

Shellharbour Airport

Regionally Significant Employment
Precinct Profile





Acknowledgement of Country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Shellharbour Airport Regionally Significant Employment
Precinct Profile

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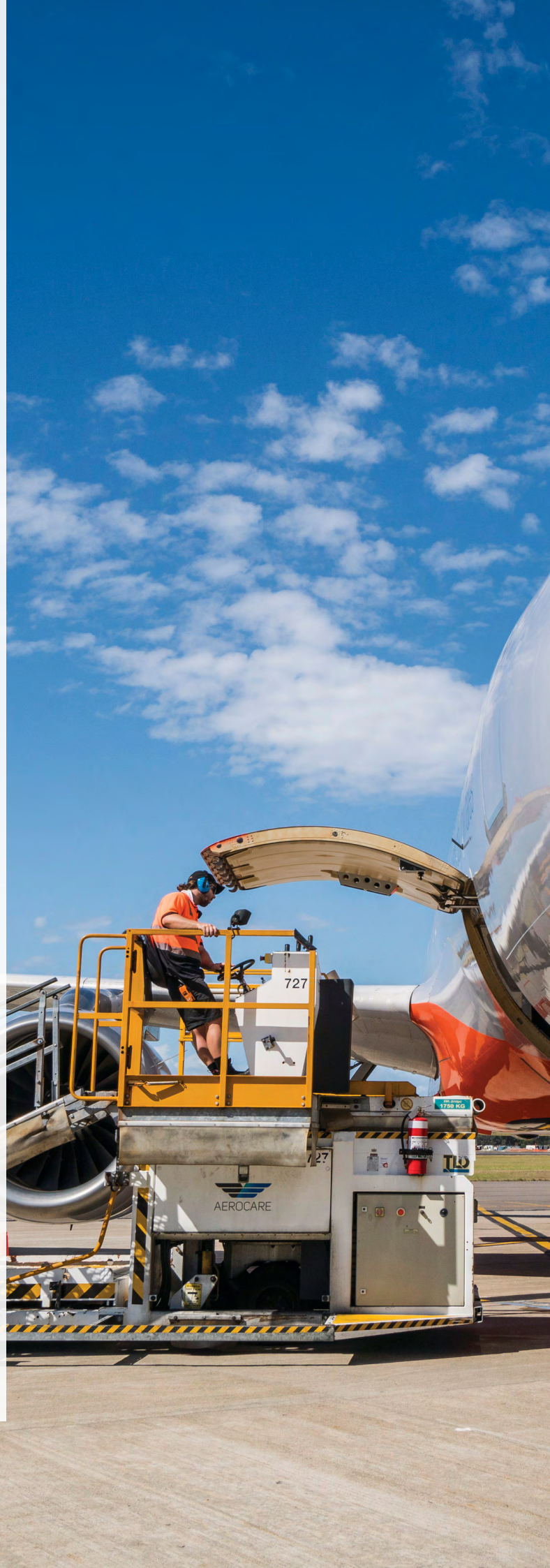
Image on front cover: Aerial view of Shellharbour Airport.

Credit: Shellharbour City Council.

Artwork (left) by Nikita Ridgeway.

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Executive summary

A regionally significant employment precinct profile has been prepared for the Shellharbour Airport precinct in accordance with Objective 4 and Action 3 of the *Illawarra Shoalhaven Regional Plan 2041*.

The profile seeks to grow the airport precinct into a vibrant business hub, leveraging the operations at Shellharbour Airport to support regional economic development, tourism, and employment.

The profile outlines the airport precincts' planning, economic and employment context, current and future role, and function (including growth constraints, opportunities, and recommended options to resolve challenges), and the role of collaboration in realising identified growth opportunities.

The profile identifies that the economic and employment growth outlook for the airport precinct is immense. Development to its full potential (including development of the Shellharbour Aviation Business Park and potential future Illawarra Regional Business Park) would see the growth of the airport precinct increase exponentially, generating transformative future employment and economic value for the region.

The constraints and challenges, future role and growth opportunities for the airport precinct were identified by key stakeholder survey responses, the inputs obtained as part of workshops, targeted individual engagement, and stakeholder review of the draft profile.

Key constraints and challenges identified for the airport precinct related to flooding and riparian areas, coastal wetlands, biodiversity, infrastructure, and servicing (or lack thereof), transport and access, land use conflict, private land ownership of surrounding lands, surrounding hard road infrastructure constricting airport/runway expansion, heritage, and housing (i.e. ensuring there is enough for new employees).

The profile identifies that Shellharbour City Council, and the Shellharbour Airport Advisory Committee are best placed (with help from other key

stakeholders as required) to work on implementing the solutions/options identified in this profile to address constraints, and unlock the future employment generating growth opportunities, including those faced by new investors to the precinct.

It is concluded that if executed successfully, effective collaboration to capitalise on the opportunities, and resolution of the constraints identified in this profile would generate profound future economic and employment value for the Shellharbour Airport and the Illawarra Shoalhaven region.

Passengers on the tarmac at Shellharbour Airport.



Key themes and recommended growth options identified in the profile are summarised below¹.



Expansion of airport businesses and infrastructure

- Investigate the potential for expansion of short haul passenger aircraft services to additional holiday destinations
- Prepare a funding strategy towards airport infrastructure upgrades, including extending the runways and developing an airport capable of accepting Code 4C aircraft
- Collaborate with key NSW Government agencies and peak industry bodies to access business concierge services and investigate new opportunities for businesses development and government funding
- Review the *Illawarra Regional Airport Strategic and Business Plan* to reaffirm the future strategic direction for growth of the airport, and
- Prepare a revised Master Plan for the airport precinct to provide certainty on the contemporary vision, objectives, and aspirations for the precinct's future over the next 20 years.



The Illawarra Regional Business Park (IRBP)

- Council and key NSW Government agencies to provide concierge services to assist any interested party to resolve development constraints and create a pathway forward to realise the future IRBP, and
- Prepare a staged infrastructure servicing and delivery plan for the IRBP.



Biodiversity

- Investigate the potential pathway and opportunities for land containing the Illawarra Lowland Grassy Woodland, such as via Biodiversity Stewardship Agreement(s), and
- Review the zoning of land containing areas of significant vegetation to ensure it is appropriately protected.



Transport, access, and place improvements

- Investigate provision of transport, access and place enhancements for the airport precinct and surrounds (including Albion Park train station and Albion Park Rail town centre) with a particular focus on pedestrian connections, signage and prominence of the airport's main entry, public transport services/shuttle buses and the potential establishment of a multi-modal transport hub.



Exploring the potential for the airport precinct to support the defence industry

- Continue to investigate opportunities to leverage the airport precincts' growth off existing and proposed defence assets in proximity.



Management of potential land use conflicts

- Review of zoning and local planning controls to (amongst other things) ensure potential land use conflicts with (and from) the airport's operations are effectively managed and zoning aligns with the desired future character of the area.

¹ This section summarises key recommended options only (some paraphrased). See the 'Opportunities and options to resolve challenges and support growth' section of this profile for the complete list.

PART 1

Introduction



The terminal of Shellharbour Airport. Credit: Shellharbour City Council.

The Shellharbour Airport is situated in the growing Illawarra Shoalhaven region.

Shellharbour Airport is a licensed airport, owned and operated by Shellharbour City Council (Council). The catchment area for the airport extends south to Nowra and beyond into the South Coast, west to Bowral and the Southern highlands broadly and north to the southern suburbs of Sydney.

The airport provides Regular Passenger Transport (RPT) services between Shellharbour-Brisbane and Shellharbour-Melbourne (Essendon Fields) via Link Airways and is home to a range of light aeronautics industries, emergency services and tourism operators.


Shellharbour Airport has been identified as a regionally significant employment precinct in the *Illawarra Shoalhaven Regional Plan 2041* (Regional Plan).

The Regional Plan identifies that the airport precinct by 2041, will be a vibrant business hub leveraging the operations at Shellharbour Airport, which can lead regional economic development, tourism, and employment.

The airport's location makes it ideal for servicing the Illawarra, South Coast, and south-western Sydney. Within the airport precinct, there is undeveloped land owned by both Council and private owners. If planned and developed in a collaborative and considered way, the airport precinct has the potential to generate significant future employment for the region.

Each precinct profile will identify each area's:

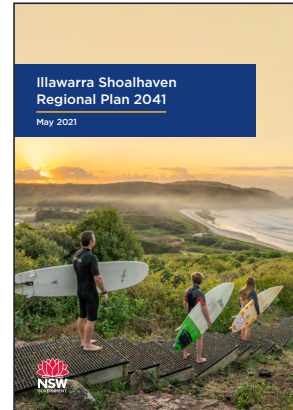
- future role
- land requirements to support targeted industries
- infrastructure servicing and water requirements
- existing land constraints (or attributes)
- enabling and simplified planning controls, and
- potential planning approval pathways to support simplification.

 Regionally significant employment precincts will support jobs growth and development and generate significant economic benefits for the community.

Retaining and managing employment land and creating flexible planning and development controls will respond to new opportunities and technologies, including catalytic investments.

The usability of employment lands depends on servicing, location and size, and constraints such as flooding, bushfire, and the location of biodiversity.

Precinct profiles will identify stakeholders and, where required, a precinct collaboration team to facilitate a whole-of-government approach to activate employment lands, coordinate infrastructure planning and delivery, and consider how underutilised developable sites can be used for new employment generating opportunities.



Objective 4:
Activate regionally significant employment precincts to support new and innovative economic enterprises.

