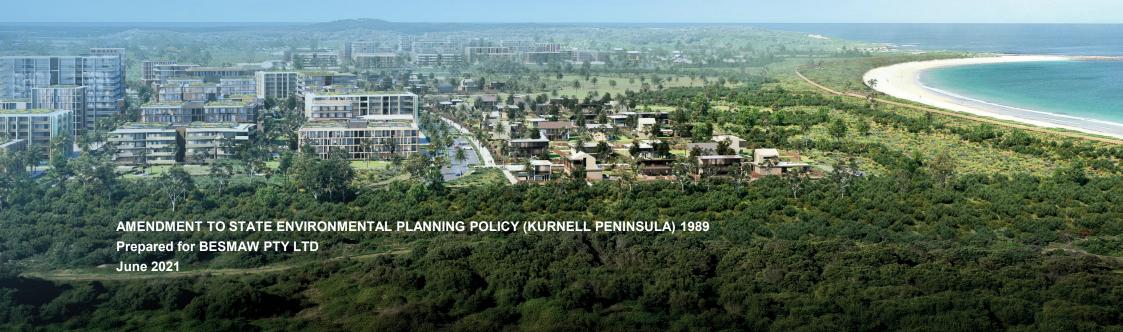


UNLOCKING KURNELL'S POTENTIAL THROUGH A NEW STRATEGIC FRAMEWORK



DESIGNING FOR COUNTRY

CONNECTING WITH COUNTRY

The Kurnell Peninsula is Captain Cook's first landing place. It is a place of significant importance to all Australians and is a place of sadness for First Nations people. Any proposal within Kurnell has a significant responsibility to deliver positive outcomes for First Nations people. Through this project, Besmaw pledges to support the health and wellbeing of Country by valuing, respecting, and being guided by Aboriginal people in future development and conservation outcomes.

We acknowledge the Dharawal people as the traditional custodians of this land and pay respect to their elders past, present and emerging.

The strategic framework for the Besmaw land celebrates the value and significance of place, and recognises the interrelationships between Country, community and individuals.

The strategic framework is guided by a vision to create a place where the natural environment integrates seamlessly with the built environment, enriching the origins of this location with its Aboriginal heritage and contemporary Aboriginal culture.



EXECUTIVE SUMMARY

Kurnell is changing. It was a meeting place for First Nations people; it became a heavy industrial precinct and is now emerging as a locality supporting natural areas, low key urban services, as well as a mix of residential, tourism and recreational spaces.

Kurnell remains an important place and one of cultural significance for First Nations people.

The objective of the SEPP Amendment process was and continues to be the establishment of a contemporary strategic land use framework for the Besmaw land.

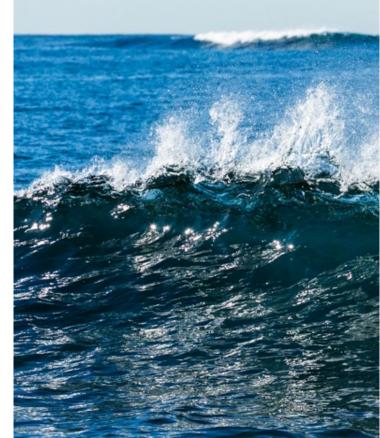
The SEPP Amendment and associated masterplan have strategic merit and will:

- Deliver a healthy, resilient and socially diverse community.
- Support adjacent urban services land.
- Encourage development in key economic sectors such as tourism and aged care, providing for economic growth.
- Protect and enhance the coast, waterways and important cultural landscapes.
- Increase tree canopy, provide greater connectivity of the green grid and increase the quantum of public and publicly accessible open space.
- Deliver required infrastructure.

The SEPP Amendment and associated masterplan have site specific merit as they:

- Will transform a predominantly brownfield site while protecting known environmental and cultural values within site and on adjoining properties.
- Will deliver a range of land uses suitable to the site and locality that will:
 - Generate 2,064 new jobs including 821 jobs in the tourism sector.
 - Deliver 1,719 tourist and visitor accommodation rooms.
 - Provide residential land to meet the housing targets and a diversity of housing typologies and affordability.
 - Provide 78% of the site as open space and ecological connections enhancing the environment of Kurnell Peninsula.
- Will deliver significant community and cultural benefits.

The SEPP Amendment is consistent with the overarching strategic objectives of the Greater Sydney Region Plan and South District Plan.



THE VISION

Embedded in the unique coastal landscape of the Kurnell Peninsula, this mixed-use community will be structured by a sequence of engaging urban and natural spaces that will provide a vital connection with the regenerated coastal landscape.

PTW Masterplan Page 6



KURNELL THE OPPORTUNITY

Transforming the site into a mixeduse destination - delivering economic, environmental and social benefits.



The planning framework for the site under SEPP Kurnell Peninsula was established in 1989. It is outdated and does not align with the current statutory planning framework. There is a need for change and an imperative to provide a strategic framework to implement the vision and masterplan for the site.

The SEPP Amendment provides the mechanism to transition the site from SEPP Kurnell Peninsula 1989 to the Sutherland LEP.

This strategic framework sets out the strategic merits and justification to enable the SEPP Amendment to proceed.

The profound benefits of this will be:

- Sympathetic development of the site to create employment, tourism, and housing opportunities that celebrate the unique environmental and cultural settings of the land.
- A relief valve to Sutherland Shire housing supply stress, with the delivery of a range of housing typologies across three distinct precincts.
- Local employment opportunities with over 2,000 new jobs in tourism, retail, and aged care industries – dramatically increasing employment densities on site and providing a diversified economic base for the local community.

Realisation of Kurnell as a 'coastal destination zone', delivering on Council's priority for the Kurnell Peninsula. The site location will be complimented by a mix of residential and tourist accommodation supported by small local retail and commercial precents and a variety of restaurant and dining options to cater for the relaxed, entertainment lifestyle.

An explanation of the planning framework and how it will deliver the vision for the site is explained in **Appendix A**.

KURNELL THE OPPORTUNITY

This place-based masterplan will unlock the potential of Kurnell and celebrates a holistic and Country-led approach to the future of this land.

This includes:

Working with the Traditional Custodians of the land to deliver a major, permanent reconciliation initiative on the Kurnell Peninsula.

Designing with Country to plan and manage the open space and built environment, resulting in 78% of the site as open space or environmental connections.

Dedication and rehabilitation of part of Lot 2 North as Coastal Wetland.

Four kilometres of walkways and cycleways, connecting the coastal link from Cronulla to Kamay-Botany Bay National Park.

Major infrastructure upgrades, including the widening of Captain Cook Drive and upgrades to intersections in the Sutherland Shire.

Dedication of 22 hectares of private beach front to public ownership and restoring public access to the waterfront for the first time.

These public benefits will be delivered through a Planning Agreement, consistent with the submitted Public Benefit Offer.

