



28 April 2025

Edward Paterson
Acting Director Planning Environment & Communities
Kiama Municipal Council
PO Box 75
KIAMA NSW 2533

Via email: council@kiama.nsw.gov.au

Re: Kiama Draft Local Housing Strategy (Version 2)

Dear Mr Paterson,

The Property Council welcomes the opportunity to provide feedback on the Draft Local Housing Strategy V2 (the Strategy). We acknowledge the significant work undertaken by Kiama Municipal Council (Kiama Council) in developing this revised Strategy that will be critical in supporting future growth for the broader Illawarra Shoalhaven region.

As Australia's peak representative of the property and construction industry, which employs more Australians than any other sector, the Property Council's members include investors, owners, managers and developers of property representing all asset classes. The property industry shapes our environment, communities and economy and has a long-term interest in seeing them prosper as vibrant and sustainable places. Many of our members own and develop property in the Illawarra Shoalhaven region, including the Kiama local government area (LGA).

The Property Council welcomes the Strategy as a comprehensive study and set of actions to improve housing supply and diversity within the LGA. Increasing housing supply not only improves access and choice for current residents but plays a role in accommodating future populations, improving amenities and social infrastructure for all, whilst boosting commercial activity and employment opportunities.

As acknowledged, this Strategy sits within the context of the NSW Housing Targets, Illawarra Shoalhaven Regional Plan and Kiama Local Strategic Planning Statement. Kiama Council has been prescribed a target of 900 additional dwellings by 2029 by the NSW Government as part of the approach to reach our overall National Housing Accord target.

This Strategy demonstrates Kiama Council's collaborative approach to the state and federal housing initiatives. The Property Council is aligned with Kiama Council's housing vision and understand the benefits of housing when it is well placed and adapted to the region's unique characteristics.

We are encouraged by the Action and Implementation Plan developed to support the Strategy, which has explicit actions that are clear in responsibility, timing and measurement of progress. It

is imperative that Kiama Council is well supported with the appropriate resources to do this effectively.

We are pleased to see recommendations from our submission to the first iteration of the Housing and Growth Strategy have been considered by Kiama Council, particularly the level of detail, expanded scope and new identified sites, clear actions and a revised time frame for Bombo Quarry.

Despite a cultural shift in our understanding of the benefits of higher density and increasing housing supply, the projected increase in housing and population growth may attract resistance from certain groups within the local community. In this regard, it will be critical that this Strategy is accompanied with the appropriate community awareness program to educate the population about these changes and outline the benefits of the policies that are being implemented.

Our key recommendations are summarised below, with more detailed provided in the attached table.

1. Kiama Council should work with industry to investigate improved development feasibilities (Action 1,2,13).
2. Prioritise the development of an infrastructure framework to service the proposed dwelling uplift, providing certainty to industry.
3. Delay increases to 7.12 contributions during the National Housing Accord period.
4. If contributions reform is necessary, conduct thorough consultation with the development industry.
5. Conduct industry consultation on Kiama Council's affordable housing contributions proposal.
6. Develop a structure plan for the Kiama urban expansion area and consult industry for transparency.
7. Prepare an Employment Lands and Economic Development Strategy once the NSW Government's Industrial Lands Action Plan is progressed.
8. Provide quarterly completions data to Councillors and industry.
9. Work with industry on advocacy to the NSW Government regarding the Housing SEPP and Short-Term Rental Accommodation (STRA), (Action 24,25).
10. Incentivise Livable Housing Design within identified projects and work with developers on its implementation.

Once again, we are grateful for the opportunity to provide our feedback to the Kiama Local housing Strategy and look forward to supporting Kiama Council's implementation of the Strategy once it is finalised. If you have any questions related to the matters raised in this submission, please feel free to contact me at mwales@propertycouncil.com.au.