Action 3:
Develop precinct profiles for the regionally significant employment lands and where required, establish precinct collaboration teams to activate land for economic growth

This document



Document purpose

The purpose of this document is to provide a regionally significant employment precinct profile for the Shellharbour Airport precinct in line with Objective 4 and Action 3 of the Regional Plan. The airport precinct extent is shown in **Figure 1** and has been chosen to generally align with that identified in the Regional Plan (page 65).

The airport precinct generally includes the airport and supporting infrastructure, surrounding businesses/operators (light aeronautics, emergency services, tourism etc), the Shellharbour Airport Aviation Business Park site and the potential future Illawarra Regional Business Park site (**Figure 1** and **Figure 4**).

The profile will also explore the economic and employment context of employment lands in proximity to the airport precinct, known as the surrounding employment lands (**Figure 5**). This generally includes (but is not limited to):

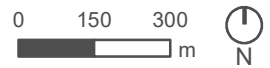
- E4 General Industrial zoned land immediately adjoining the airport precinct to the east
- E4 General Industrial zoned land in Albion Park Rail (including E4 land across the Princes Highway to the east, and between Princes Highway and the Princes (M1) Motorway East West Link, approximately 1.8km to the south-east)
- E4 General Industrial zoned land at Oak Flats
- adjoining RU1 Primary Production zoned land to the north-west up until the Princes Motorway (M1) which is currently used for employment purposes, and
- business zoned land in Albion Park Rail and the Albion Park town centre.

Photo credit: Shellharbour City Council.





Figure 1: Shellharbour Airport Precinct



-  Railway station
-  Railway
-  Road
-  Shellharbour Airport Regional Employment Precinct

PART 2

Planning context



Staff making preparations for a passenger aircraft.

Commonwealth and State

A range of Commonwealth and State legislation and policies apply to various aspects of the airport precinct and its operations. Notably, the *Civil Aviation Act 1988*, the *Civil Aviation Regulations 1988*, and the *Airspace Act 2007* are the primary pieces of legislation regulating aviation safety in Australia.

The *Environmental Planning and Assessment Act 1979* and associated regulations, applicable State Environmental Planning Policies, environmental legislation, and policies, should also be considered when undertaking planning investigations related to development options.

Regional

Illawarra Shoalhaven Regional Plan 2041

The Regional Plan identifies the Shellharbour Airport Regional Employment Precinct (airport precinct) as a vibrant business hub leveraging the operations at Shellharbour Airport, which can lead regional economic development, tourism, and employment.

The purpose of this document is to provide a regionally significant employment precinct profile for Shellharbour Airport in line with Objective 4 and Action 3 of the Regional Plan.

Strategy 4.4 of the Regional Plan also recognises the need to support the growth of Shellharbour Airport through Shellharbour City Council's *Illawarra Regional Airport Strategic Business Plan* and further for strategic planning and local plans to consider opportunities to:

- appropriately manage and protect Shellharbour Airport's land-use and airspace to support aviation operations (including regular public transport) and related business; and
- activate employment lands surrounding the airport with flexible planning controls.

A baggage handler at an airport.



Other key objectives of the Regional Plan such as (but not limited to) Objective 23 (Celebrate, conserve, and reuse cultural heritage) and Objective 25 (Collaborate to leverage opportunities from Western Sydney's growth) are also relevant noting parts of the airport precinct have environmental and heritage attributes (refer to **Local on page 12**) and connections to Western Sydney and the Western Sydney Aerotropolis.

Similarly, under Objective 11 (Protect important environmental assets), remnant vegetation such as Illawarra Lowland Grassy Woodland is mapped as being of high environmental value and is located within the airport precinct.

Illawarra–Shoalhaven Regional Transport Plan

The *Illawarra–Shoalhaven Regional Transport Plan* (Regional Transport Plan) provides a strategic framework to deliver the region's transport vision for the next 20 years.

The Regional Transport Plan recognises that regionally significant (residential) growth areas and centres will create additional demand for jobs closer to home. Further, the plan recognises that activation of regionally significant employment lands/precincts such as the airport precinct will deliver new jobs and services for the growing population in a range of employment sectors, influencing localised travel behaviour and demand in the region over the next 20 years.

The Regional Transport Plan highlights the need for efficient, reliable, and safe connectivity between the Illawarra–Shoalhaven and Greater Sydney. The Plan notes connections to Western Sydney will increase in importance as the Western Sydney Aerotropolis expands.

By 2041, the plan highlights the Illawarra–Shoalhaven region will be very different with initiatives like the Albion Park Rail Bypass considerably improving the way customers travel both within and through the region, facilitating safe, seamless, and multi-modal connectivity. This improvement is already showing improvements in productivity along the corridor since it was delivered in 2022.

Shellharbour Regional Economic Development Strategy – 2023 Update

The Shellharbour Regional Economic Development Strategy provides an evidence base to guide the long-term economic vision and associated strategy for the economic growth of the Shellharbour area, namely the Shellharbour LGA.



Shellharbour Airport is identified as an endowment which will play a key role in enabling success and growth across key industry specialisations.

One of the key strategies identified in the update is to continue to improve services and infrastructure to support population and business growth and enhance the overall amenity of the region. The update includes a specific 'enabler' (or action) to achieve this strategy by identifying opportunities for investment in complementary industrial or commercial uses in the airport precinct, including the airside Shellharbour Airport Aviation Business Park.

It is noted that potentially underutilised land near the airport precinct and its surrounds present the potential for long-term employment growth.

Local

Local Environmental Plans

The primary environmental planning instrument applying to the airport precinct and surrounding employment areas is the *Shellharbour Local Environmental Plan 2013* (SLEP 2013).

The *Shellharbour Rural Local Environment Plan 2004* (SRLEP 2004) also covers an area of land within the western portion of the precinct identified as the Illawarra Regional Business Park (IRBP) site in the 2009 state government concept approval.

The airport precinct extent (refer to **Figure 2** on the next page) covers a total area of approximately 180 hectares. Most of the airport precinct is zoned SP1 Special Activities (Air Transport Facility) under the SLEP 2013. The remainder (excluding the IRBP site) immediately adjoining the SP1 zone to the east is zoned part E4 General Industrial and part C3 Environmental Management under the SLEP 2013 (**Figure 2**).

The IRBP is approximately 66 hectares in size and is zoned part IN2 Light Industrial (~40 ha) and part E2 Environmental Conservation (~26 ha) under the SRLEP 2004. A small portion of land on the eastern boundary of the IRBP site is zoned SP2 Airport to allow for future runway widening (**Figure 2**).

Part 4 of the SRLEP 2004 contains provisions/development controls applying specifically to the IRBP site (zoning, permitted land uses, building height, FSR etc). Both Local Environmental Plans also contain provisions aimed at minimising and managing the potential for land use conflicts associated with the airport's operations.

Both LEPs contain locally listed heritage items within the airport precinct and surrounding areas. The Shellharbour Airport is a locally listed heritage item. Several other local heritage items surround the airport precinct, including the Ravensthorpe grounds and workers' cottages to the south-west and the Albion Park Showground and Boles Meadows to the west.

The airport precinct contains key vegetated areas to the east (zoned C3 Environmental Management) and south-east (zoned SP1 Air Transport Facility), as well as RE2 Public Recreation zoned land immediately adjoining the precinct to the south-east. These areas are mapped in in the SLEP 2013 as having terrestrial biodiversity values which aims to protect and conserve the flora and fauna.

Whilst the airport precinct lies entirely within the Shellharbour City Council area, the airport's lighting restrictions, noise restriction contours, obstacles limitations and aircraft operations procedures airspace encroach into the Wollongong City Council Local Government Area (LGA).

The obstacle limitations and aircraft operations procedures airspace also encroach into the Kiama Municipal Council local government area.

As such, the *Wollongong Local Environmental Plan 1990*, *Wollongong Local Environmental Plan 2009*, *Wollongong Local Environmental Plan (West Dapto) 2010* and *Kiama Local Environmental Plan 2011* are also relevant to the operations of the Shellharbour Airport.

The *Shellharbour Development Control Plan 2013* provides more detailed planning controls applying to the airport precinct and surrounds.

Ravensthorpe grounds and workers' cottage.



