



KIAMA MUNICIPAL COUNCIL
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Discussion Paper
Draft Growth & Housing Strategy



Leading growth FOR GOOD

Acknowledgment of Country

Kiama Municipal Council acknowledges the Wodi Wodi people on Dharawal country as the traditional custodians of the land on which our Municipality is located. We pay our respects to Elders past, present and future. We are committed to honouring Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to the land, waters and seas and their rich contribution to our community.



Photo description & source line

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Introduction/Background

Local Housing Strategies are intended to assist Councils in setting clear plans for housing over the next 10 and 20 years. The District Plans, prepared by the then Greater Sydney Commission, required all Councils within the Greater Sydney area to prepare Local Housing Strategies. The District Plans imposed housing targets on the Greater Sydney Council. The District Plans do not apply to the Kiama local government area (LGA).

In 2022, the NSW Government amended the *Environmental Planning and Assessment Act 1979* (the Act) to include the Kiama LGA, and others, in the Six Cities Region. The former Greater Cities Commission was preparing an Illawarra-Shoalhaven District Plan which would have applied to the Kiama LGA. In December 2023, the NSW Government repealed the *Greater Cities Commission Act 2022* and abolished the Greater Cities Commission.

While Kiama Council was not legal required to prepare a Local Housing Strategic, it committed, when adopting its Local Strategic Planning Statement (LSPS) in June 2020, to preparing a Local Housing Strategy to detail how and where housing will be provided in the Municipality.

The Illawarra-Shoalhaven Regional Plan 2041 acknowledges the Municipality's constraints to provided additional housing and commits the Department of Planning, Housing and Infrastructure to work with Council on the preparation of its Housing Strategy.

Subsequent to the adoption of the LSPS and the making of the Regional Plan, the Secretary of the Department of Planning, Housing and Infrastructure has issued 5-year housing targets for all Councils within the Six Cities Region, including Kiama. As a component of the National Housing Accord, Kiama's housing target is 900 new completed homes by 2029.

On 1st July 2024, the Hon. Paul Scully MP, Minister for Planning and Public Spaces issued a Statement of Expectations, pursuant to section 9.6(9) the Act. This Statement of Expectations requires Council, amongst other things, to:

- Prepare a Local Housing Strategy to ensure the actions of the relevant Regional Plan (including any dwelling targets) and LSPS are delivered, and
- Determine Development Applications (DAs) within the following timeframes:
 - Between 1 July 2024 – 30 June 2025: **115 Days**
 - Between 1 July 2025 – 30 June 2026: **105 Days**
 - Between 1 July 2026 – 30 June 2027: **95 Days**
 - Beyond 1 July 2027: **85 Days**

The need to prepare a Local Housing Strategy is clear from a legislative point of view in addition to the current and project housing crisis.

The purpose of this Discussion Paper is to inform the new Councillors and the broader community of the journey to date associated with preparing and exhibiting the draft Growth & Housing Strategy, how the draft Strategy will respond to the changing political and social landscape and the process for finalising the Strategy.

The original inhabitants of the Kiama area are the Wodi Wodi Aboriginal people, and the name Kiama is thought to be from an Aboriginal word meaning 'where the sea makes a noise' in reference to the world-famous Kiama Blowhole. We recognise that the land on which we live has been inhabited and protected by the Wodi Wodi people for thousands of years and while only 1.7% of our community identify as Aboriginal and/or Torres Strait Islander we acknowledge and protect the legacy and the future of this area for our community, both Indigenous and non-Indigenous. Celebration of Aboriginal heritage and culture is becoming a stronger part of public life, and working towards shared goals with Aboriginal people is a major priority.

Draft Strategy preparation to date

On 19 March 2024 Council endorsed the Growth and Housing Strategy Engagement Schedule, and throughout April, May and June 2024, a range of community and stakeholder engagement activities were carried out to gather feedback to inform the Strategy.

