figure 2-10 Road network (Source: Traffic Impact Assessment, TTPA)	16
Figure 2-11 Existing footpaths and shared paths with the site outlined in orange (Source: Milton Ulladulla Traffic and Transport Study).....	17
Figure 2-12 Bus routes & bus stop locations with the site outlined in orange. (Source: Milton Ulladulla Traffic & Transport Study)	17
Figure 3-1 Indicative render of the proposed development viewed from St Vincent Street (Source: Cox Architecture).....	18
Figure 3-2 View of the public domain facing northwest	19
Figure 4-1 Zoning controls under the Shoalhaven LEP 2014	21
Figure 4-5 Intended structure of the Ulladulla CBD with the Site identified in orange (Source: MUSP 1996)	28
Figure 5-1 East elevation of the development	30

Figure 5-2 West elevation of the proposed development	31
Figure 5-3 Vehicular access masterplan (Cox Architecture, 2023)	32
Figure 5-4 Visual impact of the development facing south along St Vincent Street.....	34
Figure 5-5 Visual impact of the intended development facing northwest along the Princes Highway	34
Figure 5-6 Visual impact of the intended development facing south along the Princes Highway	35
Figure 5-7 Visual impact of the intended development from Warden Head Lighthouse	35
Figure 5-8 Solar compliance diagrams showing solar access for Ground Floor to Level 4 of Buildings 1 – 4 (Source: Cox Architecture).....	36
Figure 5-9 Shadow diagrams of intended development (9 – 10 AM) (Source: Cox Architecture).....	37
Figure 5-10 Shadow diagram of intended development (11 AM – 12 PM) (Source: Cox Architecture)	37
Table 6-3 Consistency with other SCC strategic policy	43
Figure 6-1 Summary of Actions (Illawarra Shoalhaven Regional Plan 2041, p15, NSW DPIE, 2021)	55
Figure 6-2 Shadow diagrams of intended development (Source: Cox Architecture).....	64

Tables

Table 1–1 Snapshot of proposed amendments to the Shoalhaven LEP 2014	1
Table 1-2 Summary of main issues identified from Scoping Proposal feedback	3
Table 1-3 Summary of main issues identified from pre-lodgement meeting feedback	4
Table 1-4 Summary of items identified from Council Meeting	7
Table 1-5 Supporting documents	8
Table 4-1 Comparison of existing and proposed zoning	21
Table 6-1 Assessment against strategic plan and relevant objectives	39
Table 6-2 Consistency with the Shoalhaven 2040 Strategic Land-Use Planning Statement	42
Table 6-5 Comparison of existing and proposed Full Time Employment (FTE) generated by the site	61
Table 9-1 Project timeline	73

Definitions

Term	Definition
ABS	Australia Bureau of Statistics
ADG	Apartment Design Guidelines
Affordable Housing Strategy	Shoalhaven Affordable Housing Strategy 2017
CBD	Central Business District
DPE	Department of Planning and Environment
DSI	Detailed Site Investigation
EIA	Economic Impact Assessment
EP&A Act	Environmental Planning and Assessment Act 1979
EPA	Environment Protection Authority
FSR	Floor Space Ratio
FTE	Full Time Equivalent
GFA	Gross Floor Area
GMS	Shoalhaven Growth Management Strategy 2014
GRP	Gross Regional Product
HOB	Height of Buildings
LEP	Local Environment Plan
LGA	Local Government Area
LSPS	Local Strategic Planning Statement
MUSP	Milton Ulladulla Structure Plan 1996
PSI	Preliminary Site Investigation
Regional Plan	Illawarra Shoalhaven Regional Plan 2041
RFS	Rural Fire Service
SCC	Shoalhaven City Council
SEPP	State Environment Planning Policy
SIA	Social Impact Assessment
STP	Sewerage Treatment Plant
TfNSW	Transport for NSW
TIA	Traffic Impact Assessment
TTPA	Transport Traffic Planning Associates

1. Introduction

1.1 Overview

This Planning Proposal has been prepared by SMEC on behalf of the Trustee for the Ulladulla Precinct Trust (the Project Team) to facilitate a proponent led Planning Proposal to rezone a one-hectare land holding in St Vincent Street, Ulladulla. The rezoning will permit the construction of a mixed-use residential and commercial precinct.

The site is located at 131 St Vincent Street, Ulladulla and is formally identified as Lot 26 DP759018 and Lot 14 DP1105304 (the Site). The Site is located approximately 300 m south of the Ulladulla Central Business District (CBD) and is currently used for bulky goods retail by Bunnings Warehouse.

The objective of the Planning Proposal is to rezone the Site to allow higher density development in the form of approximately 182 residential apartments, including 50 affordable units, commercial premises and a childcare centre. The mixture of uses has been carefully curated to address identified community needs for housing, key worker accommodation and centre based childcare.

The Site is currently zoned E4 General Industrial under the Shoalhaven Local Environment Plan 2014 (LEP). The Planning Proposal seeks to:

- Amend the zoning from E4 General Industrial to MU1 Mixed Use
- Increase the Height of Buildings permitted under Clause 4.3 of the Shoalhaven LEP 2014 from 11 metres to a maximum of 21 metres, and
- Introduce a Floor Space Ratio (FSR) of 3.5:1 under Clause 4.4 of the Shoalhaven LEP 2014.

This Planning Proposal has been prepared in accordance with the NSW Government Local Environment Plan Making Guideline (August 2023).

Table 1-1 provides a snapshot of current development standards and the proposed amendments sought under this Planning Proposal.

Table 1-1 | Snapshot of proposed amendments to the Shoalhaven LEP 2014

Development Control	Existing.	Proposed.
Height of Buildings (HOB)	11 m specified under Clause 4.3(2A)	Building 1: 21 m Building 2: 21 m Building 3: 15 m Building 4: 17 m
Floor Space Ratio	Not specified	3.5:1
Zoning	E4 General Industrial	MU1 Mixed Use

1.2 Background

Shoalhaven City Council (SCC) commenced a review of the Milton Ulladulla Structure Plan (MUSP) in 2022 in response to the emerging housing availability and affordability challenges in the Shoalhaven Local Government Area (LGA). Ulladulla is anticipated to experience a significant growth rate of 19.14%, with a projected population of 8,989 residents by 2051¹. The MUSP review identified that approximately 3,250 dwellings will be needed by 2051. Through a [dwelling capacity analysis](#) undertaken by SCC in 2021, it was confirmed that the area has a current capacity of about 1,400 dwellings, resulting in a significant shortfall of 1,850 homes. This shortfall requires consideration of appropriate rezonings to accommodate infill development that can provide additional housing to support the growing population and tourism sectors.

¹ <https://forecast.id.com.au/shoalhaven/about-forecast-areas?WebID=280>

Following initial consultation on revisions to the Structure Plan, at its 28 August 2023 meeting SCC resolved to take a city-wide approach and instead prepare a new land use planning scheme for the Shoalhaven LGA. Council has indicated they intend to first prepare and consult on a City-wide Housing Strategy, which would then be followed by the preparation of a revised comprehensive LEP. Whilst this regional approach will enable Council to consider potential growth across the whole LGA, it will not address short to medium term housing affordability and availability challenges.

It is understood that SCC has commissioned a report into possible solutions for addressing the housing affordability and availability crisis. Suggested solutions have included the creation of an affordable housing fund, changes to planning rules to restrict the number of short-term rentals and writing to non-resident ratepayers asking them to consider renting their properties long-term. It was not possible to determine the current status of this report. More recently, Business Illawarra has commissioned a strategic assessment to provide solutions to the affordable housing crisis, supported by key business including the Property Council of Australia, Warrigal Home Services, the Illawarra Shoalhaven Joint Organisation and the Housing Trust². The report included recommended actions for Councils in the Illawarra-Shoalhaven, including increasing densities and more diverse housing types.

A recent article from the Urban Development Institute of Australia³ notes the impact that the current housing crisis is having on home ownership and the associated lack of stability for renters. A possible solution is build-to-rent housing which provides a more affordable housing model and would assist in easing the housing crisis. The article notes that a total of \$60 million has been allocated from the NSW Government to trial build-to-rent projects in the Northern Rivers and Illawarra-Shoalhaven regions that are experiencing an acute housing shortage. The proponent has included build-to-rent apartments to provide critical key-worker accommodation in this development to address identified housing needs within Ulladulla.

As part of the Structure Plan Review, SCC identified a Preliminary Growth Scenario for greenfield development which identified approximately 66 hectares of land for possible greenfield development at Milton. A Preliminary Growth Scenario focused on infill development was also released and identifies six potential medium and high-density residential sites, and a single mixed use and high-density residential development site, at Ulladulla. An additional three 'key sites' were identified with the intention of providing redevelopment opportunities at gateway locations to the township.

It is understood that continued greenfield development on the urban fringes of Shoalhaven LGA's towns and villages is generally not supported by the local community. The Shoalhaven Local Planning Strategic Statement recognises that the rezoning of rural land is generally not supported due to loss of productive agricultural land and conflict between residential and agricultural uses. This places additional importance on the need to support infill development and provide density in appropriate locations.

An initial meeting was held with Senior SCC Officers in November 2022 and a key outcome of this meeting was a recommendation from Council to nominate the subject site for consideration under the Structure Plan review. The Project Team submitted a response nominating the site and its associated benefits on the 19 December 2022. Community consultation on the Structure Plan review closed on the 20 January 2023. SCC indicated that feedback on nominated sites and an outcome demonstrating inclusion in the Structure Plan review as either a Key Site or infill site would be provided around May – June 2023.

Council instead resolved to undertake a city-wide strategic planning review, with a key focus on improving the supply of affordable rental or community housing and affordable housing, managing short-term rental accommodation and updating the local infrastructure contributions framework. Due to the considerable time it will take Council to proceed with these studies and revised LEP, a proponent-led planning proposal has been sought.

1.3 Stakeholder Engagement

The Project Team has been consulting closely with Council Officers to facilitate the preparation of a planning proposal for the Site. As noted, an initial meeting was held with Senior SCC Officers in November 2022 to provide an overview of the proposed development, and advice on the rezoning and increase to Height of Buildings and FSR. Following the initial meeting, two additional meetings were held with SCC on the 20 and 30 October 2023.

² Business Illawarra (2023). Solutions to the affordable housing crisis in the Illawarra Shoalhaven Region (Advocacy Report). Accessed via: <https://www.businessillawarra.com/content/dam/nswbc/businessillawarra/submissions/Business%20Illawarra%20-%20Solutions%20to%20the%20Affordable%20Housing%20Crisis%20Advocacy%20Report.pdf>

³ Urban Development Institute of Australia (n.d). Accessed via: [*Build-to-rent-article-from-interview-with-ABC.pdf \(udiansw.com.au\)](https://www.udiaustralia.com.au/build-to-rent-article-from-interview-with-ABC.pdf)

Consultation has been initiated with neighbouring properties and owners of existing industrial premises on Witherington Avenue and Camden Street. Further community engagement has been carried out through a Social Impact Assessment and consultation with major employment providers in Ulladulla was undertaken to support the development of an Economic Impact Assessment, noting the need to house more workers in the Shoalhaven region.

1.3.1 Scoping Proposal

A Scoping Proposal was lodged with SCC on the 18 May 2023 to provide a high-level overview of the Planning Proposal and to seek feedback from Council. Feedback was received on the 4 July 2023 and included responses from SCC, Department of Planning and Environment (DPE), Transport for NSW (TfNSW), and the NSW Rural Fire Service (RFS). The key issues identified within the Scoping Proposal feedback are outlined in Table 1-2 below.

Table 1-2 | Summary of main issues identified from Scoping Proposal feedback

Identified Issue	Response
It is preferable that this Planning proposal is considered strategically Milton-Ulladulla Structure Plan (MUSP) or similar. If the Planning Proposal is submitted prior, it will be considered a spot rezoning.	<p>A submission was made to the Draft MUSP Review on the 19 December 2022 for consideration of the site as a suitable infill development site.</p> <p>Council has since changed their land use planning priorities and it is unlikely that the city-wide strategic planning work will be completed for a few years.</p> <p>Whilst we agree that it is best to avoid spot rezoning, in the interest of timely economic development, this Planning Proposal has been lodged relying upon supporting technical studies.</p> <p>Please refer to Section 4 and 6 of this Report.</p>
Shortage of available industrial land in Ulladulla.	<p>It is expected that additional industrial land will be provided in the medium term (5 – 10 year) noting that SCC are planning on an industrial subdivision at the Ulladulla Sewerage Treatment Plant (STP) of more than 10 hectares. The delivery of additional industrial land nearby would result in a net gain of 9 hectares to the availability of industrial land in Ulladulla.</p>
<p>The proposal needs to demonstrate consistency with the relevant Local Planning Directions:</p> <ul style="list-style-type: none"> - 1.1 Implementation of Regional Plans - 4.3 Planning for Bushfire Protection - 4.4 Remediation of Contaminated Land - 6.1 Residential Zones - 7.7 Employment Zones. 	<p>This Report provides justification against all relevant Local Planning Directions. An Economic Impact Assessment (EIA) is provided to support inconsistencies against Local Planning Direction 7.1.</p> <p>Please refer to Section 6.2.4 of this Report.</p>
The Shoalhaven 2040 LSPS states that the Ulladulla Town Centre plays an important role in the economic and business function of the Southern Shoalhaven. The proposal has the potential to fragment employment land and impact on the commercial core of the Ulladulla CBD.	<p>An assessment of impacts (both positive and negative) has been provided in Appendix H – Economic Impact Assessment. The curation of uses within the site is intended to support the day to day needs of residents and nearby workers, and to avoid impacting the viability of land uses within the CBD.</p>
The Planning Proposal must address the Illawarra Shoalhaven Regional Plan 2041. Any future PP will need to assess and address potential impacts on the existing centre.	<p>An assessment against Council strategic document has been provided.</p> <p>Please refer to Sections 4.7 and 6.2 of this Report.</p>
Potential land use conflict from the proposed sensitive residential and child care uses and the adjacent operational concrete batching plant and surrounding industrial uses.	<p>Potential for land use conflict has been considered through obtaining air and odour assessments. These technical reports confirm that the adjoining uses will not adversely impact residential amenity within the site, and that the residential and childcare use are appropriate.</p> <p>Please refer to Appendix D – Acoustic Assessment and Appendix F – Air and Odour Assessment.</p>
Consideration of the height and overshadowing of the proposed development on adjoining development and from key viewpoints in Ulladulla.	<p>The impact of the height of the proposed development has been considered from the main viewpoints along the Princes Highway, Ulladulla Lighthouse, and surrounding residential neighbourhoods. Visual impacts</p>

Identified Issue	Response
	are considered low to moderate and negligible in some cases. Please refer to Appendix G – Urban Design and Visual Impact Assessment.
Consideration of the proposed FSR against the Apartment Design Guidelines (ADG)	The ADG aims to ensure that development aligns with the optimum capacity of the site and the desired density of the local area also provide opportunities for building articulation and creativity within a building envelope by carefully setting the allowable floor space. The intended development outcome is for four towers comprising mixed residential and commercial uses with heights of between three and five - six storeys, located within a well-connected area, supported by the Ulladulla CBD and surrounding services, public and active transport routes and high-capacity arterial roads. The proposal would create additional high-density housing, and commercial development in the Ulladulla CBD consistent with the role identified for Ulladulla as a Major Regional Centre in the endorsed strategic planning for the area and aligns with the desired character.
The likely traffic impacts of the proposed development on the surrounding environment and in context of the proposed infrastructure upgrades associated with the new Bunnings Warehouse.	A Traffic Impact Assessment (TIA) has been prepared which notes that the additional density and height sought in this Planning Proposal can be accommodated by the existing road network. The peak traffic times (AM and PM) generated by the development of the Site would be less than the traffic movements generated by the existing Bunnings Warehouse. Further detail is provided in Section 6.3.2 of this Report. Please refer to Appendix C – Traffic Impact Assessment.

1.3.2 Pre-Lodgement Meeting

A pre-lodgement meeting was held with Council strategic planning staff and the Project team on the 30 October 2023 to discuss the Planning Proposal. A response to the key issues identified in the meeting has been provided in Table 1-3 below.

Table 1-3 | Summary of main issues identified from pre-lodgement meeting feedback

Council Comment	Proponent Response
Industrial land Supply	
There is no timeframe for the remediation of the Ulladulla STP and there is no guarantee that redevelopment would be possible.	It is understood that Council received a grant to progress with the remediation of the Ulladulla STP site for the purposes of providing additional industrial lands. Council have previously indicated that this site would be redeveloped in the medium term (~5 years), coinciding with the construction timeline of the intended development and resulting in a net gain of 9 hectares of industrial land.
The South Nowra industrial area is 1 hour away and is a different market.	The Regional Plan identifies that the South Nowra Industrial Lands comprises 110 hectares with potential to accommodate up to 180 new industrial lots. Whilst it is recognised that the South Nowra industrial area may cater to a different market, it is noted that it is much better suited to general industrial uses than the Site, which shares boundaries with a community centre and R3 Medium Density zoning.
The Site would generate economic activity under the current planning controls or through adaptive reuse of the Bunning's building	The proposed development as a result of this Planning proposal is expected to provide 257 FTE employment positions and 386 FTE construction positions over the two-year construction period. This would generate significant economic activity for Ulladulla. Should the current planning controls be retained, the number of FTE employment positions is likely to be less than 20.
Social and Economic Impact:	
Current activity in this precinct demonstrates its importance to the local economy. There is minimal	An analysis of the distribution of local activity has been provided to determine the nature of the surrounding neighbourhood. Current activity around the Site is likely a result of the Bunnings Warehouse which will

pedestrian activity in the area.	relocate to a new premise in 2024. The proposed development would generate more pedestrian activity as residents walk to and from the Ulladulla CBD and reduce vehicle trips for the area. It is expected that the increased population from the proposed development would significantly increase retail expenditure in the local area. The analysis demonstrates that there are multiple nodes of high activity outside of the Ulladulla CBD.
Most services within the CBD are >400 m walking distance and walkability is further reduced by topography	The Site is within 400 m of services including the Ulladulla High School, various food and beverage premises, and retailers in the Ulladulla CBD. The Site is within 450 m of a large format supermarket retailer (Woolworths). Whilst topography may restrict some pedestrian movements to and from the Site, other factors such as connectivity and pedestrian safety must be considered as factors that increase walkability. A study undertaken demonstrated that people will regularly walk up to 1.6 km (20-minute walk) to access services provided there is good connectivity, short blocks, and well-designed walking routes ⁴ . The same study noted that additional density in neighbourhoods is critical for promoting street life and economic growth. The Site is well connected to the Ulladulla CBD by a network of shared pedestrian paths located along St Vincent Street and the Princes Highway. Local streetscapes are generally tree lined and promote shading and urban cooling. The walkability of the Site to the CBD will promote healthy lifestyles and social interaction between residents.
A restrictive covenant (88b Instrument) that seeks to prohibit a use permitted in the LEP would not prevent that use from being lawfully approved. Concerns a supermarket could draw activity away from the CBD.	The GFA of the commercial premises and loading facilities provided to the ground floor tenancies have not been designed to cater for a large supermarket meaning that this could not be supported. The intended development will provide smaller floor platters for a wide variety of uses. The proposed development would support a population of around 430 people and would increase retail expenditure in the Ulladulla CBD.
<p>The PP needs demonstrate that it is appropriate to locate large shop-top housing / residential buildings and a childcare centre between:</p> <ul style="list-style-type: none"> - General Industrial zoned land to the west, including a concrete batching plant and earth moving business - Productivity Support zoned land to the east. 	This Planning Proposal is supported by an Acoustic Impact Assessment (Appendix D) and Air and Odour Assessment (Appendix F) to determine impacts to the intended development from surrounding sites. Supporting technical studies concluded that the rezoning of the Site from E4 General Industrial to MU1 Mixed use is appropriate in regard to air quality and that residential and commercial land used can operate without exceeding the applicable air quality criteria in this location. Traffic and industrial noise intrusion into the development would comply with noise criteria outlined in the State Environmental Planning Policy (Transport and Infrastructure) 2021. Suitable mitigation measures will be implemented ensuring noise impacts from the childcare centre comply with noise criteria.
Details of how the proposed key worker accommodation and affordable housing provision are to be secured in the longer term.	The proponent is working with affordable housing providers to ensure the provision of the intended affordable housing and key worker accommodation.
The 30% height and FSR bonuses available under the new State Significant Development (SSD) approval pathway could be applied to the Site. A reduced height and FSR should possibly be reduced by 30% to allow for bonus provisions to be made.	The height and FSR sought under this Planning Proposal are intended to be progressed. There is no guarantee that the new SSD pathway will be available when the intended development progresses to DA stage.
<p>The economic assessment should also consider broader impacts on the economy, including:</p> <ol style="list-style-type: none"> 1. The loss of industrial land 2. Pressure on the future operation of the concrete batching plant and other surrounding industrial uses 3. The potential for commercial activities on the 	An assessment of economic impacts from the loss of industrial land has been undertaken. The intended development would generate approximately \$308.4 million in economic activity each year as a result of the 257 FTE new employment positions created, and \$926.4 billion over the two-year construction period. By comparison, the existing Bunnings Warehouse generates approximately \$72 million in economic activity each year suggesting that the loss of 1 hectare of industrial land will have significant economic benefits for the Shoalhaven region. The intended

⁴ https://www.victoriawalks.org.au/urban_design/

site to draw economic activity away from the CBD	development is not expected to draw activity away from the Ulladulla CBD. Residents will still need to access the CBD for everyday services, and it is noted that the increased density sought under this Planning Proposal may increase economic activity in the CBD and surrounding areas. Please refer to Appendix H – Economic Impact Assessment.
Environmental Impacts	
The noise assessment needs to address increased traffic from the new Bunnings development and future Milton-Ulladulla By-pass	Traffic noise impacts from the surrounding has been assessed. Please refer to Appendix D – Acoustic Assessment.
Council is not aware of any air quality assessment being done for the existing concrete batching plant, or any dust management plan being in place.	This Planning proposal is supported by an Air and Odour Assessment which considers air quality impacts, and the intended development has been designed appropriately to consider the surrounding uses.
The height differential between the existing residential buildings and the 17 m and 30 m buildings should be described in the VIA.	A description of heights has been provided. Please refer to Appendix G – Urban Design and Visual Impact Assessment.
The southern part of the site has a natural elevation or approx. 41 m AHD, 8 m lower than the crest of St Vincent Street. Buildings that are 27-30 m high would extend 19-22 m above the crest on St Vincent Street.	Buildings with heights of 21m have been located on the southern elevation of the Site. The Site has an approximate frontage of 100 m along St Vincent Street and a public plaza has been placed at street level (RL 43 m AHD) to encourage movement into and through the precinct.
It is suggested that a ‘heatmap’ of visual impact be prepared to better quantify and show the potential outcome and any impacts.	It is noted that visual impacts are demonstrated through a detailed photomontage assessment. Please refer to Appendix G – Urban Design and Visual Impact Assessment.
The reduction in solar access for the photovoltaics on the Dunn Lewis Centre should be quantified.	According to the Shoalhaven DCP 2014, industrial development requires direct solar access to be maintained for at least 3 hours between 9 am and 3 pm on June 21 to existing rooftop solar systems or 10 sqm of north-facing roofs where a rooftop solar system is not yet in place. It is acknowledged that, due to the orientation of the Site, overshadowing is expected on the southern adjoining property; nonetheless, the proposal retains adequate solar access to the roof of the existing neighbouring building, being capable of providing a minimum of 3 hours solar access to the existing and future development. Please refer the shadow diagrams provided in Appendix A – Architectural Plans.
The TIA would need to consider traffic conditions expected to occur over the next 5-10 years.	The TIA has considered traffic impacts over a 10-year design horizon using SIDRA modelling. Please refer to Appendix D – Traffic Impact Assessment.
The Affordable Housing Strategy (2017) is relevant and should be addressed.	An assessment against Shoalhaven Affordable Housing Strategy 2017 (the Affordable Housing Strategy) is provided in Section 4.6.3 of this Report.

1.3.3 Council Meeting

The Planning Proposal (PP-2024-109) was submitted through the NSW Planning Portal on 19/01/2024 for pre-lodgement review and tabled at the SCC Ordinary Council meeting on the 20 May 2024. Council resolved to support Planning Proposal PP-2024-109 ‘in principle’ and requested further information (Figure 1-1).

RESOLVED (Clr Wells / Clr Ell)

MIN24.273

That Council support Planning Proposal (PP-2024-109) 'in principle' and subject to:

- The inclusion of a recommendation for Gateway condition to complete an independent review of the proponent's key studies, including:
 - Urban Design and Visual Impact Assessment
 - Economic Impact Assessment
 - Feasibility Assessment
 - Air and Odour Assessment
 - Acoustic Assessment
- Modification of the maximum height of the building in accordance with the Proponent's offer of 5 April 2024, by adopting a split height of 15m, 17m and 21m under Clause 4.3 of the SLEP 2014
- Consideration of options to amend the proposal to minimise health risks and land use conflict.
- Detailed vacancy analysis of the existing town centre to determine if there is a need for additional mixed use-zoned land.
- Creating a more detailed 3D model of the surrounding landscape and built form to enable the visual impacts to be better assessed.
- All costs associated with the above to be met by the proponents in accordance with Council's Guideline for Proponent Initiated Planning Proposals (PPs).

