



Local Housing Strategy 2025



Leading Growth for Good

Item 15.4

Enclosure 2

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.



Traditional Indigenous welcome at Australia Day 2024. photo by Peter Izzard.

Authorisation

Owner/Responsible Officer	Manager Planning and Development
Department	Strategies and Communities
Date endorsed	[INSERT DATE]
Council Resolution number	[INSERT NUMBER]
Next review date	[INSERT DATE]
TRIM reference	[INSERT REFERENCE]

Review and version control

The Strategy should be reviewed every five years.

Date endorsed	Brief detail of amendments
16 July 2024	Draft Growth and Housing Strategy (Draft v1) for exhibition
18 February 2025	Draft Local Housing Strategy (Draft v2) for exhibition
[date]	Final Local Housing Strategy for adoption
[date]	[insert detail here]
[date]	[insert detail here]

Council reserves the right to review, vary or revoke this Strategy.

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Words that matter

The following terms and definitions are relevant to the strategy.

Table 1 Definitions

Word	Definition
Affordable housing	Housing that households on very low to moderate incomes can afford, as defined in the Environmental Planning and Assessment Act 1979 and State Environmental Planning Policy (Housing) 2021: • very low – 50% of median income • low – 50%–80% of median income, and • moderate – 80%–120% median income. This type of housing is social or affordable rental housing provided or managed by a Community Housing Provider.
Age in place	The ability for people to stay living in their local area, close to their established networks and known services, as they get older.
Build to rent	A housing product that refers to the construction of a property for rental purposes. It offers increased security of tenure, more choice, property management, and high quality places to live for renters. Built-to-rent is an established housing product in the UK, and early developments are emerging in Greater Sydney.
Community Housing Provider (CHP)	Non-government organisations which manage and/or own more than 54,000 social and affordable housing properties in NSW.
Dwellings	All types of housing, from secondary dwellings and studios to apartments, townhouses, terraces, semi-detached homes and standalone homes.
DPHI	The NSW Government's Department of Planning, Housing and Infrastructure's (DPHI) role is to help design and create thriving communities, towns and cities in an effective and sustainable way, to support growth in NSW.
Endeavour Energy	An electrical distribution network that distributes affordable, safe and reliable electricity to households and streetlights in the Illawarra region.
Greenfield	New housing developments on land that has not been previously developed or used for other urban purposes. Also referred to as urban release areas.
Home ownership	When people own where they live, either outright or with a mortgage.
Homelessness	The lack of a 'home', not the lack of a 'roof', where the space someone lives lacks security, stability, privacy and safety. Homeless people include people sleeping rough, living in improvised dwellings or tents, living in temporary shelters and couch-surfing.

Homes NSW	The state department which provides housing and homelessness services across NSW, including providing public and social housing.
Households	The people that live in a home. This may be a person living on their own, a family, or a group of students, for example. Each household's requirements will change depending on what they collectively earn, how many people live there and the different relationships between those people.
Housing affordability	The ability of a household to afford the cost of housing, whether renting or owning.
Housing diversity	A housing market which has a wide range of housing available. This can be in terms of size (number of bedrooms and other rooms), type (apartment, house, unit), tenure (private ownership, rental, social housing, supported living) and location (urban, suburban, rural).
Housing pipeline	The forecast housing supply for an area based on its zoning patterns, growth patterns, market patterns and the sequencing of construction.
Housing spectrum	People's diverse housing experiences, including homelessness, home ownership, renting and housing needs for seniors or people with disability. People move back and forth along the spectrum depending on life events, aspirations and capacity.
Housing stress	A condition that occurs when a household has an income in the bottom 40% of either Greater Sydney's or regional NSW's income distribution and is paying more than 30% of its income in housing costs.
Housing typologies	The shape and form of housing, including the varying scale, layout, number of bedrooms and whether housing is usable and accessible by all people. The availability of different housing typologies depends on an area's landscape, topography, planning controls and proximity to centres, services, facilities, and transport.
Infill	The re-development of vacant or underutilised land within an existing urban area.
Local Infrastructure contributions	Contributions of money, works or land, collected from developments by a Council through a Section 7.11 or 7.12 Contributions Plan or a Planning Agreement. These contributions help fund the infrastructure that people living in that development will need such as parks and sportsfields, community centres, local roads, shared use pathways and stormwater infrastructure.
State Infrastructure Contributions	Contributions of money, works or land, collected by the NSW State Government through a Special Infrastructure Contribution (SIC), Housing and Productivity Contribution (HPC) or Planning Agreement (also known as a VPA) towards regional and state infrastructure such as state roads, schools and regional open space.
Liveability	What a place is like to live in, including comfort and safety factors, the environment, and the types of nearby services and opportunities.
Local character	What makes a neighbourhood distinctive and gives a place identity, including the way it looks and feels. A combination of land, people, the built environment, history, culture and tradition create local character.

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Local housing strategies	Long-term plans that establish the future housing needs for a local government area and the aspirations of the community. Some regional or district plans may also require local housing strategies. Once adopted, this document is the Kiama Municipal Council Local Housing Strategy.
Local Strategic Planning Statements (LSPS)	20-year visions for land use in each local government area. These statements outline how to manage growth, special traits that contribute to local character and shared community values. The Kiama Municipal Council LSPS was adopted in 2020.
Long term rental	A privately owned rental property which is intended for permanent residence by the occupant. Occupants are protected by tenancy laws and a fixed-term or ongoing contract with the property owner.
Mortgage stress	A condition that occurs when a household is paying more than 30% of its income in mortgage repayments and associated housing costs.
Private rental	Rental accommodation in the private market.
Rent-to-buy	A model that seeks to help first home buyers into home ownership by supporting tenants to save for a deposit. The model can take various forms, such as leasing arrangements where renters buy the home at the end of a pre-determined rental period, and at a pre-agreed price.
School Infrastructure	The NSW Government Department responsible for delivering new and upgraded schools to cater to growth, including in the Kiama LGA.
Seniors housing	Seniors housing is designed to meet the needs of seniors and people with a disability. Seniors housing includes: • Residential care facilities – sometimes also known as nursing homes or aged care homes. Residents receive full time care. • Independent living units – apartments or villas for seniors and people with a disability. Residents can live independently. • Hostels – includes single or shared residential accommodation staffed by support workers.
Short Term Rental Accommodation (STRA)	A dwelling used by the host to provide accommodation in the dwelling on a commercial basis for a temporary or short-term period under the State Environmental Planning Policy (Housing) 2021.
Sydney Water	A NSW Government owned Statutory Corporation that provides potable drinking water, wastewater and stormwater services to the Kiama LGA. Their Growth Servicing Plan identifies the growth areas that Sydney Water will install or upgrade pipelines to ensure new urban release areas can be serviced.
TfNSW	The NSW Government's Transport for NSW (TfNSW) leads the development of a safe, efficient, integrated transport system that keeps people and goods moving, connects communities and shapes the future of our cities, centres and regions.

Sources: NSW Legislation, NSW Government, Housing 2041 – NSW Housing Strategy, Kiama Council

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Section 1 - Introduction

1.1 Executive summary

The Kiama community is growing, with an extra 6,917 people anticipated to call the area home by 2041. With more people comes greater demand on our supply of housing which is already facing challenges – we have a high number of households experiencing housing stress and housing costs are increasing.

The National Housing Accord is an agreement between the Australian Government and states, territories, local governments, institutional investors and the construction sector. It includes an initial aspirational target to build 1.2 million new well-located homes over 5 years (from mid-2024). The Commonwealth is also providing \$3.5 billion in payments to state, territory and local governments to support the delivery of new homes towards this target.

The NSW Government has responded to the National Housing Accord by releasing 5-year housing targets for 43 councils across NSW, including Kiama. The 5-year housing target issued for the Kiama Local Government Area (LGA) is 900 additional dwellings by 2029.

The Local Housing Strategy (this Strategy) provides a framework for the right amount and types of new homes to be provided in the right locations supported by infrastructure. The purpose of this Strategy is to set a clear vision, and to identify the outcomes and actions needed to achieve this vision and accommodate current and future residents.

This Strategy acknowledges the benefits of housing growth. When growth is planned and delivered alongside infrastructure, communities reap the benefits of more amenities and services. This can improve quality of life, boost tourism, and stimulate local economies by attracting new businesses and residents. Increasing housing supply provides an opportunity to deliver more diverse housing types that cater to a broader demographic of people.

This Strategy identifies that our existing zoned land has the capacity to feasibly supply 2,341 additional homes. However, there is a need to review our existing planning controls to ensure a steady housing supply pipeline to satisfy long-term needs and fluctuations in demand.

This Strategy has identified both existing and new greenfield development areas to complement infill development and ensure our future population can be accommodated.

A key action of this Strategy is to work with State Agencies and various landholders to develop Structure Plans and/or Precinct Plans for the future growth areas as it's imperative that a collaborative and coordinated approach to planning and infrastructure delivery occurs.

The vision for the future of the Kiama LGA is to have well planned communities, with houses in the right locations and the services and infrastructure that is needed. This Local Housing Strategy will be monitored and reviewed every five years in response to changing needs.

Methodology

This Strategy has been developed through the following steps:

- **Policy and planning:** analysis of the planning and policy context and what this means for our future housing and growth in our LGA.
- **Community profile and needs:** analysis of our community profile and the different housing needs we have across different life stages, abilities and incomes.
- **Housing supply and demand:** assessment of our current and future housing supply, demand and capacity.
- **Consultation to shape the Strategy:** identifying community values and opportunities for growth, including from less-heard voices like our children and young people, to find out what the future of Kiama LGA should look and feel like.
- **Identifying priorities:** including objectives, approach, delivery mechanisms and options.
- **Exhibition of the Draft Strategy:** the Draft Strategy goes to Council for endorsement and is placed on public exhibition to enable community and stakeholder comment.
- **Finalisation of the Strategy:** the Strategy is endorsed by Council, sent to DPHI for endorsement and then implemented, with review and monitoring every five years.