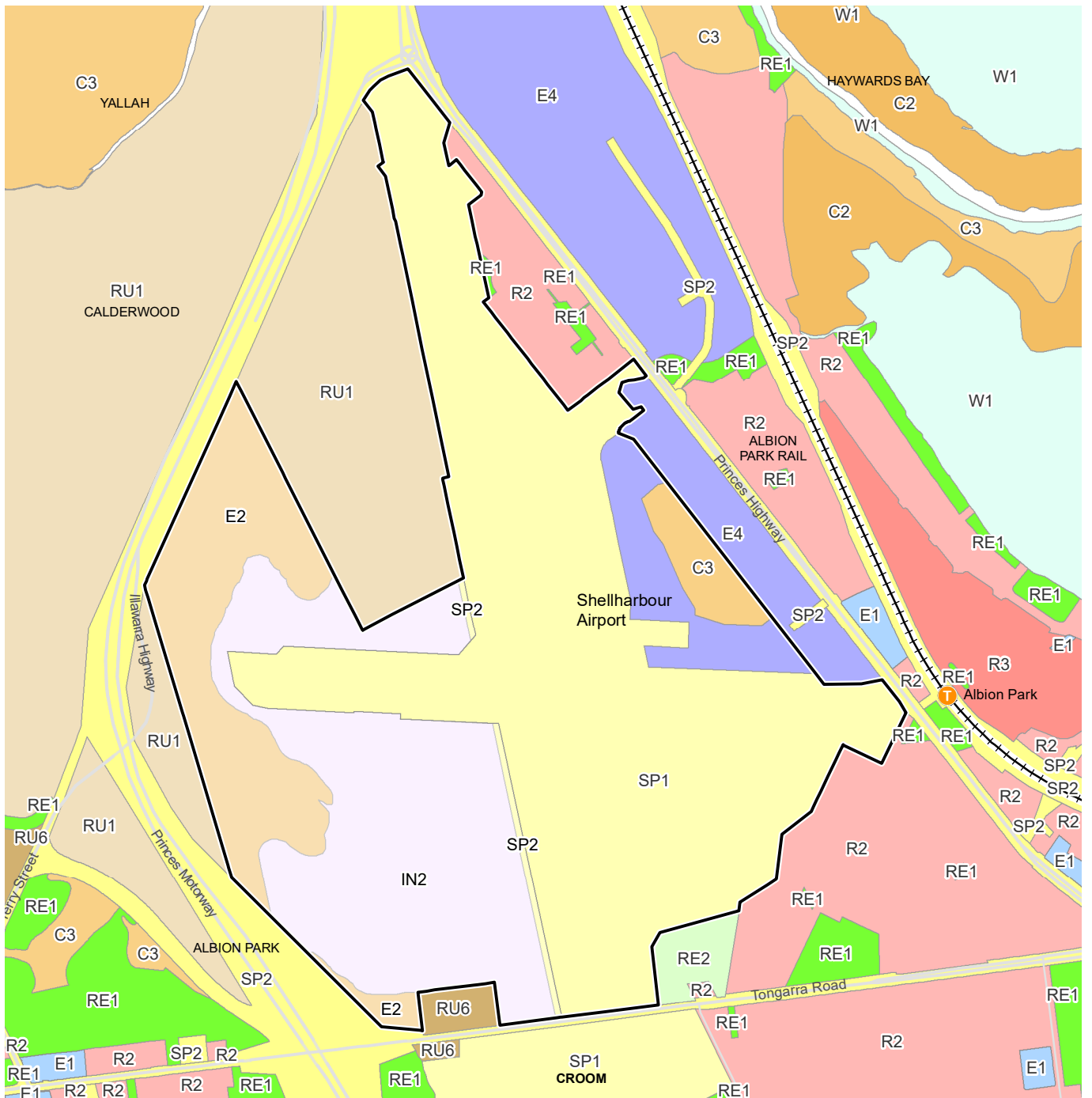
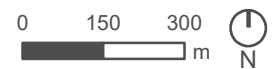


Figure 2: Shellharbour Airport Precinct zoning



- Railway station
 - Railway
 - Road
 - Shellharbour Airport Regional Employment Precinct
- Land Zone**
- C2 Environmental Conservation
 - C3 Environmental Management
 - E1 Local Centre
 - E4 General Industrial
 - R2 Low Density Residential
 - R3 Medium Density Residential

- RE1 Public Recreation
 - RE2 Private Recreation
 - RU1 Primary Production
 - RU6 Transition
 - SP1 Special Activities
 - SP2 Infrastructure
 - W1 Natural Waterways
- 2004 LEP Land Zone**
- E2 Environmental Conservation
 - IN2 Light Industrial
 - SP2 Infrastructure



Plane outside aircraft hangars at Shellharbour Airport.

Shellharbour Local Strategic Planning Statement

The Shellharbour Local Strategic Planning Statement (LSPS) is Council's 20-year land use vision for the future of the Shellharbour LGA.

The LSPS acknowledges the airport is a regionally strategic asset that supports the local economy and is a key economic driver for the region, connecting it with larger markets elsewhere in Australia.

Priority 6 of the LSPS is to ensure the Shellharbour Airport is viable and grows to meet its potential.

Associated actions of the LSPS to support Priority 6 are to implement the recommendations of the Illawarra Regional Airport Business Strategic Plan as appropriate (P16.1) and ensure Shellharbour Airport's land-use and airspace is appropriately managed to continue to support aviation operations (including regular public transport services) and future forecast growth (P16.2).

Other key priorities of the LSPS such as (but not limited to) Priority 8, Priority 10, Priority 11, Priority 12 and Priority 8, Priority 13 are also relevant, noting the environmental (biodiversity, flooding etc) and heritage attributes of some parts of the airport precinct.

Illawarra Regional Airport Strategic and Business Plan

The *Illawarra Regional Airport Strategic and Business Plan* (adopted by Council in 2015) is the primary document developed by Council to set a strategic vision for the airport precinct, guide land use planning, economic growth, and business development over the following 15 years.

The existing *Illawarra Regional Airport Strategic and Business Plan* seeks to develop the airport precinct into a vibrant business hub that positively contributes to regional economic development, tourism, and employment. It also recommends twenty-seven (27) implementation strategies (immediate 0-2 years, medium-term 3-5 years, and ongoing) to help grow and improve the airport in a controlled commercial manner.

Council has made significant progress completing many of the immediate and medium-term tasks such as pursuing government funding, addressing deteriorating infrastructure, reviewing the zoning of employment areas adjacent the airport, rebranding, and attracting Return Passenger Transport (RPT) services.

Whilst the timeframe for completion of other key strategies identified in the document has passed (i.e. the revised master plan, business case for a Code 3 compliant airport, marketing demand studies, strategies, and plans etc), they are understood to be in progress. Notably, Council has recently engaged a consultant to develop a new Shellharbour Airport Master Plan.

This precinct profile seeks to align with and complement the strategic direction, growth opportunities and strategies identified in this document.

Shellharbour Employment Lands Study

The *Shellharbour Employment Lands Study* (SELS) 2021 addresses all employment lands within Shellharbour and provides an evidence-base to inform potential changes to the Shellharbour LEP(s), Development Control Plan, corporate and other high-level policy.

The SELS recognises the Shellharbour Airport has significant potential to attract and retain businesses within Shellharbour. It also includes demand/supply forecast estimates for light industrial zoned land and concludes there is sufficient supply capacity to meet employment needs to 2041. This supply capacity includes the potential IRBP land to the west of the airport.

Key sections relevant to the airport are summarised as follows.

Illawarra Regional Business Park (12.4.1)

The SELS notes the 66ha IRBP site is zoned part IN2 Light Industrial (40ha) and is located to the west of the airport. It is also noted the SRLEP 2004 contains several development controls for the IRBP around land use, subdivision, building height, floor space ratio, office premises and industrial retail outlets.

The SELS highlights that the IRBP:

- will benefit from the now completed Albion Park Rail Bypass, as it will run along the western perimeter of the IRBP site and providing opportunities for business to benefit from being aligned with the road network
- represents an ideal location to expand industrial activity within Shellharbour, given its proximity to both the airport and the road network
- is sufficiently sized to accommodate industrial land demand to 2041, with the additional ability to also accommodate aviation related uses, should they wish to locate in the Shellharbour LGA
- was identified as the most appropriate location for the expansion of industrial land activity within the Shellharbour LGA in the report 'Industrial Land in the Illawarra Region' (Urbis, 2019)
- lacks infrastructure servicing (i.e. water, power, sewer, flooding, vehicular access), which is likely to limit the appeal of the land to a prospective developer, despite the stated intent, and
- has a concept approval from the NSW Government from 2009 for a 60-lot subdivision (59 lots for light industrial uses and 1 lot for environmental conservation) and:
 - associated infrastructure and earthworks
 - demolition of two ancillary farm buildings
 - relocation of the Wanalama Homestead
 - development of a café, service station and hotel, and
 - realignment of Frazer's Creek, wetland rehabilitation and the establishment of an environmental management area with associated walkway.

Recommendations contained within the SELS relating to the IRBP site include:

1. Advocate to the State government for infrastructure charges reductions to encourage take up of this land.
2. Review provisions of SRLEP 2004 (Illawarra Regional Business Park) and the DCP to:
 - a. Facilitate appropriate development including catering for upcoming trends such as high clearance warehouses and the use of robotics.
 - b. Facilitate business innovation and local services and amenities for workers in the precinct.
3. Council and relevant state agencies make staff resources available, dedicated to assist any prospective developer in negotiating/addressing development issues for the site.

The third recommendation above is consistent with Action 3 of objective 4 of the *Illawarra Shoalhaven Regional Plan*, to establish precinct collaboration teams to activate land for economic growth.

Industrial lands at Albion Park (generally)

The SELS notes the industrial inventory identified that business activity was typically of a population serving nature as opposed to directly related to the airport, likely due to the limited regular public transport services to the airport and the absence of significant freight transported via air.

General industrial lands adjoining the airport to the east (12.4.2)

The SELS acknowledges the strengths of general industrial zoned land immediately adjoining the airport precinct to the east (bound by the Princes Highway) as being zoned and development ready.

However, it is noted development activity in the zone has likely been limited by remnant housing requiring land consolidation to achieve the necessary lot size for feasible industrial developments to proceed. The proximity of existing housing that limits the impacts of uses in the general industrial zone is noted as an impediment to take up for industrial development.

The SELS also notes that the area is more likely to accommodate light industrial uses due to the abovementioned constraints, despite its general industrial zoning and considers the IRBP likely represents a more realistic opportunity to accommodate medium/high impact industrial uses (subject provision of appropriate servicing and access).

RU1 Primary Production lands adjoining the airport to the north (12.4.3)

The SELS notes that land adjacent to the Shellharbour Airport, bounded by the Princes Motorway (M1) to the north and the IRBP to the south is zoned RU1 Primary Production, permits extensive agriculture and home occupations without consent, and a range of permissible uses under a Council consent, including airstrips, helipads, eco-tourist facilities, and environmental facilities.

The SELS notes the *Illawarra Regional Airport Strategic and Business Plan* talks extensively about plans to expand the airport to cover 155.53 hectares of land. In doing so, it is noted the airport would have the capacity to meet the requirements for a Code 3C Aircraft, which would increase the ability to attract and retain RPT services to the airport.