A draft Planning Agreement will be prepared for consideration by Council and the Minister following initial community and stakeholder engagement.



INTRODUCTION

The SEPP Amendment will facilitate the transition of a State significant site into a new coastal community. The masterplan incorporates employment opportunities, housing diversity, tourist and visitor accommodation; supported by infrastructure, environmental linkages, green corridors, landscaped open space and community facilities.

This Strategic Assessment Report has been prepared by Urbis Pty Ltd on behalf of Besmaw Pty Ltd (**the Proponent**). It forms an addendum to the Urbis Report *Amendment to the SEPP (Kurnell Peninsula) 1989* (**SEPP Amendment Report**) submitted to Department of Planning, Industry & Environment (**DPIE**) in August 2020.

This Strategic Assessment Report has been prepared in response to an invitation by DPIE to further articulate the strategic merit of the SEPP Amendment.

In doing so, we have addressed the four key matters, raised by DPIE, as being of strategic significance:

- 1. Housing density and affordability.
- 2. Employment opportunities.
- 3. Availability of Infrastructure.
- Enhancement of the environment and delivery of community benefits.

This report also identifies inadequacies and errors in the peer review process.

This report provides a comprehensive response to the strategic planning matters that relate to the site and the site's context within the Kurnell Peninsula and the Sydney South District.

This report confirms the strategic significance of the site; establishes the strategic framework and demonstrates the strategic and site-specific merit of the proposed land uses and place-based masterplan approach.



A State significant site with a rich history and bright future

In June 2017, Anthony Roberts (former NSW Minister for Planning), "...determined that the SEPP Amendment deals with matters of State or regional significance or of environmental planning significance to the South District."

- For 160 years the Holt Family has had ownership of the site.
- The site is unique in the Sutherland Shire and the Sydney Metropolitan area as it is a 210-hectare land holding held in single ownership.
- The Holt Family has a strong connection with the Sutherland Shire and long history of community involvement, environmental management and economic contribution.
- Exploration of a new strategic direction for the site is driven by the underlying strategic position and value of the land; the evolution of the Kurnell Peninsula away from heavy industrial activity and a need to sustainably transition from the historic extractive industries.
- In the absence of any contemporary strategic planning direction for the site, the SEPP Amendment process was identified as the mechanism to set the future strategic land use framework for the site.
- The SEPP Amendment and the masterplan, recognise the cultural significance of Kurnell, in balance with creating a new community. It celebrates the natural environment, delivers affordable and diverse housing choices, a range of tourism and employment opportunities and establishes a framework for infrastructure delivery.

REVIEW OF SEPP KURNELL



"...the SEPP review process will set the strategic land use framework for the site, within the context of the broader Kurnell Peninsula and South District"

Stephen Murray (DPIE) to Urbis - 25 September 2017

The process to amend *State Environmental Planning Policy (Kurnell Peninsula)* 1989 (**SEPP Kurnell**) commenced in 2016, at a time when there was no clear State or local strategic planning framework.

This process set the parameters for site specific investigations and masterplanning to determine the land use framework for the site.

Regional and District plans for the Sydney Metropolitan area were in development when the SEPP Amendment process commenced. A process that was confidential. When completed, the Regional and District plans provided no strategic direction for the site. Hence, the SEPP amendment process remains the most relevant and appropriate way forward.

In essence, the SEPP Amendment delivers a placebased strategy for the site which connects with the wider Kurnell Peninsula and the broader context of the Sutherland Shire.

The intended outcome of the SEPP Amendment is to create a strategic land use framework that will:

- Apply contemporary land use zones to the site.
- Introduce additional uses.
- Dedicate private land for public open space purposes.

- Protect and enhance the environmental and cultural attributes of the site.
- Create an attractive, vibrant, robust and sustainable community in the Sutherland Shire.
- Create an environment that encourages healthy lifestyles.
- Create environmental linkages that connect with the wider green grid.
- Deliver physical and community infrastructure.
- Reflect the emerging urban character of Kurnell Peninsula.
- Develop within the environmental capacity of the site.
- Provide guidance for the sustainable development of the site.

The SEPP Amendment Report and masterplan were informed by the site specific and broader studies, prepared in response to the DPIE issued scope for technical studies. The methodologies prepared by Besmaw' technical consultant team, were endorsed by DPIE in July 2019.

The SEPP Amendment Report demonstrated an evidence-based, place making approach, consistent with the economic, environmental and social priorities and objectives of the Sydney Region and District Plans.

The masterplan also aligns with a variety of Government policy objectives, including:

- Draft Connecting to Country Framework.
- Greener Places Guideline.
- NSWGA Better Placed Design Guideline.
- NSW Visitor Economy Strategy 2030
- Future Transport Strategy 2056.

SEPP KURNELL REVIEW

INTENDED V ACTUAL PEER REVIEW PROCESS

The peer review process had clear objectives and drivers. These were not achieved.

Intended process and outcomes of the Peer Review Report

Strategic merit assessment

- Consideration of strategic merit for future outcomes on site.
- Consideration of how the proposal can help deliver Metropolitan and District housing & employment targets.

Technical assessment

- Assessment of context, methodology and technical considerations to develop a strategic framework.
- Consideration of ecology, bushfire, transport, urban design, economic demand, engineering etc.

Strategic framework for future

- Recommend strategic framework for the future use of the site.
- Inform strategic and statutory policy and directions to effect land use change.

Actual Peer Review Report Consideration of Site not identified masterplan for in pre-existing future strategic strategic framework and documents outcomes on site No strategic iustification for proposal

PEER REVIEW INADEQUACIES

The Statement of Requirements issued to the peer review identified that DPIE was...undertaking a review of State Environmental Planning Policy (Kurnell Peninsula) 1989 to provide a strategic framework and land use controls for the Besmaw site.

Terms of Reference	Peer Review Adequacy	
Review of the draft masterplan, and supporting technical studies, for consistency with best urban planning methodologies and practices.	No. The Peer Review Report does not in any meaningful way engage with or provide commentary on the draft masterplan and technical studies. Further, the Peer Review Report does not reflect the presentations and commentary on the draft Peer Review findings to the Department, Project Control Group and Besmaw on 24 November 2020 where the positive attributes of the masterplan were described and discussed.	
Review of the adequacy of the approaches adopted in the masterplan to ensure a comprehensive consideration of options.	No. While the Peer Review Report on the one hand notes that thesite is suitable for some form of redevelopment it provides no clear analysis to the merits or otherwise of the proposed land uses; does not critically appraise the masterplan; nor does it present options or alternatives for development.	
Confirm the application of DPIE's adopted methodologies in the masterplan and technical studies, and the validity of their results.	No. The Peer Review Report identifies further technical matters that are required to be addressed. These are matters of design detail and are able to be addressed to enable the SEPP Amendment and draft masterplan to be placed on public exhibition (Appendix B).	
Advise and recommend improvements to the masterplan, including additional requirements and steps to ensure optimum community and environmental benefit.	No. The Peer Review Report does not identify opportunities to improve the masterplan and fails to identify, or consider or respond to the broad strategic merit of the proposal and the proposed cultural, community and public benefits (Appendix C) which are key elements of the masterplan and SEPP Amendment.	
Make recommendations (based on the technical studies and masterplan) for appropriate zoning, built form controls and local provisions for inclusion in a SEPP amendment to the Sutherland Local Environmental Plan 2015.	No. The conclusions and recommendation of the Peer Review Report, that the SEPP Amendment not proceed at this stage as it is not supported by relevant strategic planning documents is a flawed proposition. The SEPP Amendment process was initiated to set the strategic framework for the site.	
	The temporal relationship between the SEPP Amendment process and preparation of strategic planning documents is shown in Appendix D .	
	The review fails to deliver on the primary objective to make recommendations (based on the technical studies and masterplan) for appropriate zoning, built form controls and local provisions.	