Engagement activities

A summary of the engagement activities carried out is provided in the table below:

Date	Activity	Summary of activity
29 February 2024	Media Release	Public notice of project commencing.
8 March to 31 May 2024	Kiama Council website project page	The 'growth' page on Council's website provided information and links.
1 April to 31 May 2024	Social Pinpoint engagement webpage	The 'social pinpoint' webpage provided information and engagement activities. There were over 1,500 page views.
16 April to 31 May 2024	Survey	Online and paper copy survey – completed over 300 times.
21 March 2024	Media release	Update on project - commencement.
1 April to 31 May 2024	Community Pop ups	Numerous community pop ups were held across various venues and suburbs.
1 April to 31 May 2024	Brochure / postcard	Over 2,000 brochures distributed.
22 March 2024	KAPA Meeting	Meeting with Kiama Area Precinct Alliance.
12 April 2024	Industry Forum	Presentations, Q&As and open table conversations on specific topics.
16 April 2024	Media Release	Update on project – survey, forum.
19 April 2024	Evidence bases	Information provided on webpage.
19 April 2024	Flyer with rates notice	9,061 brochures distributed with 4 th instalment rates notices.
23 April 2024	Committee workshop	Combined SCAC and ILAC workshop.
16 April to 10 May 2024	Youth engagement – young children	Cardboard houses and craft provided at libraries for young children to engage.
1 May 2024	Youth engagement - Primary School	A one-hour workshop was held where 90 students completed 2 activities.
15 and 16 May 2024	Youth engagement - High School	Ten workshops were held over 2 days with 200 students completing 4 activities.
10 May to 24 May 2024	Developer Expression of Interest (EOI)	Developer / Landowner EOI for potential development sites to be nominated.
3 June 2024	Stakeholder workshop	Consultation session with stakeholders.

The community and stakeholder engagement feedback were summarised into an Engagement Report which was reported to Council on 18 June 2024. A copy is available on Council's website: <https://www.kiama.nsw.gov.au/Plan-and-build/Plans-maps-and-controls/Growth-and-Housing-Strategy>

Developer Expression of Interest – round 1

A total of 35 Expression of Interests (EOIs) were received from landowners/developers. These were assessed in accordance with the criteria set out in the EOI submission form and other relevant criteria.

Due to confidentiality only the sites that were assessed to have strategic merit were included in the Draft Growth and Housing Strategy.

Public Exhibition of Draft Strategy

The Draft Strategy was prepared based on community and stakeholder input, as well as studies and an evidence base. The Draft Strategy was endorsed for public exhibition at the Ordinary Council meeting on 16 July 2024.

The Draft Growth and Housing Strategy was on public exhibition for 28 days between 19 July and 16 August 2024. The exhibition included:

- The Draft Strategy and supporting information were placed on the Your Say page of the Kiama Council website.
- The Landowner / Developer Expression of Interest was re-opened.
- Notifications were placed on Council's social media including Facebook and Linked in.
- A targeted notification email was sent to all stakeholders who had participated in previous engagement activities, or who had registered their interest in the development of the strategy.
- Formal notification inviting comments was sent to relevant state government agencies.
- A media release was issued to the public on 19 July 2024.
- Staff attended community pop ups in Kiama and Jamberoo.
- Staff visited Kiama High School for additional youth engagement.
- Staff responded to customer enquiries via phone and email.

During the exhibition period, Council received a total of 369 submissions.

Developer Expression of Interest – round 2

During the second round of EOIs an additional six were received.

To ensure a fair and equitable process, all the EOIs received during both rounds will be assessed by the project review team in accordance with a probity plan and based on the criteria set out in the EOI submission form and other relevant criteria.

Changes to housing landscape

With the public exhibition of the draft Strategy being held so close the local government elections the topic of housing delivery was a common one for many candidates. The newly elected Councillors would therefore have a significant interest in the development and delivery of this Strategy. It is therefore appropriate that the newly elected Councillors be afforded the time to be briefed on the NSW Planning System and the finer details of the Housing Strategy.

With over 360 submissions, the draft Strategy will need to be refined to respond to the issues raised. The associated Public Exhibition Engagement Report summaries and discusses the issues raised.