Draft Shellharbour Rural Lands Strategy

Council is currently preparing a rural lands strategy to guide the future planning, development, and management of rural lands within the Shellharbour LGA.

It is anticipated that the strategy will be cognisant of the IRBP's existing zoning for light industrial purposes, in line with the IN2 zone objectives and the SELS.

At the same time, it is expected the strategy will recognise the land is privately owned, is currently being used for grazing as part of a larger dairy holding and there is no requirement or expectation for the landowner to start using the land for light industrial uses.

Land ownership and management

Shellharbour City Council owns all land forming part of the airport precinct itself (**Figure 1**), except for land to the west associated with the IRBP site, which is privately owned and currently used as part of a dairy farm (**Figure 4**).

The airport is governed by a Shellharbour City Council Business Unit. Council has also established the Shellharbour Airport Advisory Committee (the Committee) to:

- implement Council's *Illawarra Regional Airport Strategic Business Plan*
- advise on policy and strategies to encourage business growth and development at the airport, and
- strengthen the airport's role in providing transport services, tourism, and business opportunities within the region.

Additional detail is provided at the end of this document.

Illawarra Regional Business Park site looking north-west.



PART 3

Economic and employment context



Much of the employment in the airport precinct and surrounding employment areas is related to the construction industry.

The airport precinct is a significant source of local/regional employment and economic output. Employment in the airport precinct is forecast to grow at twice the rate of surrounding employment areas over the next 20 years². Development to its full potential (including development of the Shellharbour Aviation Business Park and potential future IRBP – refer to **Figure 4**) would see this growth increase exponentially above current projections, generating transformative future employment and economic value for the region.

The airport precinct benefits from:

- intermodal transport connectivity
- access to a highly skilled and growing workforce and customer base
- an expanding aviation/light aeronautics industry presence
- an expanding tourism and visitor economy (including events)
- a growing cluster/base for the emergency services
- government support and recognition
- development-ready land that is available for immediate expansion
- zoned and strategically identified land to support future growth
- proximity to growing economies.

Over **\$20 million** has been spent in the last five years upgrading airport infrastructure and facilities, with around **\$16 million** of this provided by the NSW Government in 2019.

Various other favourable government funding initiatives may also be available in the future to support the growth of the airport precinct. Financial co-contributions from Council are generally prerequisites to attracting support from these funding sources.

There is a significant amount (estimated 80.3ha) of undeveloped land³ within the airport precinct and surrounding employment areas, presenting a significant opportunity for future economic development. This includes 1.3 ha of serviced land within in the airport precinct itself.

There are two strategically identified sites with land available immediately and over the short to medium-term (in the case of the Shellharbour Aviation Business Park) or likely to be available in the future over the long-term (in the case of the IRBP) for new development opportunities to support economic growth located within the airport precinct.

The Shellharbour Aviation Business Park comprises an approximate 6ha aviation precinct with cleared land suitably available for a range of aviation related commercial uses.

The 66ha IRBP site (**Figure 4**) has also been strategically identified by Council as the most appropriate location for the expansion of industrial land activity in Shellharbour, particularly given its proximity to the airport and the State Road network. This site has concept approval for a 60-lot industrial subdivision, is zoned IN2 Light Industrial and represents an exciting potential long-term opportunity to expand the economic/employment value of the airport.

Analysis of Transport for NSW (TNSW) and Australian Bureau of Statistics (ABS) employment data generally confirms the airport precincts’ known strengths are in the aviation sector, transport, postal and warehousing (e.g. passenger aircraft and rental services), public administration and safety (e.g. emergency services), administration and support services (e.g. events), and arts and recreation service industries (e.g. HARS, sky diving and other tourist type operations). Conversely, the surrounding employment areas appear to be characterised by more population serving uses such as in the retail trade, wholesale trade and accommodation and food services industries.

² TNSW Employment Projections (opendata.transport.nsw.gov.au/dataset/employment-projections).

³ Developed and undeveloped land defined as per planning.nsw.gov.au/research-and-demography/employment-lands/resources/glossary.

The investment, economic and employment outlook

Based on TNSW employment projections⁴ (using the Illawarra Regional Airport Travel Zone as a proxy for the precinct – refer to **Figure 5**, it is estimated that in 2022, the airport precinct directly employed 481 people (**Table 1**), and indirectly supported an additional 560 jobs. This resulted in a gross output of \$158 million, with direct and indirect output of \$325 million.



The direct gross value add (GVA) for the precinct is estimated to be approximately **\$59 million**, with a direct and indirect value add of **\$136 million**.

An additional 122 jobs are forecasted within the airport precinct over the next twenty years to 2041, representing an increase of 25% (approximately double the growth rate of surrounding areas). Actual jobs are likely to be much higher noting TNSW projections are generally conservative (representing a ‘business as usual’ growth scenario) and do not consider additional jobs provided by full development of the Shellharbour Aviation Business Park and potential future IRBP.



If the precinct were developed to its full potential (including business parks), it is estimated it could grow to support to approximately **3,000 to 4,500⁵** jobs depending on final job density, increasing the direct gross value add of the Shellharbour Airport Precinct to approximately **\$415 to \$627 million (Table 1)**.

Table 1: Estimated direct economic contribution of the Shellharbour Airport Precinct (HillPDA)⁶

	Direct jobs	Gross output (\$mm)	Direct GVA (\$mm)
Current	481	158	59
Projected	603	192	73
Potential (Fully developed)	3,000 to 4,500	962 to 1,451	415 to 627

Ground staff instructing an airplane.



⁴ Refer to opendata.transport.nsw.gov.au/dataset/employment-projections for key data inputs. The projections are derived using the NSW Government’s Common Planning Assumptions, including Department of Planning and Environment population projections.

⁵ Estimated using a range of industry standard job density benchmarks (i.e. jobs per hectare). Actual jobs realised within the airport precinct and the final job density will depend on the final nature of uses within the precinct and associated business parks and environmental constraints (e.g. biodiversity).

⁶ The current and projected rows in Table 1 are based on TNSW employment projections for the Illawarra Regional Airport Travel Zone shown in **Figure 5**. The potential (fully developed) row has been calculated by extending the existing employment density in the developed areas of the Shellharbour Airport Regional Employment Precinct and surrounding employment areas shown in **Figure 5** and a range of industry standard job density benchmarks over the remaining undeveloped (developable) land and input-output analysis modelling undertaken in accordance with Australian National Accounts Input Output data.

Why invest in the precinct?

The precinct benefits from:



Transport and access

Intermodal transport connectivity with an operating two-runway airport, direct access to the Albion Park Rail Station, Princes Highway and M1 Motorway and proximity to the Port of Port Kembla. Direct passenger flights to Brisbane and Melbourne and road proximity to Sydney and Canberra creating connectivity across Australia's main east coast centres.



An expanding tourism and visitor economy

This economy is focussed on the popular Historical Aircraft Restoration Society (HARS), Skydive the Beach, joy flights, passenger flights and the annual Wings over the Illawarra event (now Airshows Downunder Shellharbour).



Development ready land

Zoned and serviced lots are available via the Shellharbour Aviation Business Park to easily set up and expand business operations (Figure 4).



Human capital

Access to a highly skilled and growing workforce and customer base in the Illawarra-Shoalhaven region, including a growing pool of graduates from the University of Wollongong.



A growing cluster/base for emergency services

This base is focused on the NSW Fire Brigade Emergency Training Facility, the Rural Fire Service – Regional Control Centre, Toll Rescue Helicopters, and the like.



Zoned and strategically identified land for future growth

An additional 40ha of zoned industrial land within the future IRBP site is potentially available over the long-term to support future growth (Figure 4).



An expanding aviation industry

An ambitious and growing light aeronautics industry focused on small aircraft aviation, including repairs, maintenance, and emergency services.



Government support and recognition

The precinct has institutional support from Shellharbour City Council and the NSW Government being committed to its growth, including through various funding initiatives and recognition of the airport as a regionally significant employment precinct.



Proximity to growing economies

The nearby Wollongong and Shoalhaven LGAs, as well as investment in Western Sydney Aerotropolis provides benefits and locational efficiencies for the airport precinct to growing industries, including in the manufacturing, defence industry.

Investment pipeline and funding

A review of development applications (DAs) lodged since June 2021 in the airport precinct and surrounding employment areas shows there were 11 projects with a value greater than \$1 million. These projects had a combined estimated value of approximately \$37.2 million. The largest of these projects comprise a mix of industrial, retail, commercial, emergency services and airport infrastructure uses.

Key projects commenced or determined within the airport precinct itself include an emergency services facility/hangar upgrade worth \$2.973 million and an upgrade to the airport terminal building and car park/s worth \$6.265 million (**Table 2**).

Table 2: Projects greater than \$1mm (Cordells Connect, DPE)

Project Title	Type	Estimated Value	Status
Emergency Services Facility Albion Park Rail	Emergency services facility/hangar	\$2,973,000	Commenced
Illawarra Regional Airport Upgrade	Passenger terminal building/car parks	\$6,265,000	Complete

In 2019, the NSW Government recognised the growth potential of the Shellharbour Airport by awarding Council approximately \$16 million in funding to transform the airport area into a vibrant business hub supporting regional economic development, tourism, and employment. Council also invested more than \$4.3 million into the project.

The investment facilitated the expansion of RPT services at the airport, funded the construction of a new passenger terminal building (including a retail space and café), upgrades to airport infrastructure including runways, taxiways, and short and long-term carparks (note: the DA for part of these upgrade works is reflected in **Table 2**). Importantly, the investment opened approximately 6ha of land for aviation-related industrial uses at the Shellharbour Aviation Business Park. The upgrades are being completed progressively between 2020 and 2024.