STRATEGIC CONTEXT & DRIVERS

Greater Sydney Region Plan A Metropolis of Three Cities

GSC, March 2018

The 40 year vision and 20 year plan to manage growth and change across Greater Sydney. It sets a number of directions around liveability, productivity and sustainability.

- Infrastructure aligns with forecast growth (Objective 2).
- Services and infrastructure meet communities' changing needs (Objective 6).
- Communities are healthy, resilient and socially connected (Objective 7).
- Greater housing supply (Objective 10).
- Housing is more diverse and affordable (Objective 11).
- Great places that bring people together (Objective 12).
- Environmental Heritage is identified, conserved and enhanced (Objective 13).
- Creating walkable and 30-minute cities (Objective 14).
- Industrial and urban services land is planned, retained and managed (Objective 23).
- Economic sectors are targeted for success (Objective 24).
- The coast and waterways are protected and healthier (Objective 25).
- Biodiversity is protected (Objective 27).
- Scenic and cultural landscapes are protected (Objective 28).
- Urban Tree canopy cover is increased (Objective 30).
- Public open space is accessible (Objective 31).
- The Green Grid links (Objective 32).
- Energy and water flows are captured, used and re-used (Objective 34).
- More waste is re-used and recycled to support the development of a circular economy (Objective 35).

South District Plan

GSC, March 2018

A 20-year plan to manage growth in the context of economic, social and environmental matters for the Southern City to fulfill the vision of the Greater Sydney Region Plan.

- Planning for a city supported by Infrastructure (Planning Priority S1).
- Providing services and social infrastructure to meet people's changing needs (Planning Priority S3).
- Fostering healthy, creative, culturally rich and socially connected communities (Planning Priority S4).
- Providing housing supply, choice and affordability, with access to jobs, services and public transport (Planning Priority S5).
- Creating and renewing great places and local centres and respecting the District's heritage (Planning Priority \$6).
- Retaining and managing industrial and urban services land (Planning Priority S10).
- Supporting growth of targeted industry sectors (Planning Priority S11).
- Delivering integrated land use and transport planning and a 30-minute city (Planning Priority S12).
- Protecting and improving the health and enjoyment of the District's waterways (Planning Priority S13).
- Protecting and enhancing bushland, biodiversity and scenic and cultural landscapes and better managing rural areas (Planning Priority S14).
- Increasing urban tree canopy cover and delivering Green Grid connections (Planning Priority S15).
- Delivering high quality open space (Planning Priority \$16).
- Reducing carbon emissions and managing energy, water and waste efficiently (Planning Priority S17)
- Adapting to the impacts of urban and natural hazards and climate change (Planning Priority S18).

Future Transport Strategy 2056

TfNSW, 2018

The 40 year vision, directions and outcomes framework for customer mobility in NSW.

- Improved customer experience (Outcome 1).
- Transport enhancing the liveability, amenity and economic success of communities to create great places (Outcome 2).
- Transport supporting economic activity and productivity (Outcome 3).
- A safe, high performing, efficient, transport network (Outcome 4).
- Accessible, inclusive transport (Outcome 5).
- An economically and environmentally sustainable transport network contributing to emissions reductions (Outcome 6).

STRATEGIC CONTEXT & DRIVERS

NSW Visitor Economy Strategy 2020

NSW Government

The NSW Government's vision is to be the premier visitor economy in the Asia Pacific contributing \$65 billion in total visitor expenditure by 2030, with \$25 billion in regional expenditure.

Guiding Principles

- Put the visitor first.
- Accelerate digital innovation.
- Move fast, be responsive and agile.
- Lead with our strengths.
- Collaborate with industry and government.

Ambitions

- Economic prosperity, jobs and lifestyle opportunities for the people of NSW.
- A compelling destination brand and iconic and world renowned visitor experiences.
- Sustainable visitor destinations and world-class infrastructure.
- Vibrant tourism, transport, retail, sports, events, 24hour economy, arts and creative industries.
- Globally connected business and education sectors.

Local Strategic Planning Statement

Sutherland Shire Council

A 20-year vision supporting planning priorities and actions for land use planning in the city.

- Align Planning to Existing Infrastructure (Planning Priority 1).
- Managing traffic congestion and parking (Planning Priority 2).
- Collaborative partnerships (Planning Priority 6).
- Respect local character (Planning Priority 7).
- Open space and sporting needs (Planning Priority 8).
- Community connections (Planning Priority 9).
- Housing choice (Planning Priority 10).
- Attractive and distinctive centres and places (Planning Priority 11).
- Grow industrial and urban service jobs (Planning Priority 15).
- Connected transport networks (Planning Priority 16).
- Grow tourism (Planning Priority 17).
- Waterways and beaches quality (Planning Priority 18).
- Aboriginal heritage, natural habitats and landscape (Planning Priority 19).
- Urban Tree Canopy (Planning Priority 20).
- Green Grid connections (Planning Priority 21).
- Efficiency and Innovation (Planning Priority 22).
- Manage risks from hazards (Planning Priority 23).

Housing Strategy 2020

Sutherland Shire Council

Monitors performance to 30 June 2020 against the 5 year housing target and provides an indication of the remaining capacity under the current controls.

- To meet the current and future needs of an ageing population.
- To deliver Council's 'Ageing Well Strategy'.
- To meet the current and future needs of smaller sized households.
- To meet the community need for increased housing choice.
- To consider environmental constraints in nominating locations for additional housing
- To facilitate the use of public transport and the efficient utilisation of existing and future infrastructure

*NOTE: The Housing Strategy 2020 has been prepared to inform the Local Housing Strategy 2036 to be prepared by June 2021. The Housing Strategy 2020 has not been prepared in accordance with the requirements of the Local Housing Strategy Guideline.