FOR: Clr D'Ath, Clr Norris, Clr Kotlash, Clr Copley, Clr Ell, Clr White, Clr Wells, Clr Watson and Clr Gray

AGAINST: Clr Boyd and Clr Kitchener

CARRIED

Figure 1-1 | Minutes of Ordinary Meeting (MIN24.273)

The items identified by Council are summarised in Table 1- 4 below.

Table 1-4 | Summary of items identified from Council Meeting

Council Comment	Proponent Response
<div>1. The inclusion of a recommendation for Gateway condition to complete an independent review of the proponent's key studies, including:<div><div>a. Urban Design and Visual Impact Assessment</div><div>b. Economic Impact Assessment</div><div>c. Feasibility Assessment</div><div>d. Air and Odour Assessment</div><div>e. Acoustic Assessment</div></div></div>	<div>If deemed required by the Department, independent reviews of the proponents' key studies can be undertaken. In the interest of time, all key studies have been updated to reflect changes to the height of buildings. This extent of work is deemed acceptable for Department of Planning and Environment (DPE).</div>
<div>2. Modification of the maximum height of the building in accordance with the Proponent's offer of 5 April 2024, by adopting a split height of 15m, 17m and 21m under Clause 4.3 of the SLEP 2014</div>	<div>In accordance with Council's recommendation the height of buildings has been revised as follows:<div><div>- Building 1: 21 m</div><div>- Building 2: 21 m</div><div>- Building 3: 15 m</div></div></div>

	- Building 4: 17 m Please refer to Appendix A – Architectural Plans.
3. Consideration of options to amend the proposal to minimise health risks and land use conflict.	This Planning proposal is supported by an Air and Odour Assessment which considers air quality impacts, an Acoustic Assessment, and the intended development has been designed appropriately to consider the surrounding uses.
4. Detailed vacancy analysis of the existing town centre to determine if there is a need for additional mixed use-zoned land.	As noted, if required by DPE, independent reviews of the proponents' key studies can be undertaken, including a vacancy analysis.
5. Creating a more detailed 3D model of the surrounding landscape and built form to enable the visual impacts to be better assessed.	A 3D model of the surrounding landscape and built form has been provided to Council for consideration. Please refer to Appendix A – Architectural Drawings.
6. All costs associated with the above to be met by the proponents in accordance with Council's Guideline for Proponent Initiated Planning Proposals (PPs).	Noted.

1.4 Report Structure

This Planning Proposal report has been prepared in accordance with Section 3.33 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)* and with reference to the *Local Environment Plan Making Guideline (August 2023)* prepared by the NSW Department of Planning and Environment. This Report includes the following sections:

1. Introduction
2. Site Analysis
3. Indicative Master Plan
4. Planning Proposal Request
5. Options Analysis
6. Strategic and Site-Specific Merit
 - Section A: Need for the Planning Proposal
 - Section B: Relationship to the Strategic Planning Framework
 - Section C: Environmental, Social and Economic Impacts
 - Section D: Infrastructure (Local, State and Commonwealth)
 - Section E State and Commonwealth Interests
7. Mapping
8. Community Consultation
9. Conclusion

The table below outlines the plans and technical studies to support the Planning Proposal and provide a comprehensive analysis of the site opportunities and constraints.

Table 1-5 | Supporting documents

Document Type	Document Name	Prepared by / Consultant	Appendix
Drawing	Architectural Drawings	Cox Architecture	A
Drawings	Zoning Maps	SMEC	B
Report	Traffic Impact Assessment	Transport Traffic Planning	C

		Associates	
Report	Acoustic Assessment	Rodney Stevens Acoustics	D
Report	Preliminary Site Investigation	Terra	E
Report	Air and Odour Assessment	Todoroski Air Sciences	F
Report	Urban Design and Visual Impact Assessment	Cox Architecture	G
Report	Economic Impact Assessment	Gap Advisory	H
Report	Social Impact Assessment	Judith Stubbs and Associates	I
Report	Development Feasibility Assessment	Egan National Valuers (ACT)	J
Letter	Draft Letter of Offer for Voluntary Planning Agreement	Mills Oakley	K
Report	Quantity Survey	De Waal Advisory	L

2. Site Analysis

2.1 The Site

The Site is located at 131 St Vincent Street, Ulladulla and is identified as Lot 26 DP759018 and Lot 14 DP1105304 and is located approximately 350 m south of the Ulladulla CBD. The Site is square in shape, with an area of 1 hectare (10,000 sqm).

The Site has a frontage of 100 m to St Vincent Street and a rear (western) boundary dimension of 100 m. The northern boundary has a length of 100 m, adjoining residential properties within an R3 Medium Density zoning. The southern boundary similarly has a length of 100 m, with the adjoining land occupied by the Dunn Lewis Community Centre.

The Site is zoned E4 General Industrial under the Shoalhaven LEP 2014 and presently contains a bulky goods premise occupied by Bunnings Warehouse. Two vehicular access points are provided from St Vincent Street, with rear lane access via Witherington Avenue.

The area surrounding the Site is going through a transition from a range of former industrial and bulky goods uses to those anticipated by current zonings under the Shoalhaven LEP 2014. Directly north is land zoned R3 Medium Density Residential; east is land zoned E3 Productivity Support, whilst south and west is land zoned E4 General Industrial. The Dunn Lewis Community Centre is located directly south of the Site and is accessed via a driveway at the corner of St Vincent Street and Parson Street.

An aerial photograph of the Site and surrounding area is shown in Figure 2 1 below.



Figure 2-1 | Site Locality Plan

2.2 Characteristics of Surrounding Area

The Site is located 350 m south of the Ulladulla CBD which is a regional town centre providing retail, commercial and civic services to the local community. The Ulladulla CBD is divided by the Princes Highway which runs in a north south direction through the centre of the CBD and is a major transport corridor providing access north to Nowra, Wollongong, and Sydney, as well as south to Batemans Bay and Canberra. The Site is located approximately 220 m west of the Princes Highway. A local context analysis is provided in Figure 2-2 showing the distance of the Site from other precincts in Ulladulla. An aerial image showing the urban character surrounding the Site is shown in Figure 2-3.



Figure 2-2 | Local Context Analysis



Figure 2-3 | Aerial view of Ulladulla facing northeast showing the existing built form surrounding the Site (site outlined in orange)

SCC were the proponent for a recent Planning Proposal (Reference No. PP-2021-391) which sought to rezone land at the intersection of Deering Street and St Vincent Street from B5 Business Development to B4 Mixed Use and a corresponding increase to the maximum building height of 7.5 m to 14 m. The aim of PP-2021-391 was to provide the opportunity for higher density residential development in the form of shop top housing and residential flat buildings and reinforces the Ulladulla CBD as the major civic and commercial hub the southern part of the Shoalhaven LGA.

PP-2021-391 received approval to proceed as the proposal was deemed to contribute to the creation of additional high-density housing and commercial development in the Ulladulla CBD, aligning with the designated role for Ulladulla as a Major Regional Centre in the endorsed strategic planning for the area. Redevelopment of the area identified under PP-2021-391 faces challenges due to multiple owners, most of whom have existing businesses operating on the Site with long leases. As a result, the delivery of the higher density housing is anticipated to be over the longer term.

Development to the north of the Site is characterised by residential dwellings and multi-unit developments fronting St Vincent Street on land zoned R3 Medium Density Residential. Development to the east of the Site comprises of light industrial, commercial and retail uses including furniture shops, a range of automotive uses (mechanics and car wash), and a number of takeaway food premises (west of Princes Highway) primarily within land zoned E3 Productivity Support. The general built form surrounding the Site comprises of one to three level buildings and includes the recently completed three level commercial office building located at 1B Parson Street (Lot 15 DP1251947).



Figure 2-4 | View facing south along St Vincent Street towards the site



Figure 2-5 | View facing north from the Dunn Lewis Community Centre towards the site



Figure 2-6 | View south along St Vincent Street at the intersection of Deering Street



Figure 2-7 | View north along the Princes Highway within close proximity to the site

Using data from Neighbourlytics, an analysis of the distribution of local activity has been provided to determine the nature of the surrounding neighbourhood. Figure 2-8 indicates that the area immediately surrounding the Site is associated with high levels of daytime activity, likely a result of people accessing the employment services located to the east of the Site and the existing Bunnings Warehouse.

The Ulladulla CBD is the main commercial and employment precinct for Ulladulla and provides a range of services for the local community. The heatmap analysis below confirms that this area is associated with very high levels of daytime activity. A high level of activity presently occurs around the Site and adjoining employment precinct without compromising the viability of the CBD. As such, we do not anticipate that the childcare centre and small commercial operators in this mixed use development would noticeably impact activity within the commercial centre. Please refer to the Section 6.2.3 of this Report for more details.

This exercise also demonstrates that there are other decentralised activity nodes around Ulladulla, particularly along the eastern side of the Princes Highway between Deering Street and Parson Street where there is a cluster of automotive retailers, tourist accommodation, hardware and a bakery.

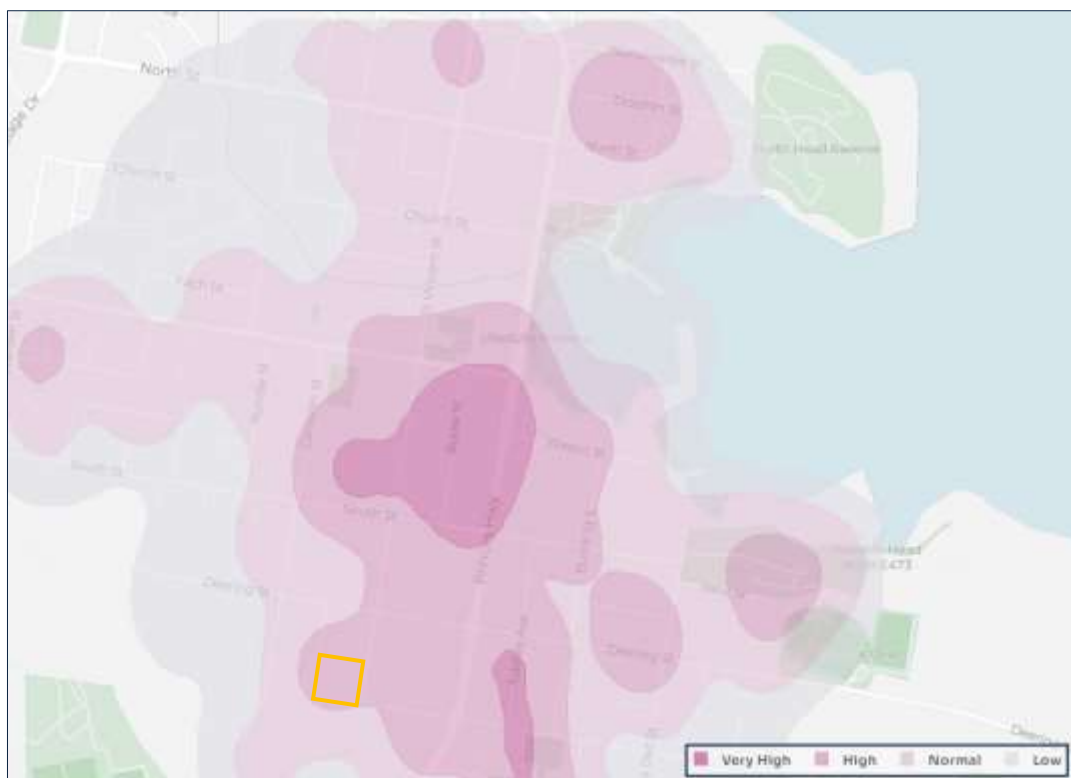


Figure 2-8 | Location of activity across the surrounding neighbourhood with the site identified in orange (Source: Neighbourlytics, 2023)

Figure 2-9 provides context for the surrounding businesses located close to the Site. The intended development would offer small scale commercial offerings and would be consistent with the services already provided in the area.



Figure 2-9 | Surrounding Businesses (Source: Cox, 2023)

2.3 Surrounding Road Network

The Site is well serviced by a network of major and local roads which provide access to the Ulladulla CBD and surrounding areas. The existing road network servicing the Site comprises the following:

- **Princes Highway:** This is a State Road managed by TfNSW that is the principal coastal route between Sydney and Melbourne. The Princes Highway is located approximately 220 m to the east of the Site and provides one traffic lane in each direction.
- **St Vincent Street:** A collector road running parallel to the west of the Princes Highway and is the primary access road for the Site. There are two primary access points from St Vincent Street, located towards the northern and southern boundaries of the Site. It is noted that St Vincent Street is only constructed for a short distance south of Parson Street and provides access to the Dunn Lewis Community Centre.
- **Witherington Avenue:** The third access point to the Site is from Witherington Avenue and is currently used for deliveries to Bunnings Warehouse. Witherington Avenue is a local access road of approximately 8 m in width and unrestricted parking in each direction.
- **Deering Street and Parson Street:** Both Deering and Parson Streets are minor collector routes running in an east-west direction and crossing the Princes Highway. Both streets intersect with St Vincent Street.



Figure 2-10 | Road network (Source: Traffic Impact Assessment, TTPA)

As part of the relocation of Bunnings Warehouse to their new premises, St Vincent Street will be extended to connect with a new access roadway connecting into the Princes Highway and Dowling Street intersection. The proposed Milton-Ulladulla By-Pass is expected to significantly relieve congestion within the Ulladulla CBD once completed and will provide an opportunity further development within the Ulladulla CBD, as well as increasing the overall appeal and liveability of the area. The Milton-Ulladulla By-pass is one of the priority projects identified in the TfNSW 20-year plan.

2.4 Active and Public Transport

The Site is serviced by a shared path that runs along the western side of St Vincent Street providing pedestrian access south to the Dunn Lewis Community Centre and north to the Ulladulla High School and town centre. A shared pedestrian path is also provided on the southern side of Parson Street which connects to the pathways provided along the Princes Highway (Figure 2-11). The Ulladulla CBD is a short 10-minute walk from the Site using the shared path network which also promotes opportunities for active travel to and from the Site.

The Site is approximately 400 m from the nearest bus stop, located near the intersection of the Princes Highway and Powell Avenue (Figure 2-12). Bus services are also provided from the Ulladulla CBD by four regular lines (740, 740V, 740B, 741) which operate every one to two hours during weekdays and Saturday mornings and depart from the Ulladulla Plaza (northbound services) and the Marlin Hotel (southbound services). Bus services provide access to the surrounding localities of Burrill Lake (10-minute journey), Milton (20-minute journey), Mollymook (15-minute journey), Lake Tabourie (10-minute journey) and Burrill Lake (5-minute journey). The Site is located within walking distance to these services.



Figure 2-12 | Bus routes & bus stop locations with the site outlined in orange.
(Source: Milton Ulladulla Traffic & Transport Study)

3. Indicative Master Plan

This Planning Proposal seeks changes to the Shoalhaven LEP 2014 to permit the construction of a mixed-use residential and commercial precinct comprising four separate buildings connected by a high quality and active public domain.

The proposed development will support more diverse housing typologies and provide additional housing supply to support the continued growth of the Shoalhaven LGA. The mixed-use nature of the Site is also intended to provide additional employment opportunities for the local community and a 120-place childcare centre.

An indicative render of the proposed development and indicative breakdown of the GFA of each building is provided in Figure 3-1 below.

The initial intent of the master plan for the Site is to provide the following variety of uses:

- Building 1: Mixed Use (shop top housing), approximately 5 - 6 storeys with commercial use at ground level and residential use above.
- Building 2: Mixed Use (shop top housing), approximately 5 - 6 storeys with commercial use at ground level and residential use above, including a component of affordable housing.
- Building 3: Mixed Use, approximately 3 storeys with commercial use including a childcare centre.
- Building 4: Exclusively dedicated to key worker accommodation/affordable housing (silver star rated) of approximately 60 apartments over 4 storeys.



Figure 3-1 | Indicative render of the proposed development viewed from St Vincent Street (Source: Cox Architecture)

The proposed development is expected to provide approximately 182 dwellings across 1, 2 and 3 bedroom residential apartment typologies and complementary commercial uses. Commercial uses will be carefully curated to meet the needs of residents within the development and will likely comprise food and beverage premises and small commercial tenancies for local professional services businesses. There is an identified need for high quality childcare, and the Site presents an opportunity to provide for local needs in a purpose built, modern facility providing 120 spaces (420 sqm internal and 850 sqm external area).

Figure 3-2 provides a view of the proposed public domain showing the public plaza with food and beverage and commercial premises.



Figure 3-2 | View of the public domain facing northwest

4. Planning Proposal Request

4.1 Introduction

The proposed amendments to the Shoalhaven LEP 2014 in this Planning Proposal seek to achieve a built form outcome that cannot be achieved from the existing controls and zoning for the Site. The intended development outcome is for four towers comprising mixed residential and commercial uses with heights of between three and five - six storeys.

The area to the east of the Site is going through a transition from light and general industrial premises to employment and speciality retail uses that are anticipated by current zonings. Recent development includes a three-storey commercial office building on Parson Street, fast food outlets and retailers such as BCF and automotive suppliers.

The proposed development will positively contribute to the appearance of the local area and will provide a landmark mixed-use precinct of high architectural merit. Introducing additional density to the Site brings the opportunity to address community need for affordable housing and childcare.

The proposal will provide an increased diversity of housing choice comprising 1, 2 and 3 bedroom residential apartment typologies. Variety in the design includes facilities to support social interaction, diversity and layout of residential apartment, affordable units, and support for 'ageing in place'. The proponent will deliver additional housing within a well-connected area, supported by the Ulladulla CBD and surrounding services, public and active transport routes and high-capacity arterial roads. Introducing residential land uses to the Site provides an appropriate location for density to support the continued growth of Ulladulla and the broader Shoalhaven region.

4.2 Current Statutory Controls

4.3 Shoalhaven Local Environmental Plan 2014

The *Shoalhaven Local Environmental Plan 2014* is the principal Environmental Planning Instrument governing development on the Site.

4.3.1 Zoning and Permissibility

The Site is zoned E4 General Industrial under the Shoalhaven LEP 2014 and adjoins R3 Medium Density Residential zoned land to the north, E4 General Industrial to the south and E3 Productivity Support zoned lands to the east (Figure 4-1). The Ulladulla CBD is located further north and is zoned MU1 Mixed Use and E2 Commercial Centre.

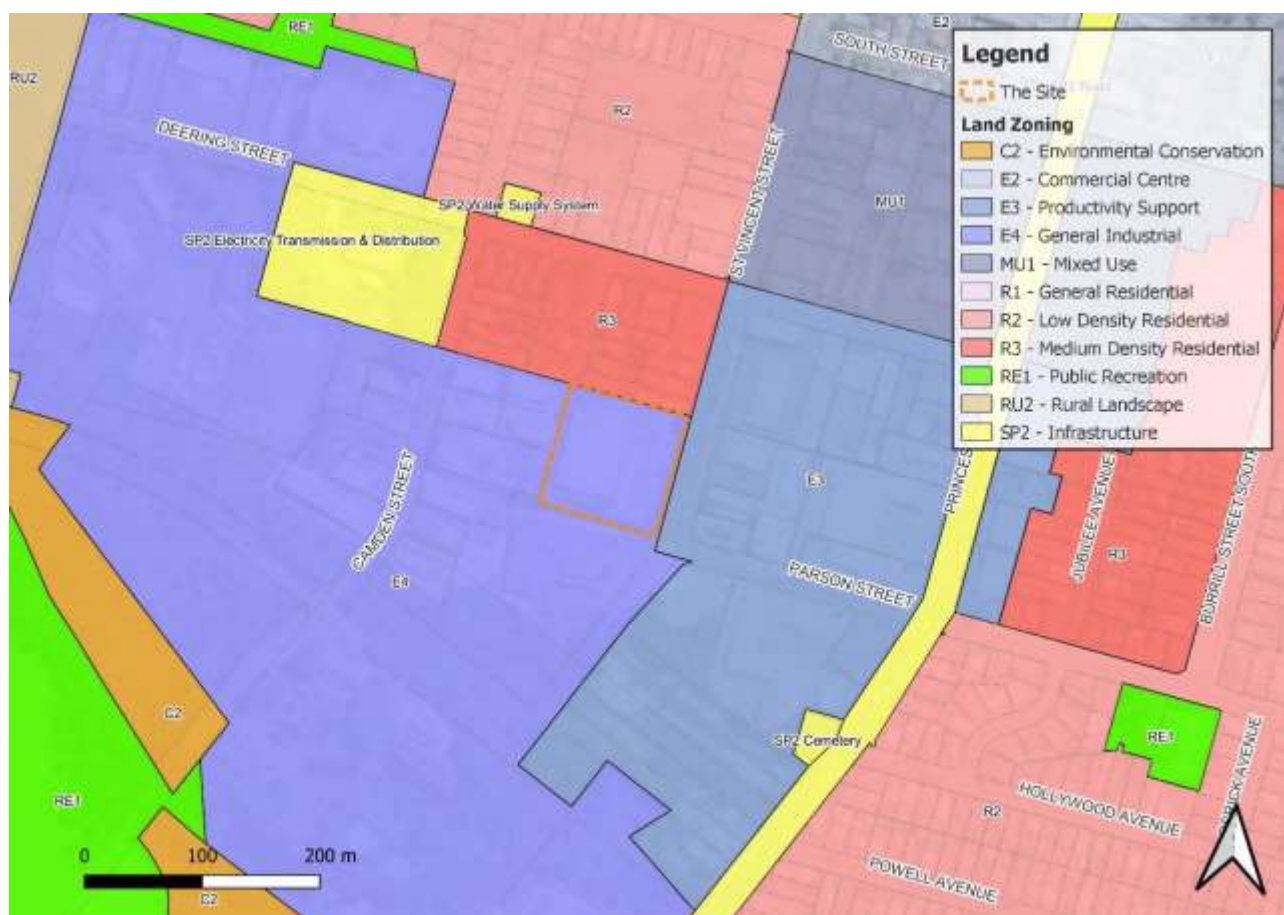


Figure 4-1 | Zoning controls under the Shoalhaven LEP 2014

Residential accommodation and centre-based childcare facilities are prohibited in the E4 General Industrial zone. In order to allow development to proceed as intended, the Site must be rezoned.

A comparison of the E4 General Industrial and MU1 Mixed Use objectives and permitted uses are summarised in Table 4-1 below.

Table 4-1 | Comparison of existing and proposed zoning

Control	E4 General Industrial	MU1 Mixed Use
Zone Objectives	<ul style="list-style-type: none"> To provide a range of industrial, warehouse, logistics and related land uses. To ensure the efficient and viable use of land for industrial uses. To minimise any adverse effect of industry on other land uses. To encourage employment opportunities. To enable limited non-industrial land uses that provide facilities and services to meet the needs of businesses and workers. To allow a diversity of activities that do not significantly conflict with the operation of existing or proposed development. 	<ul style="list-style-type: none"> To encourage a diversity of business, retail, office and light industrial land uses that generate employment opportunities. To ensure that new development provides diverse and active street frontages to attract pedestrian traffic and to contribute to vibrant, diverse and functional streets and public spaces. To minimise conflict between land uses within this zone and land uses within adjoining zones. To encourage business, retail, community and other non-residential land uses on the ground floor of buildings.
Permitted without consent	Nil	Nil
Permitted with consent	Depots; Freight transport facilities; Garden centres; General industries; Goods repair and reuse premises; Hardware and building supplies;	Amusement centres; Attached dwellings; Boarding houses; Building identification signs; Business identification signs; Car parks; Centre-

Control	E4 General Industrial	MU1 Mixed Use
	Industrial retail outlets; Industrial training facilities; Kiosks; Landscaping material supplies; Light industries; Local distribution premises; Markets; Neighbourhood shops; Oyster aquaculture; Plant nurseries; Specialised retail premises; Take away food and drink premises; Tank-based aquaculture; Timber yards; Warehouse or distribution centres; Any other development not specified in item 2 or 4	based child care facilities; Commercial premises; Community facilities; Entertainment facilities; Function centres; Information and education facilities; Light industries; Local distribution premises; Medical centres; Multi dwelling housing; Oyster aquaculture; Passenger transport facilities; Places of public worship; Recreation areas; Recreation facilities (indoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises; Shop top housing; Tank-based aquaculture; Tourist and visitor accommodation; Vehicle repair stations; Any other development not specified in item 2 or 4
Prohibited	Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Camping grounds; Caravan parks; Cemeteries; Centre-based child care facilities; Charter and tourism boating facilities; Correctional centres; Crematoria; Eco-tourist facilities; Educational establishments; Environmental facilities; Exhibition villages; Extractive industries; Farm buildings; Forestry; Function centres; Health services facilities; Heavy industries; Highway service centres; Home businesses; Home occupations; Home occupations (sex services); Home-based child care; Information and education facilities; Marinas; Mooring pens; Moorings; Office premises; Open cut mining; Registered clubs; Residential accommodation; Respite day care centres; Restricted premises; Retail premises; Sex services premises; Tourist and visitor accommodation; Water recreation structures; Wharf or boating facilities	Agriculture; Air transport facilities; Airstrips; Boat building and repair facilities; Boat launching ramps; Boat sheds; Camping grounds; Caravan parks; Cemeteries; Crematoria; Depots; Eco-tourist facilities; Electricity generating works; Environmental facilities; Exhibition homes; Exhibition villages; Extractive industries; Farm buildings; Forestry; Freight transport facilities; Heavy industrial storage establishments; Helipads; Highway service centres; Home occupations (sex services); Industrial retail outlets; Industrial training facilities; Industries; Jetties; Marinas; Mooring pens; Moorings; Mortuaries; Open cut mining; Recreation facilities (outdoor); Research stations; Residential accommodation; Resource recovery facilities; Rural industries; Sex services premises; Signage; Storage premises; Transport depots; Truck depots; Vehicle body repair workshops; Warehouse or distribution centres; Waste disposal facilities; Wharf or boating facilities

4.3.2 Height of Buildings

Clause 4.3 Height of Buildings

(1) The objectives of this clause are as follows—

- (a) to ensure that buildings are compatible with the height, bulk and scale of the existing and desired future character of a locality,*
- (b) to minimise visual impact, disruption of views, loss of privacy and loss of solar access to existing development,*
- (c) to ensure that the height of buildings on or in the vicinity of a heritage item or within a heritage conservation area respect heritage significance.*

(2) The height of a building on any land is not to exceed the maximum height shown for the land on the Height of Buildings Map.

