



Illawarra – Shoalhaven Building Blocks 2025 Update

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Overview & Key Findings

The housing affordability crisis has resulted in a recognition by all levels of government of the need for more housing. This has resulted in a housing delivery target of 18,800 new homes across the Illawarra-Shoalhaven LGA's over 5 years of the National Housing Accord period, representing a yearly output of 3,760 dwellings. These targets are well above the historical averages across the LGA's of Wollongong, Shellharbour and Shoalhaven for dwelling completions, and 42% above the recent five-year average for the region of just over 11,000.

This year, UDIA's Building Blocks Illawarra-Shoalhaven focuses exclusively on housing that could be delivered over this five-year period which has outstanding infrastructure constraints. Our research concludes that **with an investment of \$400 million, there is the potential to unlock 13,510 homes across the Illawarra-Shoalhaven region in the next 5 years (or 72% of the housing pipeline).**



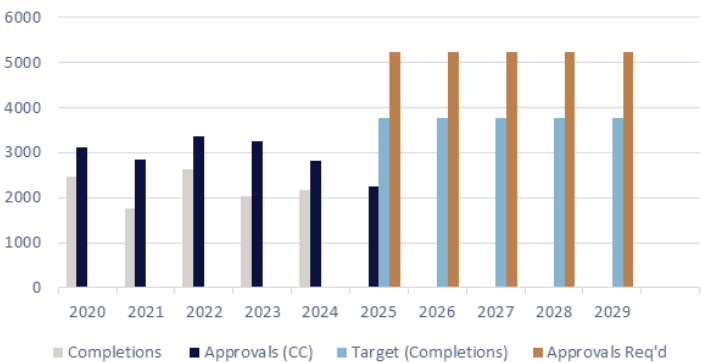
We believe the rest of the pipeline is either on track with its infrastructure delivery or will make use of new planning pathways or reforms and therefore have not been identified.

UDIA NSW's 2024 research report ***Making TODs Work*** has identified that for regional areas and in the regional context, the feasibility of TOD sites was not supportive of immediate uptake within the next 5 years. It is also too early to determine whether the 10 sites in the region identified under the recently announced Low- and Mid-Rise Policy reform will attract enough timely approvals to translate into housing completions within 5 years. Therefore, the existing planned pipeline of housing must deliver the majority share of the region's housing targets.

Urban Greenfield Release areas form the primary source of housing within council planning documentation across the region, and their importance in a well-rounded and affordable market cannot be understated. However, appropriate classification and funding pathways for infrastructure is essential to enable the delivery of this housing type, and the largest portion of the planned housing pipeline.

Ensuring that key pieces of infrastructure have the appropriate importance and access to funding is a key priority of UDIA. Our research shows that key

Housing Accord Targets



pieces of regionally significant road infrastructure, for example, are inappropriately being funded through Local Infrastructure Plans. A key example is the Western Ring Road, Northcliffe Drive Extension and Yallah Road upgrade to form a regionally significant bypass linking Urban Release Areas to the M1 motorway. Appropriate funding and delivery of these roads will enable development to proceed, avoiding delays due to pressure on existing road networks and providing access to new developments. There are several more examples of infrastructure needed funding to enable the acceleration of housing delivery, particularly to bring housing forward into the 5-year Housing Accord period.

Building Blocks seeks to plug this gap, identifying the regional infrastructure items needed to support the delivery of housing across the region where a funding pathway is not clearly identified or unworkable in its ability to deliver housing. Building off the inaugural 2021 Building Blocks Report, this report now highlights enabling infrastructure across all four LGAs of the Illawarra-Shoalhaven to acknowledge that all Councils have their own targets and have a role to play in delivering state and national housing objectives.