Yours sincerely,



Matthew Wales

Illawarra & Shoalhaven Regional Director
Property Council of Australia

No.	Action (as presented in the Strategy, 4.2 Action Plan, p.41)	PCA Feedback
1.	Undertake LEP Review to investigate options to improve feasibility of development within existing strategic centres of Kiama & Gerringong to improve feasibility of medium density development within the R3 zone and to consider the appropriate application of the NSW Government's mid-rise reforms.	<p>We support this action and the proactive feasibility analysis undertaken by Kiama Council to demonstrate current development constraints. Planning controls should be adjusted to support development feasibilities and unlock housing capacity in line with the strategic planning intention of sites.</p> <p>Our members have the expertise to provide evidence-based recommendations for this LEP review. We encourage Kiama Council to engage with industry on feasibility constraints.</p> <p>We agree that consideration should be given to how the NSW Government's low and mid-rise housing reforms can be applied in the Kiama LGA to improve housing outcomes. The non-discretionary standards applied to Kiama town centre have the potential to deliver uplift and the added benefits that densification carries.</p> <p>The NSW Government's infill affordable housing bonus provisions will continue to apply to land that the low and mid-rise housing policy applies, providing additional incentive for developers to supply affordable housing in line with Action 2.</p>
2.	Undertake DCP Review, of Chapters 2, 3, 5, 6 and 12 of the Kiama DCP 2020, to: <ul style="list-style-type: none"> investigate opportunities to increase feasibility of infill development better respond to urban heat, sustainable waste and water sensitive urban design incorporate the principles of Livable Housing Design in a proportion of new housing. 	<p>We support the DCP review to investigate opportunities to increase feasibility of infill development.</p> <p>We are also supportive of the intention behind Livable Housing Design, however caution against the prescriptive application of these guidelines, at the risk it will increase cost of construction. Livable Housing Design principles should be promoted and incentivised, in line with the NSW Government's exemption from the National Construction Code's Livable Housing Design Guidelines Silver Level, Kiama Council should seek alternative options to introduce diverse housing into the market.</p>
3.	Develop an infrastructure framework to indicate the necessary local and regional infrastructure required to service short, medium and long-term housing supply	We support this measure to prioritise infrastructure delivery against housing supply to unlock future development and provide certainty to the sector, acting as a market signal.

	option in collaboration with DPHI, Sydney Water, Endeavour Energy, Schools Infrastructure and TfNSW.	In our experience, infrastructure delivery causes a significant proportion of delays within the development pipeline. Getting this right will improve feasibility and industry confidence by reducing the risk of delay and ensure occupation of homes more quickly.
4.	Collaborate with DPHI to ensure relevant components of the infrastructure framework is included in the Illawarra-Shoalhaven UDPs Infrastructure Opportunities Plan	Strongly support.
5.	Update the Kiama Section 7.12 Contributions Plan to incorporate relevant components of Infrastructure Framework	<p>The Property Council encourages Kiama Council to delay increases to infrastructure contributions during the National Housing Accord. During this period, increasing development costs and regulatory uncertainty will place unnecessary pressure on supply.</p> <p>When appropriate, contributions reform must be guided by broader strategic planning and Action 3's infrastructure framework. Updates to contributions policy must be supported by an economic study based on this infrastructure prioritisation. This will support the sustainable financing of infrastructure and certainty of delivery timelines.</p>
6.	Update the Kiama Planning Agreement Policy to include provision for affordable housing contribution options.	Affordable housing provisions should be investigated and informed by consultation with industry and community housing providers. More extensive consultation with these stakeholders is necessary before an affordable housing contributions plan is developed.
7.	Develop a structure plan for the Kiama urban expansion area, as identified by this Strategy, to identify appropriate road networks, servicing networks, zonings, staging and timing. Consistent with the non-negotiables outlined in this Strategy, in collaboration with DPHI, Sydney Water, Endeavour Energy, Schools Infrastructure and TfNSW, and relevant landowners.	We support the development of a structure plan for the Kiama urban expansion area. This will support the identification and prioritisation of infrastructure in alignment with the relevant agencies.
8.	Develop a program of continual improvement of internal processes to ensure we satisfy the Ministerial Expectation Order application lodgement and assessment timeframes.	Support Kiama Council meeting performance standards set in the Statement of Expectations Order.