(2A) If the Height of Buildings Map does not show a maximum height for any land, the height of a building on the land is not to exceed 11 metres.

As there is no maximum building height specified for the Site, the maximum building height defaults to 11 m under Clause 4.3(2A). Figure 4-2 provides an extract from the relevant Height of Buildings Map, with the Site outlined.



Figure 4-2 | Height of Buildings Map extracted from the Shoalhaven LEP 2014. Site highlighted in orange.

4.3.3 Floor Space Ratio

Clause 4.4 Floor Space Ratio

(1) The objectives of this clause are as follows—

- (a) to ensure that buildings are compatible with the bulk and scale of the existing and desired future character of a locality.
- (2) The maximum floor space ratio for a building on any land is not to exceed the floor space ratio shown for the land on the Floor Space Ratio Map.

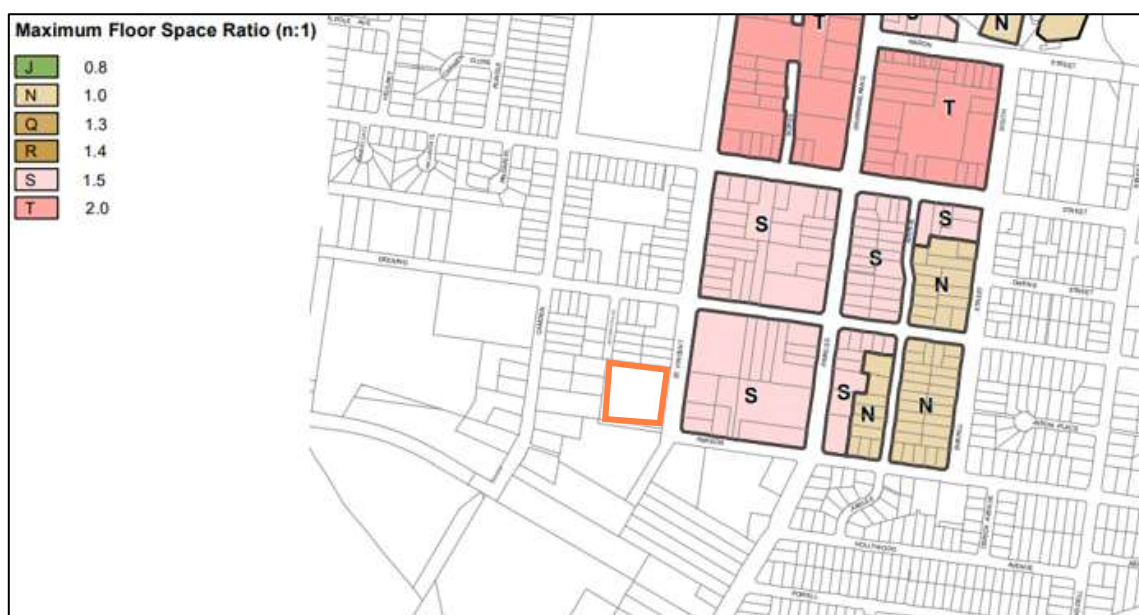


Figure 4-3 | Floor Space Ratio Map extracted from the Shoalhaven LEP 2014. Site highlighted in orange.

There is no FSR specified for the Site under Shoalhaven LEP 2014.

4.4 Objectives and Intended Outcomes of the Planning Proposal

Key aspects of the Planning Proposal include:

- Modify the land zoning to permit a mixed-use development comprising:
 - Commercial uses 5,750 m²
 - Shop top housing
 - Centre based childcare
 - Commercial premises
- Amend Clause 4.3 to increase permitted Height of Buildings to permit:
 - Two buildings with heights of 15 m and 17 m located in the northern portion of the Site and designed to allow for a gradual transition in height from the existing R3 Medium Density Residential zone located to the north of the Site. These are to contain residential units, key worker (affordable) accommodation and a child care centre.
 - Two buildings with heights of 21 m located in the southern portion of the Site. These are intended to be shop top housing
- To facilitate the delivery of housing in an area within walking distance to commercial and social infrastructure, employment opportunities, goods and services.
- To provide additional affordable housing to diversity in housing choice and flexibility in unit design to provide for people.
- To provide a landscaped public plaza lined with food and beverage premises and alfresco dining and shop-top housing directly accessible from St Vincent Street.
- A laneway wrapping around the northern, southern and western elevations of the Site will be constructed and provide one way access from Witherington Avenue. Two vehicular access points to the Site will be provided from St Vincent Street at the northern and southern elevations of the Lot.
- Basement parking.

4.5 Explanation of Provisions

To achieve the intended outcomes, this Planning Proposal seeks to change the zoning of the Site and amend planning controls in the Shoalhaven LEP 2014 as follows:

- Change the zoning of the site from E4 General Industrial to MU1 Mixed Use.
- Amend Height of Buildings Map (HOB_16D) consistent with the proposed Height of Buildings Map to permit split height controls over the site of 21 m, 17 m, and 15 m.
- Amend Floor Space Ratio Map (FSR_16D) to provide a FSR of 3.5:1.

4.6 Strategic Planning Context

The Project Team understands the challenges of rezoning industrial land. However, taking into consideration the significant housing availability and affordability challenges that the Shoalhaven LGA currently faces, the timely delivery of residential accommodation (including affordable key worker housing) is critical to the continued growth of the region. This section summarises the strategic merit of the Planning Proposal including an overview of the key strategic planning policies.

4.6.1 Illawarra Shoalhaven Regional Plan 2041

The Illawarra Shoalhaven Regional Plan 2041 (the Regional Plan) was released by the former Department of Planning, Industry and Environment (now Department of Planning and Environment) in May 2021. The Regional Plan is built on

a vision of creating an innovative, sustainable, resilient, connected and diverse region and sets the strategic framework over the next 20 years to manage growth and change for the Illawarra Shoalhaven region.

The Regional Plan identifies Milton-Ulladulla as a regionally significant centre (Figure 4-4). In particular, the Regional Plan aims to support growth by creating a diverse visitor economy and identifying and removing barriers to housing supply. Objective 5 of the Regional Plan aims to support increased visitation and growing expenditure of the almost 12 million people who visit the Illawarra Shoalhaven region annually. The proposal would directly support the creation of a diverse visitor economy through the provision of dedicated worker accommodation and additional dwellings within close proximity to Ulladulla's CBD.

The Regional Plan seeks to provide increased housing supply in the right locations that is diverse, affordable and responds to the changing needs of local neighbourhoods. Objective 18 of the Regional Plan notes that housing opportunities in both new urban release areas and existing urban areas will be required, and that towns such as Milton-Ulladulla will need to provide additional long-term housing for residents. The Planning Proposal would provide additional housing in a highly suitable location adjoining an existing R3 Medium Residential zone and within walking distance of the Ulladulla CBD.

Objective 19 of the Regional Plan identifies the need to deliver housing that is both more diverse and affordable. Objective 19 recognises that available housing does not always match the needs of residents. This objective recognises that collaboration with private developers can increase the diversity of housing choices and dwelling sizes. The inclusion of affordable housing for key workers in the development directly addresses this objective.

Objective 21 of the Regional Plan focuses on responding to the changing needs of local neighbourhoods. Strategy 21.1 provides that strategic planning and local plans should consider opportunities to explore flexibility and support a mix of land uses so that local streets and spaces can be adapted to new uses and needs over time. The area surrounding the Site is transitioning from light and general industrial uses to employment and specialty retail uses. The provision of additional housing supports this transition and directly responds to the housing affordability and availability crisis affecting Ulladulla and the Shoalhaven region.



Figure 4-4 | Vision Map for Illawarra Shoalhaven (Source: Illawarra Shoalhaven Regional Plan 2041)

4.6.2 Local Strategic Planning Statement: Shoalhaven 2040 – Our Strategic Land-use Planning Statement

The Shoalhaven 2040 Local Strategic Planning Statement (LSPS) focuses on the increase in homes required to address the anticipated change in population. Consultation associated with the LSPS confirmed that it is the community's preference to retain the rural village setting of Milton and associated towns, by avoiding low density greenfield development on the urban fringes of Shoalhaven LGA's towns and villages is generally not supported by the local community.

Planning Priority 1 (Direction 1) also recognises that to meet the demands of Shoalhaven's growing and aging population, delivering a sustainable supply of all housing types is required. This includes compact homes like medium-density, apartments and townhouses to be provided in and around the Nowra City Centre and Ulladulla Town Centre and other infill locations. Increased housing diversity in and around the Ulladulla Town Centre will provide opportunities for aging in place within the community and enable residents to downsize or change homes as their needs change, vacating larger homes that are more appropriate for young families.

Planning Priority 1 (Direction 1) of the Shoalhaven LSPS also recognises that the rezoning of rural land is generally not supported due to loss of productive agricultural land and conflict between agricultural and residential uses. This places further emphasis on the need for infill development around the Ulladulla Town Centre. The location of the Site, within walking distance of existing local services and the CBD, can accommodate a reasonable density without adverse environmental, social or economic impact and is therefore deemed a suitable location to meet housing need.

Planning Priority 5 (Direction 1) recognises the important role in the economic and business function of the Ulladulla Town Centre for the southern part of Shoalhaven. This priority notes a community desire to foster a more vibrant town centre that embraces architectural diversity and greater employment opportunities. The proposal will provide more Full Time Equivalent (FTE) employment than the existing use of the Site and will include a design of good architectural merit. Importantly, the proposal will provide uses that cater to the needs of residents within the development only ensuring that people continue to access the Ulladulla Town Centre for the services and employment opportunities provided there.

4.6.3 Shoalhaven Affordable Housing Strategy 2017

The Affordable Housing Strategy seeks to target effective policy solutions in the context of challenges facing the Shoalhaven region including, increased housing pressure from the Sydney housing market, increasing rental prices compared to low incomes, and a lack of affordable housing for purchase entering the market. The Affordable Housing Strategy forecasts the need for an additional 8,000 affordable dwellings, with 73% provided for very low-income households, 18% for low-income households, and 19% moderate income levels, by 2031.

Research undertaken to support the Affordable Housing Strategy shows that providing a mix of affordably priced housing for different target groups in well-located areas improves social outcomes and reduces the stigma that can be associated with such accommodation. As such, the Affordable Housing Strategy focuses on providing affordable housing options on precincts within 400-600 m of the urban areas of Nowra-Bombaderry, Vincentia and Milton-Ulladulla. Approximately 50 apartments in the proposed development will be dedicated to key worker accommodation and affordable housing and of these. The Site is consistent with the key locational requirements of the Affordable Housing Strategy and is located within 350 m of the Ulladulla CBD providing the opportunity for residents to access essential services within an easy walking distance.

Strategy 8 aims to ensure that sufficient land zoned R1, R3 and B4 (now MU1 Mixed Use) is available within 600 m of land zoned B2 (now E1 Local Centre) and B3 (now E2 Commercial Core) in the Nowra-Bombaderry, and Milton-Ulladulla town centres to provide opportunities for development of residential flat buildings and multi dwelling housing. This Planning Proposal would rezone the Site from E4 General Industrial to MU1 Mixed Use with the intended development providing a substantial component of key worker accommodation and affordable housing within 350 m of land zoned E2 Commercial Centre. Strategy 19 notes that Council will consider potential variations to existing controls tied to specific affordable housing outcomes, including increased FSR and height bonuses. The intended development directly responds to a community need for additional affordable housing in Ulladulla and will increase the supply of affordable housing in Ulladulla.

A Draft Letter of Offer for Voluntary Planning Agreement (**Appendix K**) has been prepared in accordance with section 7.4(3) of the EP&A Act to allow proper consideration of the offer by the planning authority. Appendix K will be provided to DHPI in due course. The affordable housing contribution would be the registration of a restrictive covenant, in

accordance with section 88E of the *Conveyancing Act 1919* against the title of 50 dwellings to be provided as affordable housing.

4.6.4 Shoalhaven Growth Management Strategy 2014

The Shoalhaven GMS aims to manage the social and economic implications of future growth in Shoalhaven whilst protecting and preserving the environmental values of the city. The GMS outlines that Shoalhaven is expected to grow by 33,870 people by 2031, which will result in the city needing an additional 26,300 dwellings and 14,400 new jobs.

Section 4 of the Shoalhaven GMS provides details of the population and housing characteristics for Shoalhaven. Based on 2011 Census data from the Australian Bureau of Statistics (ABS), the Shoalhaven GMS notes that the community is generally older than other communities in NSW and that there is a lower proportion of young families in the region. Providing future housing in the area will be increasingly occupied by singles and childless couples aged 65 years and over and maintaining housing affordability for older and new households is important. This has significant implications for both the mix of housing and services require to support the region.

A number of opportunities are identified within the Shoalhaven GMS to deal with the increasing population and housing affordability issues in the region. This includes increasing the supply of adaptable housing for the aging population and for new housing located in and around towns with existing services or transport links to major service centres. The Site is located 500 m south of the Ulladulla Town Centre and is within 400 m of the closest bus stop providing regular services to locations within the Shoalhaven LGA. The proposal includes 1, 2 and 3 bedroom residential apartment typologies which will allow for people to age in place and assist with freeing up larger dwellings for younger families.

Strategic Direction C.4 provides that *'New development will be integrated with the adjoining urban structure to improve connectivity and reduce local travel distances'*. Strategic Direction C.8 notes the priority to *'Encourage the increased supply of medium density and appropriate lower density housing options including adaptable housing, concentrated within and around key centres'*. The proposal directly achieves these strategic directions providing affordable housing around a key centre that is within the existing urban fabric of Ulladulla and does not rely on further greenfield development.

4.6.5 Draft Shoalhaven Growth Management Strategy 2019-2041

The Draft Shoalhaven Growth Management Strategy 2019-2041 builds on the 2014 strategy and notes that the Shoalhaven LGA has one of the highest levels of housing stress in the Illawarra-Shoalhaven region. The proposal is an opportunity to alleviate housing stress by providing infill affordable and rental housing. The proposed development will have a positive contribution to employment opportunities both short term (during construction) and long term, following occupation.

As stated in the EIA, Bunnings Warehouse currently occupies the site and provides employment for 60 FTE positions. It is anticipated that the 60 FTE jobs will move to the new Bunnings premises in 2024. The post-completion employment opportunities resulting from the proposed development, detailed in Section 4 of the EIA report, involve an additional 257 direct jobs. Therefore, there is a net gain of approximately 197 FTE positions for the Site.

4.6.6 Milton-Ulladulla Structure Plan 1996

The Milton-Ulladulla Structure Plan 1996 (MUSP) is the current endorsed structure plan providing a framework for the future development of the Milton-Ulladulla area. The MUSP sets out the vision for the Ulladulla Town Centre, defined as the area north of South Street and the Ulladulla Harbour, and aims to strengthen the retail and commercial role of the CBD within Ulladulla.

The vision for the Ulladulla CBD provided in the MUSP also identifies land for large area retail between Deering Street and Parson Street. It is noted that this area has started to transition from light and general industrial premises to the employment and speciality retail premises anticipated by current zoning. The Site is located directly west of this area and would further support the changing needs of the area (Figure 4-5). The MUSP is now 27 years old and the urban structure and community needs of Milton-Ulladulla have changed significantly. This strategic document does not reflect the current community sentiment to land uses and densities in Ulladulla.

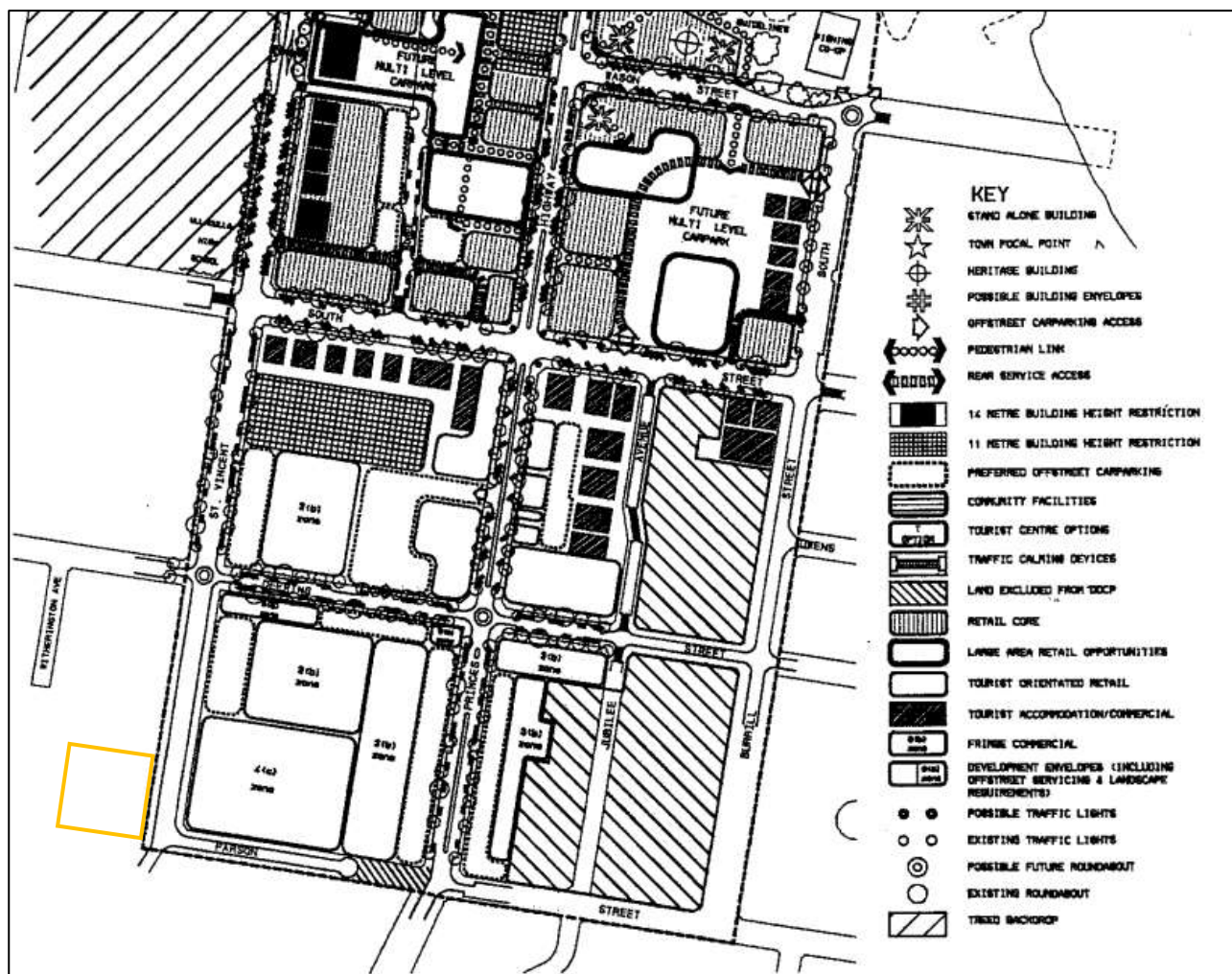


Figure 4-5 | Intended structure of the Ulladulla CBD with the Site identified in orange (Source: MUSP 1996)

SCC are currently reviewing the MUSP to set the strategic direction for development of Milton and Ulladulla for the next 25 to 30 years. A submission was prepared by SMEC recommending the inclusion of the Site as a Potential Growth Option in the Structure Plan Review. The submission outlined the consistency of the Site with the criteria that was used by Council to identify Potential Growth Options and Key Sites in the Structure Plan Review. The key points of the submission included:

- Proximity of the Site to the existing urban footprint: The Site is located close to the existing services provided by the Ulladulla CBD and presents a unique infill development opportunity.
- Scenic values and views towards the ocean: Development of the Site provides an opportunity for a high level of amenity. The northerly aspect and topography of the Site provides uninterrupted views towards Ulladulla Harbour, Rennies Beach and Racecourse Beach. The Site is able to enjoy these views without detrimentally impacting views enjoyed by other residential properties. The orientation of the Site provides good solar access and exposure to easterly sea breezes.
- Limited impact to the natural environment: The proposal Site does not contain any environmentally significant areas of threatened species. The proposal is for an infill development and reduces the reliance on further greenfield development of existing agricultural and environmental lands.
- Connectivity to existing infrastructure: Being located within an existing urban area of Ulladulla, the Site has connections to essential services (gas trunk sewer and bulk water). The existing road network and active travel network provides connection to the Ulladulla CBD and to the towns and villages within the Shoalhaven LGA.

The current tenant (Bunnings Warehouse) is due to vacate the site in mid-2024. There is insufficient time to await the outcome of the Structure Plan Review. As such, this proponent-led Planning Proposal seeks to progress the timely rezoning of the Site to enable redevelopment to occur in response to housing pressures.

5. Design Development

5.1 Crossfall and Topography

The Site is situated on elevated land with an approximate height of RL 44 m AHD. The Site has a 5 m crossfall from the northern boundary of St Vincent Street (RL 45 m AHD) to the southwest boundary (RL 40 m AHD). Two buildings with heights of 15 m and 17 m are located in the elevated northern portion of the Site to provide a more gradual transition in height from the existing R3 Medium Density Residential zone to the north which has an 11 m height limit. The two buildings with a height of 21 m are located in the southern portion of the Site. The Site has an approximate frontage of 100 m along St Vincent Street and a public plaza has been placed at street level (RL 43 m AHD) to encourage movement into and through the precinct (Figure 5-1).



Figure 5-1 | East elevation of the development

The western elevation of the Site has a more gradual crossfall of around 3 m from the northern boundary at Witherington Avenue (RL 47 m AHD) to the laneway on the southern boundary (RL 43.9 m AHD) adjoining the Dunn Lewis Community Centre. An access laneway is provided along the northern, southern and western boundaries of the Site to provide a buffer from the adjoining industrial uses, and to future proof urban renewal opportunities. Building 2 designed with windows and balconies facing away from adjoining light industrial land. Whilst the design of the building would be subject to a future DA, the architectural plans adopt a full height 'screen wall' on the western elevation (Figure 5-2).

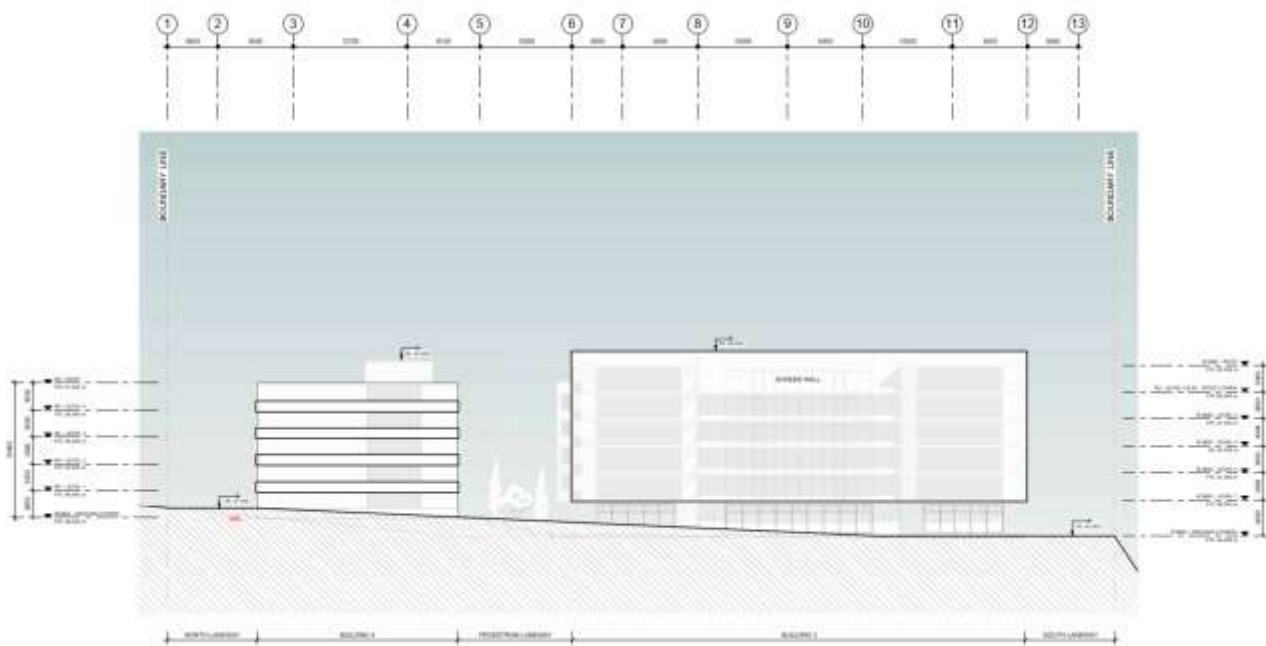


Figure 5-2 | West elevation of the proposed development

5.2 Vehicular access

The Site is well connected to the local road network with access to the Princes Highway via Parsons and Deering Streets. St Vincent Street also provides a direct connection north to the Ulladulla CBD. This ensures that the uplift in density on the Site would not direct additional traffic into nearby medium density residential areas and rather will be shared by the road network servicing the Site.