Enabling infrastructure has been selected based on consideration of the following criteria:

Infrastructure Selection Criteria

- Catalytic infrastructure – Catalyst to unlock housing delivery
- Cost benefit assessment – Lot yield created as return on infrastructure investment
- Program – Capable of delivery acceleration
- Risk – Major risk to the delivery of lots, required to secure lots to meet housing targets

Excluded Infrastructure

- Regional infrastructure (eg motorways, electrical distribution substations, water filtration plants, sewer treatment plants)
- Infrastructure with funding secured and with design & delivery underway



Wollongong City Council Local Government Area

Following the UDIA NSW Illawarra Shoalhaven Building Blocks 2021, major projects identified in the Wollongong City Council LGA including a Sewer Pump Station and Watermain Lead-ins have progressed to the final design stages with construction commencing in 2025.

In 2025, UDIA's research has revealed the following key pieces of infrastructure are still required to enable the release of 5,600 new lots within West Dapto, Tallawarra and Calderwood over the next 5 years.. See the full list in Table 1.

Roads

Western Ring Road, Yallah Road & Northcliffe Drive

The Western Ring Road, Yallah Road and Northcliffe Drive Extension projects represent a major cost for the WDURA, comprising over \$450m in total contributions, they also provide the key regionally significant road linking the new growth area to the M1 motorway, reducing impacts on existing residents and improving road network performance.

In order to facilitate and secure the release of 3700 lots in Stage 5, Yallah Road and a portion of the Western Ring Road require construction, at a total cost of \$40m.

A section of the road connecting Stages 5 and 3 of the Western Ring Road could be provided to accelerate the release of the Huntley Golf Course development and a portion of Stage 4 of West Dapto, it would also provide a direct connection from the Future Stage 3 development to the M1 southbound, reducing the impact of development on the existing road network. This has been mapped.

Marshall Mount Road and Marshall Mount Town Centre Bypass

The existing Marshall Mount Road is a rural road with single way bridges and unsafe geometry. These roads are required to enable safe and reliable access to developments in Stage 5 of West Dapto, delivery will enable the release of 4,500 lots at a cost of \$85m.

Escarpment Drive

Escarpment Drive is an Arterial Road linking Calderwood to Marshall Mount Road, it will provide access for Residents from both Stage 5 of West Dapto and Calderwood to the Tripoli Way Bypass and M1 motorway (Albion Park Rail Bypass). It will support the delivery of 4,500 lots within the Wollongong LGA at a cost of \$14m.

Water and Sewer

Stage 3 - Gravity Sewer

Sydney Water is delivering Water and Wastewater infrastructure to support Stage 3 of West Dapto, an additional 1.2km of Gravity Main is required to enable the release of 300 lots at a cost of \$8m.

Bong Bong Road Watermain Upgrade

An upgrade to the existing watermain on Bong Bong Road is required to support the delivery of 800 lots at a cost of \$10m. Current supply will be exhausted by developments already under construction.



Figure 1 - Wollongong City Council - Enabling Trunk Infrastructure Servicing

Avondale Reservoir

The delivery of a 5mL reservoir at the Avondale site will secure Water Supply for Stage 5 of West Dapto at a cost of \$6m.

Stage 3 – SPI107

An upgrade to the SPI1007 on West Dapto Road is required to enable the delivery of Stage 2 of West Dapto, particularly the Neighbourhood Plan Approved areas adjacent to Iredell Road.

Electrical

West Dapto Zone Substation

Land for the West Dapto Zone Substation has been secured, Endeavour Energy will commence design and delivery of the Substation as required, based on current system capacity the Zone Substation will be required to secure the delivery of Stage 3 of West Dapto (4700 lots) at a cost of \$40m.