The following State Agencies provided feedback on the exhibited draft Strategy:

- Endeavour Energy,
- NSW Department of Climate Change, Energy, Environment and Water (DCCEW)
- NSW Department of Planning, Housing & Infrastructure

- NSW Department of Primary Industries and Regional Development
- Heritage NSW
- Transport for NSW (TfNSW)
- NSW Rural Fire Services
- NSW State Emergency Services
- Sydney Water

Further conversations are required with service agencies, such as Sydney Water, Endeavour Energy and TfNSW to ensure areas identified for future greenfield and infill development can be appropriately serviced when development is forecasted to occur.

During the NSW Local Government Caretaker period, the Southern Regional Planning Panel convened to determine a Rezoning Review for the Kiama West (Springside Hill) Planning Proposal. The previous Council had unanimously resolved not to support this proposal for residential rezoning and the site was not included in the exhibited draft Growth & Housing Strategy as a future urban release area.

A decision was made on 20 September 2024 and on 23 September 2024 the SRPP advised Council of their decision which was:

*The proposed instrument **should** be submitted for a Gateway determination because the proposal has demonstrated strategic merit and subject to changes site specific merit.*

It is important to note that the Panel also recommended that prior to submitting the Planning Proposal for a Gateway determination, the Planning Proposal is to be revised to address all the issues identified under the heading Site Specific Merit and a subsequent meeting of the Panel is required to confirm its decision (see attached).

Interestingly, these matters that are required to be addressed before the PP can proceed to Gateway are substantially the same reasons why Council did not support the PP at that time.

It is Council's position that in addressing these matters the Planning Proposal is unlikely to be substantially the same as the Proposal originally submitted and assessed by Council. Therefore, a new Planning Proposal should be submitted and Council should be given the opportunity to assess the PP following the submission of all additional information originally missing from the application that was considered by Council.

Shortcomings of the draft Strategy

Following the exhibition period, Council engaged an external strategic planning and government expert, Miller Street Consulting, to peer review the draft Strategy. A summary of the findings of the review are:

- The draft Strategy is lacking an overarching structure, is too long, and lacks a cohesive narrative.
- The draft Strategy's evidence lacks credibility and is not adequately referenced.
- The draft Strategy does a poor job of articulating the evidence supporting Council's housing supply, including evidence to support its claims that the LGA can meet the 5-year housing target.
- The draft Strategy does not clearly articulate how the LGA will respond to demand over the longer term (20+ years).
- The draft Strategy lacks transparency regarding the EOI process and criteria.
- Actions in the draft Strategy lack clarity, are duplicative, and are difficult to measure success. In addition, the timeframes allocated to the actions are complex and don't span the time until the next 5-year review.
- The draft Strategy lacks clarity on how the strategy will be reviewed and monitored.

The peer review was focused on the following four key areas:

1. Current policy and legislative frameworks,
2. Readability and clarity of the structure of the draft Strategy,

3. Relevance and robustness of the draft Strategy's capacity analysis, and
4. The actions and implementation plan included in the draft Strategy

Under these four key areas, the peer review provides the following 23 recommendations for improving the draft Strategy:

Policy Environment	
1.	Continue to engage and collaborate with the Department of Planning, Housing and Infrastructure as the local housing strategy is progressed from draft to final to ensure that it is consistent with the requirements of the Regional Plan.
2.	Should Council be concerned about the draft Strategy's consistency with the Environmental Planning & Assessment Act 1979, Council should seek independent legal advice.
3.	Review the draft Strategy to ensure it is consistent with the UDP Program and the greenfield tiering structure.
4.	Review the draft Strategy to clarify the reason for the difference between projected dwelling demand outlined in Table 1 of the draft strategy and the target of 900 new dwellings. Consider the need for the inclusion of the table at all.
5.	Review the draft Strategy to support the claim that council can meet the target of 900 new dwellings by 2029 with clear and robust evidence.
6.	Review the draft Strategy to clearly identify and address the future housing opportunities identified in Council's LSPS.
Draft Strategy structure	
7.	Focus the strategy as a local housing strategy rather than a wholistic growth strategy.
8.	Reduce the overall length of the strategy by focussing on housing issues, reducing duplication, and considering moving excessive contextual information into appendices.
9.	Include a complete set of references in the strategy to support evidence base.
Capacity analysis review	
10.	Improve the presentation and articulation of housing capacity with the use of more graphs and tables.
11.	Provide more detail to articulate housing supply include the spatial distribution, temporal expectations (5-year, 20-year) and housing typ (infill, centres, greenfield).
12.	Clearly articulate (using evidence and by addressing inconsistencies in narrative) how Council is able to meet the 5-year housing targets and 20-year dwelling demand.
13.	Consider the inclusion of principles/criteria to guide the assessment of any future adhoc proposals.
14.	Clarify if the AEC report is being used as the reference for all data or not and reference appropriately.
15.	Improve centre narratives by including more data (particularly for Kiama town centre), being clear around feasibility challenges, and providing more detailed discussion in relation to opportunities (e.g. expand the dot points included in the discussion on Gerringong town centre; and including the Council catalyst sites in the Kiama Town Centre discussion).
16.	Include the criteria used to determine/assess the EOI's in the strategy to improve transparency.
Actions & implementation plan review	
17.	Introduce a structure to the actions that creates clarity on which actions

	are business as usual and which are delivery-based actions that have a start and end to them. Ensure that actions start with a verb, and that the challenges raised in the strategy have a corresponding action.
18.	Remove actions that duplicated, consider combining and/or rewording.
19.	Develop actions where success can be measured.
20.	Introduce a clear timeframe structure to the actions e.g. short, medium, long term.
21.	Consider the need for actions that span the life of the strategy, or at least until the next review.
22.	Improve clarity and understanding of how Council will monitor progress of the strategy with an emphasis on data availability. This should consider potential performance indicators for the strategy.
23.	Consider opportunities to publicly report on progress towards the objectives of the strategy and delivery of actions.

The full Miller Street Consulting peer review report has been attached to the relevant Council report and will be published with this discussion paper.

In addition to the shortcomings of the draft Strategy, concerns were raised with EOI process, including commentary that those who submitted EOIs did not receive consistent feedback.

How will the draft Strategy respond

As outlined above, Council will work with infrastructure providers to ensure identified growth areas can be serviced within the 5, 10 and 15yr timeframes.

Concurrently, Council will reassess both rounds of EOIs in accordance with a probity plan and based on the criteria set out in the EOI submission form and other relevant criteria.

The draft Strategy will be reviewed to address the recommendations of the Miller Street Consulting peer review, including the provision of clear assessment criteria for both the inclusion and exclusion of EOI sites. These criteria will be informed by clear mathematical logic for both theoretical & feasible capacity analysis.

The revised draft Strategy will be refined and refocused to demonstrate clear alignment with the NSW Government's Local Housing Strategy Guideline.

Clear growth principles will be developed. These will be informed by, but not limited to, the following local, regional, State and Federal strategies/programs:

- Regional Precincts & Partnerships Program - deliver regional precincts that are tailored to local needs and have a shared vision for how that precinct connects to the region
- The Illawarra-Shoalhaven Regional Plan 2041 – concentrating growth within the Kiama and Gerringong Strategic Centres and Bombo Quarry
- NSW Transport Orientated Development Program – concentrating growth around transport (i.e. rail) hub
- NSW Diverse & well-located homes program – provide greater housing diversity/choice within existing centres
- NSW Vibrancy Reforms – ensure centres are vibrant and supported by local communities
- The Illawarra-Shoalhaven Strategic Regional Integrated Transport Plan (draft) – ensure growth is accessible via existing transport corridors

- The Kiama Local Strategic Planning Statement 2020 – medium and high-density development within Kiama town centre

Next steps

To progress and finalise the Housing Strategy, Council will:

1. Assess all EOIs
2. Consult and engage with infrastructure provided to identify infrastructure required to support growth
3. Refine draft Strategy
4. Report revised draft Strategy, amended LSPS, and draft Infrastructure Framework to Council for additional public exhibition process early 2025
5. Undertake statutory 28-day public exhibition process
6. Report final Strategy, amended LSPS and Infrastructure Framework to Council for adoption by mid 2025

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