

Monday, 16 August 2021

The General Manager
Wollongong City Council
Locked Bag 8821
WOLLONGONG DC NSW 2500

**Amendment to Chapter D16 of the Wollongong Development Control Plan - West Dapto Urban Release Area
(Reference: CST-100.02.074)**

The Urban Development Institute of Australia, NSW (UDIA) is the leading industry body representing the interests of the urban development sector and has over 500 member companies in NSW. UDIA NSW advocates for the creation of Liveable, Affordable and Connected Smart Cities.

UDIA has a keen interest in the Illawarra Shoalhaven, and we operate two chapters that includes industry professionals working together on key policy issues affecting development and growth. In 2019, UDIA released our strategy *“Unlocking the Illawarra Shoalhaven, the Illawarra-Shoalhaven Strategy 2019-20”*. The report identified that the Illawarra Shoalhaven has become one of the least affordable areas for housing in NSW and that action was required to change that.

The affordability issue was further identified in our draft *Building Blocks Illawarra Shoalhaven 2021* which argues for a sustained roll-out of greenfield housing supported by enabling infrastructure. With ongoing housing stress and increasing rental prices, it has become critical that government and industry work together to streamline planning processes to deliver housing supply and infrastructure.

We support the review of the neighbourhood planning process by Wollongong City Council, which has presented additional challenges to industry for the delivery of greenfield housing. Recognising that other councils in the region do not have similar processes, this additional planning layer is stymieing development at the West Dapto Urban Release Area, which in the primary greenfield Urban Release Area (URA) in the Illawarra Shoalhaven.

UDIA is pleased to provide a submission to Council on the proposed amendments to the *Wollongong Dapto Development Control Plan 2009* covering the neighbourhood planning process for the West Dapto URA. These amendments were endorsed by Council at their meeting of 28 June 2021.

We thank Council for allowing UDIA to participate in the review with direct industry consultations and we propose the following key recommendations for Council to take forward to lessen impact to the development industry.

Key Recommendations

1. Council requires applicants to submit a neighbourhood plan at lodgement of a planning proposal.
2. Council prepares guidelines for the neighbourhood planning process, which address the following matters:
 - a) Prescribed timeframes for key stages.
 - b) Level of information detail at each key stage which primarily focusses on desktop assessments for preparation of the neighbourhood plan.
 - c) The role of councils in coordinating neighbour issues.
 - d) The role of State Government referral agencies.
 - e) Proposed modifications to approved neighbourhood plans once adopted.
3. Council promotes the Concept DAs process as an alternative to the neighbourhood planning process.

Discussion

1. Neighbourhood Plans be submitted at lodgement of a planning proposal

This addresses the following issues:

- Avoids repeated assessments of key issues, which require applicants to submit similar scoped studies at the planning proposal, neighbourhood plan and then finally at DA stage. This generates a circle of cost outlay and repeat assessment of key issues at different stages and sometimes by different Council planning officers. Not only does this cause frustration but leads to significant timeframe delays reissuing studies and complying with new provisions i.e., Flood Prone Land Package;
- The number of Council assessment requirements at each stage will now be addressed in an integrated manner at the planning proposal and neighbourhood plan stage, followed by a detailed assessment of a DA; and
- The lack of engagement of key referral and concurrence agencies in the neighbourhood planning process will now occur as part of the rezoning assessment

1.1 Guidelines for Neighbourhood planning process

Further to Recommendation No.2, UDIA supports the Council resolution (28 June 2021) that guidelines must be prepared to further inform the neighbourhood planning process. UDIA contends that the guidelines should address the following issues:

- The excessive level of information and assessment detail that an applicant must provide at each stage from rezoning through to the neighbourhood plan and DA;
- Mandated timeframes for Council assessment durations and “stop the clock” provisions;
- The role of Council in responding to obstructionist neighbours who refuse to engage in preparation of a neighbourhood plan prepared by a lead developer;
- Confirmation of when key State Government agencies will be involved;
- Circumstances when a neighbourhood plan is not required (Refer to Table 1); and
- How changes will be addressed following Council approval of a neighbourhood plan and when a DA is lodged that seeks changes in response to market change, design innovations and changes in property ownerships.

1.2 The importance of concept DAs

Further to Recommendation No.3, UDIA recommends that Council support applicants down the Concept DA process as opposed to the neighbourhood plan to address the following issues:

- The stronger status of a Concept DA which can be legally challenged;
- The certainty provided with a Concept DA has over a DCP amendment in triggering/obtaining funding approval for utility services;
- The lack of engagement of State agencies with the current neighbourhood plan will require them to respond and engage in process in advance of the DA stage; and
- Challenges with scale of neighbourhood precincts as proposed, these should be flexible for Concept DA's to be submitted by single developers with substantial landholdings.

2. Other Recommendations

Further to the above, UDIA also supports the following recommendations provided in Table 1

Table 1 – Other recommendations proposed by UDIA NSW

Recommendation	Justification
<p>Recommendation No.4 – Allow Council the flexibility to not require a neighbourhood plan from an applicant (present in Guidelines)</p>	<p>Reasons for no neighbourhood plan could be due to the following circumstances:</p> <ul style="list-style-type: none"> • The predominance of small, fragmented areas with multiple landowners, where it can be very difficult to negotiate a neighbourhood plan that all landowners agree on. • The reluctance of landowners to participate with a lead developer or that they refuse to accept any designated public purpose on their land which they are seeking maximum development potential. • The emergence of new provisions that are inconsistent with neighbourhood planning process outcomes and force a major rethink or redesign of an agreed concept. • Where adoption of a neighbourhood plan will lead to potential for different planning and engineering policies across different neighbourhood plan areas leading to inconsistent outcomes.
<p>Recommendation No.5 – That Council seeks to fund precinct planning initiatives</p>	<p>This approach will establish Council as the lead to coordinate key landholders on working on agreed planning outcomes. Noting that a previously recommended option (May 2021) suggested that funding could also potentially come from developers keen to get a quicker planning outcome for designated precinct.</p>
<p>Recommendation No.6– That Council undertakes a regular review of the neighbourhood planning process</p>	<p>Council should commit themselves to more frequent reviews to address any issues that may arise from these changes. This will address potential concerns regarding proposed new timeframe commitments and overall accountability that Council will commit to the new timeframes.</p>

UDIA contends that the recommendations presented in this submission will address some of the short comings with the current neighbourhood planning process, which include:

- The current preparation and assessment timeframe for a neighbourhood plan and the associated level of accountability;
- The level of detail required to address key engineering, environmental and planning issues at each stage;
- The role of State government referral agencies in the neighbourhood planning process;
- The level of cooperation and agreement associated with other landowners to develop a neighbourhood plan; and
- The role of Council to guide applicants through the process which should focus on preparation of a Concept DAs as a priority over a neighbourhood plan.

UDIA remains concerned that should Council not act upon our proposed recommendations; the neighbourhood planning process will continue to impact on ongoing housing affordability issues in the Illawarra region.

We are keen to further collaborate with Council to ensure our concerns are addressed up to and when the proposed amendment to the Wollongong DCP 2009 (*Chapter D16 – West Dapto Urban Release Area*) is endorsed in late 2021.

Please contact David White, GWS and South Regional Manager on dwhite@udiansw.com.au or on 0415 914 612 should have any further enquiries.

Yours sincerely,

A handwritten signature in black ink that reads "Steve Mann". The signature is written in a cursive, flowing style with a horizontal line underneath the name.

Steve Mann
Chief Executive
UDIA NSW