Enabling Infrastructure – Wollongong	Type	Lots Enabled	Stage/Area	Cost	Funding Pathway
Western Ring Road	Road	3700	Stage 5 West Dapto	\$40m	Unconfirmed
Marshall Mount Road	Road	4500	Stage 5 West Dapto/ Calderwood	\$85m	Unconfirmed
Escarpment Drive	Road	4500	Calderwood/Stage 5 West Dapto	\$14m	Developer Delivered
SPI107 Upgrade	Sewer	4000	Stage 1 and 2 West Dapto	\$6.4m	Developer Delivered
Stage 3 – Gravity Sewer	Sewer	300	Stage 3 West Dapto	\$8m	Developer Delivered
Huntley Elevated Reservoir	Sewer	800	Stage 2/3 West Dapto	\$10m	Sydney Water
Avondale Reservoir	Water	3700	Stage 4/5 West Dapto	\$6m	Sydney Water
West Dapto Zone Substation	Electrical	4700	West Dapto	\$40m	Endeavour Energy
	Total	5600		\$209.4m	

Table 1 – Enabling Infrastructure in Wollongong City Council

Development/Release Area	Total Lots	Approx. Lots Remaining	Status	Servicing Constraints
West Dapto Stages 1-2	6500	4000	Rezoned	Roads, Sewer and Water
West Dapto Stage 3	4700	4700	Rezoned	Portion of stage not serviced by Cleveland Road or Sewer
West Dapto Stage 4	4700	4700	Unzoned	Not Started
West Dapto Stage 5	3700	3700	Rezoned	Roads, sewer and water construction commenced
Tallawarra Lands	1200	1200	Rezoned	Servicing commenced
Calderwood	800	800	Rezoned	Roads, Sewer and Water
Total	21,600	19,100		

Table 2 – Development/Release Areas in Wollongong City Council

Shellharbour City Council Local Government Area

UDIA's research has revealed the following key pieces of infrastructure are required to enable the release of 3,500 new lots within the Calderwood Urban Development Project over the next 5 years. See the full list in Table 3.

Roads

Calderwood Road

Calderwood Road is required to enable the delivery of lots in Calderwood beyond 2027, it will enable 4000 lots at a cost of \$19m.

Escarpment Drive

Escarpment Drive is an Arterial Road which will enable the Northern Stages of Calderwood. It will provide access for Residents from both Stage 5 of West Dapto and Calderwood to the Tripoli Way Bypass and M1 motorway (Albion Park Rail Bypass). It will support the delivery of 3500 lots within the Shellharbour LGA at a cost of \$10m (\$14m attributed to Wollongong City Council).



Figure 2 - Shellharbour City Council - Enabling Trunk Infrastructure Servicing

Tripoli Way Stage 3

Tripoli Way Stages 1-2 are being designed, with construction commencing in 2025. Stage 3 of Tripoli Way will provide the future residents of Calderwood, Tullimbar and Yellow Rock with access to the M1 motorway, bypassing the Albion Park Town Centre and enabling development of the entire CUDP, benefitting 6000 lots at a cost of \$22m.

Broughton Avenue/Tripoli Way Intersection

The existing roundabout at Broughton Avenue/Tripoli Way requires upgrading to a signalised intersection to enable the delivery of future stages of the CUDP enabling 3000 lots at a cost of \$8m.

Water and Sewer

Gravity Sewer Lead-Ins

Sydney Water is constructing SPS1193 (North of Calderwood Road) and a portion of gravity mains to service future development. A further 2.5km of gravity lead-ins are required to support future development at a cost of \$4m.

Calderwood Road Watermain

A trunk watermain on Calderwood Road is required to secure the delivery of future stages at Calderwood. This main should link to the future Marshall Mount watermain lead-in. The watermain will enable 1000 lots at a cost of \$3.2m.

Sewer Pump Station – 128 North Macquarie Road

A sewer pump station and rising main is required to enable the delivery of 400 lots within Calderwood at a cost of \$2.6m.

Electrical

Calderwood Zone Substation

Land for the Calderwood Zone Substation has been secured, Endeavour Energy will commence design and delivery of the Substation as required, based on current system capacity the Zone Substation will be required to secure the delivery of future stages of Calderwood (3500 lots) at a cost of \$40m.