9.	Prepare an Employment Lands/Economic Development Strategy so that growth is supported by jobs and services.	<p>The Property Council supports highlighting the need for employment land that will service the additional homes to be delivered within the LGA.</p> <p>We trust Kiama Council are contributing to the work of the NSW Government as part of the Industrial Lands Action Plan. An Employment Lands and Economic Development Strategy should be developed to reflect the statewide approach to planning for industrial lands once finalised.</p>
10.	Finalise the previously commenced Kiama Vegetation Study.	No comment.
11.	Prepare and adopt a Social Infrastructure Plan which identifies the growing community's social infrastructure and amenity requirements.	Support.
12.	Assist Sydney Water in undertaking a capacity analysis of the Sydney Water networks within the Kiama LGA, specifically in relation to the networks ability to service the Golden Valley Stage 2 urban release area and/or the Macquarie Street urban release area.	<p>Collaboration with Sydney Water will be critical, especially for these urban release areas identified. Poorly coordinated water service delivery can contribute to significant delays in project timelines. We continue to work with Sydney Water as conduits to the development industry, and this collaborative relationship will be just as necessary within Kiama Council as capacity analysis is undertaken. We look forward to contributing to any ongoing consultation that will be required.</p>
13.	Investigate opportunities to improve feasibility of medium density development within the E1 zone and to consider the appropriate application of the NSW Governments mid-rise, TOD and vibrancy reforms (to be undertaken as part of Gerringong Town Centre study/masterplan, as flagged by Kiama LSPS 2020).	The Property Council support investigation to improve development feasibility, in line with Actions 1 and 2.
14.	Implement the appropriate land use planning actions identified by the Kiama Coastline Coastal Management Program (CMP) to ensure housing development is not located in vulnerable areas.	Support, as is business as usual.

15.	Undertake LEP Review to ensure environmental lands are appropriately zoned and that the appropriate mix of uses are permitted on environmental lands.	Support, as part of planned LEP review.
16.	Prepare and adopt a Rural Lands Strategy which identifies areas of prime agricultural land and opportunities for ensuring the ongoing protection of our rural landscapes.	No comment.
17.	Undertake LEP Review to ensure rural lands are appropriately zoned and that planning controls facilitate opportunities for appropriately managing rural lands.	No comment.
18.	Investigate opportunities, as identified by the NSW Government Architect to protect and enhance areas of with local character.	No comment.
19.	Collaborate with ISJO, Wollongong City Council, Shellharbour City Council & Shoalhaven City Council on regional affordable housing opportunities	The Property Council supports a state and regional approach to the delivery of affordable housing. Collaboration will support a better allocation of resources so that affordable housing is located where it is needed most.
20.	Support Planning Proposals for greenfield sites identified in the Strategy that comply with relevant Ministerial Directions and SEPPS and meet Council's non-negotiable principles for greenfield development so they can proceed to Gateway to enable community consultation.	We support this action item and would like to see this prioritised. As identified in the Strategy, greenfield expansion will be a necessary component of housing growth as Kiama Council looks to achieve the goal of 900 new homes by 2029.
21.	Provide quarterly reports to the elected Council on dwelling approvals and completions.	This Australian Bureau of Statistics collects this data and presents reports on dwelling approvals and completions, quarterly. For transparency and reassurance, it may be appropriate for Kiama Council to self-report on these key indicators. If this is undertaken, it will be necessary to release this information publicly.
22.	Participate in the Illawarra-Shoalhaven UDP to actively monitor dwelling approvals and completions and identify servicing constraints.	Support.

23.	Advocate for changes to BASIX in line with the State Government's net zero by 2050 aspirations	No comment.
24.	Advocate for the NSW Government to amend the Housing SEPP to require boarding housing dwellings to be let at affordable rents.	The Property Council works closely with Community Housing Providers and would encourage Kiama Council to consult with industry further on this proposal.
25.	Monitor the NSW Governments review of short-term rental accommodation (STRA) framework to ensure STRA continues to play a role in the LGAs visitor economy while at the same time ensuring the provision of long-term rental accommodation.	The Property Council provided a submission into the NSW Government's Discussion Paper into STRA. We identified that certain LGAs will benefit from reform more so than others. However, during the National Housing Accord period, we see this as a low priority action for the objective of delivering housing supply, with other reforms proving more effective.
26.	Explore opportunities to partner with Community Housing Providers on Council's catalyst sites.	Support, as is business as usual.