Priorities

This Strategy identified four key priorities to lead growth and housing within the Kiama LGA, including:

1. **Priority 1** – Sufficient and well-located housing supply.
2. **Priority 2** – Diversity of housing options.
3. **Priority 3** – Infrastructure is provided to support population growth.
4. **Priority 4** – Our centres and villages thrive.

Implementation

The implementation of this Strategy will be enabled through changes made to existing planning controls, including the preparation of planning proposals to amend the Kiama Local Environmental Plan 2011 (KLEP 2011), amendments to Council's existing Development Control Plan (KDCP 2020) and continued review of Council's contributions plans and other plans and policies. Additionally, Council will undertake the role of advocacy, lobbying and education of a broad range of stakeholders.

1.2 Planning policy and context

This Strategy aligns with National, State, regional and local strategic policies and plans.

National Housing Accord

The National Housing Accord is the agreement between the Australian Government and states, territories, local governments, institutional investors and the construction sector. It includes an initial aspirational target to build 1.2 million new well-located homes over 5 years (from mid-2024). The Commonwealth is also providing \$3.5 billion in payments to state, territory and local governments to support the delivery of new homes towards this target.

NSW Housing Targets

The NSW Government has responded to the National Housing Accord by releasing five year housing targets for 43 councils across NSW, including Kiama. The targets aim to prioritise more diverse and well-located homes in areas with existing infrastructure capacity – such as transport and water servicing, with financial and accelerated infrastructure support.

Illawarra Shoalhaven Regional Plan

The Illawarra Shoalhaven Regional Plan sets the strategic framework for the region, aiming to protect and enhance the region's assets and plan for a sustainable future. It is a 20-year land use plan prepared in accordance with section 3.3 of the *Environmental Planning and Assessment Act 1979* and applies to the local government areas of Wollongong, Shellharbour, Kiama and Shoalhaven.

The Regional Plan, based on the 2019 Population Projections, anticipates a growth in the region's population of at least 100,000 by 2041 (or 58,000 dwellings) across the region, which the Kiama LGA will need to play a role in delivering.

The Regional Plan identifies that Kiama's Local Housing Strategy should include ways to:

- encourage infill development within the centres of Kiama and Gerringong
- review development controls to ensure they create flexible and feasible conditions for increased housing supply, and
- set urban growth boundaries that delineate areas of acceptable urban growth.

Kiama Local Strategic Planning Statement 2020

Our *Local Strategic Planning Statement 2020 (LSPS)* sets the overarching vision and community expectations for growth and development within our Municipality. Since the LSPS was adopted, there has been further direction and focus from both the State and Federal governments on housing demand and supply. The establishment of the Housing Accord and dwelling targets from the State Government has set clear expectations of the need for housing supply throughout Australia.

The LSPS identified existing greenfield sites considered suitable for urban expansion. This Strategy reconfirms Council's policy position on sites that could be considered for future development and which have strategic merit.

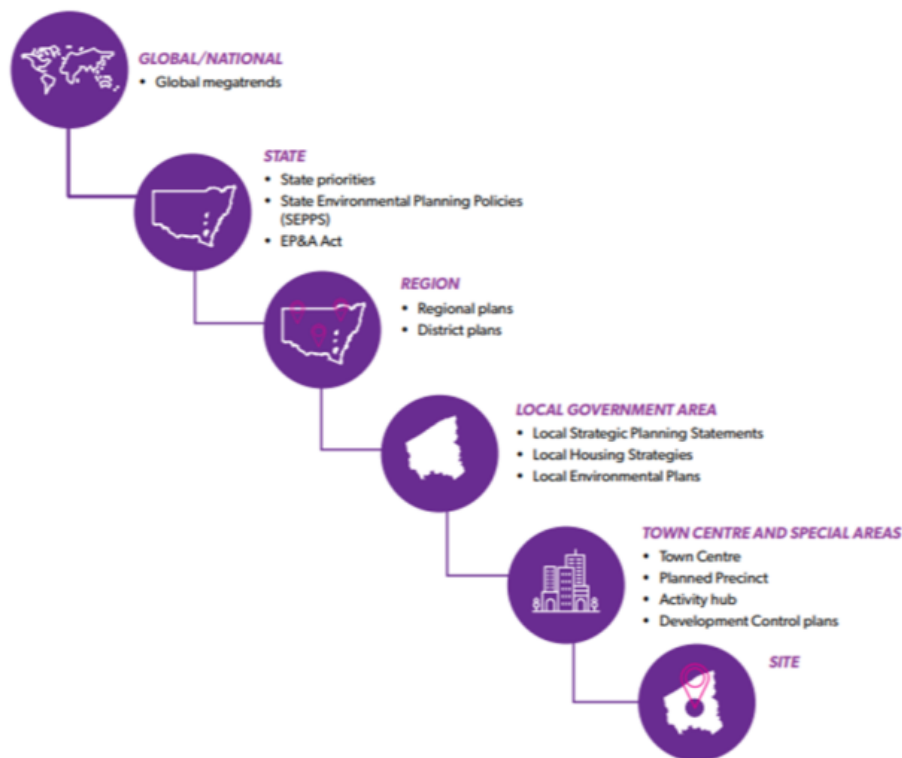
Local Housing Strategy (this document)

The Kiama Municipal Council Local Housing Strategy (this Strategy) provides a framework for new homes in the right locations and identifies ways of delivering the right amount and types of housing supported by infrastructure. The purpose of this Strategy is to set a clear vision, outcomes and actions needed to accommodate current and future residents.

As part of developing this Strategy, Council established a collaborative working group with DPHI, TfNSW, Sydney Water, Schools Infrastructure, and Endeavour Energy to ensure housing opportunities identified by this Strategy can be appropriately serviced. Council will also continue to collaborate with the Urban Development Program (UDP) which is the NSW Government's program for monitoring and coordinating housing development, land supply, and infrastructure delivery.

The relevant legislation and local planning policies include:

Figure 1 Local Housing Strategies in context



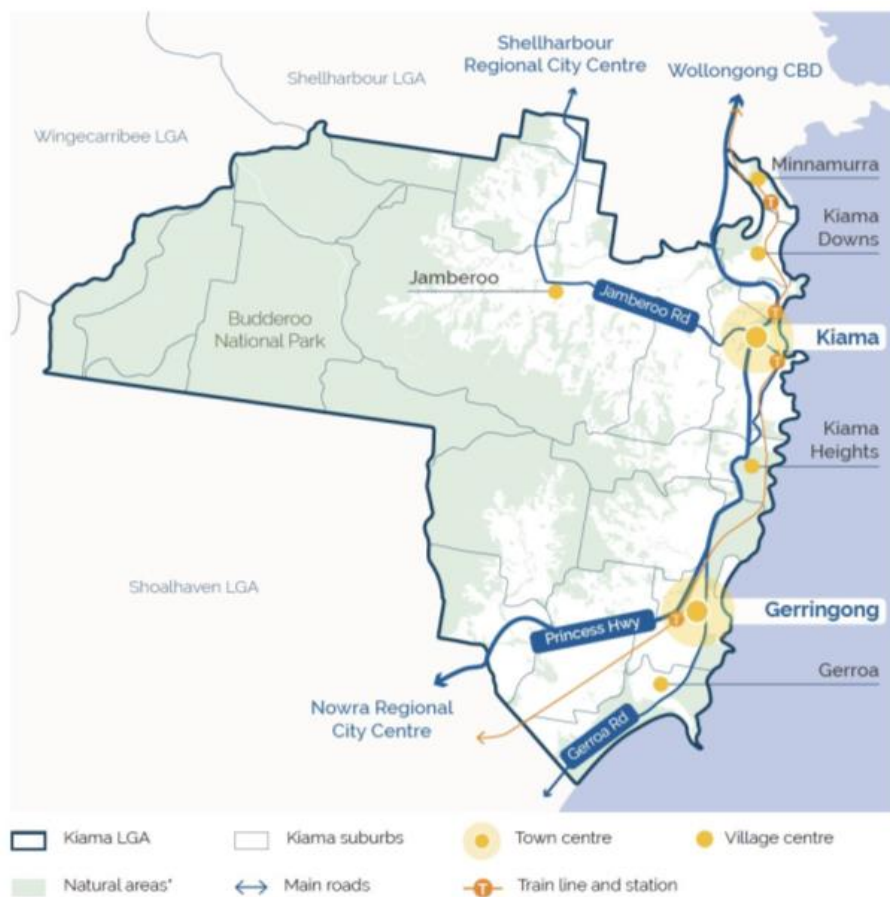
Source: NSW Government 2018

1.3 Local Government Area snapshot

Location

Our LGA is an area of 257 sq km and lies on NSW's South Coast bordering Shoalhaven, Shellharbour, and Wingecarribee LGAs. We are strategically located 40km south of Wollongong and 120km south of Sydney.

Figure 2 Kiama LGA strategic and regional context



* Natural areas include: National Parks and Nature Reserves (E1), Environmental Conservation (E2) and Environmental Management (E3) land use zones.

Source: Cred Consulting, 2024

Local characteristics

The Kiama LGA is a naturally beautiful place and home to an abundance of beaches, rainforests, mountains, escarpment, rural landscape and the Kiama Blowhole, the world's largest blowhole. Over 60% of the LGA is natural area and we are bordered by environmentally significant and protected areas, including the Budderoo National Park and Barren Grounds Regional Reserve to the west.