Noting potential conflicts in the vehicular movements and timing of the different uses within the Site, it was considered appropriate to include laneways around the north, south and western boundaries of the Site. This provides the added benefit of increased physical separation between adjoining uses to reduce the scale from neighbouring properties, opportunities for overlooking and provide enhanced amenity.

The laneways will also accommodate the day-to-day movements associated with the various commercial tenancies, residential units and the childcare centre. Waste collection will be able to occur from laneways, avoiding impacts on adjoining streets. A kiss and ride area can be provided in the northern laneway, running alongside the childcare centre. Commercial loading can occur within proximity to businesses and residential units can benefit from both northern and southern basement access points to provide efficient vehicular circulation.

The TIA prepared by Transport and Traffic Planning Associates (TTPA) addresses the anticipated traffic and transport requirements of the proposed development including an assessment against the existing conditions. The TIA advises that the additional density (approximately 182 dwellings) and commercial uses (childcare centre, food and beverage premises, commercial office space) sought in this Planning Proposal can be accommodated within the existing road network.

Further detail on traffic impacts is provided in Section 6.3.2 of this Report. The TIA has been provided in **Appendix C**.

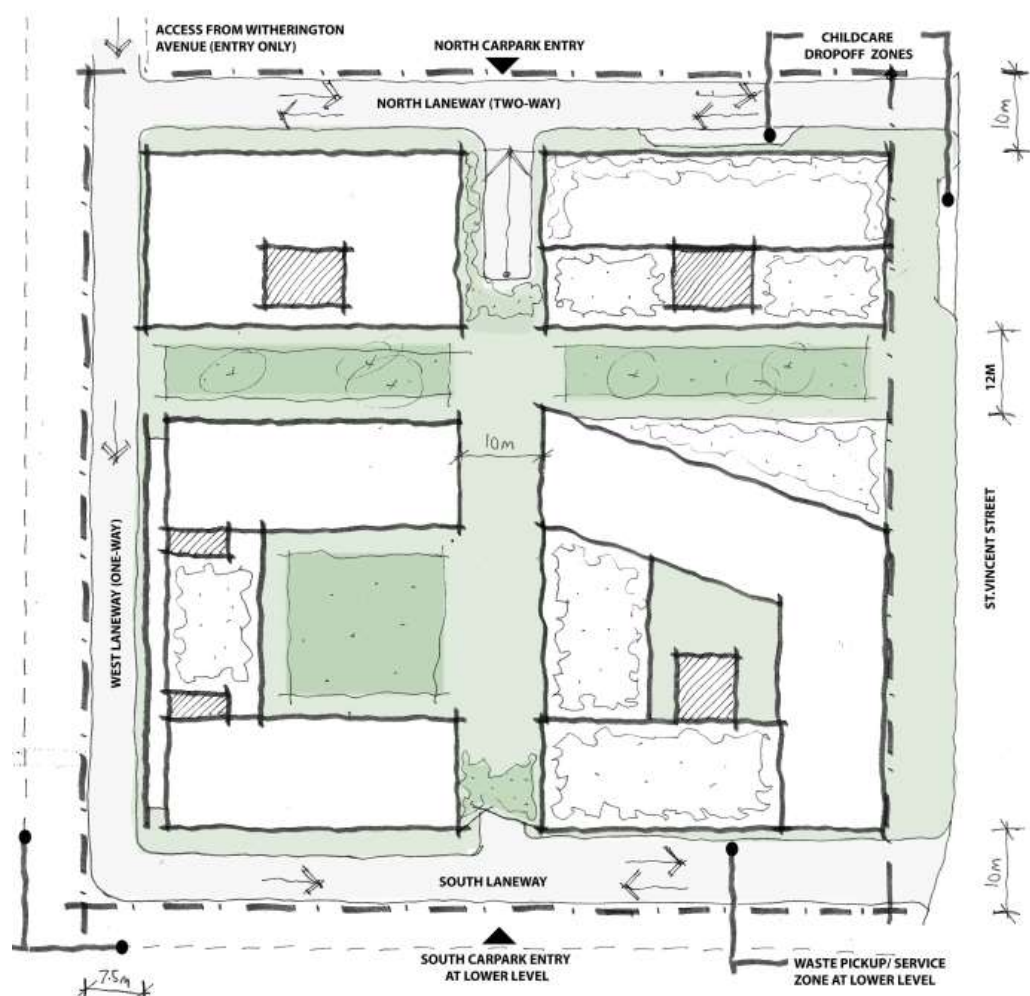


Figure 5-3 | Vehicular access masterplan (Cox Architecture, 2023)

5.3 Visual Impact

The intended development as a result of this Planning Proposal will provide additional density and housing choice within close proximity to the Ulladulla CBD. The intended development is to be located in an area of Ulladulla that is currently undergoing a transition from light and general industrial uses to the employment and specialty retail uses that are anticipated by the current zoning. An Urban Design and Visual Impact Assessment is provided (**Appendix G**) to demonstrate the impact of the intended height and massing from key locations.

As a result of the increased density, the future development is visible from the local roads surrounding the Site, including Deering Street, Princes Highway and St Vincent Street, however, this impact has been significantly reduced by the revised height scheme. The 1 hectare scale of the Site enables future development to be considered at a precinct scale. As noted in a study led by City Futures at University of NSW, *'precinct scale development has the potential to include additional hard and soft infrastructure that may offset the perceived negatives of higher densities'*.⁵ A high level architectural concept has been prepared for the Site, adopting a gradual height progression from north to south. Opportunities for additional architectural articulation and soft landscaping will be explored as the design progresses.

The visual impact of the development is considered moderate along St Vincent Street and the existing built form and vegetation help to obscure parts of the development from the public view (Figure 5-4). The visually dominating elements are located towards the southern and western boundaries of the Site to reduce impacts to neighbouring residential properties. The larger buildings are broken up into smaller forms which further reduces scale.

Views of the development heading north along the Princes Highway are generally fleeting as vehicles are traveling to the Ulladulla CBD or passing through. Given the distance of the Site from the Princes Highway, the development has low visibility from this angle and is further obscured by the existing built form and established vegetation in the area (Figure 5-5). It is expected that the intended development will be visible along the Princes Highway when travelling south (Figure 5-3). In accordance with the increased height limits and FSR controls provided under the Shoalhaven LEP 2014, the Ulladulla CBD is expected to grow and develop over time. Sightlines of the proposed development from the south will become more obscured overtime as new development progresses.

The Visual Impact Assessment confirms that the proposed height and density are not visible from key tourist viewpoints in and around Ulladulla, including Warden Head Lighthouse and Dolphin Point (Figure 5-7).

Designing Precincts in the Densifying City – The Role of Planning Support Systems, 2018, pp3 available: isprs-archives-XLII-4-W11-3-2018.pdf ([copernicus.org](https://www.copernicus.org)) (accessed 27 October 2023)



Figure 5-4 | Visual impact of the development facing south along St Vincent Street



Figure 5-5 | Visual impact of the intended development facing northwest along the Princes Highway



Figure 5-6 | Visual impact of the intended development facing south along the Princes Highway



Figure 5-7 | Visual impact of the intended development from Warden Head Lighthouse

5.4 Solar Access

The indicative design for the future mixed use development maximises solar access through passive solar access. The four separate building forms maximise the number of northerly orientated units, and provide an opportunity for separation between buildings for solar penetration of public and private open space.

Initial layouts demonstrate that the residential components of the buildings can meet the ADG which requires 70% of living and private open spaces to receive a minimum of 3 hours direct sunlight between 9 am and 3 pm at mid-winter. A total of 127 (70%) of units would receive more than 2 hours of direct sunlight, with only 12% being south facing, single aspect and receiving no direct sunlight.

Figure 5-8 illustrate the high solar access received for units within the development.



Figure 5-8 | Solar compliance diagrams showing solar access for Ground Floor to Level 4 of Buildings 1 – 4 (Source: Cox Architecture)

5.5 Overshadowing

The proposal is designed to mitigate solar access and overshadowing impacts, with shadow diagrams indicating compliance with the ADG criteria.

About 70% of the proposed units are projected to receive a minimum of 3 hours of direct sunlight at mid-winter, and less than 15% will receive no direct sunlight. The Site's east-west orientation ensures that future development will not cast shadows on the northern residential area, maintaining solar access for industrial and productivity support land. While the proposal casts shadows on the Dunn Lewis Community Centre to the south, it is not expected to have an impact on its function.

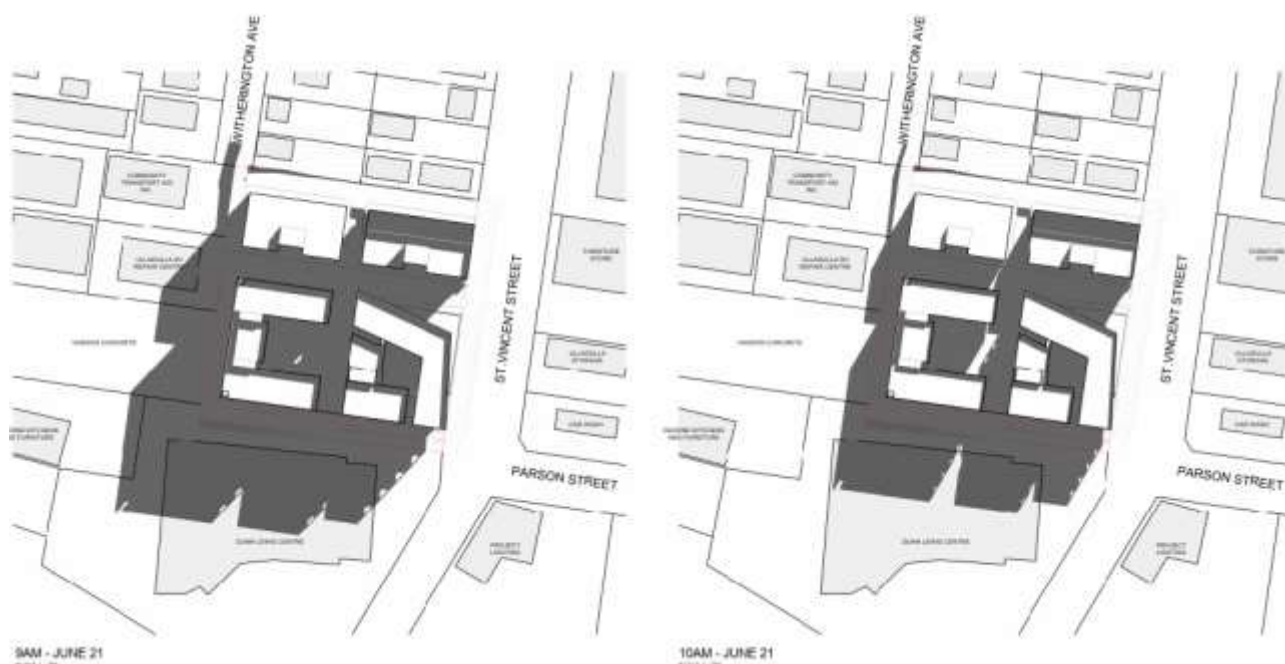


Figure 5-9 | Shadow diagrams of intended development (9 – 10 AM) (Source: Cox Architecture)

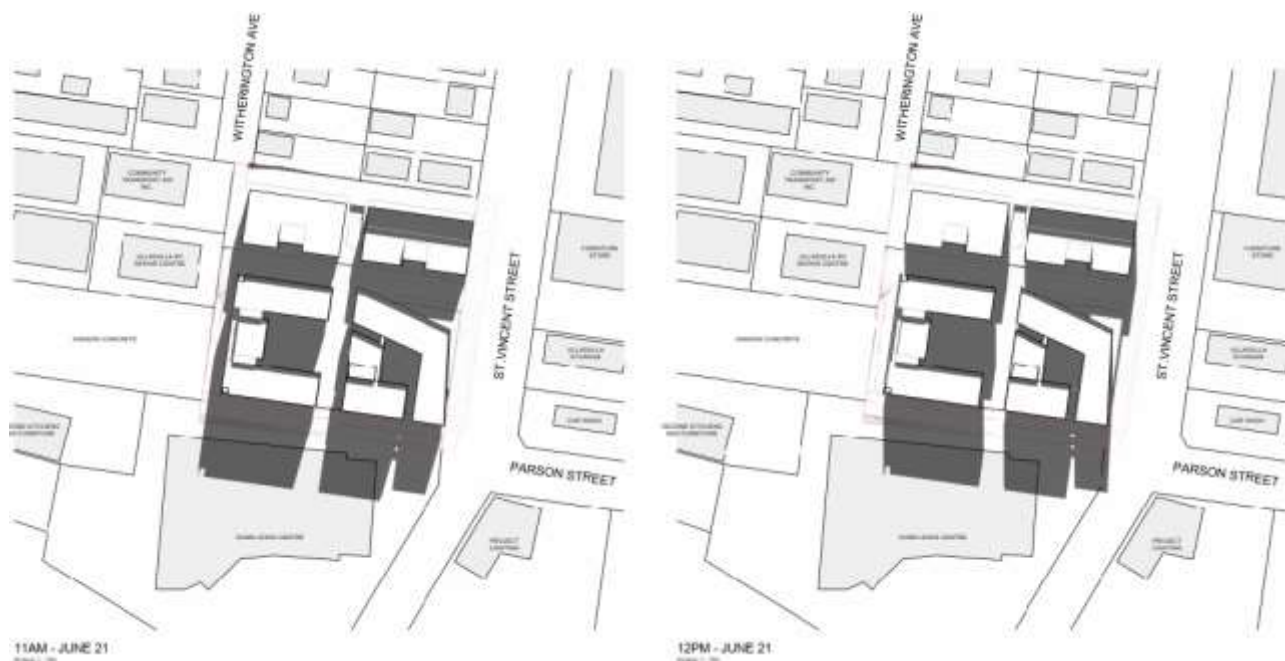


Figure 5-10 | Shadow diagram of intended development (11 AM – 12 PM) (Source: Cox Architecture)

The proposal, therefore, is not considered to generate any unreasonable or adverse overshadowing impacts on adjoining properties whilst achieving adequate solar access to future units.

6. Strategic and Site-Specific Merit

6.1 Section A – Need for the Planning Proposal

6.1.1 Is the planning proposal a result of an endorsed LSPS, strategic study or report?

There is an identified need to urgently increase the availability of housing within the Shoalhaven LGA. The Regional Plan notes that an additional 58,000 new houses are required to support the regions housing needs to 2041, and a recent analysis by Business Illawarra confirms a current shortfall of 3,280 affordable dwellings in Shoalhaven⁶. As the second largest regional centre in the Shoalhaven LGA, the Regional Plan emphasises how important the timely provision of housing will be to support the continued population and economic growth of Milton-Ulladulla.

The population of the Shoalhaven LGA is expected to grow by 30% from 2021-41 reaching a total population of 145,527 by 2041. On average the population will be older, with people aged 60+ making up 38% of the population by 2041 compared to the state average of 27%. Council has an important role in securing a pipeline of housing that is affordable, diverse and designed to suit the changing needs of the population.

As part of the Draft MUSP review, SCC has prepared a series of supporting information sheets addressing dwelling supply and demand, and housing affordability. Key takeaways from these documents include:

- There are proportionally more “households under housing stress” in Milton-Ulladulla than the broader Shoalhaven LGA, Regional NSW and Australia. “Households under housing stress” are defined as those spending more than 30% of their gross household income on living expenses.
- That 84% of people under the age of 60 consider housing in the Milton-Ulladulla area to be unaffordable.

The housing affordability and availability challenges facing the Shoalhaven LGA are further compounded by a lack of housing diversity. Results from the ABS 2021 Census note a limited change in housing diversity over the decade to 2021 with approximately 87% of all dwellings separate houses and under 10% as medium and high density dwelling types. The relative rate of studio, one and two bedroom dwellings in Shoalhaven LGA also decreased, whilst there was increase in four or more bedroom dwellings.

The intended development as a result of this Planning Proposal provides a diversity of medium and high density housing stock, including affordable housing and key worker accommodation, within close proximity to existing services and employment opportunities in the Ulladulla CBD. The housing typologies can accommodate lone households, young families and can provide facilities for ‘aging in place’. The Planning Proposal responds to the objectives set out by the Regional Plan which notes that the provision of affordable housing must be supported by measures including strong leadership and collaboration with industry and community housing providers.

The Site is strategically located within close proximity to the commercial and service offerings provided by the Ulladulla CBD and is well connected to major arterial and local roads. Public transport services are located within short walking distance and provide access to the surrounding regional and local centres. An EIA and SIA have been undertaken to support this Planning Proposal. These technical studies highlight the positive contribution the proposal will have on Ulladulla by increasing the number of FTE employment opportunities and through the generation of significant annual economic activity.

As detailed below in Table 6-1 and Table 6-2, the Planning Proposal aligns with the Shoalhaven LSPS and other relevant local strategies and strategic plans. The proposal is notably consistent with all planning objectives and priorities related to providing a diverse housing supply to meet the changing needs of the Shoalhaven region. The proposed planning changes are consistent with the growth considerations for the local community and economy, being congruous with Council’s actions to deliver quality housing choices, including affordable housing, in strategically significant locations, minimising adverse impacts, and efficiently using existing infrastructure.

⁶ Business Illawarra (2023). Solutions to the affordable housing crisis in the Illawarra Shoalhaven Region (Advocacy Report). Accessed via: <https://www.businessillawarra.com/content/dam/nswbc/businessillawarra/submissions/Business%20Illawarra%20-%20Solutions%20to%20the%20Affordable%20Housing%20Crisis%20Advocacy%20Report.pdf>

6.1.2 Is the planning proposal the best means of achieving the objectives or intended outcome or is there a better way?

The Site is currently occupied by a bulky goods warehouse tenanted by Bunnings Warehouse who will vacate the Site in mid-2024. As such, a proponent-led planning proposal is considered the most efficient and time effective approach to deliver the intended development outcome. There are limited options for the redevelopment or reuse of the Site under its current E4 General Industrial zoning. The existing warehouse structure has been purpose built for Bunnings Warehouse and would require substantial modification or redevelopment if the Site were continued to be utilised for industrial or warehousing activities (as intended by the zone and objectives). Without a change to the zoning of the Site and amendment to the development standards, the proposed development cannot be achieved, and the associated public benefits would be lost.

An amendment to the development standards and zoning is sought to enable the Site to be used for its highest and best economic use. The proposal would enable a more logical and appropriate development that would be more compatible with the planning objectives and land uses of the adjoining zones, being R3 Medium-Density Residential and E3 Productivity Support than the current site zoning. Importantly, this Planning Proposal provides for a desirable and more efficient use of the Site, which cannot be achieved without progressing a rezoning.

Section B – Relationship to Strategic Planning Framework

6.1.3 Will the planning proposal give effect to the objectives and actions of the applicable region, or district plan or strategy (including any exhibited draft plans or strategies)?

This Planning Proposal is consistent with the objectives and actions of the Illawarra-Shoalhaven Regional Plan 2041, the Local Planning Strategic Statement 2040, the Draft Shoalhaven Growth Management Strategy 2019-2041, the Shoalhaven 2040 Strategic Land-Use Planning Statement, the Shoalhaven Affordable Housing Strategy 2017, the Milton-Ulladulla Structure Plan, and the Productive Shoalhaven Economic Development Strategy 2017-2026. An analysis of the consistency of this Planning Proposal with the objectives and actions of these strategies is provided in Table 6-1 below.

Table 6-1 |Assessment against strategic plan and relevant objectives

Strategic Plan & Relevant Objectives	Consistency and Relevance
Illawarra-Shoalhaven Regional Plan 2041	
Objective 4: <i>Activate regionally significant employment precincts to support new and innovative economic enterprises</i>	<p>The Regional Plan identifies Milton-Ulladulla as a regionally significant centre. The proposed development is located approximately 350 m south of the Ulladulla CBD where there are a number of employment opportunities. This Planning Proposal results in the rezoning of land from one employment use (E4 General Industrial) to another (MU1 Mixed Use) and will significantly increase the employment generation of the Site from the current 60 Full Time Equivalent (FTE) to 257 FTE positions. In addition, it is expected 386 FTE construction jobs would be created during the two-year construction period. This Planning Proposal would result in significant economic benefits for Ulladulla and the broader Shoalhaven region. The increased population as a result of the proposed development and walkability to the Ulladulla CBD (20 minutes) will increase patronage to existing businesses and in-turn bolster the significance of the town centre.</p> <p>Relevant Strategic Directions</p> <p>Strategy 4.1: Support new and innovate economic enterprises.</p> <p>Strategic planning and local plans should consider opportunities to:</p> <ul style="list-style-type: none">- retain and manage regionally significant employment lands and safeguard them from competing pressures

	<ul style="list-style-type: none"> - provide flexibility in local planning controls - align infrastructure to support the rollout of employment land in the region
Objective 5: <i>Create a diverse visitor economy</i>	<p>There is an identified need to provide additional housing and key worker accommodation to support the significant visitor economy of the Shoalhaven Region. The proposed development provides a component of affordable housing and key worker accommodation to assist in addressing this need. A range of commercial uses, including food and beverage premises, commercial space, and a childcare centre are intended to support local residents. The proposed additional amenity will add vibrancy and strengthen the local economy whilst still ensuring the Ulladulla CBD is the dominant and primary economic centre.</p> <p>Relevant strategic directions:</p> <p>Strategy 5.1: Create an environment for a diverse visitor economy.</p> <p>Strategic planning and local plans should consider opportunities to:</p> <ul style="list-style-type: none"> - Enhance the amenity, vibrancy and safety of centres and township precincts - Support appropriate growth of the night-time economy <p>The development of this precinct directly responds to these strategic directions.</p>
Objective 18: <i>Provide housing supply in the right locations</i>	<p>This Planning Proposal would enable the delivery of additional housing across a range of 1, 2 and 3 bedroom typologies in an existing urban location. The intended development does not rely on the development of sensitive hinterlands or agricultural land that characterises the Shoalhaven region. The Site is located within close proximity (350 m) of the Ulladulla CBD and provides an opportunity for residents to utilise the existing road and active travel network to access services. The variety of housing included will help meet the changing demographics of the Shoalhaven LGA, including the region's aging population.</p> <p>Relevant strategic directions:</p> <p>Strategy 18.2: Facilitate housing opportunities in existing urban areas, particularly within strategic centres.</p> <p>Strategic planning and local plans should consider opportunities to:</p> <ul style="list-style-type: none"> - review planning controls so that they are creating flexible and feasible conditions for housing supply - promote urban design outcomes to support healthy and vibrant communities.
Objective 19: <i>Deliver housing that is more diverse and affordable</i>	<p>The proposal includes a component of affordable housing and key worker accommodation to support the needs of the local community. 1, 2 and 3 bedroom residential apartment typologies are included and will support aging in place and cater to the needs of people from a diverse range of backgrounds. Ulladulla has a high proportion of single dwellings and it is expected that an increased diversity of housing may free up larger dwellings for younger families.</p> <p>Relevant strategic direction:</p> <p>Strategy 19.1: Continue to provide for and encourage a range of housing choice.</p> <p>Strategic planning and local plans should consider opportunities to:</p>

	<ul style="list-style-type: none"> - Provide a mix of housing sizes including studios and one-bedroom dwellings - Consider incentives to increase the supply of housing that is appropriate for seniors, including low-care accommodation - Consider whether development standards, including minimum lot sizes, minimum frontage and floor space ratio are inadvertently inhibiting opportunities for diverse housing options - Explore innovative solutions in housing to cater for a range of community needs, including those of older people, multi-generation families, people living in group housing, people with special needs or people from cultural backgrounds.
Objective 21: <i>Respond to the changing needs of local neighbourhoods</i>	<p>Objective 21 provides that strategic planning and local plans should consider opportunities to explore flexibility and support a mix of land uses that local streets and spaces can be adapted to new uses over time.</p> <p>It is noted that the Shoalhaven region has an aging population and a high proportion of people on low incomes. There is a need to respond to the changing demographics of the region.</p> <p>The proposal includes enhancements to the public domain, increased amenity and commercial offerings, and a diverse range of housing typologies to support the changing needs of the surrounding area and Ulladulla more broadly.</p> <p>Relevant strategic direction:</p> <p>Strategy 21.1: Consider the changing needs of local neighbourhood centres.</p> <p>Strategic planning and local plans should consider opportunities to:</p> <p>Explore flexibility and supporting a mix of land uses so that local streets and spaces can be adapted to new uses and user needs over time</p> <ul style="list-style-type: none"> - Improve public space, in consultation with the community, to foster and support connectivity and great places to live for changing populations

6.1.4 Is the planning proposal consistent with a Council LSPS that has been endorsed by the Planning Secretary or GSC, or another endorsed local strategy of strategic plan?