Enabling Infrastructure - Shellharbour	Type	Lots Enabled	Stage/Area	Cost	Funding Pathway
Calderwood Road	Road	3500	Calderwood	\$19m	Developer Delivered
Escarpment Drive	Road	500	Calderwood	\$10m	Developer Delivered
Tripoli Way Stage 3	Road	3500	Calderwood/ Tullimbar	\$22m	Unconfirmed
Broughton Avenue/Tripoli Way Intersection	Road	3000	Calderwood/ Tullimbar	\$8m	Developer Delivered
Gravity Sewer Mains	Sewer	1000	Calderwood	\$4m	Unconfirmed
Calderwood/Albion Park Road Watermain	Water	1000	Calderwood	\$3.2m	Unconfirmed
Sewer Pump Station	Sewer	400	Calderwood	\$2.6	Unconfirmed
Calderwood Zone Substation	Electrical	3500	Calderwood	\$40m	Endeavour Energy
Total		3500		\$108.8m	

Table 3 - Enabling Infrastructure in Shellharbour City Council

Development/Release Area	Total Lots	Approx. Lots Remaining	Status	Servicing Constraints
Calderwood	5000	3500	Rezoned	Roads, Sewer, Water
Dunmore	500	200	Rezoned	None known.
Tullimbar	-	400	Rezoned	None known.

Table 4 - Development/Release Areas in Shellharbour City Council



Kiama Municipal Council Local Government Area

UDIA's research has revealed the following key pieces of infrastructure are required to enable the release of 1,530 new lots within the South Kiama and Springside Hill sites over the next five years. See the full list in Table 5.

The majority of Kiama's housing over the next five years is likely to come from the Springside Hill and South Kiama developments, given the planning status of other sites. Golden Valley Way's future stages are subject to a future planning proposal, with Sydney Water's system capacity noted as a constraint. Sydney Water should commence modelling of this network to confirm any required upgrades.

Water and Sewer

Gravity Sewer Lead-Ins

Gravity Sewer Mains servicing South Kiama and Springside Hill are required to enable the development of 1380 lots at a cost of \$3.6m.

Saddleback Mountain Road – Reservoir Upgrade

In order to supply potable water to future developments in Kiama upgrades to the existing network or a new reservoir will be required. Sydney Water is modelling potential upgrades in the area, based on available advice the estimated headworks costs for required upgrades to enable 1380 lots is \$8m.

Electrical

Kiama Zone Substation

There are no planned upgrades to Kiama Zone Substation to service future growth, electrical feeders will be required to service new development, the estimated cost of 2 new feeders from South Kiama and Springside Hill is \$4m to enable 1380 lots.