The two strategic centres of Kiama and Gerringong are our major economic hubs. These centres provide localised services to residents. Both centres benefit from direct access to the Princes Highway and contain stations for the South Coast Rail Line.

Our strategic centres are supported by the surrounding local centres of Minnamurra, Kiama Downs, Kiama Heights, and Gerroa. The ongoing distinction between the existing centres set within the coastal and rural landscapes and the unique heritage and architecture of the buildings, are important to the Kiama community.

Over recent years the LGA has experienced jobs growth in the following areas:

- Health Care & Social Assistance
- Construction
- Professional/Financial Services
- Tourism & hospitality
- Arts & recreation

The Kiama Municipality State of the Economy Report projects a need for between 17,500sqm of additional commercial & industrial floorspace to accommodate the projected additional 500-920 jobs by 2032. Given the LGA's central positioning within the Illawarra-Shoalhaven region it has a unique opportunity to provide a specialised role in the region's emerging economies, particularly renewable energy and health via the Illawarra Offshore Wind Zone, Illawarra Renewable Energy Zone and the new Shellharbour Hospital and Integrated Services Project.



Images: Mountain bike rider; walking near beach (Kiama Council, 2023)

1.4 What our community told us

While developing this Strategy we engaged with more than 1,600 people, including community members (residents and visitors), landowners, workers, business owners, developers, precinct groups, Councillors, young people and children, and State Government agencies over a 3-month period.

Our first round of engagement included:

- 200 high school students
- 90 primary school students
- 9,061 flyers sent with rates notices
- Over 2,000 brochures handed out
- Over 300 survey responses
- Precinct and committee group meetings
- 60 attendees at industry forum
- 35 landowner expression of interest (EOIs)
- 1,000 people reached at community pop ups.

“Kiama’s Growth and Housing Strategy should strike the balance between community expectations with priorities needed by Government locally, State and Nationally.”

- Participant comment

During the public exhibition of Draft v1, the following submissions were received:

- 125 written submissions from individuals and organisations
- 235 written submissions from individuals (form submission)
- Nine written submissions for state government agencies
- Six landowner expression of interest (EOIs)
- Direct and indirect feedback from community pop ups and high school students.



Images: Community and Stakeholder engagement activities (Kiama Council, 2024)

Our housing needs

Throughout the engagement and exhibition, the following housing needs were identified:

- 1. More housing diversity**
Most of our dwellings are 3+ bedroom houses. Our older residents need smaller homes to move into locally so that they can stay connected to their communities. We also need diverse housing types to provide opportunities for younger people, young couples and families.
- 2. More affordable housing options for our young people and key workers**
Our housing costs are among NSW's highest. We need more affordable, and more long term rental housing near transport and services to house our people.
- 3. Increased density in our centres for smaller homes, flats and apartments**
Most residential land in our LGA is zoned for Low Density. To enable more infill development and smaller homes, we may need changes to the planning scheme.
- 4. Housing that enhances thriving local centres with services**
Our centres need to provide more things to do, places to go, local jobs, and entertainment. Our centres need to be alive and vibrant with creative places that cater to all demographics.
- 5. Growth that respects and enhances our natural environment**
Our beautiful natural environment plays a significant social, economic and cultural role, and must be protected as part of any growth.
- 6. Future homes safely away from hazards**
We need to locate and design new housing to respond to bush fire, flooding, sea level rise and coastal erosion risks and vulnerabilities.
- 7. New and improved infrastructure to support growth**
We have good transport corridors, but the frequency of regional and local public transport could be increased. Much of our infrastructure is ageing. By enabling new housing, we can access funding for infrastructure renewals.
- 8. Housing that generates employment**
Housing cannot occur in isolation and must be part of a broader community including places to work. Employment lands are a pivotal component of growth and need to complement a broad growth plan, rather than being considered in isolation.

“ I love living in Kiama and want to stay here. But the house I have is too big for me now that I am alone. It would be nice if there was a smaller home in town that is more suited to my needs as I grow older.”

- Participant comment

“ It's a beautiful place but pretty boring. I don't want to live with my parents anymore, but there are no rentals to move into. I'll probably move to Sydney where I can get my own place close to the action.”

- Participant comment

1.5 Housing vision

Kiama is a naturally beautiful area made up of connected and unique communities where we prioritise thoughtful development, placing the right houses in the right locations, with the services and infrastructure the community need.

We foster a welcoming and inclusive place, respecting the stewardship we have for our environment, while being open to developing and creating new and meaningful ways to enjoy this place.

We change and adapt as we reach a population of 31,000 and welcome new people into our community, living in a diverse range of homes, that meet the needs of people young and old.

Our housing vision reflects our community's aspirations and the challenges we need to address. Informed by our LSPS and Community Strategic Plan, we emphasise that connection, belonging, sustainability and leadership are important to our local identity.

We recognise the role a healthy housing system plays in our Council-wide goals and that as our population will grow, we can lead the change so that everyone that chooses to make Kiama home can find housing that supports their lifestyle and needs.



Image: Looking south towards Gerringong (source: Kiama Council)

Section 2 - The evidence

2.1. Demographic overview

Current population

Note: The demographic data in this section has been sourced from REMPLAN (2024).

In 2021, around 22,970 people called the Kiama LGA home. Our population is concentrated along the coastline in small towns as well as small hinterland villages. We have an average household size of around 2 persons per dwelling.

An older population

With a median age of 48 years, the LGA has an older age profile compared to the Illawarra Shoalhaven region and NSW. Around 36% of our population is aged over 60 years, and in the past 5 years the 65-to-69-year age group has increased by 422 people (or 28%). At the same time, our younger population aged 20 to 24 years decreased by around 110 people (or 13%).

A generally more affluent population

Our community is generally more highly educated and have higher median household incomes, compared to the Illawarra Shoalhaven region and NSW average. However, it's important to note, that 25% of our residents earn less than \$400 a week.

Less culturally diverse

There are a smaller proportion of people who were born overseas and speak a language other than English at home compared to the Illawarra Shoalhaven region and NSW average.

Predominantly couples without children households

Almost half (49%) of all households living in Kiama are couple families without children. This is significantly higher than the Illawarra Shoalhaven region and NSW averages.

Low unemployment and a high proportion of retirees

Our LGA has more employed residents than local jobs, however this has improved across the decade with more residents able to find jobs locally. In 2022, there were 3,735 fewer jobs than employed residents. This may suggest the region is not generating enough jobs to support its resident base, or neighbouring regions provide better opportunities.

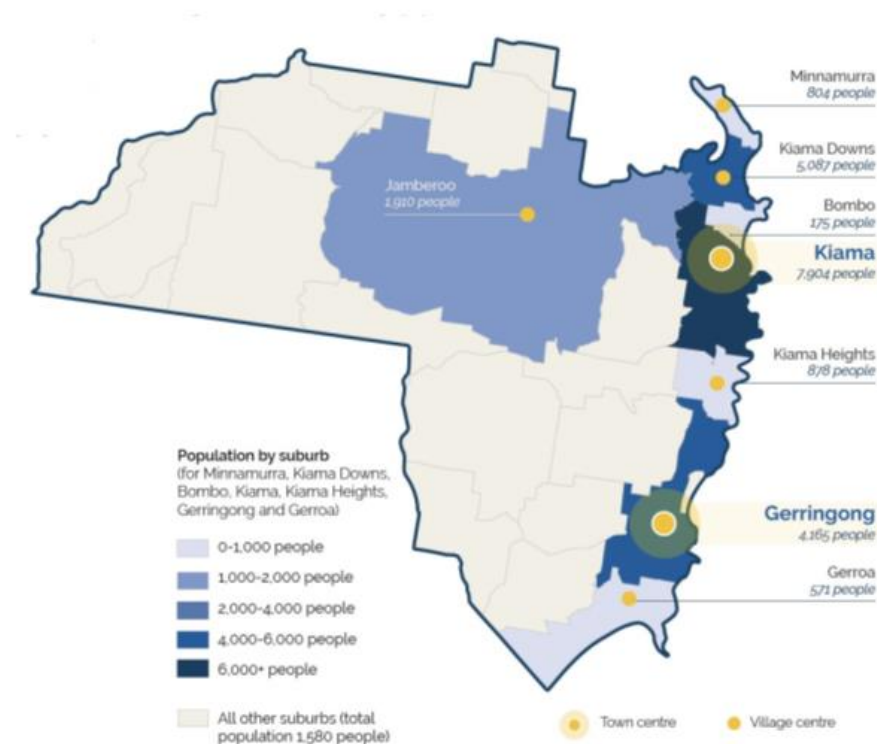
- 53% are employed (9,642 persons)
- 40% are not in the labour force (i.e. retired), and
- 2% are unemployed.

However, this difference between jobs and residents has shrunk by 843 over the last ten years. The share of residents working locally increased marginally between 2016 and 2021 from 35.8% to 36.8%. However, almost two out of three workers still work outside the LGA.

A coastal community

Our community live in a mixture of small villages and larger centres, mostly located along the coast. As shown in **Figure 3**, Kiama is our largest population with 7,904 people, followed by Kiama Downs with 5,087 and Gerringong with 4,165 people.

Figure 3 Centre and village populations 2021



Source: REMPLAN, 2024

Existing housing trends

Most of our current housing is detached dwellings

There are currently around 10,851 dwellings located across our LGA. Over three quarters of these dwellings (or 8,000) are separate houses which reflects our relaxed rural character. Also, over 6,200 dwellings in our LGA have three or four bedrooms. This is despite the predominant household composition being couples without children. While there can be many reasons that people may live in a home with an additional bedroom, this indicates that there are currently limited options for smaller dwellings across the LGA. The proportion of medium and higher density housing such as townhouses, units and apartments is growing and is generally located in the towns of Kiama and Gerringong.