Various other favourable government funding opportunities and initiatives may also be available in the future, to potentially leverage/support the growth of the airport precinct.

Developed and undeveloped land

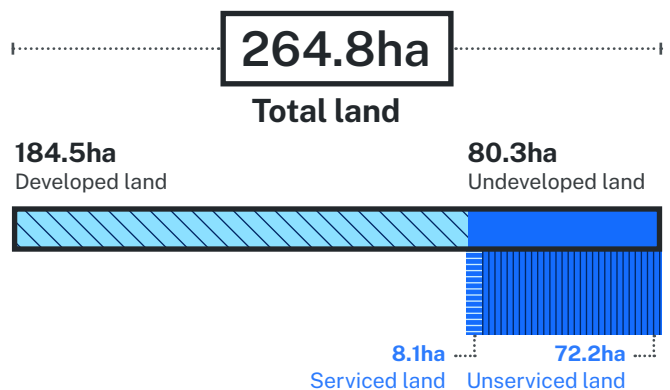
The Department of Planning and Environment's (department) Employment Land Development Monitor (ELDM) keeps track of employment lands zoned for business, industrial and special uses in NSW. The ELDM predominantly tracks 'employment land' zoned IN2 Light Industrial, E3 Productivity Support, E4 General Industrial, E5 Heavy Industrial, W4 Working Waterfront, SP1 Special Activities and SP2 Infrastructure.

The ELDM can be used to give an indication of current stock and availability of employment land for potential development. The ELDM measure does not consider the suitability of the land for future development (i.e. site-specific constraints). A range of environmental, physical, economic, infrastructure and planning constraints would need to be further assessed in detail to determine actual developable land.

In 2022, the ELDM showed that there was an estimated 264.8ha of 'employment land' (as defined above⁷) in the airport precinct and surrounding employment areas (**Figure 3** and **Figure 5**). This land is zoned a mix of E3, E4, IN2 (IRBP site only), SP1 and SP2. Of this land, approximately 184.5ha was developed, and 80.3ha was undeveloped⁸.

Of the undeveloped land, only 8.1ha was serviced consisting of 1.3ha in the airport precinct (likely associated with the Shellharbour Airport Aviation Business Park) and 6.8ha in the surrounding employment areas. Approximately half of the undeveloped and un-serviced land is likely associated with the potential future IRBP site which is in the western portion of the precinct and contains approximately 40ha of land zoned for light industrial purposes.

Figure 3: Land Status of Employment Land in the Precinct and Surrounding Employment Areas⁹



7 It is noted RUI zoned land is not tracked by the Department's ELDM and is therefore excluded from these calculations.

8 Developed and undeveloped land defined as per www.planning.nsw.gov.au/research-and-demography/employment-lands/resources/glossary. It is also noted actual 'developable land' may be less due to a range of environmental, physical, economic, infrastructure and planning constraints requiring further assessment.

9 The total land referred to in **Figure 3** generally corresponds with land zoned E3, E4, IN2 (IRBP site only), SP1 and SP2 in the Shellharbour Regional Airport Precinct and surrounding employment areas identified in **Figure 5**. It is also noted actual 'developable land' may be less due to a range of environmental, physical, economic, infrastructure and planning constraints requiring further assessment.

Land availability

There are several key underutilised and/or strategically identified sites (**Figure 4**) with land available (or likely to be available in the future) for new development opportunities to support economic growth both within and surrounding the airport precinct. The key sites/areas are discussed in more detail below.

Shellharbour Airport Aviation Business Park

Council (as at August 2023) is seeking expressions of interest to lease Stage 1 of the Shellharbour Airport Aviation Business Park located within the airport precinct (**Figure 4**).

Stage 1 of the Shellharbour Airport Aviation Business Park covers 20,000m² of cleared and affordable land and is suitable for a range of aviation (and potentially defence) related commercial uses including aircraft maintenance, pilot training, charter operations and more.

Stage 1 is part of an approximate **6ha Aviation Business Precinct**, with additional allotments to be released in future stages. These would comprise:

- Stage 2 – an additional 30,000m² of land, and
- Stage 3 – an additional 10,000m² of land.

Key features of the business park land include:

for Stage 1, customisable land options (3 concept designs proposed) to suit all development needs

dedicated electrical substation

NBN, water and sewer servicing

Code 2C category runways

airfield space available for lease and hanger development

access to taxis way/runways from business park area

easy access to M1 Motorway, the Port of Port Kembla and rail transport network

access to regular passenger services (Link Airways)

dedicated security access to business park from Tongarra Road

within proximity to Shellharbour City Centre.

Council is currently seeking expressions of interest to lease Stage 1 of the Shellharbour Airport Aviation Business Park which presents an immediate opportunity for new developments within the precinct.

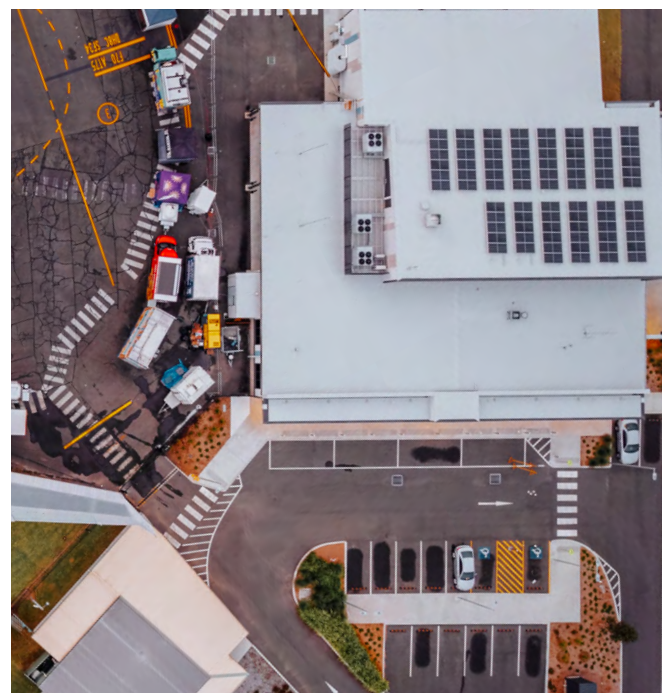
This land presents an immediate opportunity for new developments within the precinct and over the short to medium-term.

Council is also currently scoping (subject to funding) a range of critical infrastructure upgrades and expansions to enable further growth of aviation activity at the airport.

These enhancements include:

- upgrading the taxiway to enhance operational efficiency
- improving drainage to ensure effective flood management
- constructing additional hardstand parking areas to accommodate more aircraft
- completing the taxiway and installing services for Stages 2 and 3 of the Aviation Business Park
- investing in security equipment to meet aviation regulatory requirements
- adding starter extensions and strengthening of the apron pavement area to accommodate category 4C aircraft, and
- implementing screens, removing obstacles, providing ground support equipment, line marking, and ensuring provision for 415v 50Hz power.

An aerial view of Shellharbour Airport.
Credit: Shellharbour City Council.



Illawarra Regional Business Park (IRBP)

The 66ha IRBP site is located within the western portion of the airport precinct (**Figure 4**). The site is privately owned and is currently being used for grazing as part of a larger dairy holding. The SELS notes the site:

- was identified as the most appropriate location for the expansion of industrial land activity within the Shellharbour LGA in the report Industrial Land in the Illawarra Region (Urbis, 2019)
- is zoned part IN2 Light Industrial (40ha) and part E2 Environmental Conservation (26ha) and
- represents an ideal location to expand industrial activity within Shellharbour, given its proximity to both the airport and the road network.

The Albion Park Rail Bypass runs along the western perimeter of the site, providing great access opportunities for new businesses to benefit from.

The SELS also notes the landholding is more than sufficiently sized to accommodate industrial land demand to 2041, with the additional ability to also accommodate aviation related uses should they wish to locate in the Shellharbour LGA.

It is anticipated that development of this site would occur over the long-term as the Shellharbour Airport Aviation Business Park starts to reach capacity and supply of industrial lots in the Shellharbour LGA tightens. Development of the site would also be subject to future DAs being submitted and acted upon by the landowner, at their discretion.

The concept approval and associated planning documents for the IRBP can be found on the Department's website at planningportal.nsw.gov.au/mp060272-illawarra-regional-business-park.

Below: The current site of Illawarra Regional Business Park.
Right: The Albion Park train station is within close proximity.