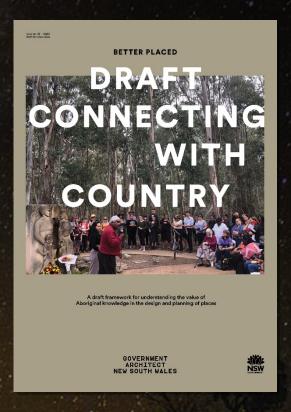
STRATEGIC MERIT CONNECTING WITH COUNTRY

Besmaw's proposal provides an unrepeatable opportunity to correct the imbalance in how Australia's history is memorialised and represented. This will be achieved through close consultation with First Nations people and through collaboration with the local indigenous community to guide and develop agreed cultural outcomes.

The SEPP Amendment process presents a meaningful opportunity to Connect with Country in a profound way.

"It aims to rebalance the perspectives and recognition of Indigenous stories that are currently significantly underplayed and under-acknowledged by comparison to the dominant European narrative."

Designing with Country, GANSW.



STRATEGIC MERIT HOUSING

The SEPP Amendment is consistent with this context as it will supply housing diversity and does not compromise environmental values. The proposal provides a choice of housing typologies and tenures including 5% affordable housing, seniors living and low, medium and high-density housing.

Housing will be developed within 100+ hectares of open space, public spaces and environmental linkages; supporting healthy and prosperous communities for the wellbeing of people, community and Country.

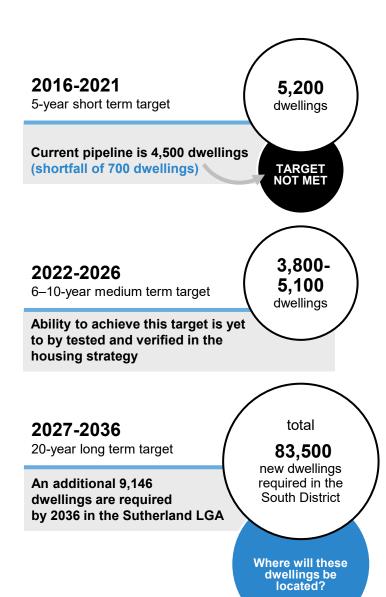


STRATEGIC CONTEXT HOUSING SUPPLY

The Greater Sydney Commission sets housing targets for each District. Council is mandated to implement planning controls which will deliver housing, in line with the set targets.

There is insufficient available land to meet the housing demands of the Sutherland Shire in the medium to long term.

- The housing targets for Sutherland are not being achieved and the gap between supply and demand is widening.
- There are limited opportunities to deliver diverse housing options despite strong demand.
- Without a strategy that identifies unconstrained land for future residential opportunities there will be:
 - Increasing pressure to develop land on the fringes of the Shire, that are typically environmentally sensitive and bushfire risk areas;
 - Rezoning of existing low-density neighbourhoods to accommodate increased density threatening the character of the Shire; or
 - Residential development in B3 Commercial Core zones which will erode supply of employment land in centres in order to increase housing supply.

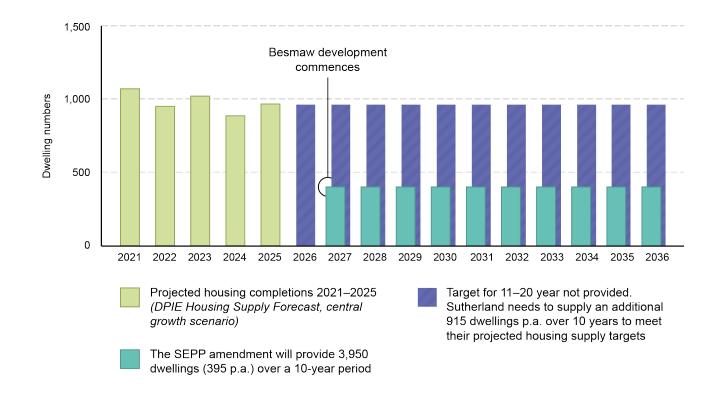


STRATEGIC CONTEXT HOUSING TARGETS

Sutherland Shire has insufficient available residential land to meet the 2026-2036 residential housing targets.

Council needs to supply 13,896 dwellings between 2021-2036.

The SEPP Amendment will unlock available land to supply 28% of the required housing.



STRATEGIC CONTEXT **HOUSING LOCATIONS**

The draft Housing Strategy 2020 identifies potential 'un-tested' locations where additional housing could be accommodated.



But at what cost?

Some solutions proposed by Council include:

landscaping to 20%

density residential character and results in adverse amenity impacts.

Bushfire Prone land

Alternatives on the fringe of the Sutherland Shire would locate new homes in sensitive and environmentally constrained locations.

Gymea

Currently the LEP requires 60% commercial floor space in the B2 Local Centre. The potential LEP amendments reduce this to "active frontages".

This erodes the intent of the zone.

Engadine

Commercial Core.

centres hierarchy.

Reducing the commercial floor space in

centres – proposed changes allow 100%

This is fundamentally inconsistent with

the intent of the zone and erodes the

residential flat buildings within the B3

Pinnacle Street Precinct

Developers required to acquire approximately 6 landholdings to facilitate the built form outcome sought by Council.

This relies on large lot amalgamation.

Miranda

A number of changes are proposed in small pockets in Miranda.

Many of the nominated sites are either recently developed, under construction or approved and not commenced.

It is unlikely that these sites would be redeveloped to any significant alternative density in the near future, given the recent development activity.

Reduced landscaping

Provide townhouses on internal lots by reducing

A reduction in landscaping erodes the low-

Increasing bushfire risk to new dwellings.

STRATEGIC CONTEXT HOUSING CHARACTER



New high density supply will compromise the character of existing places

- The shortfall and limited supply of unconstrained land places increasing pressure on existing communities.
- The draft Housing Strategy 2020 highlights;

"the need to identify new locations for residential flat buildings as this form of housing will be difficult to deliver after 2030/2031 when it is estimated that the capacity of the existing zone is exhausted."

It also reiterates:

"Due to the lag between identifying suitable land and housing delivery, to ensure an on-going housing supply pipeline which responds to the demand for smaller and conveniently located dwellings, it is prudent to start identifying new opportunities for R4 land now."

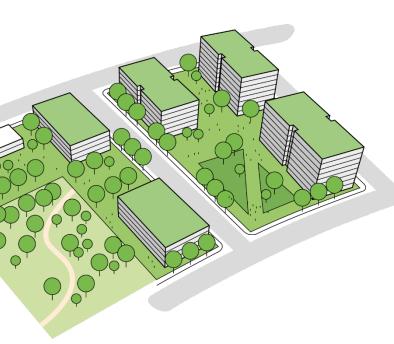
New supply in greenfield areas is environmentally and economically compromising

- Limited land supply restricts opportunities for new dwellings, despite strong demand.
- The shortfall and limited supply of unconstrained land is leading to an undersupply of housing stock.
- There will be increasing pressure on environmentally sensitive and bushfire prone areas on the fringes of the Shire to supply low density housing.
- Council's identified solutions require a reduction in landscaping, loss of mature trees and fragmentation of land, and will only accommodate a small portion of the required housing.
- This is contrary to Council's objective which is:

"to deliver housing without a dramatic change to the Sutherland Shire's existing character and whilst preserving the environmental qualities."