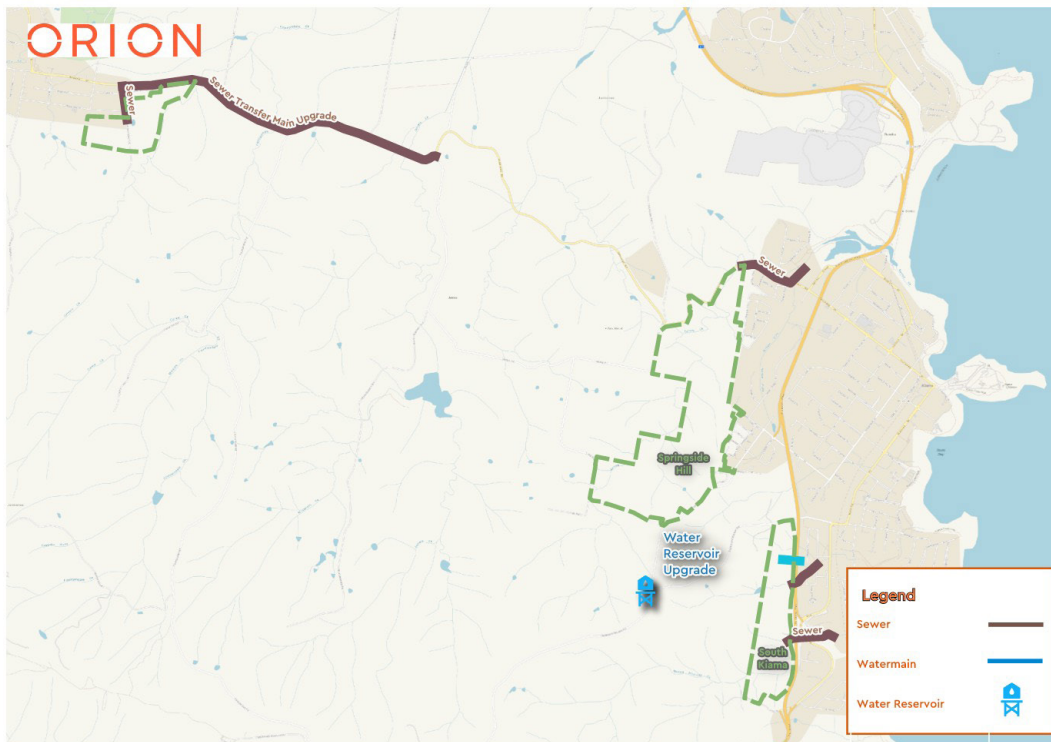


Figure 3 – Kiama Municipal Council – Enabling Trunk Infrastructure Servicing

Enabling Infrastructure - Kiama	Type	Lots Enabled	Stage/Area	Cost	Funding Pathway
Gravity Sewer Lead-ins	Sewer	1380	Springside Hill & South Kiama	\$3.6m	Unconfirmed
Saddleback Mountain Road Reservoir	Water	1380	Springside Hill & South Kiama	\$6m	Unconfirmed
Electrical Feeders	Electrical	1380	Springside Hill & South Kiama	\$4m	Unconfirmed
Jamberoo Sewer System Upgrade	Sewer	210	Golden Valley Way	\$2.9m	Unconfirmed
Total		1530		\$16.5m	

Table 5 - Enabling Infrastructure in Kiama Municipal Council

Development/Release Area	Total Lots	Approx. Lots Remaining	Potential Lots delivered by 2029*	Status	Servicing Constraint
South Kiama	380	380	380	Rezoned	Sewer and Water
Elambra West	150	150	50	Not Yet Rezoned	Flooding, servicing TBC
Bombo Quarry	2100	2100	0	Not Yet Rezoned	Sewer, Water and rehabilitation
Springside Hill	1000	1000	300	Not Yet Rezoned	Sewer, Water & electrical
Riversdale Road	800	800	0	Not Yet Rezoned	Unknown
Dido Street	450	450	150	Part Zoned, Part Unzoned	Road (bridge)
Golden Valley	125	125	125	Part Approved, Part Unzoned	Sewer (Sydney water funded, developer delivered)
Small Sites	130	130	-	NA	NA
Totals	5135	5135	1030		

Table 6 - Development/Release Areas in Kiama Municipal Council

*Given the Kiama Local Housing Strategy has not yet been adopted, sites that are pending rezoning are most likely to provide housing prior to 2029.

Shoalhaven City Council Local Government Area

UDIA's research has revealed the following key pieces of infrastructure are required to enable the release of 2,880 lots within the Moss Vale Road North and Callala developments over the next five years. See the full list in Table 7.

Roads

Moss Vale Road North Evacuation Route

Moss Vale Road North Sewer and Water servicing is complete, however a Flood Evacuation Route is required prior to development proceeding. The evacuation route requires the construction of a 3km of road, 3 bridges and lacks certainty of funding pathway to ensure delivery to support the release of the precinct. The Moss Vale Road North Evacuation route will enable the release of 2500 lots at a cost of \$25m.

Water and Sewer

Callala Beach

A trunk watermain extension is required to service the Callala Bay development. This lead-in requires construction of a 275m, 200mm main to provide potable water services. This infrastructure will have a cost of \$250,000 and enable 380 lots.