Overall:

- 41% of dwellings are 4 bedrooms
- 38% are 3 bedrooms
- 14% are 2 bedrooms, and
- 3% of dwellings are 0 to 1 bedrooms (ABS).

Despite our supply of large houses, we have a low number of people per household. Over half of our LGA's households are one-or-two persons.

Table 2 Household composition in Kiama LGA, 2021

Number of persons usually resident	Family households	Non-family households	Total
One	-	1,957	1,957
Two	3,368	136	3,501
Three	1,108	27	1,132
Four	1,240	6	1,248
Five	580	0	580
Six or more	195	0	195
Total	6,491	2,126	8,613

Source: ABS Census

We have a low provision of long-term rental housing

There are very high rates of home ownership across our LGA. Notably, there is a significantly higher proportion of households who own their property outright (45%). This is most likely related to the older age of residents (higher than NSW overall of 32%).

There is also a comparatively low proportion of rented households in our LGA, making up just 17% of the total tenure share. This lack of rental housing impacts the ability of our young people and workers to live in our LGA.

Rental households are more likely to experience housing stress

Housing stress refers to when a household spends more than 30% of their household income towards housing costs. In our LGA, around 32% of rented households are experiencing housing stress. This is compared to 7% of homeowners.

We have high proportions of short- term accommodation and unoccupied dwellings

Due to our desirable sea side location there is a tendency for our housing stock to be used as tourist accommodation or holiday homes rather than permanent residences. This can have a number of impacts on our local housing market, such as increasing property prices, reducing the availability of purchase or long-term rental options for full time residents and increasing neighbourhood amenity issues. According to the Property Council, there were 744 registered Short Term Residential Accommodation (STRA) properties in the LGA during May 2024. This represents 7% of our total housing stock.

In 2021 there were 1,701 unoccupied private dwellings (some of which will be used as STRA), representing 16% of our total housing stock. The most unoccupied dwellings were in the Gerringong - Gerroa - Werri Beach area (24.4%). This is significantly higher than the NSW average of 9.4%.

Housing costs are increasing

Between 2012 and 2020, house and unit price growth in our LGA remained high, but fairly steady (both around 10-11% p.a.). However, since 2020, house prices in particular have increased significantly (27% p.a.). The median dwelling price of \$1.295M was more than double the regional NSW average of \$610,000. It is a similar story for rental prices.

Between 2012 and 2020 rent for both houses and units remained fairly steady (about 3-4% p.a.). However, since 2020, rents have also increased more significantly, at around 9% p.a. for houses and 7% p.a. for units. In 2022, the median rent for a house in our LGA was \$680 per week. This is higher than the Illawarra- Shoalhaven Region and NSW Regional average.

Affordable housing

According to the Australian Bureau of Statistics' Socio-Economic Indexes for Areas (SEIFA), the Kiama LGA is among the least disadvantaged local government areas in Australia. This reflects a population where more people have qualifications, fewer households have low incomes and fewer people are in low skilled occupations. While the numbers of disadvantaged people in Kiama is low, it is nevertheless appropriate to look at the affordability of housing.

The Illawarra Community Housing Trust own and manage some social housing dwellings in the LGA. There is also a significant stock of independent living units and other forms of accommodation for our elderly population and support for them to enter into these premises. While local government has not typically been involved in the broader aspects of housing policy, in practice, councils are increasingly asked to respond to housing affordability and homelessness challenges, through direct action, collaboration and advocacy.

Our LGA has median rents and dwelling prices far above the regional NSW average. The COVID impacted years of 2020/21 and 2021/22 saw large increases in dwelling costs in most regional locations, however our LGA saw extraordinary rises. In June 2021, rents had risen by 19% (9% for regional NSW) and dwelling prices had risen by 47% (regional NSW – 16%). Costs were driven by a combination of demand and also lack of supply as people were not leaving/moving in the same numbers as before. The high costs impacted domestic migration levels. Our LGA is attracting working families and pre-retirees from domestic locations, international migration in this age bracket too, but also younger age groups.

Given the demographics of the population, the previous focus has been on the provision of affordable housing development specifically catered for seniors. Council has invested in the provision of both Independent Living Units and aged care. An additional seniors living development has also been provided by other providers throughout the LGA.

Some residents are experiencing homelessness

Measuring rates of homelessness is notoriously difficult. According to available data, 74 (0.3%) people in Kiama indicated they were experiencing homelessness in the 2021 Census. The population experiencing homelessness indicates that they are staying in temporary arrangements, supported housing, or caravan parks, rather than unsheltered homelessness.

2.2 Housing demand

This section provides analysis of the demand for new housing, to identify the type and level of housing needed to support our LGA.

Projected dwelling demand

The NSW Government regularly publishes population projections to assist both State and Local governments policy decisions and infrastructure and service delivery. The projections are based on the current planning frameworks and strategies, and are subject to change with changes in policy. These projections are not targets.

The Regional Plan, based on the 2019 Population Projections, anticipates a growth in the region's population of at least 100,000 by 2041 (or 58,000 dwellings) across the region. At the time of its publication, the Regional Plan anticipates that an additional 2,318 dwellings will be needed in Kiama by 2041.

Housing targets

The NSW Government has released 5-year housing completion targets for 43 councils across Greater Sydney, Illawarra-Shoalhaven, Central Coast, Lower Hunter and Greater Newcastle and 1 target for regional NSW.

As outlined by the NSW DPHI, the housing targets have been based on:

- **Planned growth:** The housing target for each council is based on the number of homes already in the pipeline for delivery which have existing approvals or where rezonings have already occurred
- **Projected growth:** The targets then factor in the expected delivery of homes which can occur in the next 5 years based on the NSW Government's Planning reforms. These factor in the proposed changes resulting from the Low- and Mid-Rise Housing reforms.

The dwelling targets therefore differ to the population and dwelling projections for each LGA. The dwelling target issued for the Kiama LGA is 900 dwellings over the next 5 years. It is noted that at present, only the 5-year targets have been issued. Notwithstanding, this Strategy demonstrates how these targets will be met as well as the longer term projections.

The ability for a dwelling to be completed is based on a variety of decision makers, stakeholders and driven by the development industry and landowners. Council cannot control completion timing, however the State Government will provide an overview of each council's performance on their website to show progress towards this target for all LGAs. Council is being assessed on the areas of control that can be influenced and managed by Council. This is being undertaken through a Ministerial Order of Expectations which provides requirements for processing timeframes of both Development Applications and Planning Proposals. Council will need to actively work to improve development assessment timeframes and processes to enable decisions to be made efficiently on development applications.

2.3 Housing supply

This section provides analysis on the supply of housing, the capacity and feasibility of the existing planning controls, and other sources of new housing.

A pipeline of supply approach

The NSW DPHI's Urban Development Program has developed the following tiering structure (Table 3). This is used in this Strategy to categorise greenfield sites which are informed by each site's timing and delivery phase. For example, while a site may be identified as having strategic merit for further investigation, this land may not be required for 10-15 years if there is adequate zoned land for supply until then. This tiering structure will be used across all future development sites and integrated with the UDP framework to enable infrastructure to be planned ahead of delivery.

Table 3 UDP Housing Supply Pipeline Categories

Tier	Definitions
Tier 1a Development ready land	Land is zoned, infrastructure enabled, bio-certified and subdivision approved.
Tier 1b Short term zoned land supply (awaiting consent)	Land is zoned, infrastructure enabled and biocertified. This land is fully or substantially serviced by enabling infrastructure but has not received subdivision approval.
Tier 2a Medium term zoned land supply (less constrained)	Land is zoned, environmental and/or infrastructure constraints are likely to be resolved within 5 years. The process by which constraints are to be resolved is complete or underway with a high degree of certainty around any mitigation requirements. Trunk infrastructure may be funded but not delivered.
Tier 2b Longer term zoned land supply (more constrained)	Land is zoned, environmental or infrastructure constraints are likely to be resolved in 5+ years. The pathway to resolution may not be well understood or it may be understood but there may be a funding or implementation barrier or other barriers that require resolution.
Tier 3 Land under consideration for rezoning	Changes to local environment controls including re-zoning are underway with the land being subject to a current or proposed planning proposal that is yet to be determined. These sites are not counted towards current housing land capacity.
Tier 4 Strategically identified land	Land identified in a strategic plan (such as Regional Plan or Local Housing Strategy and/or Local Strategic Planning Statement). While strategic investigation will have typically confirmed suitability of these sites from a land use planning perspective more detailed investigation and planning and approvals are required. These sites are therefore not counted towards current housing land capacity.
Tier 5 Investigation Area	Potential future investigation, land is not identified in a strategic plan. The suitability of these sites to deliver housing is subject to further investigation, likely to require changes to established planning controls, the delivery of enabling infrastructure and/or environmental offset strategies. These sites are therefore not counted towards current housing land capacity.

Source: Urban Development Program

Theoretical capacity

Our existing *Kiama Local Environmental Plan (LEP) 2011* allows for a number of dwelling types within zones that are identified throughout the LGA. Of the 15 zones identified in the Kiama LEP, seven permit at least one type of housing.

The theoretical capacity of our LGA is the number of dwellings that would be delivered if the current land use controls , in our LEP, were fully developed.

As noted in the AEC report, Kiama has theoretical capacity for a further 5,885 dwellings if all zoned lands are developed to their full potential, as shown in Table 4.