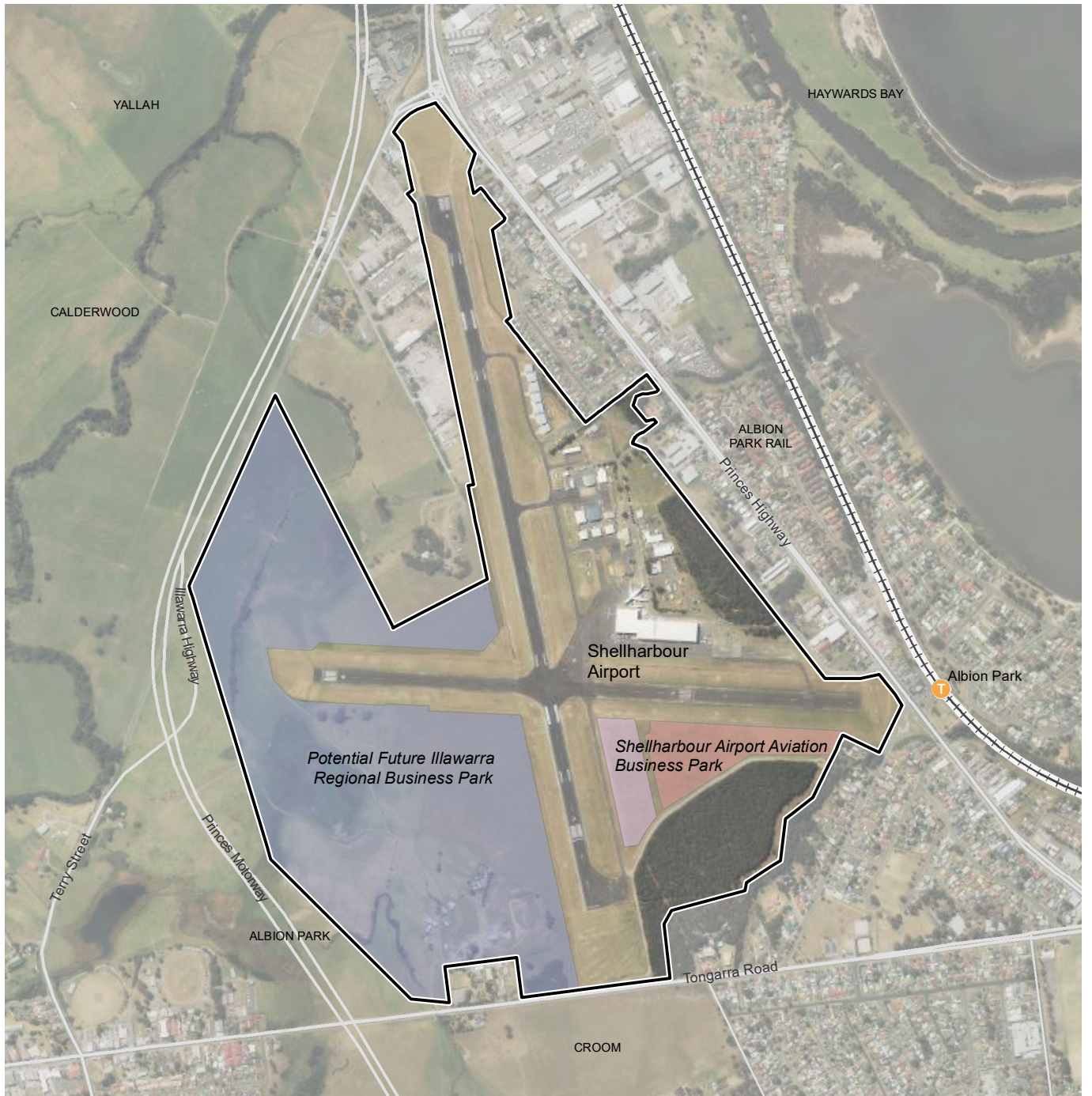
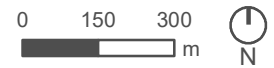


Figure 4: Shellharbour Airport Precinct - Key sites



- Railway station
- Railway
- Road
- Shellharbour Airport Regional Employment Precinct
- Potential Future Illawarra Regional Business Park
- Shellharbour Airport Aviation Business Park - Stage 1
- Shellharbour Airport Aviation Business Park - Future stages



Albion Park Rail town centre.

Surrounding Employment/Industrial Areas at Albion Park Rail and Oak Flats

The SELS notes the industrial inventory of areas in Albion Park Rail and Oak Flats identified that business activity was typically of a population serving nature as opposed to directly related to the airport, likely due to the limited regular RPT to the airport and the absence of significant freight transported via air.

The SELS identifies there is an estimated 10.4 hectares of vacant zoned industrial land in Shellharbour (as of May 2020), mostly contained within the industrial zones (now E4 General Industrial) at Albion Park Rail.

Specifically, the SELS identifies the now E4 zoned area along Princes Highway, Albion Park Rail (adjacent the airport to the east across the Princess Highway) comprised of 74 industrial businesses and 18 vacant tenancies representing a vacancy rate of just under 20% (Table 3).

Table 3: Shellharbour LGA employment vacancy rate

Precinct	Vacant Tenancies	Industrial Businesses	Characteristic Industries
Albion Park Rail (E4) –east side of Princes Highway	18	74	Motor vehicle sales and parts wholesaling and construction
Albion Park Rail (E4) –between Princes Highway and East West Link	27	78	Light industrial/ manufacturing, repairs and maintenance, sports and recreation, and wholesaling and retail trade (Bunnings and Mitre 10).
Oak Flats (E4)	5	146	Repairs and maintenance and construction services
Albion Park Rail (E4) –adjoining airport precinct to the east on the Princes Highway	5 (two under construction)	33 (including 16 houses)	Warehousing and Storage, Social Assistance, productivity support

Further, the E4 zoned area identified between Princes Highway and the Princes Motorway East West Link, Albion Park Rail (approximately 1.8km to the south-east of the airport) comprised of 78 industrial businesses and 27 vacant tenancies (representing a vacancy rate of just under 25%). The SELS notes industrial activity within this area is mostly of a population serving nature and includes Bunnings and Mitre 10.

Significant vacancies were not identified in the E4 zone at Oak Flats or in E4 zoned land adjoining the airport precinct to the east in Albion Park Rail. Proximity of existing remnant housing in the E4 area adjoining the airport precinct to the east was seen as an impediment to take up for additional industrial development.

As these vacant and underutilised areas are characterised by light industrial and population serving uses, the airport precinct will need to find ‘areas of differentiation’ to realise its future growth potential.

Current industry and businesses

Transport for NSW employment projections

TNSW prepare employment projections for the state, which they allocate to transport zones. TNSW projections are utilised as they are informed by the Department’s populations projections, and are recommended by the Department for employment land use planning.

TNSW produces small area projections based on a combination of factors including previous workforce projections, journey to work census data, State-level employment projections, employment by industry projections and the future employment development dataset. The Illawarra Regional Airport Travel Zone is shown as a lilac polygon in Figure 5 and provides a reasonable proxy for the airport precinct which is shown as a black boundary.

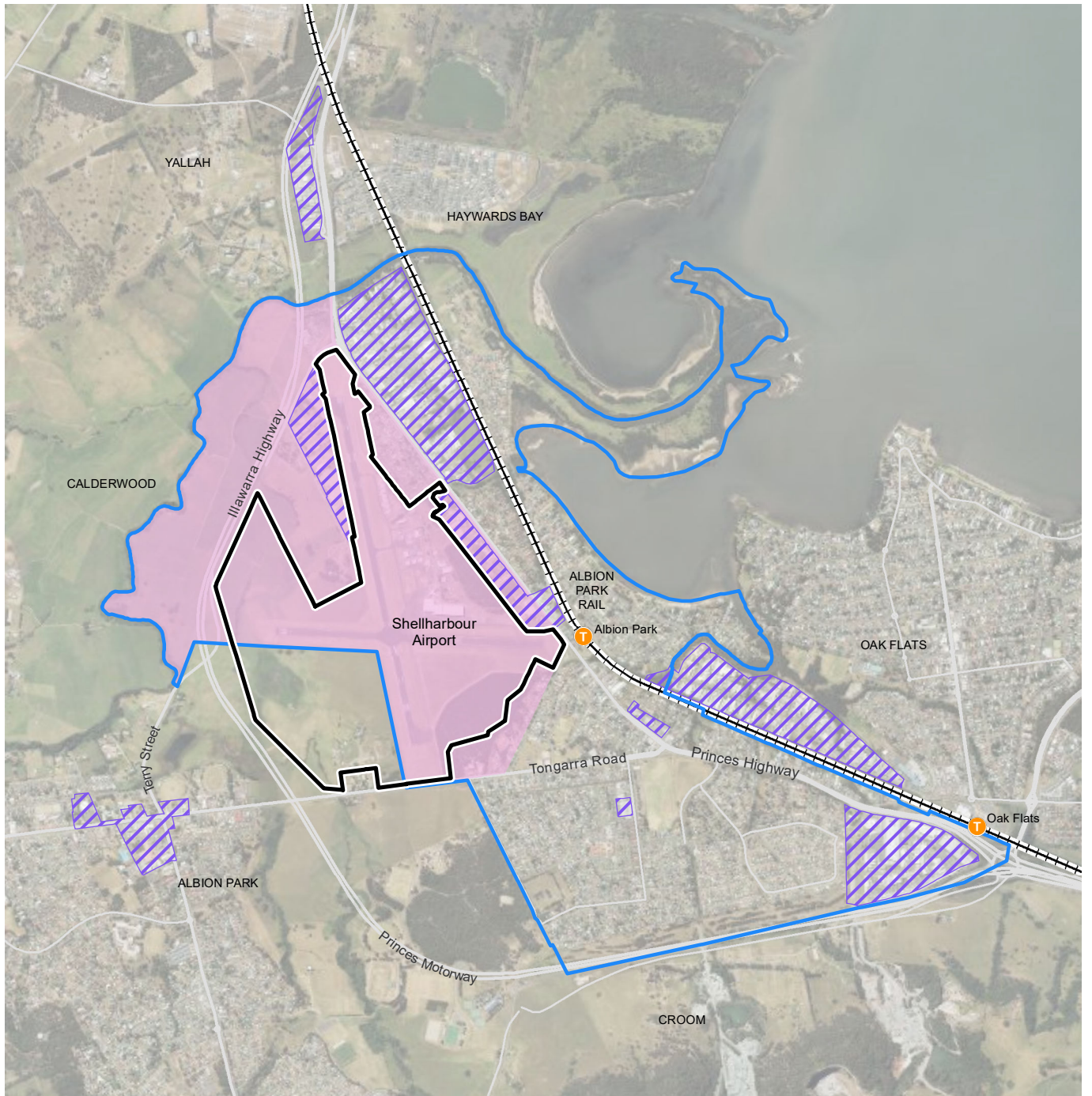
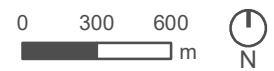


Figure 5: Employment Data Zones



- Railway station
- Railway
- Road
- Shellharbour Airport Regional Employment Precinct
- Albion Park Rail SA2
- Illawarra Regional Airport Travel Zone
- Surrounding Employment Areas

Table 4 shows that in 2022, 481 people were employed in the Illawarra Regional Airport Travel Zone. Employment within the precinct was predominately population serving, industrial and knowledge intensive. This is based on the four Broad Industry Categories (BICs) developed by the Greater Cities Commission (GCC) which simplify the category of ANZSIC industry types to provide a high-level understanding of the work being completed in an area.