The Planning Proposal is consistent with the Shoalhaven 2040 Local Strategic Land-Use Planning Statement which establishes five broad inter-related themes:

- **Managing Growth** by providing the required number and types of homes in appropriate locations and supporting Shoalhaven's communities and infrastructure.
- **Great Places** through revitalising Nowra City Centre and Ulladulla Town Centre, and to protect and enhance the character of smaller towns and villages.
- **Growing the economy** by addressing the provision of more jobs close to home, strengthening commercial centres, and supporting Shoalhaven's diverse industries.
- **Protecting and adapting to the environment** by dealing with the protection of the environment, adapting to the natural hazards, and sustainably managing resources.
- **Celebrating culture and heritage** by managing the protection of landscapes and heritage items and places and promoting community events and public art.

Table 6-2 | Consistency with the Shoalhaven 2040 Strategic Land-Use Planning Statement

Strategic Plan and Relevant Objectives	Consistency and Relevance
Direction 1 – Managing Economic Growth	
Planning Priority 1 <i>Providing homes to meet all needs and lifestyles</i>	<p>The proposal responds to the housing availability crisis in the Shoalhaven LGA by providing a variety of housing types that meet the demand of a diverse community and ageing population. The proposal also supports the lifestyle needs of the surrounding region by providing a range of amenities and is consistent with this planning priority.</p>
Planning Priority 2 <i>Delivering infrastructure</i>	<p>Planning Priority 2 recognises that Shoalhaven’s growing communities require a wide range of infrastructure, including community infrastructure and educational establishments. The proposal includes a 120-place childcare to support the needs of the local community.</p>
Planning Priority 3 <i>Providing jobs close to home</i>	<p>The Planning Proposal seeks to convert the site from one employment zone to another (E4 General Industrial to MU1 Mixed Use). The concept plans prepared for this Planning Proposal introduce tenancies to accommodate food and beverage premises, commercial premises, and a childcare facility. The proposed MU1 Mixed Use Zone allows for the development or approval of a range of businesses and commercial and residential or commercial uses on the site. The mixed-use zoning will facilitate a diverse live, work, and play or ‘work where you live’ environment.</p> <p>It is assumed that the 60 FTE positions currently provided on the Site by Bunnings Warehouse will be relocated to their new premises. The intended development is anticipated to generate 257 FTE employment positions or an increase of 328%.</p>
Planning Priority 5 <i>Ulladulla Town Centre</i>	<p>Consistent with this priority, the intended development as a result of this Planning Proposal will create a vibrant precinct of good architectural merit and additional opportunities for employment. The proposal is located close to the Ulladulla Town Centre and will strengthen the town centre as the main destination for tourism and commercial activities.</p>
Planning Priority 6 <i>Strengthening commercial centres</i>	<p>The Ulladulla Town Centre is the main commercial and services centre within the township and is recognised as a major regional centre within the Shoalhaven LGA. The development of the site includes uses that will cater to some of the needs of the surrounding residents and future residents within the development. Given the uses proposed within the development, the development of the site would not reduce the importance of Ulladulla CBD as residents would still need to access the various services and employment opportunities provided enhancing the commercial centre of the town.</p>
Planning Priority 9 <i>Industrial and defence-related opportunities</i>	<p>To enable the realisation of this mixed-use precinct, this Planning Proposal reduces the potential floor space for industrial uses in the E4 General Industrial zone. This Planning Proposal will encourage employment growth with the future commercial mix and provision of a childcare centre will provide 257 FTE positions. It is assumed that the existing 60 FTE positions provide by Bunnings Warehouse will be transferred to their new premise, so there would be no loss of employment opportunities in the region.</p> <p>In addition, it is anticipated that 514 FTE construction positions would be created over the two-year construction period. Together, the 257 FTE jobs and the 386 FTE construction jobs will have a substantial and positive</p>

	contribution to the Shoalhaven economy. It is understood that Council is currently planning an industrial subdivision at the Ulladulla Sewerage Treatment Plant of more than 10 hectares. This will provide additional industrial land within the local area, in the medium term (5 to 10 years). As the subject Site is 1 hectare, this would result in a net gain of 9 hectares of available industrial land in Ulladulla.
Direction 2 – Natural and Built Environments and Lifestyles	
Planning Priority 12 <i>Managing Resources</i>	<p>Planning Priority 12 recognises the increase in demand for energy and water, waste generation and gas emissions as populations grow. Road transportation has been recognised by technical studies as being the second largest source of gas emissions, directly linked to the distance community members need to travel for daily activities. The transition of the site to a mixed-use precinct offering residential, commercial and food and beverage premises allows people to work at the location where they live. This in-turn reduces reliance on vehicle trips. As the Site is located within 350 m of the Ulladulla CBD, it is expected that people will be able to access services either by walking or utilising active travel.</p> <p>The intended development would repurpose a brownfield site into a mixed use commercial and residential precinct. This would reduce reliance for further greenfield development and ensure that sensitive environmental and agricultural land are preserved. The intended development would also use sustainable construction practises with the ultimate development integrating a range of waste and energy consumption saving measures.</p>
Planning Priority 14 <i>Heritage items and places</i>	This Planning Proposal does not impact on any heritage items.

Table 6-3 | Consistency with other SCC strategic policy

Shoalhaven Growth Management Strategy 2014	
Section 4: Growth Considerations 4.1 Community	<p>Strategic directions from the GMS 2014 guide the response to the challenges and opportunities facing the Shoalhaven community, its population and housing characteristics. This Planning Proposal aligns with the below directions:</p> <p>C.1 Supply of housing opportunities for future residential development will be provided within the environmental and servicing constraints of the area;</p> <p>C.3 Population growth will be accommodated within the existing urban structure and identified growth areas;</p> <p>C.4 New development will be integrated with the adjoining urban structure to improve connectivity and reduce local travel distances;</p> <p>C.6 Encourage the provision of sufficient housing of a suitable range and quality and diversity to meet the needs of Shoalhaven's residents and visitors;</p> <p>C.10 Encourage growth which promotes community wellbeing and quality of living throughout various stages of life;</p> <p>C.11 Improve community safety and encourage neighbourhood design that makes people feel safe;</p> <p>The Proposal:</p>

	<p>The Planning Proposal paves the way for the intended development to address directions C.1 – C.6. The population of the Shoalhaven region is growing rapidly and there is an urgent need to provide residential accommodation in an appropriate location. The proportion of people aged 65+ years is also forecast to increase and will place additional pressure on providing appropriate housing and services to support ‘aging in place’. The intended development will provide one, two and three bedroom residential apartment typologies and will cater to the changing demographics of the region. It is expected that this will result in freeing up larger single dwellings as people are able to downsize.</p> <p>The Site is in proximity to the existing services and infrastructure of Ulladulla CBD. Consistent with C10 and C11, the proposal promotes the revitalisation of the Site, incorporating an active ground floor and public plaza. The addition of publicly accessible spaces increases passive surveillance.</p>
<p>Section 4: Growth Considerations</p> <p>4.5 Economy</p>	<p>The proposal aligns with the following strategic directions that guide the response to the economic growth of the Shoalhaven area. These influence the type of commercial/ retail spaces that are provided, aligning with the major employment sectors of the area.</p> <p>E.2 Maintain, renew and enhance existing infrastructure to support economic activity and investment;</p> <p>E.5 Plan for employment generating initiatives, in order to deliver positive local and regional employment outcomes;</p> <p>E.6 Provide sufficient industrial and employment generating land to meet future demands;</p> <p>The Proposal:</p> <p>The proposed development appropriately addresses the economic growth considerations, through the provision of commercial spaces, a childcare centre and food and beverage premises to support economic activity and provide services for the local community.</p> <p>The intended development is expected to provide a total of 257 FTE positions which is significantly more than the 60 FTE currently provided Bunnings Warehouse and would generate \$308.4 million per annum for the local economy. An estimated annual contribution to Shoalhaven LGA’s GRP of \$3.8 – 7.5 million would be generated by the intended development, having a significant impact on the local and regional economy.</p>
<p>Discussion Paper: Draft Shoalhaven Growth Management Strategy 2019-2041</p>	
<p>Growth Option 1</p> <p>Modified GMS V1</p>	<p>Growth Option 1 focuses on the identified growth centres, including Milton-Ulladulla, to accommodate the level of population growth predicted by Council’s population forecasting, with some growth in a limited number of other settlements that have potential to accommodate additional population.</p> <p>Benefits:</p> <ul style="list-style-type: none"> - Accepted approach to growth by NSW Government and community. - Growth is spread throughout the city, people have more choice of location. - Areas identified for growth are relatively free of constraints, subject to further investigation.

	<p>The Proposal:</p> <p>This Planning Proposal is consistent with the benefits of this growth option. The Site is located in the Milton-Ulladulla region within close proximity to the Ulladulla CBD. The intended use of the Site as a precinct scale mixed-use residential and commercial development is consistent with the surrounding land uses and will provide more diversity of housing choice.</p> <p>The Site is highly suited to the provision of additional housing, having access to existing infrastructure and services, including public transport and the Ulladulla CBD. The Site is relatively free of constraints and does not have any environmental or heritage constraints. There is a general lack of community support for further greenfield development and the intended development as a result of this Planning Proposal directly responds to the need for additional housing in the Shoalhaven region.</p>
<p>Growth Option 2</p> <p>Northern Centric</p>	<p>Growth Option 2 focusses on the primacy of Nowra-Bomaderry which is identified as a 'major regional centre' in the Regional Plan. Under this option Nowra-Bomaderry would continue to be focus for growth within the city.</p> <p>Benefits:</p> <ul style="list-style-type: none"> - Council can focus its planning and other resources in one location. - Nowra-Bomaderry is already well serviced and upgrading these services is less costly than providing new services to smaller areas. - Opportunity to provide a diverse range of housing types close to services. - Growth of Nowra-Bomaderry may continue to allow the centre to reach a critical mass of population and jobs <p>The Proposal:</p> <p>This Planning Proposal aims to address a critical shortage of housing, including affordable housing, in Ulladulla and the broader Shoalhaven Region. The Site is located within an existing urban footprint, close to services, and will be able to connect into existing infrastructure. Whilst the Planning proposal does not respond to the continued development of Nowra-Bomaderry, it directly responds to the need for additional housing and employment opportunities in the significant regional centre of Ulladulla.</p>
<p>Growth Option 3</p> <p>Growth centres</p>	<p>Growth Option 3 is based on limiting new or future growth (including possible re-zoning of land from non-urban to urban) to the three centres identified in the Illawarra-Shoalhaven Regional Plan, which includes Milton-Ulladulla. This option considers reviewing the MUSP to identify new areas for residential development and industrial/ employment lands.</p> <p>Benefits:</p> <ul style="list-style-type: none"> - Concentration of resources into the identified existing higher order centres. - Maintains and/or builds on current footprint or other settlements. - Centres will still benefit from a level of concentrated growth to maintain jobs and investments. <p>The Proposal:</p>

	<p>This Planning Proposal does not rely on the rezoning of non-urban land to urban land and instead transforms a brownfield site into a mixed use precinct.</p> <p>The Site is located in the existing urban footprint of Ulladulla and provides an opportunity for additional housing in an appropriate location.</p> <p>The intended development would create additional employment opportunities surplus to what is currently provided on the Site and would provide immense social and economic benefits to the Ulladulla community and is considered consistent with this objective.</p>
<p>Growth Option 4</p> <p>Consolidated Growth</p>	<p>Growth Option 4 is based on accommodating future population growth through increased density in existing consolidated centres that already have services in place. The focus would be in larger settlements, including Ulladulla.</p> <p>Benefits:</p> <ul style="list-style-type: none"> - Opportunities to provide a diverse range of housing types close to services. - Largely maintains current footprints of settlements. - Retains natural areas. - Reduces the need for the provision of new infrastructure. - Prevents encroachment into agricultural and environmental land. - May make public transport more feasible. - May lead to revitalisation of centres through increased population living in walking distance. . <p>The Proposal:</p> <p>This Planning Proposal provides an opportunity to provide additional density in an existing urban area of Ulladulla. In this regard, there is no encroachment into agricultural or environmental lands, which has been identified as a key community concern for future growth within the Shoalhaven region.</p> <p>The intended development would add a substantial component of affordable housing and key worker accommodation to Ulladulla to assist in alleviating the housing availability and affordability crisis facing the region.</p> <p>The Site itself is located close to the Ulladulla CBD and existing public transport, with a local bus stop located 400 m south east providing connections to localities within the Shoalhaven region.</p> <p>The SIA indicates the development of the Site would have an estimated population of 430 people. As residents will still need to access the Ulladulla CBD, it is expected that would substantially contribute to the revitalisation of the town centre and provide additional economic benefits to local businesses.</p>
Shoalhaven 2040 Strategic Land-use Planning Statement	
<p>Planning Priority 1</p> <p>Providing homes to meet all needs and lifestyles</p>	<p>Relevant strategic actions:</p> <p>Current Work CW1.4 – Amending planning and development controls to encourage increased residential density (town houses and apartments) in and around Nowra City Centre and Ulladulla</p>

	<p>Town Centre.</p> <p>Collaboration Activity CA1.2 – Work with community housing providers and others to increase the supply of affordable rental housing.</p> <p>The population in Shoalhaven is expected to grow by approximately 22.4% by 2041. The size and age of households are changing within the LGA, whilst the tourism activity also contributes to increased demand for a range of housing types and price points, including affordable homes close to shops, services, and jobs.</p> <p>The Proposal:</p> <p>This Planning Proposal directly addresses strategic action CW.14 and CA1.2 by seeking to amend the existing planning controls to allow additional height and density to the Site within proximity to the Ulladulla Town Centre.</p> <p>As previously noted, the intended development outcome would include a component of affordable housing. The additional supply of housing would also provide more choice for people to age in place and support people to work where they live.</p>
<p>Planning Priority 2</p> <p>Delivering infrastructure</p>	<p>Planning Priority 2 recognises that Shoalhaven’s growing communities require a wide range of infrastructure, including community infrastructure and educational establishments services.</p> <p>The Proposal:</p> <p>The development of the site directly supports Planning Priority 2 through the inclusion of a 120-place childcare centre to support the needs of the local community. The proposed mixed-use development responds to changing community needs and would provide food and beverage premises, commercial spaces and an active public domain. The Site is within close proximity to existing community infrastructure to support the needs of residents.</p>
<p>Planning Priority 3</p> <p>Providing jobs close to home</p>	<p>Shoalhaven has an estimated workforce distributed in different industry segments, performing inter alia in services, health care and social assistance, retail, construction, and hospitality. Residents hold 92% of the available jobs, while 11% of the local population is unemployed, indicating a greater number of jobs are required. These numbers reflect the strong attractiveness of Shoalhaven’s lifestyle and an ongoing demand for employment opportunities close to home.</p> <p>The Proposal:</p> <p>The proposed rezoning of the Site from E4 General Industrial to MU1 Mixed-use zone meets the identified need for more jobs and more diverse industry sectors.</p> <p>It provides well-located and serviced employment land by incorporating a commercial component and a childcare centre as part of the envisaged use in association with the residential development.</p> <p>It is reiterated that the development of the site will not reduce the current number of people employed at the Site but allows for additional employment opportunities in a range of sectors to suit the available workforce and service the needs of the growing population and visitors.</p>
<p>Planning Priority 5</p>	<p>Planning Priority 5 focuses on the harbour precinct, its economic and business function and the need to preserve and foster its</p>

Ulladulla Town Centre	<p>relaxed coastal atmosphere for residents and visitors. Future development in the region should consider ways to improve traffic and parking in order to create a pleasant experience responsive to the community values.</p> <p>The Proposal:</p> <p>The intended development would provide additional housing, including affordable housing and key worker accommodation, within close proximity to the Ulladulla CBD. The commercial component of the proposal includes a childcare centre, food and beverage premises and commercial spaces. These facilities are intended to service the resident population and surrounding neighbourhood. Most residents will still need to access the Ulladulla CBD for employment and retail services.</p> <p>The TIA indicates minimal traffic impacts as a result of the development. The Sites close proximity to the Ulladulla CBD allows for active travel and reduces dependence on vehicular transport.</p>
Planning Priority 6 Strengthening commercial centres	<p>The commercial and retail sector plays an important economic role in employing people in the city and contributing to the visitor economy. Retail is particularly important in Ulladulla Town Centre, which supports its community with shops and services and is expected to undergo significant changes by 2027. Opportunities to strengthen commercial centres are sought, and actions strive to create places where people want to spend time.</p> <p>The Proposal:</p> <p>The proposal will increase the number of people living around the Ulladulla Town Centre, which in-turn supports local shops and businesses. The intended development would not include any uses that would detract from the importance of the Ulladulla Town Centre, ensuring that residents will still need to frequent the CBD. The proposal would also provide a significant economic boost to Ulladulla CBD generating \$308.4 million annually for the local economy through the provision of additional full-time jobs.</p>
Planning Priority 9 Industrial and defence related opportunities	<p>Industrial activities, manufacturing, warehousing and distribution facilities contribute to the City's economic performance. These activities require industrial land in key precincts located close to transport. Other smaller scale industrial activities and urban services serve local communities and businesses and require land across Shoalhaven. Significant industrial land precincts in Bomaderry, South Nowra and Ulladulla provide for a range of industrial activities, from major freight and logistics and heavy manufacturing to light industry.</p> <p>The Proposal:</p> <p>To enable the realisation of this mixed use precinct, this Planning Proposal reduces the potential floor space for industrial uses in the E4 General Industrial zone. This Planning Proposal will encourage employment growth, resulting in a substantial net increase in FTE positions when compared to the current tenant. The Bunnings Warehouse which presently occupies the Site provides approximately 60 FTE positions. It is anticipated that the future commercial mix and provision of a childcare centre will provide 257 FTE positions. It is assumed that the existing 60 FTE</p>

	<p>positions provide by Bunnings Warehouse will be transferred to their new premise, so there would be no loss of employment opportunities in the region.</p> <p>In addition, it is anticipated that 514 FTE construction positions would be created over the two-year construction period. Together, the 257 FTE jobs and the 386 FTE construction jobs will have a substantial and positive contribution to the Shoalhaven economy. It is understood that Council is currently planning an industrial subdivision at the Ulladulla Sewerage Treatment Plant of more than 10 hectares. This will provide additional industrial land within the local area, in the medium term (5 to 10 years). As the subject Site is 1 hectare, this would result in a net gain of 9 hectares of available industrial land in Ulladulla.</p>
Planning Priority 12 Managing resources	<p>As the population grows, the demand for energy and water increases, as well as waste generation and gas emissions. Technical studies demonstrate that road transportation is the second largest source of emissions, directly linked to the distances the communities need to travel for daily activities. To encourage sustainability practices towards emission reduction, some local action opportunities involve providing jobs closer to home and creating walkable neighbourhoods to avoid car use for shorter trips</p> <p>The Proposal:</p> <p>The retail component of the development and childcare centre on the ground floor level will activate the neighbourhood and enhance walkability, supporting residents and increasing opportunities for shorter trips.</p> <p>The proposed transition of the Site to a mixed-use zone will generate 257 FTE positions within close proximity to existing housing. Having employment services on the Site will reduce the need for unnecessary vehicle movements and may contribute to lower greenhouse gas emissions.</p> <p>The proposal aims to align with LEED certification standards and will incorporate solar and rainwater harvesting attributes, reducing the reliance on town water and pumped-in power.</p>
Shoalhaven Affordable Housing Strategy 2017	
2.3 Locational Criteria for Affordable Housing	<p>The Strategy identifies locational criteria for affordable housing, which include:</p> <ul style="list-style-type: none"> - Providing for a mix of affordably priced housing for different target groups in well-located areas provides for social mix and reduces the potential stigma that can be associated with such accommodation. - Locating such housing close to transport and services also provides for the needs of key groups, including those with a disability and the elderly, which reduces car dependency and the cost of transport. - Locating affordable housing close to larger service centres with a comprehensive range of retail health, recreation and support services and facilities, and where possible, public transport. - The focus of research and strategies is on precincts within 400-600 metres of the urban areas of Nowra-Bomaderry, Vincentia, and Milton-Ulladulla.

	<p>The proposal:</p> <p>The Site is located approximately 350 metres south of the Ulladulla CBD. A number of existing public transport facilities (bus stops) are within easy walking distance of the Site and there is good connectivity provided by the existing local road network and active travel paths.</p> <p>This Planning Proposal provides an opportunity for additional density close to the Ulladulla CBD and is considered consistent with this strategy.</p> <p>There is an urgent need for well-located affordable housing in the Shoalhaven region. A significant portion of the intended development would be dedicated to affordable housing and key worker accommodation and directly responds to this need.</p>
<p>3.4.2 Removing planning impediments and/ or opening up development opportunities for smaller strata dwellings – Strategy 8</p>	<p>The Affordable Housing Strategy includes Strategy 8 to ensure Council will ensure that sufficient developable land zoned R1, R3 and B4 is available within 600 metres of land zoned B2 and B3 in the Nowra-Bomaderry, Jervis Bay – St Georges Basin, and Milton-Ulladulla town centres to provide market opportunities for development of residential flat building and multi dwelling housing.</p> <p>The proposal:</p> <p>The intended development would provide affordable housing and key worker accommodation within 600 metres of land zoned E2 Commercial Centre (previously zoned B3 Commercial Core) in the Ulladulla Town Centre. This demonstrates that the Site is in a strategic location for the construction of affordable housing.</p>
<p>Milton – Ulladulla Structure Plan</p>	
<p>Volume 1 – Strategy</p>	<p>Relevant Development objectives:</p> <ul style="list-style-type: none"> - Provide for a ‘whole of life’ approach to residential land use; - Optimise the location of housing types relative to need; - Encourage diversity and interest in housing environments. - Maintain and develop a hierarchy of neighbourhood and local retail centres to service the needs of the resident and visitor populations. <p>Section Four – Strategy Components identifies that while the population within the Milton/Ulladulla Structure Plan area is expected to increase, it is anticipated that the proportion of holiday homes would reach a critical 20% by 2011, and it would continue as a trend, indicating that the number of dwellings needed each year would continue to grow. Household size in the Structure Plan area has declined from an average of 3.1 to 2.5 in 20 years (1971- 1991), which also indicates that even without population growth, more dwellings would be needed to house the same population. More recent studies demonstrate consistency in these trends therefore, requiring a larger number of dwellings.</p> <p>The proposal:</p>

	<p>The proposal increases housing availability, provides affordable housing and accommodation for low-to-middle income workers. It also includes a childcare centre, serving the needs of families. The Site is within close proximity to the services and employment opportunities provided by the Ulladulla CBD. A number of recreational and community facilities are within walking distance of the Site, including the Dunn Lewis Community Centre.</p> <p>The proposal is consistent with the objectives of the plan by allowing for a diverse and inclusive mixed-use development, that increases the housing supply and meets the retail needs of the resident and visitor populations in the expanding residential areas.</p>
Volume 2 – Background Study	<p>The study indicates that the population in Milton-Ulladulla has increased significantly since the mid-1960s, driven by its tourism industry and attractiveness as a retirement location. Some of the key aspects of the region's demographic structure and growth trends that have structure planning implications, include the fact that the proportion of the population at retirement age is increasing (16.6% to 22.0%) and a significant proportion of households (63%) earn below the national medium income (\$30,000).</p> <p>Newer studies indicate that these trends have been maintained and the Structure Plan identifies an urgent need to provide a range of homes to match different income levels, improve affordability for very-low-income households, and low-to-middle income workers.</p> <p>The proposal:</p> <p>This Planning Proposal directly responds to Milton-Ulladulla's growing population and the current housing availability and affordability crisis affecting the region. The provision of a more diverse range of housing typologies provides the opportunity to cater to the needs of a broader cross section of the community, allowing people to age in place and accommodation for people with lower incomes.</p>
Productive Shoalhaven Economic Development Strategy 2017-2026	
6.4 Creating Liveability and Place	<p>Relevant Recommended Action:</p> <ul style="list-style-type: none"> - 6.4.2 Affordable housing opportunities: Explore alternatives for implementation of affordable housing within the Shoalhaven through a range of opportunities and processes associated with a comprehensive approach. <p>The Strategy identifies that liveability and lifestyle are considered key attributes in attracting and retaining people to the area of Shoalhaven. In association with the enjoyment of town and villages through vibrant, active, and connected communities, what enables a long-term stay is also the ability for residents to be able to afford to participate, particularly in terms of housing. Prices in Shoalhaven are rising, with affordability issues increasing.</p> <p>The Proposal:</p> <p>This Planning Proposal is aligned with the recommended action</p>

	to provide affordable housing opportunities. The proposal aims to allow for mixed use development, contributing to affordable housing provisions in the locality. The concept plan incorporates an affordable housing component, and a building exclusively dedicated to key worker accommodation. The proposal caters for diverse population, addressing identified housing needs and liveability through inclusive budget housing.
Shoalhaven Regional Economic Development Strategy 2018-2022	
	This plan is not applicable as the strategic actions were due to be completed by 2022.

The additional height and density sought under this Planning Proposal provides an opportunity to deliver a well-designed, aesthetically pleasing, and functional development on the Site that has a central public open space and excellent urban amenity. The Shoalhaven 2040 LSPS emphasises the importance of providing a diverse range of housing types and affordable housing to support the needs the LGA's diverse and growing population. The Site provides opportunity for substantial infill density and job creation, with minimal impact of adjoining uses and without the need to impact any environmental or agricultural land. The resulting development of the Site delivers more diverse and affordable housing by offering high-density housing options. It includes a variety of unit sizes and configurations to accommodate key workers, single households, families, and aging in place.