Table 4 Theoretical capacity of net additional dwellings by Suburb

Development typology						
Suburb	Subdivision (single housing lots)	Integrated Housing	Dual Occupancy	Townhouse	RFB up to 4 stories	Total
Gerringong	0	56	981	0	258	1,295
Gerroa	0	0	240	0	0	240
Jamberoo	33	26	127	0	13	199
Kiama	12	92	1,067	0	1,915	3,086
Kiama Downs	0	8	990	0	0	998
Minamurra	0	0	63	0	4	67
Total	45	182	3,468	0	2,190	5,885

Source: Kiama Housing Supply Feasibility Analysis (AEC, 2022)

Feasible capacity

Due to site constraints, planning controls, rising construction costs and market factors developing land to its full theoretical capacity is not possible.

The *Kiama Housing Supply Feasibility Analysis* (AEC, 2022) has analysed the feasible capacity of our existing zoned land. This analysis has concluded that under the current planning controls:

- Single standalone dwellings & dual occupancies are unfeasible in R2 Low Density zoned land in Gerringong, Jamberoo and Kiama Downs
- Townhouses are unfeasible in R3 Medium Density zoned land in Kiama under 4 storeys
- Residential Flat Buidlings (RFBs) are unfeasible in R3 Medium Density zoned land in Kiama & Gerringong under 4 storeys
- Terraces are unfeasible in R2 Low Density zoned land in Jamberoo, and
- Mixed Use (including Shop-top Housing) are unfeasible in R3 Medium Density zoned land in Kiama & Gerringong under 4 storeys

The AEC Report has concluded that under the current zoning and development control arrangements Kiama has feasible capacity for a further 1,874 dwellings.

Housing supply gaps

An analysis of the short-term (i.e. 5 year) housing supply gap and medium to long-term (i.e. beyond 5 years) housing supply gap has been undertaken.

Short-term supply gap

We know that the NSW Housing targets set a target for an additional 900 houses to be built in the Kiama LGA by 2029. The NSW Government have confirmed that these houses will either already be approved or be delivered within existing zoned and serviced land.

The AEC Report has concluded that under the current zoning and development control arrangements Kiama has feasible capacity for a further 1,874 dwellings.

Since the preparation of the AEC Report development consents have been issued for the Golden Valley and Henry Parkes urban expansion areas. Approval has been granted for 87 housing lots within these sites. A Development Control Plan (DCP) has been adopted for the South Kiama urban release area. This DCP indicates that a total of 380 housing lots could be approved within this site.

The Illawarra-Shoalhaven Urban Development Program's (UDP) dashboard indicates that, over the past ten years, on average 154 houses are approved in the Kiama LGA. The highest number of housing approvals coincided with the release of Cedar Grove Stage 2 and Wyalla Road release areas. As we have seen with recent greenfield developments (i.e. Cedar Grove Stage 2), many of these residential lots will contain multiple houses as dual occupancies are permissible in our R2 Low Density Zone.

The majority of the 900 targets houses will be delivered via these greenfield developments. It is anticipated that the remaining houses will be delivered via infill development as a result of the recent town recent reviews and the State Government's Mid-Rise reforms.

However, given the AEC Report findings, our existing planning controls need to be reviewed to increase the feasibility of a variety of housing typology in our centres and to ensure a steady pipeline of housing approvals.

Long-term supply gap

The Regional Plan outlines that there is an implied dwelling demand for an additional 2,318 dwellings in the Kiama LGA by 2041. Table 5 outlines that even if all the available feasible infill development occurs, we do not have sufficient zoned land or approved greenfield sites to supply the forecasted housing demand.

Table 5 Housing supply gaps based on current supply

Feasibly Capacity (Infill)	Current Greenfield supply (Tier 1a and 1b sites)	20 Year Dwelling Demand	Housing Gap
1,874	467	2,318	-23

Source: Kiama Housing Supply Feasibility Analysis (AEC, 2022) and Illawarra Shoalhaven Regional Plan 2041

In order for the Kiama LGA to adequately plan for future population and housing demand, consideration needs to be given to explore additional release areas.

2.4 Land use constraints

This section includes the identification of land use constraints to new housing in the LGA. Some of the major constraints explored in this section include:

Environmental factors

Our environment plays an integral role in the economic, social and natural environment makeup of the area.

Our topography is very hilly, rising sharply from the coast, with a large alluvial valley from Kiama to Jamberoo. This provides some areas with stunning views and scenic amenity but also makes delivering or extending infrastructure to service new housing costly.

Part of our rural lands are still agriculturally productive. These lands play an important role in the LGA's economy and must be protected, with appropriate interface management provided between urban and agricultural uses. The NSW Government's Right to Farm Policy and Council's proposed Rural Lands Strategy will guide, protect and manage agricultural land.

The Kiama LGA is vulnerable to a number of natural hazards:

- **Flooding**
- **Bushfire:** (see Figure 4). and
- **Coastal erosion and inundation.**

Limiting housing development in areas vulnerable to natural hazards is a key recommendation of the NSW Reconstruction Authority

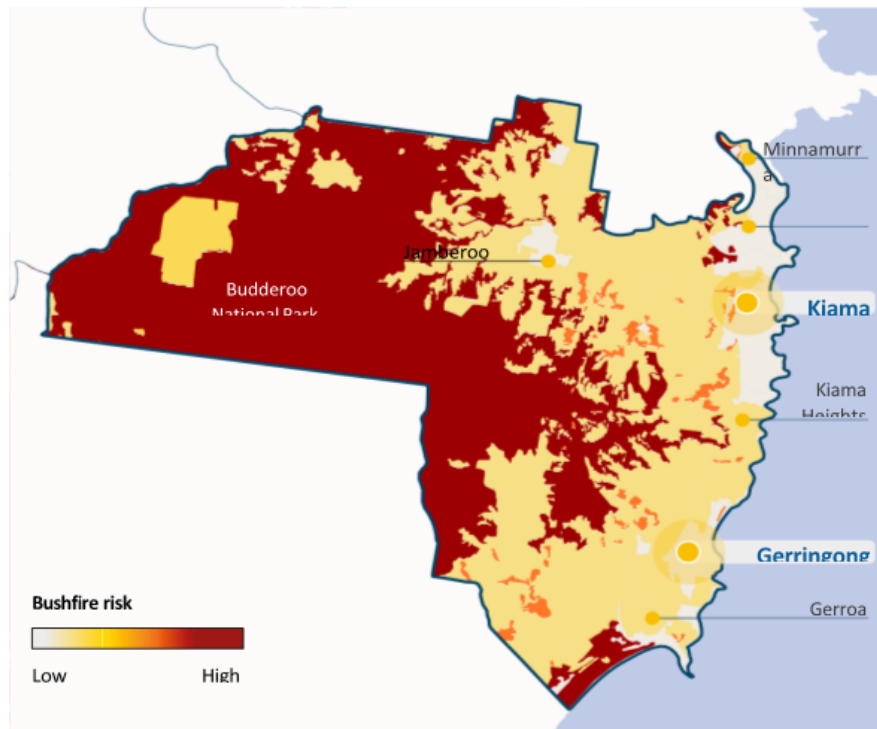
It is imperative that any development is in areas that are not subjected to significant natural hazard impacts and not to put our residents in harm's way.

This region has experienced multiple substantial events including storms, flooding and bushfire, and recovery from these events has a social and economic impact on the whole community as well as placing a significant burden on Council. As has been seen throughout NSW, the location of houses on floodplains or in locations that increases risk is unacceptable and should be avoided.

Constraints

- Many of our towns and villages are constrained from growth by natural areas (e.g. Kiama Heights and Gerroa). The ability to deliver housing in these areas is limited due to protection of environmentally significant and vulnerable land.
- The hilly terrain of the LGA makes the delivery of infrastructure difficult and costly.
- The majority of our population live on the coast; Areas of particular risk include:
 - Jones Beach.
 - Spring Creek mouth, Blowhole Point, Surf Beach and south Kendalls Beach.
 - Easts Beach and Munna Munnora Creek,
 - The southern end of Werri beach to Pacific Avenue, including the Werri Beach Holiday Park and Bowling Club.
 - the Crooked River mouth, including parts of Burke Parade
- Inland areas, particularly around Jamberoo, are bushfire prone
- Large amount of natural and rural landscape areas limiting residential growth potential
- Rural lands used for primary production need to be retained, and
- There is limited understanding and mapping of flood risk across the LGA.

Figure 4 Kiama LGA bushfire map



Source: Six Maps and NSW SEED Database

Infrastructure

Infrastructure is key to the livability of communities and helps to create vibrant places.

To support our existing and growing communities, it is important to ensure that infrastructure is well planned, funded and delivered in a timely manner. This will reduce pressure on existing infrastructure and ensure that the demand for infrastructure due to population growth is met.

Infrastructure planning, funding and delivery is the responsibility of a range of stakeholders including Council, State Government and agencies, developers, and landowners. Council has a role in aligning delivery of local housing with infrastructure delivery through the funding of infrastructure via, for example, development contributions, grants, budget allocations, user fees and charges, and public private partnerships.

Council will continue to work with infrastructure providers to ensure identified growth areas can be serviced and the required infrastructure delivered in a timely manner.

Infrastructure can be provided by councils (local infrastructure) or state government agencies (state or regional infrastructure and utilities). Any proposed rezoning must have an Infrastructure Delivery Plan with a funding and delivery commitment before it can be progressed (see also Council's non-negotiable principles for greenfield development).

State and regional infrastructure

The NSW Government and agencies are responsible for planning, funding and delivering state and regional infrastructure including state and regional level transport infrastructure including road and rail, schools and education facilities, hospitals and other health facilities, regional open space and sporting facilities and regional stormwater facilities.