When expanded using TNSW employment projections, most jobs within the Travel Zone (shown in **Figure 5**) relate to construction (34%), transport, postal and warehousing (22%), retail (9%), public administration and safety (7.2%), administrative and support services (7%) and manufacturing (6.8%).

Examples of key businesses operating within the precinct within these key industry categories include Link Airways and Go Jet (transport, postal and warehousing), NSW Fire Brigade, Toll Rescue Helicopters, emergency services (public administration and safety), AMDA Foundation Limited events (administration and support services), Viva Energy and Total Aerospace Solutions and Capital Aircraft Services (manufacturing).

Construction jobs (MJ Rowles, Stroud Homes, Coastwide Civil etc) which have more of a population serving nature are known to be associated with the surrounding employment areas rather than with the airport precinct itself.

In 2022

481 people

were employed in the
**Illawarra Regional
Airport Travel Zone**



Table 4: Employment by industry Shellharbour Airport Precinct (Transport for NSW)

Broad Industry Categories (BCC)	ANZIC Code	2021	2022	2026	2031	2036	2041
Industrial (31% in 2022)	Agriculture, Forestry and Fishing	4	4	3	4	5	5
	Manufacturing	35	33	32	35	38	40
	Wholesale Trade	5	5	5	5	6	6
	Transport, Postal and Warehousing	110	106	108	113	120	123
Population Serving (48% in 2022)	Construction	167	165	171	172	182	196
	Retail Trade	47	45	48	46	57	60
	Accommodation and Food Services	6	5	6	6	7	8
	Arts and Recreation Services	19	19	21	22	24	25
Knowledge Intensive (14% in 2022)	Administrative and Support Services	31	32	34	36	38	40
	Public Administration and Safety	33	35	35	35	35	35
Health and Education (7% in 2022)	Education and Training	7	7	7	7	9	9
	Health Care and Social Assistance	25	25	26	26	53	56
Total		489	481	496	507	574	603

ABS Employment Statistics

The ABS counts the businesses that are in Australia (reported at a Statistical Areas Level 2 level – SA2). The Albion Park Rail SA2 can be used to give a reasonable indication of employment in the precinct and some of the surrounding employment areas. The SA2 is shown in black in **Figure 5**.

Utilising ABS Business Counts data, share of reported business in the precinct and surrounding employment areas has been estimated.

A total of

3,172

people



are employed in the
Albion Park Rail SA2

This is focussed on the retail trade (17%), construction (18%), accommodation and food services (8.5%), manufacturing (6%), wholesale trade (4.5%) and transport and postal and warehousing (4.5%) industries (**Table 5**).

The health care and social assistance industry appears to be a major employer in the SA2. There are some health services businesses located in business zones in Albion Park and Albion Park Rail (i.e. medical centres, health specialists and the like), however it is considered unlikely majority of these jobs fall within the airport precinct or surrounding employment areas.

This is because approximately 460 jobs out of 500 are associated with residential care and social assistance services which are sensitive uses incompatible with the predominantly industrial and special uses zoning of the precinct and surrounding employment areas. Warrigal Albion Park Rail and IMatter Health Services are key examples of health care businesses located to the south of Tongarra Road outside the airport precinct and surrounding employment areas.

Table 5: Employment in the Albion Park Rail SA2 (ABS)

Broad Industry Categories (BCC)	ANZIC Code	Employment (%)	
Industrial (15.8%)	Agriculture, Forestry and Fishing	0 (0%)	
	Mining	7 (0.2%)	
	Manufacturing	193 (6.1%)	
	Electricity, Gas, Water and Waste Services	17 (0.5%)	
	Wholesale Trade	144 (4.5%)	
Population Serving (50.6%)	Transport, Postal and Warehousing	143 (4.5%)	
	Construction	576 (18.2%)	
	Retail Trade	540 (17.0%)	
	Accommodation and Food Services	270 (8.5%)	
	Arts and Recreation Services	51 (1.6%)	
	Other Services	168 (5.3%)	
	Knowledge Intensive (14% in 2022)	Information Media and Telecommunications	11 (0.3%)
		Financial and Insurance Services	8 (0.3%)
		Rental, Hiring and Real Estate Services	20 (0.6%)
		Professional, Scientific and Technical Services	39 (1.2%)
Administrative and Support Services		117 (3.7%)	
Health and Education (19.9%)	Public Administration and Safety	76 (2.4%)	
	Education and Training	130 (4.1%)	
	Health Care and Social Assistance	500 (15.8%)	
Inadequately described/Not stated	Inadequately described/Not stated	164 (5.2%)	
Total		3,172 (100%)	

Whilst many of the jobs are not specifically coded to the aviation sector, it is estimated at least 120 jobs are somewhat associated with the aviation sector and the airport based more granular breakdowns from the ABS which show:



26 jobs related to transport equipment manufacturing

(this includes manufacturing and repairs and maintenance of aircraft, but not automobiles)



26 jobs related to public order, safety and regulatory services

(this might incorporate fire brigade training, air traffic control, SES, and helicopter services)



20 jobs related to air and space transport

(this relates to transporting people and freight by plane and would likely include charter flight companies)



38 jobs related to adult, community, and other education

(which could incorporate flight schools and the fire brigade training centre)



11 jobs related to transport support services

(this includes air freight forwarding services, customs agencies, and road passenger terminal operations)

When comparing the TNSW Illawarra Regional Airport Travel Zone (proxy for the airport precinct) and ABS Albion Park Rail SA2 (proxy for the airport precinct and surrounding employment areas) employment data, it suggests the airport precinct itself has a higher proportion of specialisation in transport, postal and warehousing (e.g. Link Airways and Go Jet), public administration and safety (e.g. emergency services) and administration and support services (e.g. AMDA events).

Conversely, the precinct and surrounding employment areas appear to have a higher proportion of retail trade, wholesale trade and accommodation and food services industries, which generally aligns with the more population servicing nature of the surrounding employment areas.

Arts and recreation services (e.g. HARS, Skydive the Beach and other tourist type operations) also appear to have a significantly higher concentration in the airport precinct at 3.9%, approximately double the precinct and surrounding employment areas (1.9%).

When comparing the share of employment between the Illawarra Regional Airport Travel Zone and ABS Albion Park Rail SA2 by BIC, **Table 4** and **Table 5** indicate the precinct has a higher proportion of knowledge intensive (14 %) and industrial (31%) industries whilst the surrounding employment areas have slightly more of a population servicing focus (50.6%).

Link Airways provides employment related to air transport in the airport precinct.



PART 4

Current role and function



An aerial view of Shellharbour Airport and its runways.

Current operations

Shellharbour Airport is a licensed airport, owned and operated by Shellharbour City Council (Council). The catchment area for the airport extends south to Nowra and beyond into the South Coast and west to Bowral and the Southern Highlands broadly and north to the southern suburbs of Sydney. Its location provides good air, road and rail connectivity to Greater Sydney providing a viable alternative to Bankstown for aviation-related industries.

The airport provides RPT services between Shellharbour–Brisbane and Shellharbour–Melbourne (Essendon Fields) via Link Airways and is home to a range of light aeronautics industries, emergency services and tourism operators. The airport is a key driver of economic growth in the region generating direct and indirect employment. Fly-In Fly-Out services (e.g. for the mining NSW and QLD industry) also occur at the airport.

Throughout 2020 and 2021, construction of a new passenger terminal building (including a retail space and café), upgrades to airport infrastructure including runways, taxiways, and short and long-term carparks were completed.

The airport has two sealed runways (known as the 16/34 and 08/26 runways) and is a security-controlled licensed aerodrome owned and managed by Council and operated under the Civil Aviation Safety Authority (CASA).

Runway 16/34 is the main north-south facing runway and is 1,819m long and 30m wide. Runway 08/26 is the secondary east-west facing runway and is 1,331m long and 30m wide. The runways support CASA Code 2C aircraft operations which relates to the runway's physical characteristics, namely its length and width.

The airport is served by a sealed partial parallel taxiway system serving the eastern side of Runway 16/34 and the northern side of Runway 08/26. Taxiway D, which is located at the intersection of the runways is the main taxiway and is Code C aircraft capable.



The airport's strong base of light aeronautics industries provides tourism, maintenance and engineering services for aircraft ranging from ultra-light to medium size turbo prop and jet aircraft.



A hangar operated by Total Aerospace Solutions.