Council's housing shortfall can be solved through SEPP Amendment, without eroding the existing character. The masterplan demonstrates an outcome that it is consistent with other areas in the Shire, including medium to high density development in appropriate locations. Such as Cronulla, Sutherland and Miranda.

STRATEGIC MERIT HOUSING DENSITY & DIVERSITY



The masterplan presents a vision for a new community to be established within a landscaped coastal setting.

Housing density

- The site is mapped as an **Urban Area** on the South District Structure Plan.
- The peer review supports low-medium residential density, affordable and seniors housing on the site. However, it fails to recommend what form this should take.
- The peer review states,

"the site provides a good opportunity to accommodate some form of redevelopment"

The draft Housing Strategy 2020 states that

"concentrated housing forms have environmental benefits over dispersed housing models".

The SEPP Amendment proposes a residential FSR of 0.23:1.

- Typically, a residential development is low density if it has an FSR of 0.55:1 or less.
- The masterplan clusters building forms enabling 78% of the site to be available for open space and environmental corridors.



Housing diversity

- The LSPS and draft Housing Strategy 2020 identify a need to:
 - accommodate residential flat buildings;
 - provide housing choice through increased multi-dwelling housing; and
 - collaborate with agencies to deliver seniors housing.
- The SEPP Amendment proposes an R1
 General Residential zone which permits a
 variety of housing typologies that are required
 to meet the long-term housing needs of the
 Shire.
- As the masterplan will likely be delivered over a 10 – 20 year period, the land use zoning needs to be established now in order to support diversity in housing choice to meet future market demands.

STRATEGIC MERIT A DESIRABLE PLACE TO LIVE

"Well-designed built environments make sound economic sense. They contribute to our health and wellbeing and to successful and thriving places. They respond to the needs and aspirations of people and communities; are made up of attractive buildings and spaces we visit often and feel comfortable in; include quality open spaces, facilities and streets we can easily access and relax in; support good growth and productivity; enhance our comfort through green infrastructure; provide a diversity and mix of neighbourhoods; increase our ability to walk and cycle to local services; and adopt sustainable and resilient practices to minimise our impact on the environment and sustain it for future generations."

Design and Place SEPP EIE

The intended development outcome:

- Delivers a lifestyle destination like that of many coastal towns, such as Manly, Central Coast, and Jervis Bay. These highly desirable coastal destinations are nestled amongst the natural beauty of the beach, bay and National Parks. These are places people want to live. These destinations are akin to the vision for this site, as illustrated in the masterplan.
- Responds to the Sutherland draft housing strategy and to growing concerns about changing housing needs and affordability; and protection of the environment for future generations.
- Will create an inclusive community with a range of housing types and tenure.
- Creates public places to support engaged communities, through main street and three identifiable precincts.
- Embraces the opportunity for development to respond to local conditions and the wider urban and natural systems beyond the site.









The SEPP Amendment will set the platform for a rare and substantial opportunity to increase employment density and variety on Kurnell Peninsula.

Within the site a range of commercial, retail, tourist and service jobs will be created within a mixed-use environment, supporting growth in the local economy and providing opportunities for local jobs.

The SEPP Amendment provides a significant opportunity to meet the shortfall in commercial tourism accommodation.

Council's vision for Kurnell as a coastal destination zone can be realised by developing tourist-related infrastructure and services on the site, increasing visitation to Kurnell and the Sutherland Shire.

STRATEGIC CONTEXT & MERIT TOURISM

There is significant unrealised opportunity for tourism and tourist associated infrastructure in Kurnell.

Tourism - the need

- The NSW Government is committed to tripling 2009 overnight visitor expenditure by 2030.
- The Government have invested \$50 million in Kurnell, re-establishing the parkland and the ferry terminal and transport from Kurnell to La Perouse.
- Kurnell is identified in Council's LSPS as a coastal destination zone. This vision is supported by the Sutherland Shire Destination Management Plan 2015.
- There is clear strategic drivers and demand for tourism, but there is a significant undersupply of tourist accommodation within the Sutherland Shire, with a forecast shortfall of more than 2,500 rooms over the next 25 years. Kurnell's potential as a tourist destination remains almost entirely unrealised.
- Contrary to this vision and opportunity to support and grow tourism, Council
 places an emphasis on Kurnell to deliver industrial development,
 notwithstanding that use, is incompatible with the desire for a tourist destination
 zone.
- Kurnell has the natural attributes and location to deliver greater economic diversity and contribution.
- It is essential that tourist accommodation & tourist-related development is colocated with other appropriate land uses, such as residential & retail, to ensure the economic viability of these places.

Tourism – the opportunity

- The peer review acknowledges the site's potential to deliver short stay tourist accommodation.
- The SEPP Amendment will deliver up to 1,719 rooms across a mix of:
 - Hotel accommodation.
 - Serviced apartments.
 - Eco hotels.
 - Eco cabins.
- The SEPP Amendment, through a Planning Agreement, will deliver significant tourism opportunities and associated infrastructure, including:
 - Education and interpretation associated with Connecting to Country and the Aboriginal living culture.
 - Maritime science information and education centre.
 - New public pedestrian connections from Wanda Reserve to Kamay Botany Bay National Park, consistent with the LSPS.
- Tourist activity on the site will generate 821 jobs.

This directly aligns with and achieves the strategic vision to grow tourism as part of the coastal destination zone. It supports the outcomes of the *Sutherland Shire Destination Management Plan 2015* and leverages the Government's investment in Kurnell.

STRATEGIC CONTEXT EMPLOYMENT LAND

Opportunities for greater employment diversification and use of land are not being optimised.

- Kurnell was historically one the largest industrial precincts in the Sutherland Shire.
- Due to Kurnell's location on the isthmus and lack of co-located industrial services, there is a declining interest for heavy industries to establish their operations in this location. There has been an active decline and closure in recent decades.
- Kurnell is not suitable for major manufacturing, production, freight, logistics, warehousing and regional distribution as it is not close to critical industrial transport infrastructure.
- There has been a structural change in industrial operations and greater global competition and outsourcing. Kurnell's industrial landscape is moving towards high-tech industry and small-scale urban services activities.
- Kurnell presently has the lowest jobs density per hectare and the highest quantum of undeveloped industrially zoned land (109ha) in the Sutherland Shire.
- As noted by the GSC, the role of urban services land is to support the activities
 of local populations and businesses and such land is found across Sydney and
 notably, significant vacant and underutilised areas are present in Kurnell.
- Typically, urban services land are located close to surrounding residential and commercial centres as they rely on proximity to markets.
- The scale and land use mix for the site as presented will provide an adjacent market for low impact uses, commercial functions, new economy and creative uses within the industrial zoned land in Kurnell.
- With Kurnell having a current employment density of 4 jobs/ha, there is significant potential for greater job diversity and economic contribution to be generated from the development of the site.
- Facilitating such economic growth is consistent with the broader LSPS outcomes for Kurnell to support a broad range of local employment opportunities.