6.1.5 Is the planning proposal consistent with applicable SEPPs?

The Planning Proposal is consistent with the following State Environment Planning Policies (SEPPs) which are relevant to the development of the site:

Table 6-4 | Consistency with relevant SEPPs

Policy	Relevance
SEPP (Building Sustainability Index: BASIX) 2004	A future Development Application would demonstrate compliance with the minimum targets for energy and water efficiency required by SEPP (BASIX). The buildings will incorporate passive design to maximise passive heating and cooling of dwellings.
SEPP (Housing) 2021	The proposal includes a component of affordable housing in accordance with the SEPP (Housing).
SEPP No. 65 – Design Quality of Residential Apartment Development	The concept design for the four buildings has been prepared giving regard to SEPP 65 and the Apartment Design Guidelines (ADG). The building envelopes and typical floor plan demonstrate a very high level of internal amenity will be provided to residential units with the minimum amenity requirements for solar access, cross ventilation, unit size and balcony size exceeded. A future Development Application would demonstrate consistency with SEPP 65 and the ADG.
SEPP (Resilience and Hazards) 2021	The Site was formally used for machinery storage and machinery workshops which may present some contamination risks to the site. A Preliminary Site Investigation (PSI) has been prepared which notes the site can be made suitable for the proposed rezoning and development subject to further investigation and the completion of any remediation and validation that may be required.
SEPP (Transport and Infrastructure) 2021	The Planning Proposal is accompanied by an Acoustic Report (Appendix G) demonstrating that traffic and noise intrusion into apartments is consistent with the SEPP (Transport and Infrastructure) 2021. The Traffic Impact Assessment provided (Appendix E) demonstrates that there will be no unsatisfactory traffic implications as a result of the modified land use and additional density proposed by this Planning proposal. A referral would be made to Transport for NSW following Gateway Approval to ensure that the proposal does not adversely impact the functioning of the Princes Highway.

SEPP (Planning Systems) 2021

The future development of the Site will be deemed as ‘regionally significant development’ according to clause 2 in the Schedule 6 of the SEPP, which refers to development that has a capital investment value over \$30 million.

6.1.6 Is the planning proposal consistent with the applicable Local Planning Directions (section 9.1 Directions)?

Pursuant to Section 9.1(2) of the *Environmental and Planning Assessment Act 1979*, this section of the Planning Proposal provides justification against the objectives of relevant Local Planning Directions. The following Local Planning Directions are relevant to the consideration of this Planning Proposal:

- Local Planning Direction 1.1 Implementation of Regional Plans,
- Local Planning Direction 4.4 Remediation of Contaminated Land
- Local Planning Direction 6.1: Residential Zones, and
- Local Planning Direction 7.1: Employment Zones

In some circumstances, a planning proposal may be inconsistent with the terms of a direction where it is supported by an approved strategy, a technical study, a published Regional or District Strategy; or where it can be justified that the inconsistency is of minor significance. This section provides such justification.

6.1.6.1 Local Planning Direction 1.1: Implementation of Regional Plans

Objective

The objective of this direction is to give legal effect to the vision, land use strategy, goals, directions and actions contained in Regional Plans.

Application

This direction applies to a relevant planning authority when preparing a planning proposal for land to which a Regional Plan has been released by the Minister for Planning.

Direction 1.1

- (1) Planning proposals must be consistent with a Regional Plan released by the Minister for Planning.

Consistency

A planning proposal may be inconsistent with the terms of this direction only if the relevant planning authority can satisfy the Planning Secretary (or an officer of the Department nominated by the Secretary), that:

- (a) the extent of inconsistency with the Regional Plan is of minor significance, and
- (b) the planning proposal achieves the overall intent of the Regional Plan and does not undermine the achievement of the Regional Plan’s vision, land use strategy, goals, directions or actions.

Justification

This Direction must be addressed as the rezoning of the Site is not identified in the Illawarra Shoalhaven Regional Plan 2041. Notwithstanding this inconsistency, it can be justified that the rezoning still achieves the overall intent of the Regional Plan and does not undermine the identified actions and strategies.

Achievement of the Vision and Overall Intent

The Vision of the Regional Plan is to foster an “*innovative, sustainable, resilient, connected, diverse and creative region*”. The Vision places additional emphasis on the importance of collaboration to attract investment and stimulate employment in diverse industries, including the visitor economy. This is to be supported through a diversity of lifestyle choices, from city living, new rural areas, or coastal or village living, that drives affordable housing options. This Planning Proposal is consistent with the Vision of the Regional Plan and directly responds to changing needs of the Shoalhaven region through increasing the diversity of housing available in the region.

Whilst Milton-Ulladulla is not identified as an Urban Growth Centre, this Planning Proposal fulfills the desire of Objective 18 and Theme 2 by providing an urban infill opportunity, which will significantly improve residential supply,

increase employment opportunities and support the growth of the regional economy. Local research suggests that 43% of businesses in the Illawarra-Shoalhaven region cite housing availability and affordability as a key challenge facing business in the region⁷.

The Planning Proposal is consistent with the vision and intent of the Regional Plan as it seeks to rezone a unique and relatively large urban renewal site in accordance with its highest and best use. The rezoning will respond directly to the identified housing shortage, provide significant employment opportunities and build confidence for the continued growth of the regional economy. This precinct-scale opportunity will help Ulladulla to attract investment and stimulate employment in diverse industries, and thus achieves the overarching intent of this planning strategy.

Consistency with Themes and Objectives

The Regional Plan establishes four key themes, each with a series of objectives. The following section discusses the consistency of Planning Proposal with these themes.

- *Theme 1: A productive and innovative region*

Theme 1 notes that the Illawarra Shoalhaven Region will leverage new and innovative economic opportunities to increase the number of jobs in industries, including the visitor economy. Objective 4: *Activate regionally significant employment precincts to support new and innovative economic enterprises* and Objective 5: *Create a diverse visitor economy*, are relevant to this Planning Proposal.

Identifying and removing barriers to housing supply in Kiama and Milton-Ulladulla is noted in the Regional Plan as a key opportunity to support regionally significant centres. This Planning Proposal directly responds to the need for additional housing supply, including the provision of affordable housing. Increasing the availability and affordability of housing, particularly for key workers, will provide better certainty for businesses operating in the visitor economy to invest in the region.

Objective 4 (Theme 1) of the Regional Plan aims to “*Activate regionally significant employment precincts to support new and innovative economic enterprises*”. Whilst the Regional Plan does not identify Milton-Ulladulla as a regionally significant employment precinct it notes that significant employment precincts are supported by other industrial areas such as those within Ulladulla. To enable the construction of this mixed use precinct, this Planning Proposal seeks to convert the zoning from one employment zone (E4 General Industrial) to another (MU1 Mixed Use).

The Bunnings Warehouse which presently occupies the Site provides 60 FTE positions that are expected to be transferred to their new premise in 2024. Following a successful rezoning of the Site, the future commercial mix and provision of a childcare centre will provide an additional 257 FTE positions. Approximately 386 FTE construction jobs would also be created over the two-year construction period. As a result, this Planning Proposal provides an opportunity to rezone the Site for its highest and best use, provide a significant increase in local employment which can continue to support significant employment precincts in other parts of the Shoalhaven Region.

- *Theme 2: A sustainable and resilient region*

The Planning Proposal provides an opportunity to address identified housing demand by rezoning land within the urban footprint. The Site is predominantly concrete, and is devoid of important ecological habitat. Rezoning this Site is consistent with Objective 11: *Protect important environmental assets* as urban renewal presents an alternative to greenfield development which has the potential to reduce the coastal rural character of the regions and result in adverse ecological outcomes.

- *Theme 3: A region that value its people and places*

This theme includes objectives centred around creating liveable and vibrant communities. The Planning Proposal responds directly to Objective 19: *Deliver housing that is more diverse and affordable* by providing a high-density housing option, with a range of unit sizes and configurations that can support key workers, single households, families and aging in place. A precinct-scale consideration of the Site provides opportunity to consider the mixture of services (including centre-based childcare) to respond to the changing needs of the community (Objective 21).

Objective 18 seeks to “*provide housing in the right locations*” with West Lake Illawarra, Nowra-Bomaderry and Bombo Quarry the focus for greenfield housing supply. The Regional Plan chooses to concentrate new development and intensive uses in existing centres, rather than in the scenic hinterland that defines the coastal rural character of the

⁷ <https://www.businessillawarra.com/content/dam/nswbc/businessillawarra/submissions/Business%20Illawarra%20-%20Solutions%20to%20the%20Affordable%20Housing%20Crisis%20Advocacy%20Report.pdf>

region. The Planning Proposal directly responds to this by presenting an opportunity to meet housing needs within the existing urban footprint. The Shoalhaven GMS 2014 identifies that an additional 26,300 dwellings are needed in Shoalhaven by 2031 including affordable housing options. This Planning Proposal will unlock 182 dwellings across 1, 2 and 3 bedroom residential apartment typologies and complementary commercial uses in Ulladulla without the need for further intensive subdivision.

- *Theme 4: A smart and connected region*

This theme includes objectives relating to smart infrastructure and transport systems. The Planning Proposal does not undermine the achievement of objectives under this theme.

Summary of Actions

The Regional Plan includes nine actions. The Planning Proposal would not undermine the achievement of these actions. Through the inclusion of affordable housing, the Planning Proposal may assist in achieving Action 9.

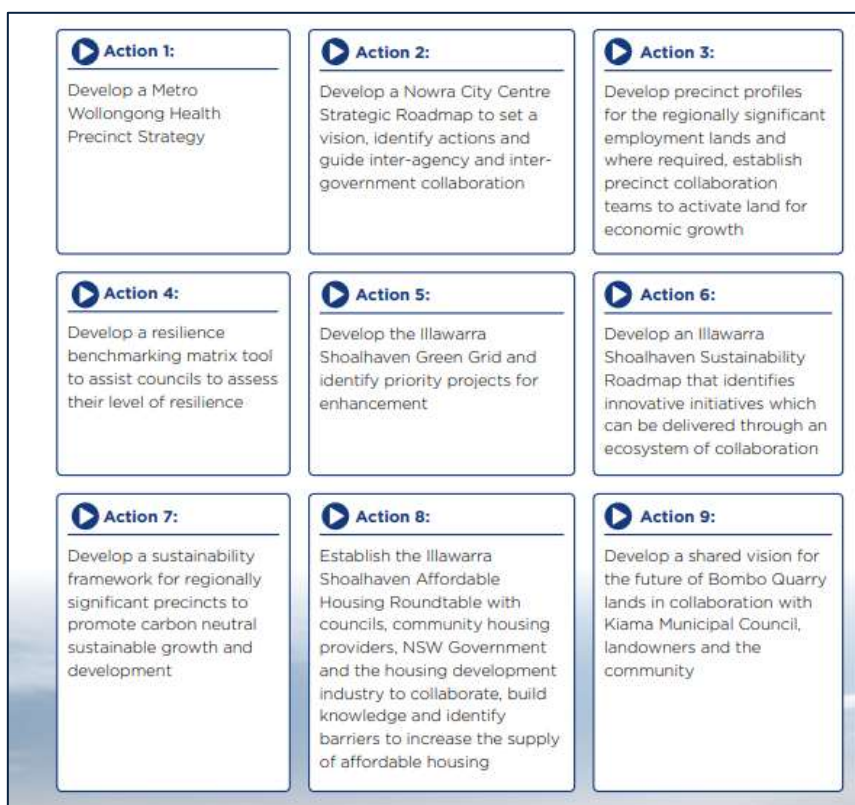


Figure 6-1 | Summary of Actions (Illawarra Shoalhaven Regional Plan 2041, p15, NSW DPIE, 2021)

6.1.6.2 Local Planning Direction 4.4: Remediation of Contaminated Land

Objective

The objective of this direction is to reduce the risk of harm to human health and the environment by ensuring that contamination and remediation are considered by planning proposal authorities.

Application

This Direction applies to this Planning Proposal as the rezoning would permit both residential and childcare uses. There is limited historical knowledge of previous land uses, particularly the source of fill material imported to level the site during a previous subdivision. Whilst the redevelopment of the site to the scale intended by this Planning Proposal would require extensive excavation for basement car parking, it is prudent to consider the suitability of the Site.

Direction 4.4

Direction 4.4 states:

- (1) A planning proposal authority must not include in a particular zone (within the meaning of the local environment plan) any land to which this direction applies if the inclusion of the land in that zone would permit a change of use of the land, unless:
 - (a) the planning proposal authority has considered whether the land is contaminated, and
 - (b) if the land is contaminated, the planning proposal authority is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for all the purposes for which land in the zone concerned is to be used, and
 - (c) if the land requires remediation to be made suitable for any purposes for which land in that zone is permitted to be used, the planning proposal authority is satisfied that the land will be so remediated before the land is permitted to be used for that purpose.

In order to satisfy itself as to paragraph 1(c), the planning proposal authority may need to include certain provisions in the local environment plan.
- (2) Before including any land to which this direction applies in a particular zone, the planning proposal authority is to obtain and have regard to a report specifying the findings of a preliminary investigation of the land carried out in accordance with the contaminated land planning guidelines.

Note: In this direction, contaminated land planning guidelines means guidelines under clause 3 of Schedule 6 to the EP&A Act.

Response to objectives

A PSI has been prepared to assess the Site for potential contamination. The PSI suggests that the Site has a history of use as a horse racetrack, residential use (including a single dwelling), machinery storage and workshops, bulky goods retail (Bunnings Warehouse), and has been subject to filling for the purpose of levelling. A Detailed Site Investigation (DSI) undertaken to allow for the construction of Bunnings Warehouse indicates the presence of potential contaminants including oils and fuels for vehicles and potential presence of heavy metals in the soil. There is suggestion that asbestos material was to be encapsulated on the Site, as part of the prior industrial subdivision.

This Planning Proposal seeks to rezone the Site from E4 General Industrial to MU1 Mixed Use and will introduce both residential and commercial uses to the Site, including a childcare centre. As a result, it is likely that remediation will be required as part of a future Development Application, and certification that the Site is suitable for its future intended use.

The PSI indicates that the Site is suitable for the intended development and introduction of more sensitive residential and educational uses, as the proposal includes substantial excavation works for two levels of basement carparking which will remove much of the soil from the Site. The levelled platform through the site will be constructed with imported VENM and topsoil for landscaping. As the proposed childcare centre will be located above ground with limited access to the Site's soils, a HIL B classification has been deemed suitable.

Consistency

As the PSI confirms that, subject to remediation, the Site can be made suitable for the intended uses, the Planning Proposal is consistent with Local Planning Direction 4.4.

6.1.6.3 Local Planning Direction 5.1: Integrating Land Use and Transport

Objectives

The objective of Local Planning Direction 5.1 Integrating Land Use and Transport is to ensure urban structures, building forms, land use locations, development designs, subdivision and street layouts achieve the following:

- (a) improving access to housing, jobs and services by walking, cycling and public transport,
- (b) increasing the choice of available transport and reducing dependence on cars,
- (c) reducing travel demand including the number of trips generated by development and the distances travelled, especially by car
- (d) supporting the efficient and viable operation of public transport services
- (e) providing for the efficient movement of freight.

Application

This Direction applies to the Planning Proposal as the rezoning will remove a zone relating to urban land for residential and employment purposes. Whilst this Planning Proposal has considered traffic impacts associated with the intended development, the introduction of additional density to the Site means it is prudent to address Direction 5.1.

Consistency

A planning proposal may be inconsistent with the terms of this direction only if the relevant planning authority can satisfy the Planning Secretary (or an officer of the Department nominated by the Secretary), that:

- (a) justified by a strategy approved by the Planning Secretary which:
 - i. gives consideration to the objective of this direction, and
 - ii. identifies the land which is the subject of the planning proposal (if the planning proposal relates to a particular site or sites), or
- (b) justified by a study prepared in support of the planning proposal which gives consideration to the objective of this direction, or
- (c) in accordance with the relevant Regional Strategy, Regional Plan or District Plan prepared by the Department of Planning and Environment which gives consideration to the objective of this direction, or (d) of minor significance.

Justification

This Planning Proposal responds to the need to provide more diverse housing to support the growing population of the Shoalhaven region. The intended development as a result of this Planning Proposal would improve access to housing by introducing approximately 182 residential apartments comprising of one, two and three bedroom typologies within close proximity of the Ulladulla CBD. Locating key destinations and services within 400 m of residential precincts is considered optimal as beyond this distance the preferred transport mode shifts to vehicles. A Victorian Government study into improving pedestrian accessibility showed that whilst 75% of trips below 400 m are walked, about 25% of trips more than 1 km but less than 2 km are regularly walked where good connectivity, appropriate densities and a safe pedestrian environment is provided⁸.

The Ulladulla CBD is a short 10-minute walk (approximately 350 m) from the Site and approximately 450 m to services including supermarkets and specialty retail premises. The Site is serviced by a shared path that runs along the western side of St Vincent Street providing pedestrian access south to the Dunn Lewis Community Centre and north to the Ulladulla High School and town centre. A shared pedestrian path is also provided on the southern side of Parson Street which connects to the pathways provided along the Princes Highway. As a result, it is expected that residents of the intended development will access the Ulladulla CBD using various modes of active travel, including walking and cycling. The Site is approximately 400 m from the nearest bus stop, located near the intersection of the Princes Highway and Powell Avenue which provides access to the surrounding region.

Given the proximity of the Site to the employment, commercial and retail services provided in the Ulladulla CBD, the intended development is likely to result in a reduced number of impromptu vehicle movements to and from the Site. The Urban Design Guide for Regional NSW identifies that providing infill development closer to existing town centres where existing facilities, infrastructure and services can be utilised reduces car dependence and increases urban mobility through people living closer to town centres and in more walkable and social neighbourhoods⁹. A TIA has been prepared for this Planning Proposal and addresses the anticipated traffic and transport requirements of the proposed development including an assessment against the existing conditions. The TIA advises that the additional density (approximately 182 dwellings) and commercial uses (childcare centre, food and beverage premises, commercial office space) sought in this Planning Proposal can be accommodated within the existing road network and there is no net increase in traffic movements.

6.1.6.4 Local Planning Direction 6.1: Residential Zones

Objectives

⁸ Victorian Government (2010). Pedestrian Access Strategy: A Strategy to increase walking for transport in Victoria. Pg 19-44.

⁹ NSW Government (2020). Urban Design for Regional NSW: A guide for creating healthy built environments in regional NSW. Pg 25.

The objectives of Local Planning Direction 6.1 Residential Zones are to:

- (a) encourage a variety and choice of housing types to provide for existing and future housing needs,
- (b) make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services, and
- (c) minimise the impact of residential development on the environment and resource lands.

Application

This Direction applies to the Planning Proposal as by virtue of the requested rezoning, significant residential development would be permitted on the Site. This discussion justifies that the absence of published strategy relating to residential uplift on the Site is of *minor significance*, as the Planning Proposal addresses the objectives and provisions of this Local Planning Direction.

Direction 6.1

- (1) A planning proposal must include provisions that encourage the provision of housing that will:
 - (a) broaden the choice of building types and locations available in the housing market, and
 - (b) make more efficient use of existing infrastructure and services, and
 - (c) reduce the consumption of land for housing and associated urban development on the urban fringe, and
 - (d) be of good design
- (2) A planning proposal must, in relation to land to which this direction applies:
 - (a) contain a requirement that residential development is not permitted until land is adequately serviced (or arrangements satisfactory to the council, or other appropriate authority, have been made to service it), and
 - (b) not contain provisions which will reduce the permissible residential density of land.

Response to Objectives

This Planning Proposal seeks to introduce higher density planning controls to enable the construction of approximately 182 dwellings across 1, 2 and 3 bedroom residential apartment typologies at a precinct scale in an existing urban location. A benefit of this precinct scale development is an ability to readily address the requirements of Direction 6.1, by:

- Offering a range of residential typologies including affordable housing, thus satisfying 1(a).
- Making more efficient use of existing infrastructure through urban renewal, thereby satisfying 1(b).
- Reducing demand for greenfield land and expansion beyond the urban footprint, thus satisfying 1(c).
- Offering opportunities to mitigate environmental impact through good design, thereby addressing 1(d).

The following discussion demonstrates that the proposal is consistent with the objectives of Direction 6.1.

(a) encourage a variety and choice of housing types to provide for existing and future housing needs

This Planning Proposal directly responds to the need to provide more diverse housing typologies and increased housing supply to support the growing population of the Shoalhaven region. The Shoalhaven region is expected to increase to 142,936 people by 2051 and the Regional Plan notes that an additional 58,000 homes will be needed in the Illawarra-Shoalhaven region by 2041. The intended development would introduce approximately 182 residential apartments comprising of one, two and three bedroom typologies. This includes both key worker accommodation and affordable housing, increasing the availability of well-located housing options within close proximity to existing services.

The NSW Regional Housing Needs Report 2023 identifies the Shoalhaven region as experiencing a significant housing availability crisis with a high proportion of people experiencing rental stress. This increases the number of people in the population who are vulnerable to changes in income, inflation and rental prices. The Solutions to Housing Affordability Advocacy report by Business Illawarra notes a shortfall of 3,280 affordable dwellings in the Shoalhaven LGA needed to support key workers and low-income earners. Typically, the Illawarra Shoalhaven region has had lower rates of apartment growth and private rental stock. The supply of residential apartments, including studio and one

and two bedroom typologies, is critical to increasing housing diversity to meet changing community needs, provide lower cost housing and increasing the supply of rentals¹⁰.

A report by Regional Development Australia¹¹ notes that the population of people aged 65+ years is expected to almost double from 46,000 in 2011 to 82,500 in 2036 in the Illawarra Shoalhaven region. This will increase demand for healthcare and aged care services as well as suitable forms of housing. The Shoalhaven region also has a high proportion of lone person households which is partly attributed to its aging population. The proposal provides the opportunity for people to age-in-place and will assist with freeing up larger housing stock for growing families.

There are a number of Sites surrounding the Ulladulla CBD zoned MU1 Mixed Use that are undeveloped and under the ownership of multiple landholders. The intended development provides the opportunity for a precinct scale development of a Site is under single ownership, that is able to address the housing shortfall much sooner than sites with multiple landholders that may require consolidation. This Planning Proposal addresses this objective by providing a diversity of housing, in a suitable location, to meet existing and future needs within the short to medium term.

(b) make efficient use of existing infrastructure and services and ensure that new housing has appropriate access to infrastructure and services

The Site is tenanted by Bunning Warehouse who will transfer to their new premises in 2024. The proposal will repurpose the Site into a 1-hectare mixed use residential and commercial precinct. The NSW Productivity Commission identifies that additional density located closer to the Sydney CBD and inner-city suburbs where there is access to existing infrastructure can save up to \$75,000 in infrastructure costs per new home¹². From an infrastructure servicing perspective, the redevelopment of the Site is preferred to greenfield development on peri-urban land that would require significant investment in servicing of utilities, roads, transport, education and health.

The Site is within walking distance to the employment, education and commercial services provided by the Ulladulla CBD with connections provided by the local road and path network. Existing public transport links are provided along the Princes Highway and are also within walking distance to the site (400 m).

This Planning Proposal is considered consistent with this objective as it provides a more efficient use of land and allows additional housing to be located close to existing services and infrastructure.

(c) minimise the impact of residential development on the environment and resource lands

The Site is located within the existing urban boundary of Ulladulla and does not impact on environmental or resource lands. The Regional Strategy recognises that new development and intensive uses should be located in existing centres, rather than in the scenic hinterland that defines the coastal rural character of the region. The LSPS also notes that there is less community sentiment for further greenfield subdivision surrounding Milton-Ulladulla due to land use conflicts between agricultural and residential uses.

In addition, urban infill development generally has a reduced environmental impact compared to new greenfield development. This brownfield site is devoid of significant vegetation, is highly disturbed due to existing structures and hardstand, and is readily serviced by existing infrastructure. This Planning Proposal satisfies Objective 6.1(c).

Consistency

This Planning Proposal provides an opportunity to provide additional dwellings in an appropriate location to support the growing population of the Shoalhaven LGA, and to address identified housing needs. This Planning Proposal readily addresses the Objectives and desired outcomes of Direction 6.1. Whilst the rezoning of the Site to provide residential accommodation is not identified in an endorsed planning strategy, this inconsistency is of minor significance.

6.1.6.5 Local Planning Direction 7.1: Employment Zones

Objectives

¹⁰ JSA 2023 Illawarra Shoalhaven Affordable Housing Strategy: Strategy Summary, prepared for Business Illawarra by Judith Stubbs & Associates, Bulli, February 2023, pp 47.

¹¹ <https://www.rdaillawarra.com.au/assets/ACDC-Project/e1e2cfa76c/Illawarra-Shoalhaven-Smart-Region-Strategy-Endorsed-with-Logos-1.pdf>

¹² NSW Productivity Commission (2023) Building more homes where people want to live. Available at:

https://www.productivity.nsw.gov.au/sites/default/files/2023-06/202305_01-building-more-homes-where-people-want-to-live.pdf

The objectives of Local Planning Direction 7.1 Employment Zones are to:

- (a) Encourage employment growth in suitable locations
- (b) Protect employment land in employment zones, and
- (c) Support the viability of identified centres.

Application

This Local Planning Direction is relevant as this Planning Proposal requests alteration of the zone from E4 General Industrial to MU1 Mixed Use.