Electrical

Cambewarra Zone Substation

Endeavour Energy is acquiring the Zone Substation site to support the Moss Vale Road Urban Release Area. The Zone Substation will be required to enable 2500 lots within the Moss Vale Road North release at a cost of \$40m.

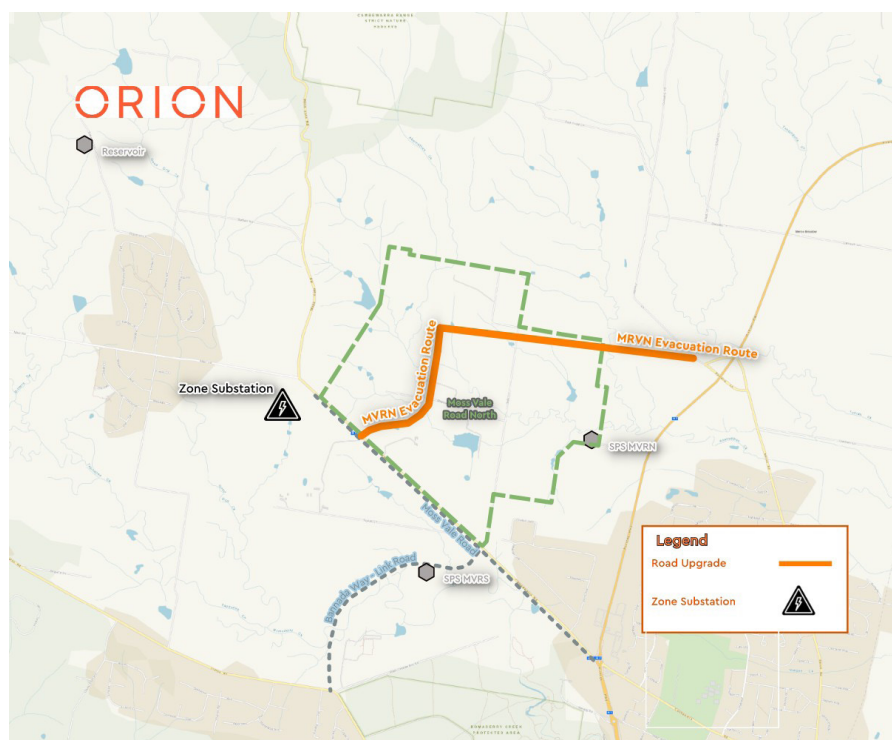


Figure 4 – Shoalhaven City Council – Enabling Trunk Infrastructure Servicing

Enabling Infrastructure - Shoalhaven	Type	Lots Enabled	Stage/Area	Cost	Funding Pathway
Moss Vale Road North Evacuation Route	Road	2500	Moss Vale Road North	\$25m	Unconfirmed
Callala Watermain	Water	380	Callala Bay	\$0.25m	Shoalhaven Water
Cambewarra Zone Substation	Electrical	2500	Moss Vale Road North	\$40m	Endeavour Energy
Total		2880		\$65.25m	

Table 7 - Enabling Infrastructure in Shoalhaven City Council

A summary of the greenfield housing supply in Shoalhaven City Council's major release areas is provided below.

Development/Release Area	Total Greenfield Lots	Approx. Lots Remaining	Status	Servicing Constraint
Bomaderry Nowra Structure Plan				
Moss Vale Road South	900	350	Rezoned	Nil.
Moss Vale Road North	2500	2500	Rezoned	Road – evacuation route
Mundamia	720	720	Rezoned	Sewer – design underway funding received.
Cabbage Tree Lane	2180	2180	Rezoned	Long lead time
Crams Road	165	165	Rezoned	Planning and Design
Regional Developments*				
Callala Bay	380	380	Rezoned	Watermain extension
West Culburra	400	400	Rezoned	Nil.
Sussex Inlet	750	590	Rezoned	Nil.

Table 8 - Development/Release Areas in Shoalhaven City Council

*Regional developments > 200 lots noted

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