STRATEGIC MERIT EMPLOYMENT OPPORTUNITY

Growth Potential

- The existing operations on the site are nearing end of life.
- Except for Lot 8, the site is not identified as being zoned for industrial purposes, nor is it located within an Employment Land Precinct.
 Notwithstanding this, the Strategic Framework will provide significant employment growth for the Sutherland Shire and Kurnell.
- The SEPP Amendment provides a unique opportunity to:
 - Generate new and emerging economic contributions within Sutherland Shire.
 - Support the uptake of industrial land on the Kurnell Peninsula through the co-location of appropriate land uses as well as through the proposed investment in road infrastructure, improving transport connections and increasing the desire for new urban services to operate from the Peninsula.
 - Support the growth and redevelopment of the surrounding industrial zoned lands, and at the same time creating a range of new employment and complimentary service opportunities in the development of the site.

Employment Outcomes

- The SEPP Amendment would boost the local economy by creating 5,793 direct jobs and 23,267 indirect jobs, through construction.
- Approximately 2,064 permanent jobs will be created. This achieves an employment density of 12/ha, significantly exceeding the current employment density on the Kurnell Peninsula.
- Employment opportunities which are supported by residential typologies and supply, include:





Aged Care Sector 541 Jobs





Commercial Sector 71 Jobs

- The establishment of a new vibrant mixed-use community with diverse employment opportunities, will provide employment opportunities for residents of the precinct and within the broader Sutherland Shire.
- Co-locating residential and employment land uses will reduce work/home travel time and aligns with the strategic intent for creating jobs within 30 minutes of homes.

STRATEGIC MERIT CULTURAL EMPLOYMENT

Conversion of unused industrial land

- The SEPP Amendment includes the rezoning of Lot 8 from IN1 General Industrial to E2 Environmental.
- The land has never been used for any form of industrial or urban development, prior to or following the zoning of Lot 8 for industrial purposes in 1989. This is typical of the broader Sydney experience of undeveloped industrial land zoned IN1 General Industrial
- The peer review does not support the rezoning of Lot 8 due to the perceived "loss of industrial land" and inconsistency with the Section 9.1 Direction relating to Business and Industrial Zones.
- The SEPP Amendment is not inconsistent with the section 9.1 Direction as it will encourage employment growth within the site (251 and 270-272 Captain Cook Drive) and on adjacent land industrial zoned land. The SEPP Amendment will enable the establishment of new employment land uses within the site and provide the trigger for the development of underutilized industrial sites and encourage the emergence of urban services businesses within Kurnell.
- Rezoning of Lot 8 as proposed and the potential this provides to create employment opportunities in concert with the protection and celebration of the cultural and environmental significance of the that land, which are better aligned to the cultural and environmental features of the land rather than the current industrial zoning.
- The opportunity to develop Lot 8 for traditional industrial or urban service purposes is constrained by the cultural and environmental attributes of the

- site. In a qualitative sense the rezoning of Lot 8 is insignificant. Any perceived loss of opportunity will be offset by the employment opportunities to be delivered under the SEPP Amendment.
- The SEPP Amendment and supporting studies gave due consideration to the objectives of the section 9.1 Direction (1.1 Business and Industrial Zones) and demonstrated that there would be growth in employment generation and job density in Kurnell.
- The rezoning will enable sustainable employment opportunities to be created with the future management and use of Lot 8.
- Section 9.1 Direction provides flexibility in the application of the direction and enables a planning proposal to be inconsistent with the terms of this direction where the proposal is of minor significance. The rezoning of Lot 8 as proposed represents a loss of 0.17% of the 2020 total employment land supply in the Sydney metropolitan area and is insignificant in terms of impact and loss of industrial zoned land.
- The significant environmental, Indigenous cultural benefits and future associated employment opportunities that can be created through the rezoning of Lot 8 far outweigh any broad-brush requirement to retain land zoned for general industrial purposes.
- The proposed rezoning of Lot 8 enables the Indigenous cultural and environmental significance of the land to be recognised and celebrated.

STRATEGIC MERIT NATURAL ENVIRONMENT

The SEPP Amendment will deliver profound public and environmental benefits that directly align with the strategic intent for the South District, biodiversity and green grid linkages are established, with 78% of the site becoming available for open space and the protection of environmentally and culturally sensitive areas.



STRATEGIC CONTEXT THE NATURAL ENVIRONMENT

Improving the environmental values and quality of Kurnell are not secured by the current planning framework.

Increasing tree coverage and creating greener places

The State Government's Green Infrastructure Framework prioritises:

- The retention and expansion of urban tree canopy & delivering green infrastructure for climate change adaptation and resilience.
- Delivering green infrastructure for people (parks and open space) in proximity to residential land uses.

The South District Plan builds on the Green Infrastructure Framework, it emphasises:

- Expanding the urban tree canopy in public places will become even more important for supporting neighbourhoods, as the District continues to grow and the canopy comes under threat.
- Challenges to extending the urban tree canopy in public and private include the lack of sufficient space within existing street corridors and the competition with other forms of infrastructure.
- There is a need to improve community access to the coast and waterways within the district. Currently, access to these areas is limited in some locations in the Sutherland Shire.
- The lack of open space in proximity to high density residential which should be located within 200 metres and all dwellings should be within 400 metres.
- Prioritising placed-based planning including bio-retention and harvesting stormwater creates opportunities to green public open spaces.

Protecting and enhancing biodiversity & connecting the Green Grid

- The South District Plan prioritises the delivery of 'Green Grid' connections.
- There is also a need to restore and reconnect areas of habitat in established urban areas.
- Adopting a place-based approach is necessary to achieve the best sustainability outcomes
- Protecting the health of waterways, including aquatic biodiversity. Access to waterways should not compromise the integrity of environmentally sensitive aquatic and riparian habitats.
- The LSPS drives the establishment of a network of green connections between open spaces, natural areas, waterways and urban places to encourage healthy living.
- The LSPS acknowledges the long-term outcome of expanding the green grid requires investment in shared cycle ways, walkways, boardwalks, street planting and public domain improvements from both public and private.
- Council's update to the Sutherland Local Environmental Plan seeks to give statutory effect to the Green Grid to retain and enhance canopy cover and facilitate pedestrian and cycle links.