Direction 7.1

(1) A planning proposal must:

- (a) give effect to the objectives of this direction,
- (b) retain the areas and locations of Employment zones,
- (c) not reduce the total potential floor space area for employment uses and related public services in Employment Zones.
- (d) not reduce the total potential floor space area for industrial uses in E4, E5 and W4 zones, and
- (e) ensure that proposed employment areas are in accordance with a strategy that is approved by the Planning Secretary.

Response to Objectives

To enable the realisation of this mixed use precinct, this Planning Proposal reduces the potential floor space for industrial uses in the E4 General Industrial zone. This is inconsistent with Direction 7.1 (1)(d), as *“a planning proposal must not reduce the total potential floor space area for industrial uses in E4, E5 and W4 zones.”*

The following discussion seeks to justify that this inconsistency is of *minor significance*, by addressing how the development is consistent with the Objectives of the Direction. A technical study in the form of an Economic Impact Assessment also accompanies this Planning Proposal at **Appendix H** and considers the objectives of this Direction.

(a) To encourage employment growth in suitable locations

This Planning Proposal will encourage employment growth, resulting in a substantial net increase in FTE positions when compared to the current tenant. The Bunnings Warehouse which presently occupies the Site provides approximately 60 FTE positions. It is anticipated that the future commercial mix and provision of a childcare centre will provide 257 FTE positions. It is assumed that the existing 60 FTE positions provided by Bunnings Warehouse will be transferred to their new premise, so there would be no loss of employment opportunities in the region.

In addition, it is anticipated that 514 FTE construction positions would be created over the two-year construction period. Together, the 257 FTE jobs and the 386 FTE construction jobs will have a substantial and positive contribution to the Shoalhaven economy.

This is a significant number of new jobs, particularly in a regional context, and would provide both direct and indirect positive economic impacts. The Australian Chamber of Commerce and Industry estimates that each new job created in Australia generates an average of \$1.2 million in economic activity over the course of a year¹³. This includes spending undertaken by individuals (i.e., direct impacts) and the creation of new jobs in other industries (i.e., indirect impacts) such as professional services, retail, hospitality and transportation. Applying this estimate to the creation of 257 FTE jobs suggests that the rezoning would generate \$308.4 million in economic activity each year, whilst the 386 FTE construction jobs would provide an estimated \$926.4 million over the two-year construction period.

The Site currently contains employment uses, so the retention of employment uses on the site is considered more appropriate than solely pursuing a residential rezoning. The development concept would see approximately 5,980 sqm of commercial floor area, including a 420 sqm (internal area) and 850 sqm (external area) childcare centre. This acknowledges that the Site is well located for employment uses, but its highest and best value to the regional economy is as a mixed-use development. Table 6-5 provides a comparison of anticipated economic activity.

¹³ Australian Chamber of Commerce and Industry's (ACCI) 2020-21 Economic Outlook report <https://www.deloitte.com/au/en/about/press-room/business-outlook.html>

Table 6-5 | Comparison of existing and proposed Full Time Employment (FTE) generated by the site

Employer	GFA	FTE	Anticipated Economic Activity
Existing Bunnings Warehouse	2,588 sqm	60	\$72M per annum, existing
New Commercial	5,980 sqm	257	\$308.4M per annum, ongoing
Construction	n/a	386	\$463.2M per annum, over two years

This Planning Proposal directly responds to the changing needs of the Shoalhaven region, including providing much needed affordable housing and key worker accommodation. Increasing the availability of well-located and affordable housing options will provide local businesses with the confidence to invest and grow, by ensuring they are able to attract and retain workers, especially those on lower incomes. This is particularly important for the Shoalhaven region, which according to ABS Census data (2023) has a disproportionately higher number of low-income earners than the NSW average.

Provision of appropriate housing and support services, such as childcare, is of critical importance to continued regional economic growth. The proposal seeks to include a 120 place child care centre to respond to identified shortfalls. A study by the Centre for Economic Development at the University of Adelaide¹⁴ found that every \$1 invested in childcare generates \$2.30 in economic benefits. Access to high-quality early childhood education and care is critical to support productivity and economic growth in the region.

It is noted that both 'employment' and 'mixed use' are nominated as employment zones in the drafting of Local Planning Direction 7.1, meaning that both General Industrial and Mixed Use employment typologies are considered under the same objectives. As there will be no net-loss of full time employment, it is considered that that the rezoning provides employment opportunities in a suitable location, albeit in a different industry, and is therefore consistent with this objective.

(b) To protect employment land in employment zones

The Planning Proposal will protect employment land in employment zones, as it simply seeks to convert the zoning from one employment zone (E4 General Industrial) to another employment zone (MU1 Mixed Use). The intended development outcome resulting from this Planning Proposal will provide 257 additional full time employment opportunities and the available floor area for employment generating uses will increase from 2,588 sqm to 5,980 sqm.

Given that the quantum of employment floor area will be increased, this objective will be satisfied.

(c) To support the viability of identified centres

This Planning Proposal recognises the importance of the Ulladulla CBD as one of the main commercial and services hubs within the Shoalhaven LGA. The intended development as a result of this Planning Proposal provides a range of uses that are not currently catered for within the Ulladulla CBD. It is noted that there will be no provision made for a supermarket within the site, which will ensure that residents will continue to frequent the town centre for day-to-day needs. Should Council desire, a prohibition on supermarket uses could be placed on the Site through the use of an 88B Instrument under the *Conveyancing Act 1919* during the consideration of a future Development Application.

Providing much needed additional residential accommodation, particularly affordable key worker accommodation, and childcare facilities, will support the continued growth of the region and the viability of the Ulladulla CBD. The Site is located within short walking distance to the Ulladulla CBD and is well connected by local roads and the shared path network. The future growth of the region will be constrained if suitable additional residential accommodation and childcare places are not secured to support the workforce. As such, the Planning Proposal is consistent with this objective.

Consistency

The above justification and the Economics Impact Assessment (**Appendix H**) confirm that the Planning Proposal will satisfy the objectives of Direction 7.1 by encouraging employment growth, protecting employment land and supporting the viability of the Ulladulla CBD.

It is considered that the reduction of 1 hectares of industrial land will be of minor significance to the availability of appropriate employment land, given the new employment uses that will be introduced to the site under the mixed

¹⁴ Gialamas, A., & Barnett, W. (2015). The economic value of childcare for low-income children: Evidence from a longitudinal study. *Journal of Epidemiology and Community Health*, 70(3), 315-321

use zoning. The Regional Plan identifies that the South Nowra Industrial Lands comprises 110 hectares with potential to accommodate up to 180 new industrial lots. This South Nowra area is much better suited to general industrial uses than the Site, which shares boundaries with a community centre and R3 Medium Density zoning.

In addition, it is understood that Council is currently planning an industrial subdivision at the Ulladulla Sewerage Treatment Plant of more than 10 hectares. This will provide additional industrial land within the local area, in the medium term (5 to 10 years). As the subject Site is 1 hectare, this would result in a net gain of 9 hectares of available industrial land in Ulladulla.

Therefore, the inconsistency with Direction 7.1 is of minor significance as the reduction of industrial land associated with this Planning Proposal will be offset by the planned pipeline of new industrial land both within Ulladulla and South Nowra and the significant job creation and economic benefit proposed by the MU1 Mixed Use zoning

6.2 Section C – Environmental, social and economic impact

6.2.1 Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

The Site is situated within an urban context and was previously cleared and levelled prior to the construction of the current bulky goods premises in 2009. The property is highly modified, and it is expected that the Planning Proposal will not affect any habitat or threatened species, populations or ecological communities.

6.2.2 Are there any other likely environmental effects of the planning proposal and how are they proposed to be managed?

The Planning Proposal is not expected to give rise to any unreasonable environmental impacts. The orientation of the Site is beneficial to reducing shadow impacts on adjoining residential properties and the Dunn Lewis Community Centre.

The following provides a discussion of the perceived environmental impacts of the additional height and density proposed in this Planning Proposal.

6.2.2.1 Built Form Context

The Site is situated within an existing urban area and provides a unique opportunity for the development of a mixed use residential and commercial precinct within close proximity to the Ulladulla CBD. The established built form of the urban streetscape, including the existing trees and landscaping that lines St Vincent Street, will absorb some of the bulk and scale of the buildings from the surrounding streetscape.

The built-form character of the local area can be attributed to the mix of uses that surround the site. This includes residential land to the north which mainly comprises of one storey dwellings of brick construction along St Vincent Street and employment land to the east which consists of one to three storey warehouses, commercial buildings and a range of food and beverage precincts along St Vincent and Deering Streets. The Dunn Lewis Community Centre, located directly south of the Site, is two storeys and is a prominent landmark for the local area.

The Site has a total area of 1 hectare and provides easterly views towards the Pacific Ocean with exposure to sea breezes providing passive cooling for future buildings. The size and location of the Site make it ideal for a landmark mixed-use precinct. The additional height and density proposed would not be visible from key sites in Ulladulla, including from Seaside Parade (Dolphin Point) and Warden head Lighthouse. The Princes Highway is another prominent built-form feature of the area and is the main transport route for vehicles moving north and south into and from Ulladulla. It is expected that the future growth of the Ulladulla CBD enabled by the increased height limits and rezoning achieved under a previous planning proposal, will eventually obscure views of the intended development when viewed from the Princes Highway facing south.

Whilst considerably taller than the surrounding built form, the intended development of the Site would not unreasonably block views from the lower density residential properties located to the north. The four-tower arrangement locates the taller of the two buildings (Buildings 1 and 2) towards the southern and western boundary of

the Site, allowing the increased height and density to transition away from existing residential properties. Further, the inclusion of a laneway on the northern boundary will increase the setback distance to residential properties.

The development is responsive to the visual opportunities and constraints of the subject Site and appropriately responds to the character of adjacent land uses. The development features appropriate visual linkages to the existing development, including the public domain which will provide opportunities for people to meet and linger in a high quality urban environment.

6.2.2.2 Overshadowing

The proposal has been designed to address solar access and overshadowing impacts. Shadow diagrams have been prepared to assess the proposed impact on solar access to adjoining properties and proposed units.

The accompanying shadow diagrams demonstrate that the site can accommodate a mixed-use development that meets the ADG design criteria, with 70% of the proposed units achieving a minimum of 3 hours of direct sunlight at mid-winter and less than 15% receiving no direct sunlight.

The shadow diagrams also show that adequate amenity will be maintained for all sensitive residential uses adjoining the Site. Due to the east-west orientation of the lot, future development will not cast any shadowing to the residential area to the north whilst maintaining reasonable solar access to the general industrial land to the west and the productivity support land to the east across the street.

It is noted that the adjoining land to the south of the Site is zoned E4 – General Industrial and contains the Dunn Lewis Community Centre. The proposal predominantly casts shadow onto the northern side setback, roof and vehicular access of the adjoining Dunn Lewis Community Centre. The northern setback is used for loading and back of house facilities, with the community centre orientated south towards the open carpark, and it is not expected that the additional shadow would hinder the existing function of the premise.

According to the Shoalhaven DCP 2014, industrial development requires direct solar access to be maintained for at least 3 hours between 9 am and 3 pm on June 21 to existing rooftop solar systems or 10 m² of north-facing roofs where a rooftop solar system is not yet in place. It is acknowledged that, due to the orientation of the Site, overshadowing is expected on the southern adjoining property; nonetheless, the proposal retains adequate solar access to the roof of the existing neighbouring building, being capable of providing a minimum of 3 hours solar access to the existing and future development.

The proposal, therefore, is not considered to generate any unreasonable or adverse overshadowing impacts on adjoining properties whilst achieving adequate solar access to future units.

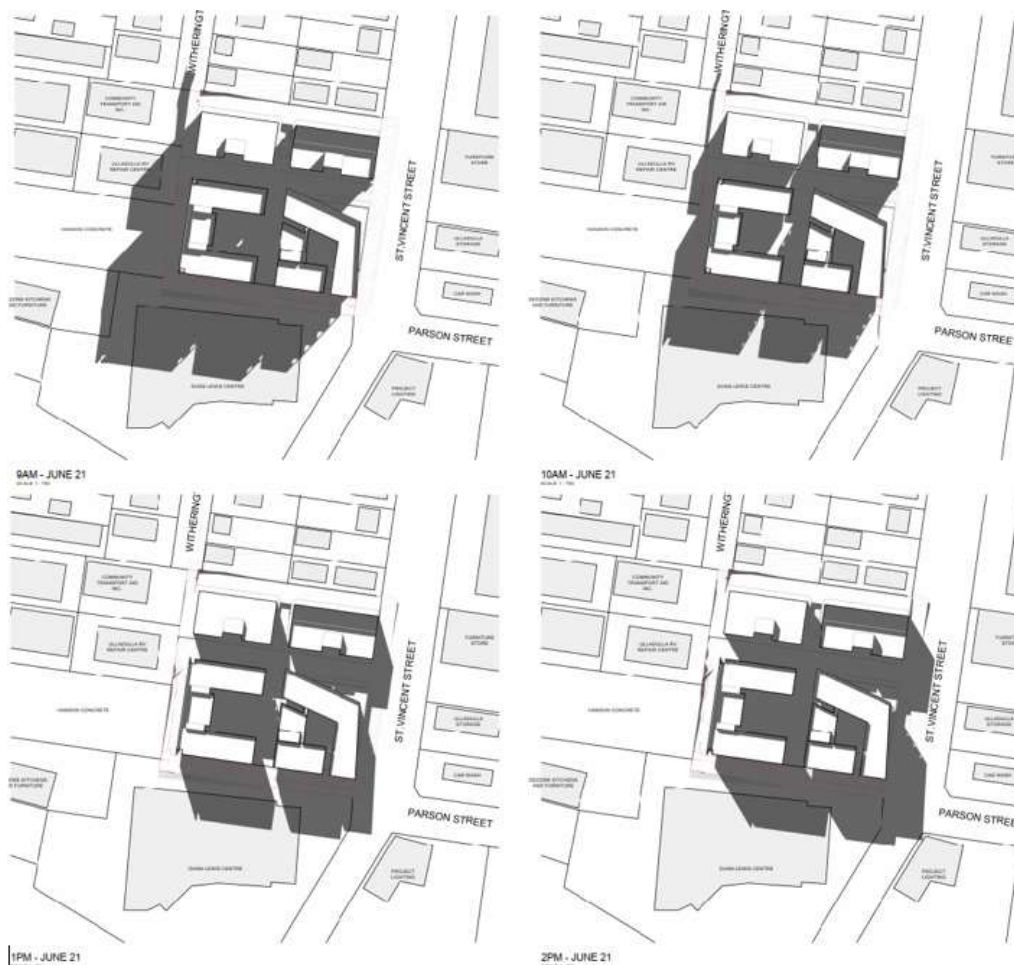


Figure 6-2 | Shadow diagrams of intended development (Source: Cox Architecture)

6.2.2.3 Vehicular Access and Traffic Impacts

The Traffic Impact Assessment (**Appendix C**) considers the impact of the additional density on the functionality of the local road network, including St Vincent Street, Deering Street and the Princes Highway. The operational performance of intersections was assessed using SIDRA modelling and concluded that there is sufficient capacity in the existing road network to accommodate the additional density sought by this Planning Proposal. The TIA notes that the peak traffic generated from the proposed development will never likely exceed that generated from the existing Bunnings Warehouse. The following peaks are expected from the development:

- **AM** 217 vtp
- **PM** 212 vtp

Satisfactory performance will be maintained on all intersections including the St Vincent Street and Deering Street intersection and the St Vincent Street and Parson Street intersection. The future operational performance of the Princes Highway and Parson Street intersection and the St Vincent Street intersections with Deering and Parson Street have also been assessed to a 10-year design horizon using SIDRA modelling. Results indicate that satisfactory performance will be maintained at all intersections to 2033.

A key attribute of this Site is that the local road network has adequate capacity for the additional height and density sought under this Planning Proposal.

Please refer to Appendix C – Traffic impact Assessment.

6.2.2.4 Geotechnical

A Geotechnical Assessment (**Appendix F**) has been prepared to demonstrate the soil suitability and potential impacts to groundwater. The Site is underlain with fill to depths of between 3 – 6 m. Natural soils below the fill material

comprise of sandstone and basalt bedrock which is likely to occur 2.5 m below the natural surface level. Investigations in the area did not encounter a permanent groundwater table within a 3-metre depth with minor seepages only observed. Perched groundwater may be present at the interface of the fill and residual soil interface. The Sites soils are deemed suitable to support the proposal. Excavations for basement levels will mostly be within fill material and are unlikely to encounter large volumes of groundwater. Suitable foundation conditions exist at a relatively shallow depth and there is an opportunity for the basement slab to be partly founded on rock and supported by piers.

Please refer to Appendix F – Geotechnical Assessment.

6.2.2.5 Acoustic Impacts

An Acoustic Assessment (**Appendix D**) has been prepared to determine the noise impact from St Vincent Street and the land uses surrounding the Site. Five unattended noise monitoring devices were setup surrounding the Site with results concluding that the traffic and industrial noise intrusion into the intended development would comply with the noise criteria outlined in the State Environment Planning Policy (Transport and Infrastructure) 2021. Noise emissions from the outdoor play area of the proposed childcare centre have been calculated to comply with noise criteria provided that the recommended noise control measures are implemented. Building 2 has been designed with windows and balconies facing away from adjoining industrial light industrial land. Whilst the design of Building 2 would be subject to a future DA, the architectural plans adopt a full height 'screen wall' on the western elevation.

Please refer to Appendix D – Acoustic Assessment.

6.2.2.6 Please refer to Appendix E – Acoustic Assessment. Air Quality and Odour

An Air Quality and Odour Assessment (**Appendix F**) has been prepared to assess the potential air quality impacts to the intended development from the surrounding area in accordance with the *Approved Methods for the Modelling and Assessment of Air Pollutants in New South Wales* (NSW EPA, 2022). Operations identified with potential to generate air emissions located within a 500 m radius of the Site were investigated to determine the potential for dust, emissions and odour to the Site and included industrial and commercial premises.

Assessed air pollutants generated by nearby operations were found to comply with the applicable assessment criteria and would not lead to any unacceptable level of environmental harm. The assessment concluded that the rezoning of the Site from E4 General Industrial to MU1 Mixed Use is appropriate in regard to air quality and that residential and commercial land uses can operate without exceeding the applicable air quality criteria in this location.

Please refer to Appendix F – Air and Odour Assessment.

6.2.3 Has the planning proposal adequately addressed any social and economic effects?

The additional height, FSR and change to zoning sought under this Planning Proposal allows for an infill and urban renewal opportunity within close proximity to existing services. The proposed rezoning to MU1 Mixed Use represents a more compatible use of the Site for the adjoining R3 Medium Residential properties and nearby land used for productivity support services. The Site is well connected to the services and facilities provided by the Ulladulla CBD which includes public open space, education, and health facilities, as well as employment services which can support the desired higher density residential use sought by this Planning Proposal.

6.2.3.1 Social Effects

The Site allows for an infill development opportunity and re-use of a site currently used as a bulky good warehouse whilst also providing additional employment opportunities. The Site is well connected to the employment and commercial services provided by the Ulladulla CBD. A number of education, open space and health services are also located within proximity to the Site which can support the additional height and density sought under this Planning Proposal.

A report conducted by the Regional Australia Institute¹⁵ identifies the Shoalhaven LGA as experiencing a significant housing crisis with the number of people experiencing rental stress also increasing. This is compounded by a rapidly

¹⁵ https://shelternsw.org.au/wp-content/uploads/2023/02/230223_Shelter-NSW-Regional-Housing-Need-Index_FINAL.pdf

increasing population and a low availability of housing in the region. Data from the Australian Bureau of Statistics (ABS) 2021 Census shows that the Shoalhaven LGA grew from 87,000 to 108,000 people over the two decades to 2021. Shoalhaven LGA also experienced a much higher than average annual growth rate of 1.3% per annum compared with 0.9% for NSW and 0.4% for Wollongong, indicating a movement away from metropolitan areas to lower cost regional areas. This in-turn has driven up property prices and significantly reduced housing availability in the Shoalhaven region.

The age profile of the Shoalhaven LGA is also much older than the NSW average with people aged 55+ making up over 40% of the total population. Generally, the Shoalhaven LGA also experiences a high rate of low income households which is indicative of the age of the resident population and predominance of single person households. Available ABS data notes that there is limited housing diversity in the Shoalhaven LGA and suburb of Ulladulla. The vast majority of houses are defined as separate dwellings (87% in 2021) with medium and high-density dwellings making up only 10% of total housing stock. This Planning Proposal would enable the construction of approximately 182 one-, two- and three-bedroom dwellings into the local area providing additional supply, including of 50 affordable dwellings. A Draft Letter of Offer for Voluntary Planning Agreement (**Appendix K**) notes that the affordable housing contribution would be achieved through the registration of a restrictive covenant, in accordance with section 88E of the *Conveyancing Act 1919*, against the title of 50 completed apartments to be constructed within Building 4.

The Affordable Housing Strategy identifies that an additional 8,000 affordable dwellings are needed by 2031 and aims to actively facilitate the creation of affordable and diverse housing within and/or in close proximity to the major urban centres of Nowra-Bomaderry, Vincentia and Milton-Ulladulla. The dedication of affordable housing units and key worker accommodation would further assist in the provision of additional housing stock and help achieve the key strategic directions of the Affordable Housing Strategy.

The population of children aged 0-4 years in Ulladulla was 338 and 345 for children aged 5-9 years. Considering the wider the catchment likely to work in jobs in and surrounding the Ulladulla CBD, there were 810 children aged 0-4 years, and a total of 1,676 children aged 0-9 years. This indicates a sufficient depth of market for the proposed childcare centre that will be created as a result of this Planning Proposal.

Building additional residential density into the Site will have positive social impacts for the community and provide the following benefits to the public:

- Provision of various sizes of private and affordable dwellings. The provision of additional housing is a direct response to the need for more affordable housing in Ulladulla and to the changing composition of households. The population of Ulladulla is aging, and there is a high proportion of separate dwellings occupied by single persons. The provision of versatile and adaptable accommodation will increase housing diversity and support aging in place which will assist with freeing up larger separate dwellings for families.
- Development of the Site provides an opportunity for people to be located close to the educational, recreation, employment and commercial services offered by the Ulladulla CBD and surrounding area. Many of these sites are located within a 20-minute walk from the Site utilising the existing active travel path network. The strategic location to services and facilities enhances the wellbeing of residents and may also reduce the number of incidental vehicle movements.
- The development of the Site would drastically improve the public domain from the existing bulky goods warehouse to a mixed use residential and commercial precinct and introduce facilities and services for the local neighbourhood. Since the COVID-19 pandemic, there is a greater emphasis on allowing people to work where they live to facilitate a better work-life balance and to respond to the changing nature of neighbourhoods.
- This Planning Proposal will allow for the construction of a childcare centre to service the needs of growing families and of the local workforce. The provision of additional housing, affordable housing and key worker accommodation will mean that early educators are able to find accommodation at the Site where previously this has been a major issue in Ulladulla for existing educational facilities.
- This Planning Proposal will allow for an infill development of an existing site and does not rely on the development of environmental or agricultural lands. The Shoalhaven LPSS recognises that community support for development of agricultural lands is generally not supported due to potential conflicts between residential and agricultural uses. The development of the Site provided an enhanced public domain that is sympathetic to surrounding land uses and will result in a general improvement of the area.

Please refer to Appendix I – Social Impact Assessment.

6.2.3.2 Economic Effects

The intended development as a result of this Planning Proposal is expected to have a positive economic impact on the Shoalhaven region through the creation of employment opportunities and generation of economic activity. The Bunnings Warehouse which presently occupies the Site provides 60 FTE positions and it is assumed that these positions will be transferred to their new premise. It is anticipated that the future commercial mix and provision of a childcare centre will provide 257 FTE positions once completed. A total of 386 FTE construction positions would be created over the two-year construction period which would have a substantial and positive contribution to the Shoalhaven economy.

The creation of 257 FTE positions suggests that the rezoning as a result of this Planning Proposal would generate \$308.4 million in economic activity each year and the construction jobs would generate an estimated \$926.4 million over the two-year construction period. By comparison, the Bunnings Warehouse which presently occupies the Site generates approximately \$75 million in economic each year. An annual contribution to Shoalhaven LGA's Gross Regional Product (GRP) of \$3.8 - 7.5 million and estimated development phase contribution of \$53 million over 24 months (\$90 million construction cost) is also expected.

The tourism sector accounts for 6.1% of all employment in the Shoalhaven region, compared with 3.8% in NSW and 4.2% nationally. This high proportion of people employed in the tourism and supporting services shows the importance of this industry for Shoalhaven's economy. The housing availability and affordability crisis currently impacting the Shoalhaven region is also having a significant impact on the local tourism industry and economy with employers unable to find suitable accommodation to attract and retain employees. The intended development would support the local tourism sector by providing an additional 50 affordable dwellings and dedicated key worker accommodation for people employed in the industry. The proposed development includes a 120 place childcare centre to respond to identified shortfalls. Based on previous studies, it is noted that every \$1 invested in childcare generates \$2.30 in economic benefits. Access to high-quality early childhood education and care is critical to support productivity and economic growth in the region.

