

Wednesday 28th February 2024

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Via email: wollongong@planning.nsw.gov.au

**RE: UDIA's Feedback to the Shaping the Wollongong Health Precinct Strategy
Discussion Paper**

Dear Dan

The Urban Development Institute of Australia (UDIA) NSW thanks the Department of Planning, Housing and Infrastructure (DPHI) for the opportunity to provide industry feedback on their *Shaping the Wollongong Health Precinct Strategy*.

UDIA is invested in seeing the Precinct's place-based strategy become a leading example of collaborative and efficient planning in the Illawarra-Shoalhaven region, particularly given concurrent planning for the new Shellharbour Hospital and the redevelopment of the Shoalhaven Hospital.

The development industry has been excited by the initiatives announced over previous months as part of NSW's commitment to the National Housing Accord. UDIA is working closely with the State Government to ensure these policy settings are appropriately drafted to enable outcomes that positively contribute to new housing opportunities and deliver greater density where it is most accessible, most feasible, and most needed.

With the National Housing Accord start date imminent, UDIA encourages DPHI to find pathways that maximise certainty for industry. We therefore encourage the timely procession of local place-based strategies like these to help maximise the delivery of housing during the Accord period and provide landowners certainty on next steps, regardless of whether they are private or Government-owned.

Below, UDIA has selected the most pressing questions from the Strategy to respond to and provides some general points about the delivery of the Health Precinct.

- UDIA encourages DPHI to improve and explore multi-modal transport options to and from the precinct (such as the use of shuttle buses) where topography permits.

- With proposed changes to the Housing SEPP to support greater density and affordable rental housing, it is important that relevant Local Councils are constructively engaged early in the process to garner support for higher density on a precinct-by-precinct basis and to avoid inefficiencies and blockages late in the approval process.
- We note that incentivising new housing choice in the area is a central factor for consideration in the future place-based strategy. DPHI must closely consider development feasibility of 'alternative housing types and models' to ensure this objective is realised.

What directions do you view as critical to the success of the precinct?

UDIA comment: Simply put, if there are not enough homes, or transport networks, from nearby worker's residencies to the Hospital, the success of the precinct will unravel. We must incentivise high-density living as a priority near the Precinct, acknowledging that many young, trainees work in the Precinct and would benefit from the opportunity to live somewhere that is close to both their work and study. Similarly, if residential capacity is compromised by any expansion to the Precinct boundaries, we would caution that this must be offset by an increase in housing at other parts of the Precinct.

What does the strategy need to be clear on?

UDIA comment: What does the Precinct define as key worker housing? UDIA acknowledges that no definition of key worker housing exists in any jurisdiction in Australia. However, there is a clear objective to deliver housing close by for health workers, and there are now new State provisions in place that can allow for increased Affordable Rental Housing. Accordingly, key workers must be defined in the strategy and must fit within the existing definitions of affordable housing.

Irrespective, UDIA would encourage DPHI to undertake a capacity to pay, economic analysis for expected workers in the Precinct. Affordability in the Precinct must have regard to household incomes to ensure housing opportunities are not patently out of reach for key workers. This work would also enable forward planning for developers that are looking to invest and develop in the Precinct identifying the type and tenure of housing is desirable. We'd recommend engaging with Community Housing Providers and industry in this process to discuss appropriate incentive models. The place-based strategy must therefore clearly set a precedent on what housing is appropriate for key workers and what incentive models will be necessary to enable this type of housing.

What option(s) would create the most benefits for the precinct and why?

UDIA comment: The precinct will benefit from a collaborative, masterplanned approach that empowers the perspectives of existing residents and landowners, while not losing sight of the principles and directions outlined in this Discussion Paper. UDIA would recommend that this looks to incentivise opportunities for mixed-use and mixed tenure buildings, which suit the character of a multi-purpose precinct and would benefit the needs of the future working community. This approach is necessary given the quantum and diversity of potentially affected stakeholders.

Critically, a masterplan approach will also enable a more intimate understanding of current and future transport links, especially to the nearby Wollongong and North Wollongong Stations. This is increasingly significant given that the latter of these stations has been identified in Tier 2 of the Government's TOD SEPP Program, earmarking it for increased density. Analysis by PropCode estimates that the North Wollongong TOD area alone could have a theoretical capacity for over 5,000 new dwellings. This could place added pressure on the Hospital's capacity, given, as mentioned, that there are Health students at the nearby University that are also working in the Precinct. This is also important to consider given the already strained parking supply. Considerations around links to nearby suburbs could be seamlessly integrated from a masterplanned and collaborative approach.

How can the precinct's constraints be built upon as key features and strengths?

UDIA comment: There must be a close consideration of multi-modal transport to remedy two challenges identified with the Precinct – the lack of parking and the unfavourable topography. Instead of addressing the current shortage of car parking supply, DPHI must consider how to progressively reduce the demand for parking. UDIA would caution undue emphasis on increasing car parking, which is an inefficient use of land this close to a key precinct that could enable great mixed-use outcomes as mentioned. It's encouraging to see that Transport for NSW are involved in these wider discussions, who equally share objectives that focus on a reduction in car parking.

Similarly, considering utilisation of combined services such as the placement of helipads, whether they will service both hospitals, and how they might interact (potentially negatively) with nearby changes to density. This should be closely

monitored to ensure competing uses in the Precinct, while all having their individual merits, do not jeopardise one another's functionalities.

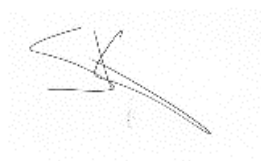
Finally, while not having a specific recommendation on where more open space might be situated (as per one of the questions in the Discussion Paper), it is evident that the Precinct is lacking sufficient open space and active transport routes. Provision of open space would enhance both visitors and patients experience within the Precinct and is encouraged as part of the overall placemaking process.

What types of homes do we need into the future and where should it go?

UDIA comment: Housing that accommodates both independent key workers and small families would be encouraged. Visual impediments should not be an issue for the Hospital, hence it is important to allow generous building heights and controls, which would simultaneously provide opportunities for more open green space and better quality of life outcomes. This would also enable greater activation of these future spaces. Smaller units would also provide for the most affordable options, which subject to a capacity to pay analysis, would likely be the highest order consideration for key workers looking to move in.

UDIA are committed to working closely with DPHI and Government agencies on the progress of the Place-based Health Precinct, and hope that this can create a successful example for similar works across the region, particularly with the concurrent discussions around the new Shellharbour Hospital and redevelopment of the Shoalhaven Hospital.

Best regards,



Simon Kersten

UDIA NSW Illawarra Chapter Chair