Our LGA is serviced by Sydney Water. The capacity of Sydney Water's wastewater network is currently a constraint and will need to be increased to service growth as off grid solutions are not supported. Council will continue to work with Sydney Water on capacity testing and identifying the required upgrades for inclusion in Sydney Water's Growth Servicing Plan.

Endeavour Energy generally has adequate energy service and supply for both existing and new developments and are exploring opportunities for resilient and sustainable energy solutions, including community batteries and alternative energy sources.

There are various providers for reliable phone and internet connections.

Local infrastructure

Council is responsible for planning and funding local infrastructure including open space (parks, reserves and sports fields), community facilities (libraries, community centers, cultural facilities, public art), road transport (roads, intersections, bridges), active and public transport (shared use pathways, pedestrian bridges, bus stops) and stormwater management (detention basins, enhanced storage areas).

Constraints

- Public transport outside of trains in the north of the LGA does not replace the need for cars.
- Our rail line is only partially electrified and infrequently serviced.
- Social and physical infrastructure is ageing and in need of renewal. There is a higher than regional average of community halls and facilities placing burden on asset maintenance.
- The lack of identified growth has meant that infrastructure upgrades including roads, water, sewerage, schools have not been identified for the Kiama LGA.



2.5 Land use opportunities

There are a range of factors to consider in planning for the future growth, location and type of housing to be delivered across the Kiama LGA. From the location of current and future jobs to areas of environmental significance, and the availability of community facilities and services like schools and healthcare, to the capacity of our road network. We also want to ensure that new housing makes a positive contribution to our community, and responds to the unique built and natural features that contribute to the character of our diverse LGA.

Infill opportunities

There is existing residential zoned land which has the capability to provide greater housing densities within our existing centres. Since the adoption of the LSPS, Council has enabled a range of infill opportunities within the Kiama Town Centre. The Kiama Town Centre LEP amendment allowed for additional heights, density and planning provisions on key strategic sites.

Approvals have also been granted for shop top housing within Gerringong Town Centre which contributes to supply. The LSPS identifies the need to undertake a Gerringong Town Centre study to increase densities within the centre.

The NSW Government has recently implemented the Transport Orientated Development (TOD) and the Low and Mid-rise Reforms. These reform packages aim to increase residential densities within 800 metres of train stations and employment centres, allowing for the provision of housing supply that is well located and serviced and thereby reducing the need for greenfield expansion.

The Kiama LGA was not identified as a TOD site, however the Low and Mid-Rise reforms do apply to the Kiama Town Centre. Given the AEC Report findings, it is clear that the existing planning controls for medium density housing impact the feasibility of these housing typologies. A review of these planning controls is required within the Gerringong and Kiama Strategic Centres.

Several key and catalyst sites, such as the Shoalhaven Street Precinct, Havilah Place and the Civic Precinct, are identified by the Kiama Town Centre Study and associated DCP. Master planning of these sites is required to ensure appropriate residential densities and complementary uses occur.

For development that occurs in infill areas, the opportunity to provide additional land for open space will be limited. However, existing open space sites will be reviewed and upgraded as required. These upgrades will generally be funded through development contributions.

Opportunities

- Opportunity to review planning controls and policies to encourage the delivery of more diverse and smaller housing product. This can include encouraging the building of dual occupancy and medium density dwellings to achieve housing targets.
- Active transport is valued by our community and supported by scale of settlements. There are opportunities to improve active transport links within centres.
- We can encourage new housing growth within existing centres and facilities to make use of existing infrastructure.
- Improved local public transport is needed. We can work with other regional LGAs to improve public transport routes within and between our existing centres.

Greenfield opportunities

In addition to the infill development opportunities identified, this Strategy also recognises the need for new land to be identified to house the future population of the Kiama LGA.

The process to identify potential new greenfield opportunities included in this Strategy were:

- A review of the sites identified in the LSPS. Through this review two sites were reconsidered and are not included in this Strategy.
- A review of the demand, supply and gap analysis, to determine future needs.
- A Landowner Expression of Interest process, where sites were nominated and considered in accordance with a Probit Plan based on a set criteria..

It is important to note that the inclusion of sites in this Strategy does not pre-empt an outcome, but rather, it is a step in the process that these sites are strategically identified. All proposals will be considered on their merit in accordance with relevant legislation and policies, Ministerial Directions and Council's non-negotiable principles for greenfield development.

The non-negotiable principles for greenfield development are:

Non-negotiable principles for greenfield development:

- There are appropriate road, pedestrian and public transport networks and connections.
- State Government infrastructure and all required services have been planned for.
- The Sydney Water system has capacity to provide sewer and water services.
- There is a mix of land use controls to ensure a diversity of housing typologies.
- Employment lands are provided in accordance with the Kiama Employment Lands Strategy.
- Any financial liability to Council is minimised.
- Useable open space that meets both quantum and quality standards is provided.
- Heritage places, items and values are identified and preserved as appropriate.
- Areas of high environmental significance are identified, retained and managed as appropriate.
- The provision of social and affordable housing has been adequately considered.

The sites identified as potential new greenfield opportunities are shown at Table 6:

Table 6 Greenfield sites identified in this Strategy

Site	Approximate lot yield*	Tier	Status
Kiama Downs, Bombo, Kiama			
Lot 442 Henry Parkes Drive, Kiama Downs (LSPS 1)	37	Tier 1a - Development ready land	Subdivision under construction
Lot 1 Riverside Drive, Bombo (LSPS 2)	20	Tier 4 - Strategically identified land	Strategically identified
25 Cole Street, Kiama	6	Tier 4 - Strategically identified land	Strategically identified
2 Caliope Street, Kiama	14	Tier 4 - Strategically identified land	Strategically identified
Kiama Urban Expansion Area			
Bombo Quarry (LSPS 3)	2,100	Tier 4 - Strategically identified land	Master planning
Riversdale Road Precinct	800	Tier 4 - Strategically identified land	Strategically identified
Dido Street Precinct (part is LSPS 4)	150	Tier 2b - Longer term zoned land supply	Zoned. Part of the site was subject to a DA.
	308	Tier 4 - Strategically identified land	Strategically identified
Kiama West (Springside Hill)	1,000	Tier 3 - Land under consideration for rezoning	Planning Proposal rezoning review under assessment
South Kiama Urban Release Area			
South Kiama Urban Release Area (LSPS 5)	380	Tier 1b - Short term zoned land supply	Stage 1 DA under assessment
Gerringong Urban Expansion Area			
48 Campbell St, Gerringong (Sunnymede) (LSPS 7)	147	Tier 3 - Land under consideration for rezoning	Planning Proposal under assessment
86 Campbell Street and Lot 3 DP 604657, Gerringong	170	Tier 4 - Strategically identified land	Strategically identified
Jamberoo Urban Expansion Area			
Macquarie Street, Jamberoo (LSPS 9)	42	Tier 4 - Strategically identified land	Strategically identified
Golden Valley Way - Stage 1	50	Tier 1a - Development ready land	Subdivision DA approved
Golden Valley Way - Stage 2	67	Tier 4 - Strategically identified land	Strategically identified
TOTAL	5,291		

Source: Kiama Municipal Council, 2025

* The approximate lot yield is subject to detailed investigation and is subject to change.

Henry Parkes Drive, Kiama Downs

Tier: 1a Development ready land supply

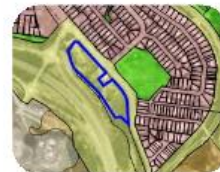
The site is zoned R2 Low Density Residential, with a minimum lot size of 450sqm. This site has subdivision approval to create 37 residential lots to accommodate new dwellings in the short term and will contribute to the initial 900 dwellings required by 2029.



Lot 1 Riverside Drive, Bombo

Tier 4 – Strategically identified land

This site is currently zoned SP2 and may be suitable for residential development consistent with the adjacent land. This site is strategically located close to transport links and would be well integrated into the existing residential landscape of this locality. A range of housing types may be provided.



25 Cole Street, Kiama (part)

Tier 4 – Strategically identified land

The western part of this site adjoins the existing urban area and may be suitable for residential development. The remainder of the site contains environmentally sensitive land that will need to be preserved for conservation and is not suitable for housing.



2 Caliope Street, Kiama (part)

Tier 4 – Strategically identified land

The western part of this site adjoins the existing urban area and may be suitable for residential development. The remainder of the site contains environmentally sensitive land that will need to be preserved for conservation and is not suitable for housing.



Bombo Quarry

Tier 4 – Strategically identified land

The Bombo Quarry is a long recognised, regionally significant site with potential reuse for urban development following closure of quarrying activities and site remediation.

The Site has capacity to provide around 2,100 new dwellings as well as employment lands and passive and active recreation spaces.

The NSW DPPI, in conjunction with Council and stakeholders, developed a vision for the future of the Bombo Quarry. Significant work is also being undertaken by a combined stakeholder group to develop a masterplan and future rezoning proposal for the site.



Riversdale Road Precinct

Tier 4 – Strategically identified land

The Riversdale Road Precinct is adjacent to the Bombo Quarry Precinct and forms part of the Kiama Urban Expansion Area. The existing Riversdale Road provides a natural urban boundary to the west.

The site is suitable for a range of housing types, as well as open space and environmental conservation, and will provide connectivity to adjoining sites.



Dido Street Precinct

Tier 2b: Longer term zoned land supply, and Tier 4 – Strategically identified land

The Dido Street Precinct is located directly to the south of Bombo Quarry and directly east to the Riversdale Road Precinct. The Dido Street Precinct is made up of multiple lots including two lots that are zoned for residential development. This site has constraints that need to be resolved prior to development.