The Ulladulla CBD provides between 28,000 – 30,000 sqm of commercial floor space, the majority of which is currently occupied / leased. A review of available commercial floor space (undertaken on the 29 November 2023) shows approximately 1000 sqm available for lease, or 3% of the total available stock in the Ulladulla CBD. The lack of available space suggests there is a high demand for services and facilities within the Ulladulla CBD. The proposed development will provide approximately 5,980 sqm of commercial floor area which will cater to small office and food and beverage premises. The commercial floorplates of the proposed development cannot support a supermarket retailer and the arrangement and location of loading ramps would also not support this ensuring the function and purpose of the CBD is not undermined. The proposed development would provide an additional population of 430 people and would increase potential retail spending on businesses in Ulladulla and the broader Shoalhaven region by \$9 m – 10 million. The increased density provided by the proposed development and walkability of the Site to the Ulladulla CBD would support the vitality of the CBD.

Summary of Economic Benefits

A summary of Economic Benefits based on the indicative site layout, and associated uses including residential and affordable housing, commercial, and childcare is as follows:

- A net increase of approximately 182 residential apartment homes, accommodating an additional population of approximately 430 people, equivalent to 231% of the annual required dwellings in the area for the next 30 years
- An estimated annual contribution to Shoalhaven LGA's Gross Regional Product of \$3.8 – 7.5 million
- An estimated development phase contribution to Shoalhaven LGA's GRP of \$53 million
- The proposal will include new affordable and key worker housing in close proximity to employment, transport and amenities
- The proposal will provide 4,710 sqm of employment uses, including commercial services and an additional 1,040 sqm for a childcare centre
- The proposal will provide 257 permanent FTE Jobs on site when completed in the place of 60 currently
- Design and construction will directly provide 386 jobs over a two-year period
- The proposal will provide an estimated \$0.5 – 0.65 million in annual rates to Council

- This proposal will significantly increase the annual resident spend on surrounding businesses.

As requested by Council in the pre-lodgement scoping advice, and Development Feasibility Analysis accompanies this Planning Proposal (**Appendix J**). The Analysis shows that the project is economically viable with a gross realisation of \$191,015,135 (ex GST) and residual land value of \$7,900,000.

6.3 Section D – Infrastructure (Local, State and Commonwealth)

6.3.1 Is there adequate public infrastructure for the planning proposal?

The Site is served by existing infrastructure and utility services such as roads and bus services, waste management, electricity, water, and sewer. As the surrounding landscape is relatively flat, active transport, such as cycling can be utilised to further connect the site to existing infrastructure. The Site is also well serviced by essential services such as medical clinics, schools, colleges, markets, and parks, presenting an opportunity to increase residential density in an infill urban context. The site is approximately 450 m away from Ulladulla High School, 750 m away from Ulladulla Medical Centre and 550 m from Ulladulla Mental Health Service. The site is within 750 m from Ulladulla Shopping Centre and is 1100 m away from Ulladulla Sports Park. The existing infrastructure is considered adequate to serve the needs of the additional residents that would be supported by this Planning Proposal.

6.4 Section E – State and Commonwealth Interests

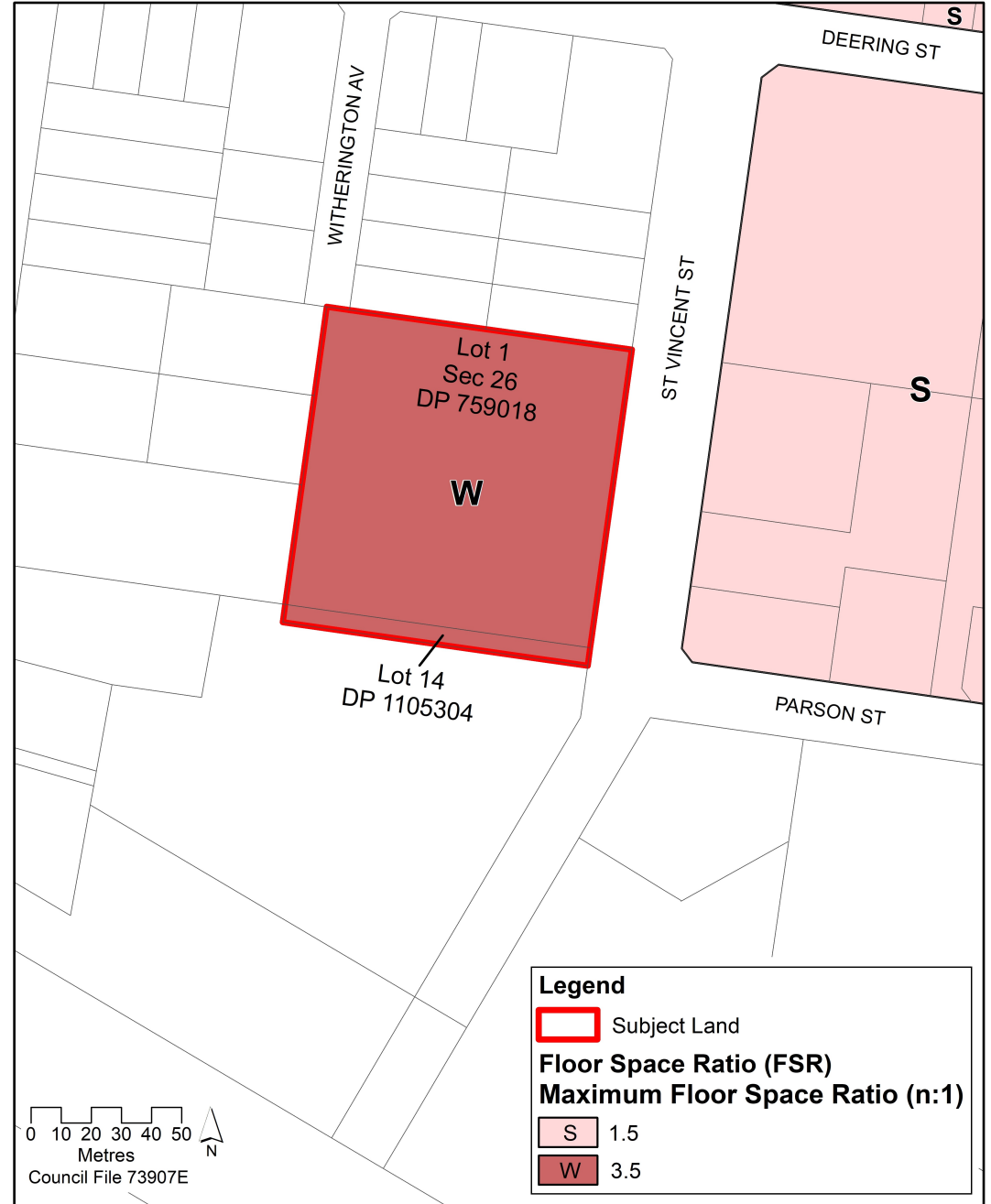
6.4.1 What are the views of state and federal public authorities and government agencies consulted in order to inform the gateway determination?

State and Commonwealth public authorities would be consulted following Gateway Approval of the application.

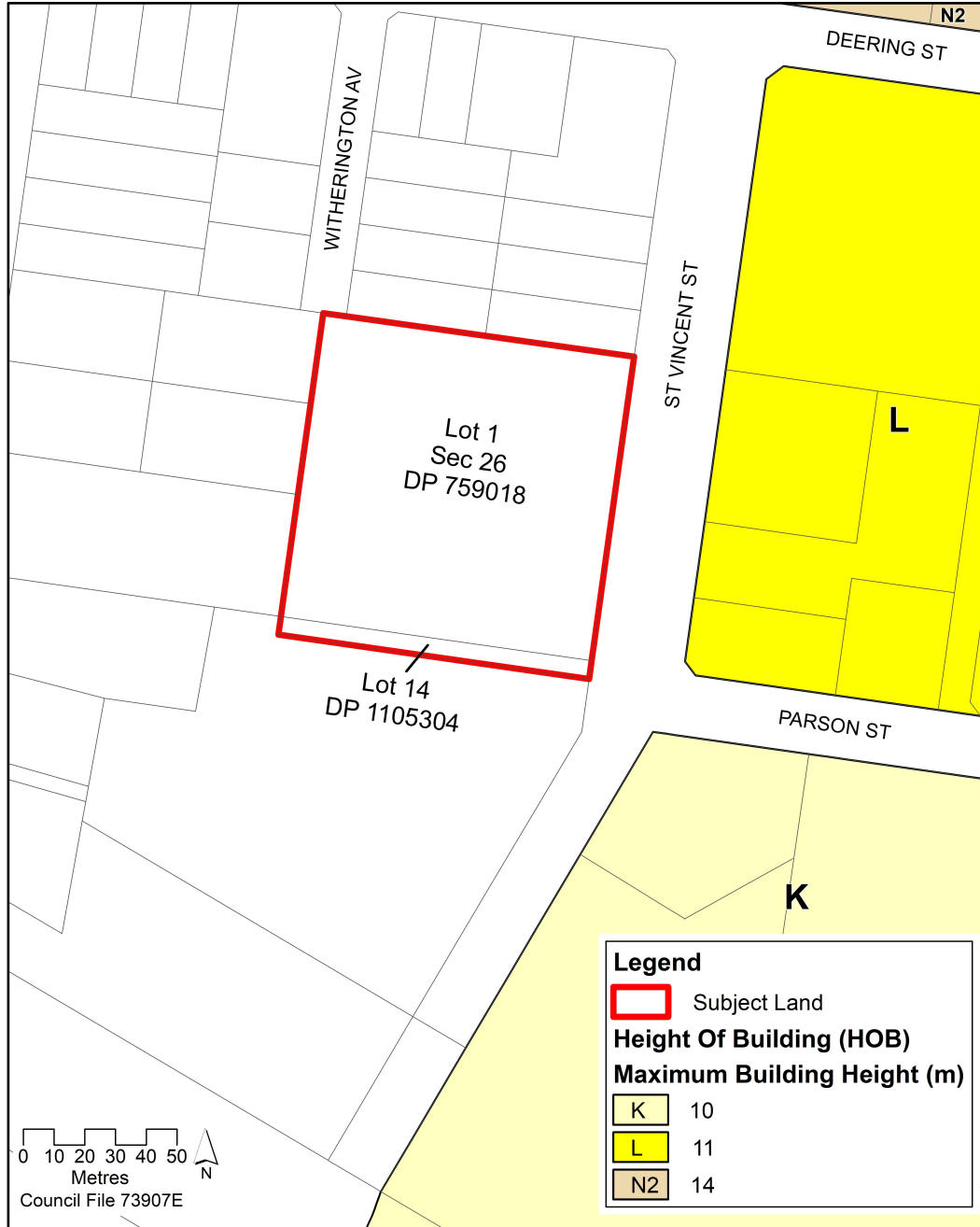
Existing SLEP2014 LZN



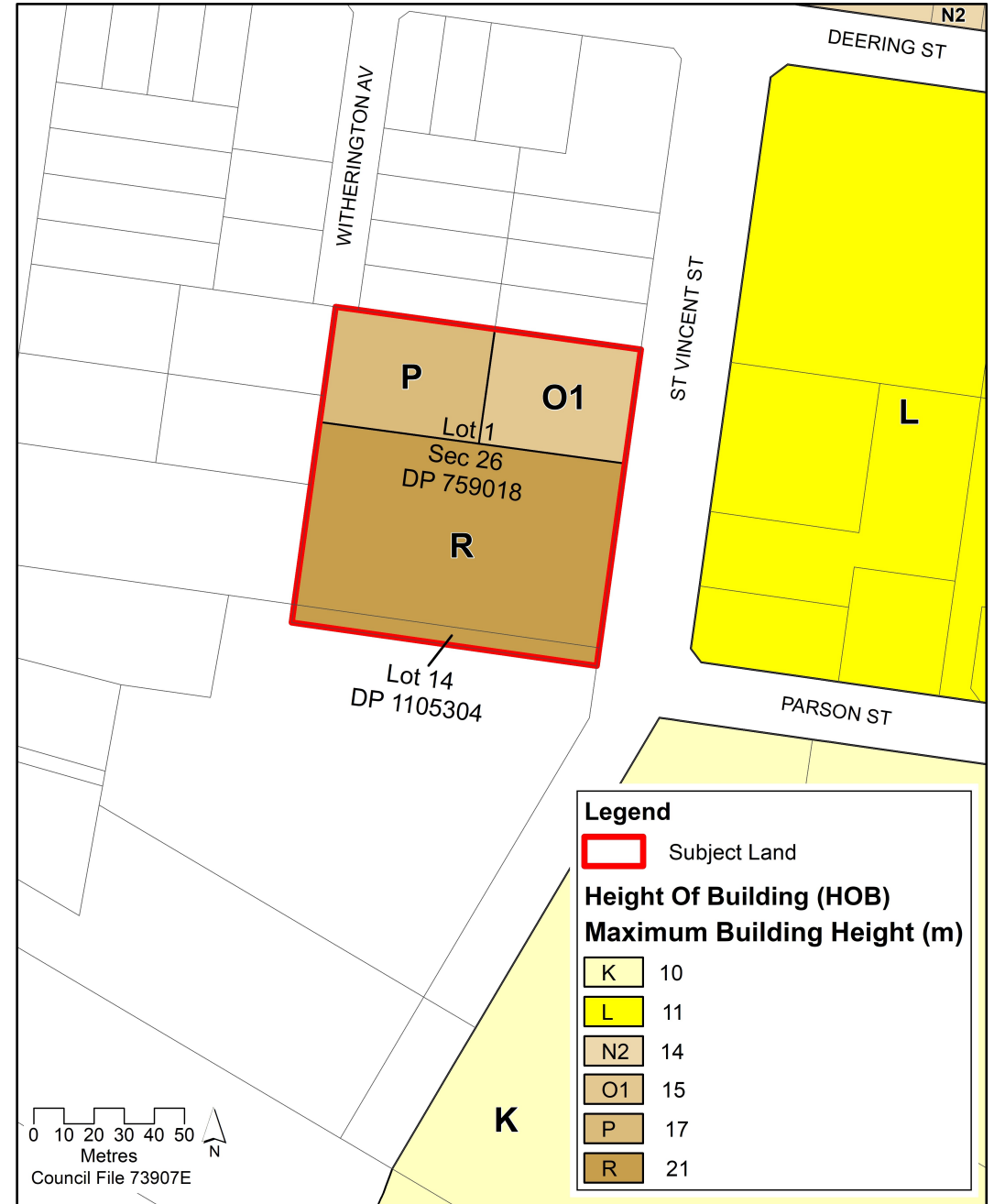
Proposed LZN Changes



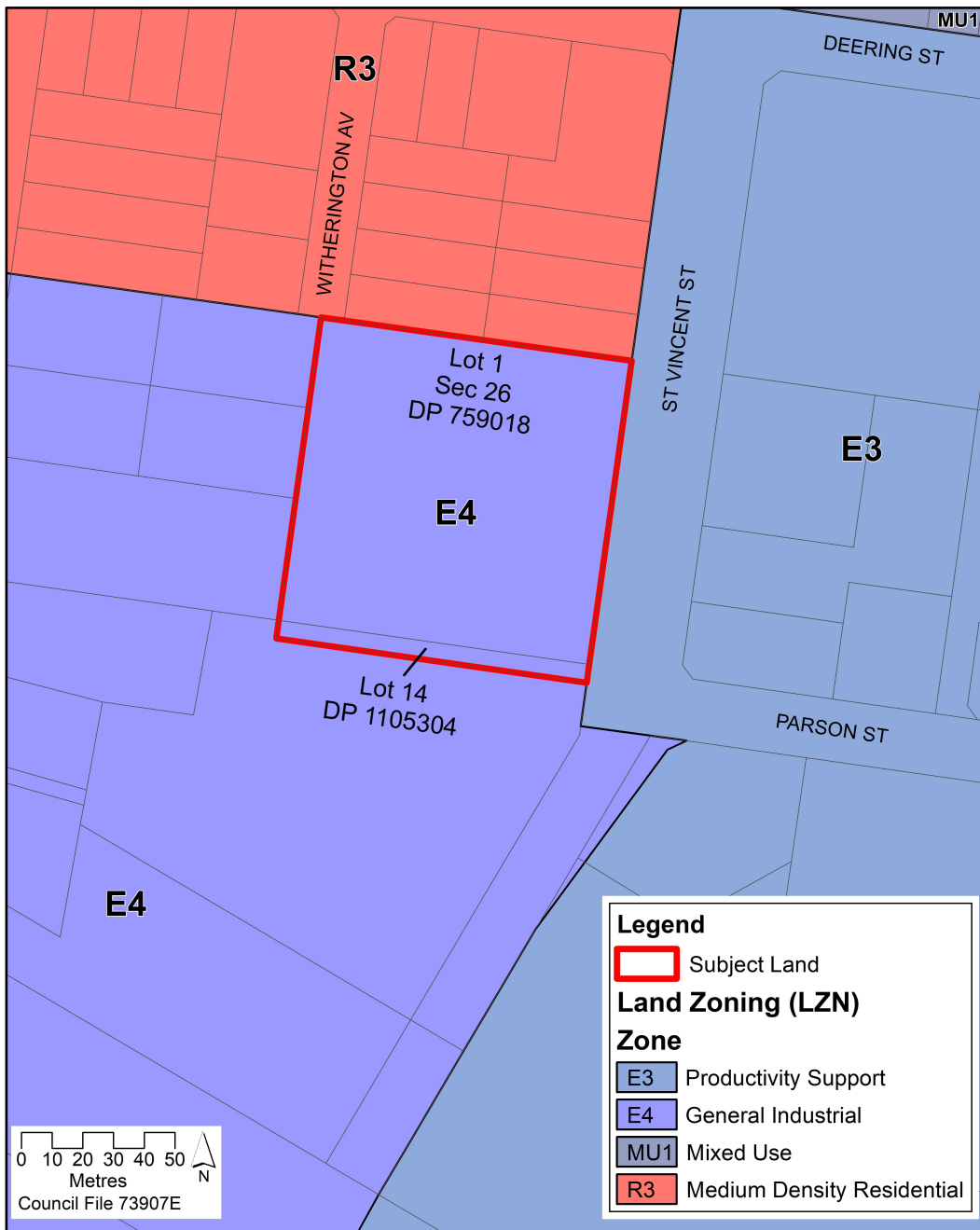
Existing SLEP2014 HOB



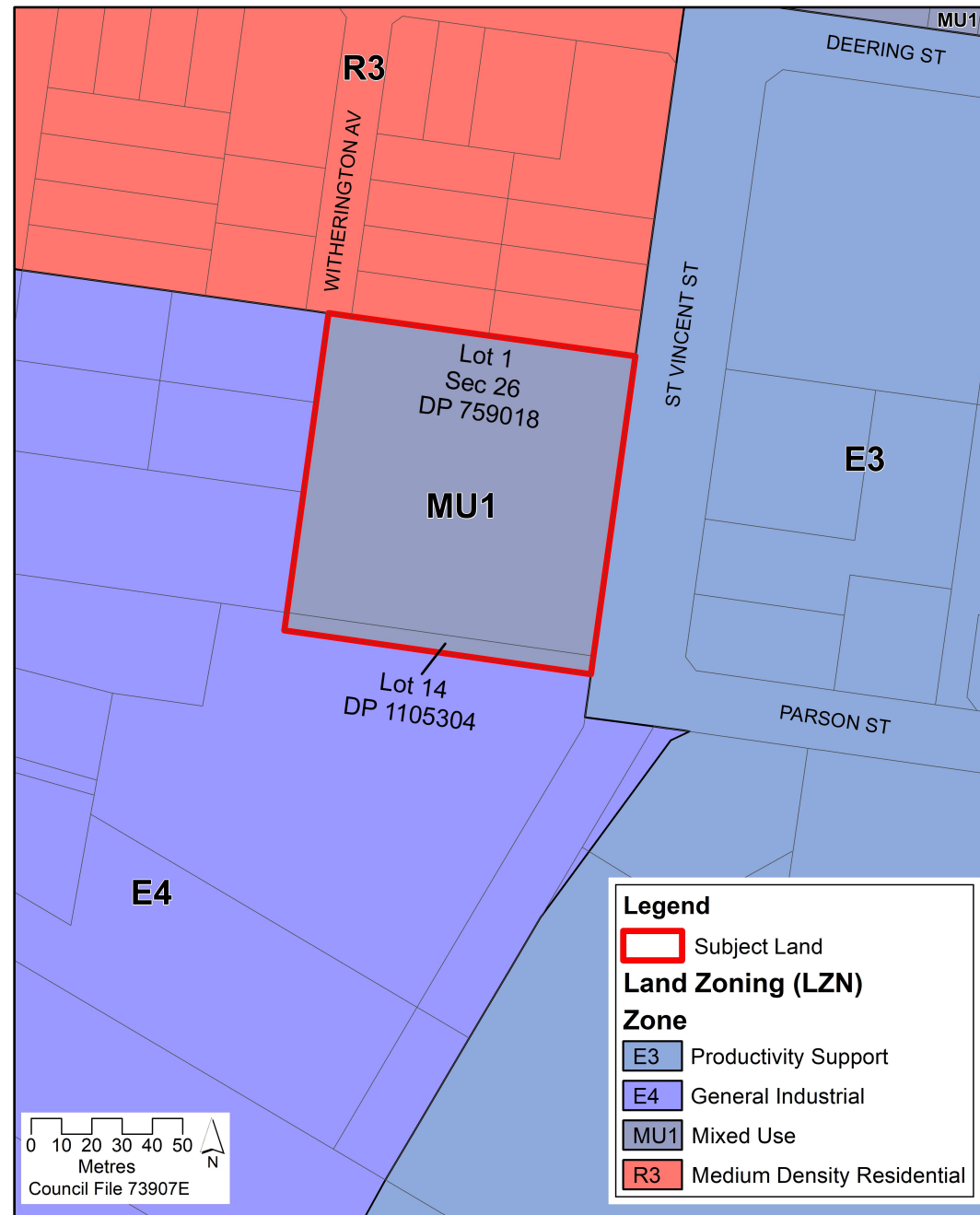
Proposed HOB Changes



Existing SLEP2014 LZN



Proposed LZN Changes



8. Community Consultation

The Planning Proposal would be exhibited in accordance with any requirements of the Gateway Approval. Should Council see it necessary, additional community consultation could be undertaken.

Consultation has been initiated with neighbouring properties and owners of existing industrial premises on Witherington Avenue and Camden Street. Further community engagement has been carried out through a Social Impact Assessment and consultation with major employment providers in Ulladulla was undertaken to support the development of an Economic Impact Assessment, noting the need to house more workers in the Shoalhaven region.

The PP was placed on Council's 'Get Involved Page' in February 2024 and received a total of 11 submissions. An Ulladulla Community Forum was held in February 2024 with participants generally supportive of the proposed development and recognition that Shoalhaven LGA requires additional housing. The PP was tabled at the SCC Ordinary Council meeting on the 20 May 2024 and resolved to support Planning Proposal PP-2024-109 'in principle' and requested further information.

9. Project Timeline

Table 9-1 provides an indicate timeline for the Planning Proposal. This is subject to change during the assessment process of the Planning Proposal.

Table 9-1 | Project timeline

Timing	Stage
January 2024	Planning Proposal lodged with Shoalhaven City Council
20 May 2024	Council meeting
July 2024	Gateway
August 2024	Anticipated receipt of Gateway Determination
September 2024	Consultation with Government Agencies
October 2024	Public notification period
November 2024	Consideration by the Department of Planning, Housing and Infrastructure for determination
January 2025	Amended LEP adopted

10. Conclusion

This Planning Proposal seeks to amend the Shoalhaven Local Environment Plan 2014 by changing the zoning of the Site from E4 General Industrial to MU1 Mixed Use and seeking an uplift to the height and density controls applying to the Site. The Shoalhaven LGA is experiencing significant housing availability and affordability challenges as a result of increased population growth, increased rental prices compared to low incomes, and a lack of affordable housing for purchase entering the market. The intended development as a result of this Planning Proposal would provide 182 dwelling including 50 affordable apartments and would have an estimated population of 430 people.

This Planning Proposal will encourage employment growth and it is anticipated that 257 FTE jobs will be supported by the future commercial mix and proposed childcare centre. A further 386 FTE construction positions would be created over the two-year construction period. This is expected to have significant benefits to Shoalhaven's economy with the employment created as a result of the rezoning generating \$308.4 million in economic activity each year, and construction jobs generating \$926.4 million over the construction period. The increase in population of 430 people would also increase retail expenditure in the Ulladulla CBD and surrounding region by around \$9 – 10 million. It is considered that the proposed development will provide significant social benefits, providing density in a suitable location and increasing opportunities for people to access services within walking distance.

This Planning Proposal is supported by a number of technical studies which conclude that the rezoning and density sought under this Planning Proposal can be accommodated by the Site. Overall, it is considered that the proposed development will result in significant public benefits and will assist with the urgent need to provide housing in the Shoalhaven LGA. This Planning Proposal addresses the relevant Local Planning Directions and SCC strategic plans. On this basis, it is requested that Council resolve to put forward this Planning Proposal to the Department of Planning and Environment for LEP Gateway Determination.

Appendix A

Architectural Drawings

Appendix B

Zoning Maps

Appendix C

Traffic Impact Assessment

Appendix D

Acoustic Assessment

Appendix E

Preliminary Site Investigation

Appendix F

Air and Odour Assessment

Appendix G

Urban Design and Visual Impact Assessment

Appendix H

Economic Impact Assessment

Appendix I

Social Impact Assessment

Appendix J

Development Feasibility Assessment

Appendix K

Draft Letter of Offer – Voluntary Planning Agreement

Appendix L

Quantity Survey



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