STRATEGIC MERIT THE NATURAL ENVIRONMENT

Delivery of Tree Canopies and Greener Places

- The progressive rehabilitation of the site provides significant opportunity for large scale tree planting in both public and private spaces, prioritising indigenous species consistent with Designing for Country.
- The land use mix and clustering of built form creates significant areas for open space, green linkages, restoration and regeneration.
- Consistent with the strategic direction for green places, the SEPP Amendment will:
 - Deliver 78% of the site as open space in varying forms.
 - Provide high quality and consolidated active open space areas.
 - Locate residential accommodation within 200m 400m of open space.
 - Provide walking and cycling links through the site and access across the Kurnell Peninsula.
 - Result in the dedication of 2km of private beach front to public ownership, delivering the final link in this part of the coastal walk from Kurnell to Cronulla.
 - Restore the frontal coastal dune.
 - Allows for the creation of greener spaces in the street network through bioswales and bioretention ponds; creating a water sensitive urban design and resilient community.

Protecting and enhancing biodiversity & connecting the Green Grid

- Future redevelopment will conserve and enhance the adjacent biodiversity corridors and those located within the site. This will be achieved through:
 - Protection of remnant vegetation values through the proposed E2 Environmental Conservation zones.
 - Investment in connecting vegetation corridors delivering on the Green Grid through the proposed east-west and north-south connections, linking Kamay Botany Bay National Park to Cronulla State Park.
 - Preserving and enhancing coastal ecosystems through biodiversity buffers.
 - Create a healthy urban environment, which encourages social interaction and improves the community access to places for recreation.
- The opportunities to deliver significant open space and linkages cannot be achieved without a place-based transformation of the site and a broadening of the permissible land uses.
- The preservation of the surrounding scenic landscape, will enhance the localities tourism and recreation values, consistent with the intended outcome of the coastal destination zone.



Besmaw will fund major infrastructure upgrades in line with the planned growth and development of the site. This includes site infrastructure, the expansion of Captain Cook Drive and upgrades to intersections in the local road network.

STRATEGIC CONTEXT & MERIT

INFRASTRUCTURE INVESTMENT & DELIVERY

Infrastructure will be delivered in line with development.

Current Infrastructure Pressure

- Vehicle access to and from Kurnell is via Captain Cook Drive only (one road in, one road out) and is easily subject to disruption.
- The Kurnell community has repeatedly called on local and State Governments to improve access to the Peninsula.
- Council's LSPS nominates Kurnell as a coastal destination zone without any support for transport upgrades.
- The coastal destination zone relies on availability of Boat Harbour to which there is no general public access to the beach.
- Without adequate local road infrastructure and unrestricted access to the beach, the pressure on the existing road network will remain.
- The LSPS acknowledges that employment opportunities are not fully realised due to limited infrastructure and publicly available land.

Integrating land use and infrastructure planning

- A key strategic direction is to improve the alignment of land use and infrastructure planning. This is "to ensure that jobs and housing growth are supported by infrastructure investment at the right time and in the right place." – State Infrastructure Strategy.
- Presently there is an absence of strategic direction at a local and State level guiding the future land uses within the site. Consequently, the District Plan does not identify any State funded initiatives for infrastructure upgrades for the site or Kurnell more broadly.

The SEPP Amendment will facilitate the progressive urban development of the site and the associated delivery of the required social and physical infrastructure to service the site.

Transport Infrastructure – Creating a 30 minute city

- Section 9.1 Direction requires land uses to be colocated with housing, jobs and services by walking, cycling and public transport. New housing should be within 400 metres of a bus route accessing a railway station served every 20-30 minutes.
- Kamay-Botany Bay bus services operating on Kurnell Peninsula have recently been upgraded to every 15-30 minutes in the 987 Cronulla to Kurnell Loop. This route services the site today and can over time be expanded as demand grows. The road layout presented within the masterplan accommodates the diversion of the bus route through the site.

The SEPP Amendment includes a clear commitment to deliver public transport to the site, to provide public car parking and public access to Boat Harbour Beach and to fund future intersection and road upgrades, including the expansion of Captain Cook Drive.

THE WAY FORWARD

DPIE

- Confirm the site-specific and strategic merit of the SEPP Amendment.
- Engage with the Proponent in a collaborative process to progress the SEPP Amendment.
- Provide guidance to the Proponent on the required amendments to the technical reports.

Engagement

- Minister for Planning and Public Spaces
- Key Stakeholders including Local member, indigenous community, Premier and Cabinet, Sutherland Council.
- Community engagement & public exhibition.

Development timeline

- The strategic framework and future redevelopment of the site aligns with the medium to long term strategic targets.
- The site will be progressively redeveloped over a 10 20 year timeframe.
- Infrastructure upgrades, including provision of public transport will be provided in line with the development of the site.
- A site specific DCP will be introduced to guide future built form outcomes.

THE FUTURE OF KURNELL UNDER EXISTING CONTROLS

There is an opportunity for coordinated, place-based approach to deliver a new narrative for the site. The potential strategic benefit of this approach will be lost without clear strategic direction for the site.

- Without an alternative sustainable strategic narrative to the controls currently provided under SEPP Kurnell it is the landholders' prerogative to realise the underlying economic value of the site in the short to medium term. Such directions could include pursuing:
 - Super lot subdivision with resulting fragmentation of this unique land holding;
 - Progressive planning applications by multiple applicants following super lot subdivision;
 - Planning applications for development under SEPP Kurnell including the combination of land uses permitted under current land use zones and clause 33 including residential accommodation in association with tourism; and
 - The continuation of extraction of sand resources and/or expansion of operations including further quarry activities and/or recycling.

- These options are not consistent with the principles that underline place making strategic outcomes generally or those developed in the Strategic Framework for the site.
- The Strategic Framework has the advantage of not relying on the often difficult process of amalgamating sites for a precinct based/masterplan approach.
- The alternative options available to the landholder for the development of the site under current planning settings, will not deliver the significant environmental and community outcomes that will be possible under the Strategic Framework.



APPENDIX A - MECHANISM FOR DELIVERY

Flexibility in Planning Controls

The aim of proposed amendments to the SEPP in Chapter 7 of the proposal was not to be overly prescriptive and to allow flexibility in the delivery of the masterplan but to provide controls and guidance through site specific provisions and DCP controls.

The combination of the proposed land uses zones, environmental protection provisions and amendment to Schedule 1 enables the renewal of the site and the delivery of the vision presented in the masterplan presented in this planning report.

The following key parameters informed the proposed planning controls:

- The planning controls ensure the objectives of the key strategic documents can be achieved, including Connecting with Country, providing significant open space, introducing appropriate housing typologies and increasing employment opportunities. To achieve these objectives flexibility has been built into the planning controls which will be informed by a future site-specific Development Control Plan to provide design guidance to future developers. This avoids limiting the development potential of the masterplan.
- This is a long-term project with 10-20 year development horizon, delivered in stages. It would be inappropriate to 'lock in' the masterplan at this stage with prescriptive standard instrument controls.
- The flexibility in the planning controls will not result in the loss of the proposed public benefits. The public benefits will be realised and legislated through the future Voluntary Planning Agreement. The public benefits cannot be achieved without the proposed land uses on the site. This results in a mutually beneficial outcome for both the community, landowner and other relevant stakeholders.