Kiama West (Springside Hill)

Tier 3 Land under consideration for rezoning

This site is 114 hectares of land located to the west of the existing Kiama urban area, with Jamberoo Road to the north and Saddleback Mountain Road to the south.

The Planning Proposal lodged with Council in 2024 proposed 1,000 dwellings, open space, social and affordable housing and environmental conservation, and was not supported at that time. The rezoning review application is with the Southern Regional Planning Panel.



South Kiama Urban Release Area

Tier: 1b Short term zoned land supply

The South Kiama Urban Release Area is a significant growth site for this area that will yield approx. 380 lots. The development includes residential lots, open space, riparian corridors and associated infrastructure.

The Stage 1 development application has been lodged and this site is expected to contribute to the short-medium supply.



48 Campbell Street, Gerringong – (Sunnymede)

Tier: 3 Land under consideration for rezoning

This site is the eastern part of 48 Campbell Street, and is known as Sunnymede. This extension is consistent with the Gerringong Charette and the Kiama LSPS.

A planning proposal has been supported by the Council to proceed to Gateway. The site is a proposed new Urban Release Area and is estimated to provide approximately 148 residential lots, open space and riparian corridors.



86 Campbell Street, Gerringong

Tier 4 – Strategically identified land

This site is located immediately south of the proposed urban development at 48 Campbell Street and is estimated to provide approximately 170 residential lots.

The inclusion of this site provides a logical extension of the urban boundary and will provide better opportunities for additional vehicular access to the site. For this reason, the boundary includes Lot 3 DP 604657.

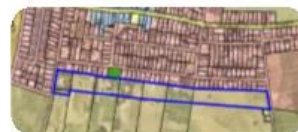


Jamberoo - Macquarie Street

Tier 4 – Strategically identified land

The Kiama Urban Strategy and Kiama LSPS identified a logical southern expansion of Jamberoo between Wyalla Road and Golden Valley Road.

Given the fragmented ownership, wastewater capacity issues and need for an additional access road, there will need to be considered planning by all landowners to develop the site, which could yield approx. 42 lots.



Golden Valley - Stage 1, Jamberoo

Tier: 1a Development ready land supply

The site is zoned R2 Low Density Residential, with a minimum lot size of 800sqm. This site has subdivision approval to create 50 residential lots to accommodate new dwellings in the short term and will contribute to the 900 dwellings required by 2029.



Golden Valley - Stage 2, Jamberoo

Tier 4 – Strategically identified land

The site is located adjacent to the DA approved Golden Valley Stage 1 development, and provides a logical extension as well as opportunities for additional vehicular access/egress to the site.

While this site extends the urban boundary to the east, it is important that the existing southern urban boundary is maintained.



Urban expansion areas

As shown in Table 7, this Strategy identifies 14 potential greenfield development sites. Of these, four are smaller, individual sites that will extend the existing urban area. The other ten sites are larger and will form part of broader urban expansion areas.

The four new urban expansion areas that have emerged are:

1. Kiama urban expansion area
2. South Kiama Urban Release Area
3. Gerringong urban expansion area
4. Jamberoo urban expansion area

These urban expansion areas will have structure plans prepared and are, or may be, identified as an Urban Release Area in the Kiama Local Environmental Plan 2011 (LEP). This will enact Part 7 of the LEP and require a site-specific Development Control Plan (DCP) to be prepared.

With the identification of these urban expansion areas, the LGA is assured that it not only has sufficient housing supply options, but that the required and highly desired infrastructure and social amenities will be adequately planned, funded and delivered for the LGA. It is also important to note that, as per the UDP Pipeline, it is unlikely that all of the identified housing opportunities will be delivered within the 20 year timeframe of this Strategy. Mechanisms to ensure coordinated rezoning approaches are also being investigated with DPHI.

1. Kiama urban expansion area

The Kiama urban expansion area is made up of four precincts including:

- Bombo Quarry Precinct
- Dido Street Precinct
- Riversdale Road Precinct
- Kiama West (Springside Hill) Precinct.

Together, these Precincts have the potential to deliver over 4,000 residential lots. In addition to this, the Area could also be the home to new educational facilities and regionally significant passive and active recreational spaces. The Area's proximity to the Princes Highway and Bombo Train Station presents unique opportunities to ensure future development is integrated with these regional transport spines. This is a key advantage of this Area, particularly in regard to its employment opportunities. While there is a need to ensure local services are provided, there are also opportunities for specialised employment areas to emerge.



This urban expansion area will require detailed structure planning to ensure the development outcomes meet Council's non-negotiables, and that the required infrastructure is planned, funded and delivered. This will require a collaborative and coordinated approach to planning and infrastructure delivery with all stakeholders including DPHI, TfNSW, Sydney Water, Endeavour Energy, School Infrastructure, landowners, developers and the community.

If rezoned, this area would be identified as an Urban Release Area and each precinct will need a precinct plan and site-specific Development Control Plan (DCP) chapter to be developed.

2. South Kiama urban release area

The South Kiama Urban Release Area is located west of the Princes Highway between Saddleback Mountain Road, Kiama and Weir Street, Kiama Heights. The site is 40 hectares and is zoned for urban development including residential, recreational, and environmental protection uses.

It is anticipated that the site will yield approximately 380 lots and will contribute to the 900 dwellings required by 2029.

A new site-specific DCP chapter has been prepared for this site and the Stage 1 Development Application has been lodged and is under assessment. Stage 1 includes 81 residential lots and a letter of offer to enter into a Planning Agreement which will secure the infrastructure required for the site.



3. Gerringong urban expansion area

The Gerringong urban expansion area includes:

- Elambra West - 48 Campbell Street
- Elambra West (South) - 86 Campbell Street

This area has the potential to deliver approximately 318 residential lots and provides opportunities to ensure flood free access for future residents by providing additional connections to Elambra Parade and/or Crooked River Road, Union Way and Millewa Avenue.

If rezoned, this area would be identified as an Urban Release Area and a site specific DCP prepared.



4. Jamberoo urban expansion area

The Jamberoo urban expansion area includes:

- Macquarie Street
- Golden Valley Way Stage 1
- Golden Valley Way Stage 2

The Jamberoo urban expansion area has the potential to deliver approximately 159 new residential lots and will provide additional east-west road connections for Jamberoo whilst ensuring that the urban footprint remains within the village's existing visual catchment.

Sydney Water will shortly be commencing a capacity analysis of their water and wastewater networks. Council will assist Sydney Water with this analysis to determine the realistic capacity of the Jamberoo urban expansion area.



Section 3 - The priorities

3.1 The Local Housing Strategy objectives

This section identifies four priority objectives, derived from the Housing Needs identified by the community during the consultation period. These priority objectives will be used to lead good growth and housing in our LGA.



Priority 1 **Sufficient and well-located housing supply**

This Strategy clearly identifies which parts of our towns and villages are suitable for infill development, as well as areas where urban expansion is suitable to create new neighborhoods.

Housing growth avoids areas that have been identified as having considerable environmental constraints, high character values, and areas which are at risk from bushfires, floods, and coastal hazards.

Priority 2 **Diversity of housing options**

This Strategy recognises the limitations of our existing planning controls in supplying diverse housing options. This Strategy identifies the need to review our planning controls to increase the feasibility of infill development.

Providing an appropriate range and variety of housing types, particularly within our existing centres, will enable our aging population to downsize therefore freeing up our existing housing stock for larger households. A variety of housing sizes also helps to address housing affordability in the LGA.



Priority 3
Infrastructure is provided to support population growth and vice versa

The Strategy acknowledges the need for sufficient housing supply to attract local and state infrastructure investment. The greenfield opportunities have been strategically identified to ensure a logical rollout of infrastructure and to minimise the amount of development fronts within the LGA.

Consolidating housing development within existing strategic centres and within the identified greenfield opportunities will encourage utilisation of public and active transport options.



Priority 4
Our centres and villages thrive

This Strategy recognises that our LGA is characterised by compact, historic centres and rolling, rugged natural landscapes. This Strategy seeks to ensure that new housing enhances and contributes to the unique character of our towns and villages.

This Strategy acknowledges the economic and social benefits of greater housing densities within walking distances of train stations and employment centres.

3.2 Land use planning approach

The implementation of this Strategy will predominantly be enabled via a land use planning approach. This includes changes made to existing planning controls, including amendments the Kiama Local Environmental Plan 2011, the Kiama Development Control Plan 2020 and continued review of Council's contributions plans and other plans and policies.

Place-based studies	Review of planning controls	Review of State reforms
Place-based analysis and delivery of Structure Plans for our urban expansion areas to ensure that urban release areas deliver great places and to outline a nuanced approach to any planning control amendments.	Analysis of planning controls including review of controls for the R3 zone, controls for medium density housing in residential zones and controls for Residential Flat Building development in the Kiama & Gerringong Strategic Centres.	Review TOD and Mid-Rise Reforms including the need to incorporate changes in the LEP and DCP and establish local character areas.



LEP and DCP amendments
Incorporate potential amendments to LEP and DCP informed by place-based studies. Include potential updates to the LEP and DCP as a result of the review of controls for the R3 zone, controls for medium density housing and the application of the State reforms in the Kiama & Gerringong Strategic Centres.



Contributions review
Review and update contributions framework based on projected dwellings and future population to ensure that local infrastructure is delivered when needed.

As outlined previously, Council also undertakes the role of advocacy, lobbying and education of a broad range of stakeholders. Council will also continue to progress existing initiatives such as developer forums and continue to work with several development partners on the identified strategic lands.

“Growth is OK, but we need the infrastructure to support it.”
- Participant

Section 4 - Actions

4.1 Implementation

It is important that Council details the actions that it will take to enable the priorities, development opportunities, proposals and desired outcomes detailed in this Strategy to be achieved. The delivery of housing to meet long-term needs as well as the 5-year housing targets set for us by the State Government cannot be achieved entirely by Council. It will take advocacy, collaboration, partnership and ultimately delivery by the development industry, landowners and homeowners.

The action plan has been developed with consideration of Council's current resource allocation, budget and priorities.

It is noted that in accordance with the Strategic Finance and Governance Improvement Plan (adopted by Council in June 2024) there are several priorities and actions already in place which require Council, the community and staff attention and implementation, to ensure compliance with the Performance Improvement Order. With this in mind, the actions have been created to be realistic of the current limitations and expectations of our organisation.

In recognising the national housing crisis, and that no single solution will resolve the complexity of housing issues, this Strategy provides the framework to enable Council to play its role in leading partnerships with government and key stakeholders about where, and how we facilitate and support future housing growth.



Image: Entry to Kiama (source: Kiama Council)

4.2 Action plan

This action plan will be continuously updated and reviewed annually as progress is made on actions and plans implemented.

Table 7 Action and implementation plan

No.	Action	Council's role	Timeframe	LSPS Planning Priority
1	Undertake LEP Review to investigate options to improve feasibility of development within existing strategic centers of Kiama & Gerringong for medium density development within the R3 zone and to consider the appropriate application of the NSW Government's Mid-Rise reforms.	Lead	Short 1-2yrs	LSPS Planning Priority 1 Undertake planning work to identify future opportunities to amend LEP controls which facilitate varied housing options within the boundaries of the existing towns and villages.
2	Undertake DCP Review, of Chapters 2, 3, 5, 6 and 12 of the Kiama DCP 2020, to: - investigate opportunities to increase feasibility of infill development - better respond to urban heat, sustainable waste and water sensitive urban design, and - incorporate the principles of Livable Housing Design in a proportion of new housing.	Lead	Short 1-2yrs	LSPS Planning Priority 2 Undertake a DCP review to ensure controls are appropriate, including improvements to structure, removal of inconsistencies, and inclusion of Heritage and town centre controls.
3	Develop an infrastructure framework to indicate the necessary local and regional infrastructure required to service short, medium and long-term housing supply in collaboration with DPHI, Sydney Water, Endeavour Energy, Schools Infrastructure and TfNSW.	Lead	Short 1-2yrs Ongoing	LSPS Planning Priority 4 Prepare and finalise the local infrastructure contributions framework to provide updated contributions plans which support the delivery of infrastructure within the Municipality.

No.	Action	Council's role	Timeframe	LSPS Planning Priority
4	Collaborate with DPHI to ensure relevant components of the infrastructure framework is included in the Illawarra-Shoalhaven UDP's Infrastructure Opportunities Plan	Collaborate	Short 1-2yrs Ongoing	LSPS Planning Priority 4 Maintain our role within the DPIE Urban Development Program/ Regional Plan review and/or other similar collaborations.
5	Review and update the Contributions Plans to incorporate relevant components of Infrastructure Framework to support infrastructure planning, delivery and funding.	Lead	Short 1-2yrs Ongoing	LSPS Planning Priority 4 Prepare and finalise the local infrastructure contributions framework to provide updated contributions plans which support the delivery of infrastructure within the Municipality.
6	Update the Kiama Planning Agreement Policy to include provision for affordable housing contribution options.	Lead	Short 1-2yrs	LSPS Planning Priority 1 Plan for and balance housing supply and demand.
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.	Lead	Short 1-2yrs	LSPS Planning Priority 1 Review and investigate planning proposals submitted to Council for those greenfield dwelling opportunities identified in the town maps attached to this LSPS.
8	Develop a program of continual improvement of internal processes to ensure we satisfy the Ministerial Expectation Order for application lodgement and assessment timeframes.	Lead	Short 1-2yrs Ongoing	LSPS Planning Priority 1 Plan for and balance housing supply and demand.
9	Prepare an Employment Lands Strategy so that growth is supported by jobs and services.	Lead	Short 1-2yrs	LSPS Planning Priority 5 Identify land and propose appropriate zoning that is suitable for small scale service industrial uses in the short to medium term.

No.	Action	Council's role	Timeframe	LSPS Planning Priority
10	Finalise the previously commenced Kiama Vegetation Study.	Lead	Short 1-2yrs	LSPS Planning Priority 10 Undertake a Municipal wide vegetation study to ensure biodiversity, corridor and bushfire mapping is accurate.
11	Prepare and adopt a Social Infrastructure Plan which identifies the growing community's social infrastructure and amenity requirements.	Lead	Medium 3-5yrs	LSPS Planning Priority 4 Support the delivery of required infrastructure.
12	Assist Sydney Water in undertaking a capacity analysis of the Sydney Water networks within the Kiama LGA, specifically in relation to the network's ability to service the Golden Valley Stage 2 urban release area and/or the Macquarie Street urban release area.	Partner	Short 1-2yrs Ongoing	LSPS Planning Priority 4 Support the delivery of required infrastructure.
13	Investigate opportunities to improve feasibility of medium density development within the E1 zone and to consider the appropriate application of the NSW Government's Mid-Rise, TODD and Vibrancy reforms (to be undertaken as part of Gerringong Town Centre study/masterplan, as flagged by Kiama LSPS 2020).	Lead	Medium 3-5yrs	LSPS Planning Priority 7 Undertake a town centre planning study for the township of Gerringong.
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.	Lead	Medium 3-5yrs	LSPS Planning Priority 10 Complete and implement the open coast Coastal Management Program (CMP) to ensure the Municipality's open coast is appropriately managed.

No.	Action	Council's role	Timeframe	LSPS Planning Priority
15	Undertake LEP Review to ensure environmental lands are appropriately zoned and that the appropriate mix of uses are permitted on environmental lands.	Lead	Medium 3-5yrs	LSPS Planning Priority 10 Following completion of the Municipal wide vegetation study, review environmental zonings and terrestrial biodiversity layers of the Kiama Local Environmental Plan (LEP) 2011 to ensure environmental lands are appropriately zoned.
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.	Lead	Medium 3-5yrs	LSPS Planning Priority 8 Develop a contemporary Rural Landuse Strategy to foster and promote viable agriculture.
17	Undertake LEP Review to ensure rural lands are appropriately zoned and that planning controls facilitate opportunities for appropriately managing rural lands.	Lead	Medium 3-5yrs	LSPS Planning Priority 8 Review land use tables of rural zonings in the Kiama Local Environmental Plan (LEP) 2011 to ensure appropriate mix of uses permitted in rural zones, balancing environmental outcomes.
18	Investigate opportunities, as identified by the NSW Government Architect to protect and enhance areas of with local character.	Lead	Long 5-10yrs	LSPS Planning Priority 2 Update development controls for residential areas with local character and built form statements to guide new developments.
19	Collaborate with ISJO, Wollongong City Council, Shellharbour City Council & Shoalhaven City Council on regional affordable housing opportunities.	Collaborate	Ongoing	LSPS Planning Priority 1 Plan for and balance housing supply and demand.
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.	Lead	Ongoing	LSPS Planning Priority 1 Review and investigate planning proposals submitted to Council for those greenfield dwelling opportunities identified in the town maps attached to this LSPS.

No.	Action	Council's role	Timeframe	LSPS Planning Priority
21	Provide quarterly reports to the elected Council on dwelling approvals and completions.	Lead	Ongoing	LSPS Planning Priority 1 Monitor housing and land supply to ensure demand is being met and provide quarterly public reports on dwelling approvals and completions.
22	Participate in the Illawarra-Shoalhaven UDP to actively monitor dwelling approvals and completions and identify servicing constraints.	Collaborate	Ongoing	LSPS Planning Priority 4 Maintain our role within the DPIE Urban Development Program/ Regional Plan review and/or other similar collaborations.
23	Advocate for changes to BASIX in line with the State Government's net zero by 2050 aspirations.	Advocate	Ongoing	LSPS Planning Priority 12 In conjunction with ISJO advocate to both Federal and State governments for overarching regional approaches to reduce greenhouse gas emissions, for example changes to BASIX commitments.
24	Monitor the NSW Government's review of short-term rental accommodation (STRA) framework to ensure STRA continues to play a role in the LGA's visitor economy while at the same time ensuring the provision of long-term rental accommodation.	Lead	Ongoing	LSPS Planning Priority 6 Advocate for the implementation of the State Government's new regulatory framework for short-term rental accommodation (STRA).
25	Explore opportunities to partner with Community Housing Providers on Council's catalyst sites.	Partner	Ongoing	LSPS Planning Priority 1 Plan for and balance housing supply and demand.

4.3 Monitoring and review

Council will establish regular monitoring and reporting to inform a review of this Strategy.

This will include at a minimum:

- annual reviews of housing delivery and supply against the action and implementation plan to ensure that the local housing strategy and the LSPS are delivering the Strategy objectives in a timely manner
- five yearly reviews of the evidence base and housing stock against the broader aims of district and regional plans to ensure that the Strategy is aligned with the housing needs
- ten-year review of the Strategy to ensure the 20-year vision statement, the evidence base and the strategic and planning contexts are aligned with the goals of the community, the broader aims of district and regional plans, and the Strategy action and implementation plan

The actions of this Strategy will be integrated into Council's Delivery Programs and Operational Plans. Half yearly status reports of these Programs and Plans are provided.



Image: Aerial view of Kendalls beach and surrounds (source: Kiama Council)

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