- The R1 General Residential zone is a standard instrument LEP zone that permits a diverse range of housing choices. This zoning has been used in DPIE led masterplanning and rezoning projects, including the south west growth centre and north west growth centre. This zoning is considered appropriate due to the diverse range of land uses proposed to create a community supported by employment and community benefits.
- This compares to the specific residential GFA limit of 56,000 sqm in SP3 zone which supports the proposed tourist infrastructure. A site only limited to tourist land uses is not viable. Residential land uses support business and the tourism sector, to create a vibrant and successful community.
- Concurrent with the translation of land uses zones into Standard Instrument zones to achieve the development scenario, it is proposed to amend the land use zone applying to Lot 8 from IN1 General Industrial to E2 Environmental Conservation. This will help protect the environmental and cultural heritage located on the land.

It is considered that the proposed flexibility in amendments to the SEPP and future VPA to ensure the public benefit offer is delivered, is the most appropriate mechanism for delivery of the SEPP Amendment. Besmaw is committed to working with DPIE to include any revised clauses and achieve a mutually beneficial outcome.

APPENDIX B - UPDATING TECHNICAL STUDIES

As instructed by DPIE, this report only demonstrates the strategic merit of the SEPP amendment. It is acknowledged we have not addressed the issues raised in the peer review by the technical consultants. These can be addressed during the subsequent stages of the SEPP amendment, before or after exhibition.

Transport

Transport for NSW and Ason's peer review did not specifically outline that the proposed GFA on the site could not be supported. Ason identified the following recommendations, to support the anticipated population:

- Transport upgrades, including potential shuttle buses.
- Upgrades to the road network.

The proponent is committed to funding the required upgrades to the road network. Further investigations would occur once the SEPP amendment is supported by the Minister to proceed to public exhibition.

Ecology

An initial assessment of Lot 8 was undertaken. Further assessment and surveys would be undertaken at subsequent stages, including how the biodiversity values of this area can be improved in consultation with First Nations people.

Consideration of the benefits and feasibility of increasing the buffer areas beyond the minimum requirements can be undertaken at further detailed design phases, it is noted that the building footprint is subject to change reflective of final studies and inputs.

Bushfire

As detailed in the bushfire assessment it will be updated once the future landform (slope) and vegetation have been determined at the detailed design phase. A Neighbourhood Safe Place (NSP) would be established east of the site, supported by the widening of Captain Cook Drive.

Indigenous Heritage

Due to the confidentiality of the SEPP Amendment, significant and open consultation with the Aboriginal community could not occur at this stage of the process. Besmaw did engage with an Aboriginal consultancy firm to discuss the masterplan and the inclusion of Lot 8.

Besmaw is fully committed to engaging with relevant stakeholders prior to public exhibition. As outlined, Lot 2 North does not contain any items of indigenous heritage.

Lot 2 South has historically been the subject of AHIP approvals, resulting in the salvage of middens from the site. This was undertaken in accordance with relevant statutory process, including consultation with the Aboriginal community.

Other technical reports

Site Capability

- Full historical records kept and processes implemented to ensure no contamination.
- Fill has been placed to account for future land uses.
- The site is not contaminated and is suitable for all land uses.
- The site is currently operating in accordance with current and valid consents.

Air Quality

 A more detailed assessment into the potential air quality impacts from traffic, and potential odour impacts from the Cronulla Wastewater Treatment Plant can be provided at detailed design phases.

APPENDIX C - SUMMARY OF THE PUBLIC BENEFIT OFFER

Item	Benefit	Timeframe
ROAD INFRASTRUCTURE	 Widening Captain Cook Drive to four lanes from the Elouera Road intersection to Boat Harbour Drive. Road intersection upgrades within the Sutherland Shire catchment, subject to future agreement. Public parking with pedestrian access to the beach and Boat Harbour. 	 Progressively as the site develops.
OPEN SPACE	 Dedication of the frontal dune, including Boat Harbour as a public beach. Total area of the dedication is almost 22ha or 214,504sqm and reaches back around 100m from the mean high-water mark. 	 Progressively as the site develops.
	 Dedication and rehabilitation of Lot 2 North Coastal Wetland. 	 Within two years of development commencing of the aged care precinct on Lot 2 North, as described in the masterplan.
	 Restoration of Lot 8 to reflect an approximation of pre-European settlement conditions on the peninsula as would have been experienced by the local indigenous population. 	 Within two years of rezoning of the site consistent with the masterplan.
INDIGENOUS HERITAGE	 Protection of Aboriginal Midden. Potential for Indigenous interpretation, awareness and education centre on Lot 8. Note: Ongoing management and ownership of Lot 8 to be subject to consultation with relevant parties. 	 To be determined in consultation with local indigenous community. Within two years of development commencing on the adjacent part of Lot 2 South, as described in the proposed masterplan.
COMMUNITY FACILITIES	 Marine Science Information and Education Centre near Boat Harbour. 5th Bate Bay beaches' Surf Life Saving Club facility. 	 Delivered consistent with the timing of the proposed Boat Harbour Precinct on Lot 2 South, as described in the masterplan. Temporary storage structure provided once dedication and management of the beach front is complete. Final structure delivered within two years of adjacent residential development, as described in the masterplan.
FINANCIAL SUPPORT	 Open space: It is proposed that development of the site would be under a community title arrangement to facilitate the management of the extensive areas of private open space within the site. Surf Club: Club building to contain commercial facilities including gym and restaurants etc to enable revenue streams that enable the facility to be self-sustaining. Indigenous Interpretation and awareness centre to be a revenue driver for the indigenous community and be self-sustaining. 	 Included in the proposed Development Control Plan (DCP) with the community title created as part of the subdivision process and managed by an authority. Delivered as part of the final club building. Delivered as part of the Lot 8 development.
PUBLIC WALK WAYS AND CYCLEWAYS	 4km of public walkways and cycleways. Connecting Cronulla to Kurnell, unrestricted public access on dedicated public pathways. 	 Progressively as the site develops.
AFFORDABLE HOUSING	 Affordable housing of up to 5% of the residential yield. Opportunities to explore rent to buy or similar housing tenures. 	 Progressively as the site develops.

APPENDIX D – SEPP AMENDMENT PROGRAM

The SEPP Amendment process was commenced with the intention of setting the new strategic planning framework for the site. It commenced prior to and continued during the formalisation of Regional, District and local strategic planning

policies. The SEPP Amendment process is a confidential project and has not been reflected in the various strategic documents developed in recent years. The site specific technical studies that have informed the masterplan for the site and the mix of

land uses proposed provide an evidence based for the land use framework and strategic direction. These technical studies were not finalised nor were they made public prior to the strategic documents being published.