Besides the RPT services, there are a range of other on-airport facilities operating at the airport precinct, including:

- AMDA Foundation Limited – operating Airshows Downunder Shellharbour
- Historical Aircraft Restoration Society (HARS) - restoration/workshop/museum
- NSW Fire Brigade Emergency Training Facility
- Aerial Patrol Base
- Aircraft Maintenance Centre (Adventure Co., Skydive – Aircraft Heavy Maintenance Facility)
- Total Aerospace Solutions - aircraft modification (e.g. fit outs for the Royal Flying Doctor Service)
- Capital Aircraft Services - specialised aircraft fit outs/modification
- Cleary Bros/Go Jet - private hangar for jet charter
- Sydney Microlight Centre - microlight training and joy flights
- Viva Energy providing aviation fuel
- NSW Air Flight Training - pilot training and joy flights
- Skydive the Beach – tandem skydiving
- Touchdown Helicopters – joy flights, charter services and aerial bush fire services
- Osborne Aviation – Helicopter Power Line Surveying
- Southern Biplane Adventures/5 Point Aviation – adventure and scenic flights
- Air Force Cadets
- Rural Fire Service – Regional Control Centre
- The Illawarra Flyers
- Toll Rescue Helicopters - helicopter rescue and retrieval services, and
- TrikeFan - microlight flights, tours, and training.



The exterior of the Illawarra Fire Control Centre.

The airport is home to a range of emergency services including the NSW Rural Fire Service Regional Control Centre, the NSW Fire Brigade training facility, the NSW Ambulance helicopter rescue service, and the Australian Aerial Patrol search and rescue.

The HARS museum also houses the largest privately owned aviation collection in Australia, providing voluntary work for over 800 people and is a core tenant at the airport. The facility provides the international aviation industry with historical aircraft designs and component manufacturing facilities and is an approved aircraft maintenance provider. The museum is one of the biggest tourist attractions to the LGA.

Several large-scale events are currently held at the airport, such as an annual 'Airshows Downunder Shellharbour' aviation show, HARS open days and the Illawarra CONVOY (Charity fund raising).

Existing services

The Shellharbour Airport tenants are currently serviced by all public utilities such as sewerage, electricity, NBN and water.

Council notes these services are not connected to the privately owned IRBP land adjoining the airport to the west, which presents a significant disincentive to its development.

The airport also provides fuel supply, parking, navigational aids, and meteorological aids as core services to support its main operations.

Transport and access

Shellharbour Airport enjoys good road access off the Princes Highway, linking to the State Road network via the Princes Motorway (M1), providing access to Sydney to the north and key regional towns to the west and south. The recently completed Albion Park Rail bypass (M1 Princess Motorway) has diverted some traffic away from the airport, improving accessibility for customers using the airport.

Albion Park train station is a 10-minute walk to the south-east across the Princes Highway. The airport is linked via Albion Park train station to Sydney in the north and Bombaderry (Nowra) in the south with freight and passenger transport.

The Shellharbour Airport is the only significant aviation facility in the immediate area.

Sydney Airport is located approximately 97km to the north. Bankstown and Camden major general aviation airports are located approximately 93km and 78km to the north respectively. HMAS Albatross Naval Air Station is also located approximately 67km to the south at Nowra.

The new Nancy Bird Walton/Western Sydney Airport at Badgery's Creek is currently under construction and is located approximately 100km north/west of Shellharbour. This airport is currently scheduled for completion at the end of 2026.

Potential economic growth opportunities and synergies between the new Western Sydney Airport and Shellharbour Airport should be explored.

The Port of Port Kembla is also located in proximity to the airport (approximately 15km to the north-east) and is the deepest harbour on the NSW seaboard. The Port presents an opportunity for the airport to explore and grow new development and trade opportunities linked to the port operations.

PART 5

Future role and function



The main entrance of the Departures building of Shellharbour Airport. Credit: Shellharbour City Council.

The intent of this section is to outline on the likely future role and function of the airport precinct, key growth opportunities, constraints (where relevant), options to resolve key constraints and support growth and identify any future land infrastructure requirements.

Future operations

The *Illawarra Regional Airport Strategic and Business Plan* identifies distinct sub-precincts to guide future development at the airport precinct including the:

- airport runways
- general aviation sub-precinct
- administration/café and terminal sub-precinct
- tourism/future aviation tourism sub-precinct
- emergency services sub-precinct
- helicopter sub-precinct
- corporate jet sub-precinct
- Non-Directional Beacon (NDB) sub-precinct, and
- transport services and parking sub-precinct.

These sub-precincts are currently being reviewed as part of the process of Council preparing a revised masterplan for the airport.

Council also intends to create additional land development opportunities available by releasing currently undeveloped land (e.g. Shellharbour Aviation Business Park) to help satisfy a known demand that exists.

The *Illawarra Regional Airport Strategic and Business Plan* identifies that on both Council owned land and privately owned land, parts of the precinct could be used by new businesses for a range of potential future uses such as:

- aviation based tourism industries
- residential airpark development
- aviation component/manufacturing services
- aviation related industrial parks services, air-freight
- drone aviation development, and
- commercial (national and/or international) pilot training/simulator businesses (e.g. airline training centre, etc).

The future strategic direction for the growth of the airport outlined in Council's existing *Illawarra Regional Airport Strategic and Business Plan* focuses on:

- developing an airport management structure to accommodate the delivery of plan strategies, including effectively resourcing the operations and maintenance requirements of the airport (Sections 4.1 and 5.1)

- reviewing the zoning of areas adjacent to the airport and amending it to ensure it encourages attracts potential long term aviation related development/businesses (Section 5.2.2)
- developing a revised Master Land Development Plan based on the strategies recommended in the Plan, including formalising of specific precincts (Section 5.2.1)
- identifying and participating in grant funding opportunities to assist with financing infrastructure requirements (Section 5.2.1)
- reviewing Council's standard leasing arrangements to ensure future agreements are attractive for business development and on a commercial footing to Council (Section 5.2.1)
- developing the airport in a staged manner that will consistently enable the long-term objectives recommended in the Plan (Section 5.2.2)
- encouraging the development of an airpark, hangar homes, freight operations and other aeronautical related industries (Section 5.2.2)
- reinstatement of core infrastructure to the base level requirements needed to operate a Code 2C compliant airport (Section 5.3)
- conducting a Market Demand Study and implement a Marketing Plan to attract Regular Passenger Transport (RPT) and other aviation related industry and services to the airport (Section 5.4)
- developing closer partnerships with large regional employers, tourism bodies and government (Section 5.5)
- reviewing the branding and identity of the Illawarra Regional Airport (Section 5.6), and
- encouraging the development of additional events at the Illawarra Regional Airport to supplement the success of Airshows Downunder Shellharbour and the HARS (Historical Aircraft Restoration Society) open days (Section 5.6).

An aircraft displayed near the front entrance of the HARS.



Constraints and challenges

The constraints and challenges, future role and growth opportunities identified in the following sections are informed by stakeholder survey responses, information provided as part of workshops, targeted individual engagement, and stakeholder review of the draft precinct profile.

The key issues identified by stakeholders constraining the potential future growth of the airport precinct included:

Flooding, Riparian and Coastal

Much of the airport precinct is known to be flood prone,¹⁰ particularly riparian/wetlands areas to the west around Frazer's Creek and towards Macquarie Rivulet. Parts of the precinct are also mapped as Coastal Wetlands Area, Proximity Area for Coastal Wetlands and Coastal Environment Area under *State Environmental Planning Policy (Resilience and Hazards) 2021*.

Biodiversity

The precinct contains areas of remnant native vegetation listed as an Endangered Ecological Community under State and Commonwealth legislation, to the immediate east (zoned C3 Environmental Management) and south-east.

Land Use Conflict

Aircraft noise, surrounding residential uses, agricultural uses to the west, environmental constraints (flooding, biodiversity, wetlands and coastal hazards) and local development interest and pressures, has the potential to create land use conflicts which could constrain the airports' existing operations and future growth potential.

Transport and Access

Pedestrian connections to the Albion Park train station and the airport's alignment, and access to the Princes Highway were considered to require improvement to help activate the airport precinct and enhance the character and function of the area.

Private Ownership of Surrounding Lands

The potential for expansion of the airport precinct for a runway extension/to cater for larger aircraft, and for development of the IRBP is constrained by privately owned land surrounding the precinct. This would require a desire/incentive for landowners to develop the site for industrial purposes.

Albion Park Rail Bypass (Princes Motorway - M1) and the Princes Highway

Road infrastructure acts as hard constraints to potential expansion of the airport/runways further west and north respectively.

Heritage

The Shellharbour Airport is a locally listed heritage item and other local heritage items surround the precinct, such as the Ravensthorpe grounds and workers' cottages. Heritage issues must be carefully considered.

Housing

Ensuring access to adequate public and private housing to ensure employees of new jobs provided by the airport precinct have somewhere to live.

Infrastructure and Servicing

The future IRBP site presently lacks infrastructure servicing (i.e. water, power, sewer, flooding, vehicular access).

¹⁰ Flooding information is available in Council's adopted Macquarie Rivulet Flood Study (2017) at cdn.shellharbour.nsw.gov.au/sites/default/files/Environment_documents/macquarie-rivulet-flood-study-final_0.pdf

Opportunities and options to resolve challenges and support growth

Opportunities identified by stakeholders during consultation to support the economic and employment growth of the airport precinct and surrounds are summarised on the right.

Key opportunities are expanded on in further detail on the next page, along with a discussion of potential options to resolve challenges and support the growth of the airport.

The options and ideas identified in this report/section are not a Government-endorsed or committed action plan and there is no expectation that these opportunities will be progressed. Rather, they are potential options that were identified by stakeholders during the consultation process and could be further explored by Council, the Shellharbour Airport Advisory Committee (the Committee) and/or relevant NSW Government agencies, should they see benefit in doing so.

Key economic and employment growth opportunities for the airport precinct



Illawarra Regional Business Park



Improve pedestrian connections to Albion Park train station



Enhance the place of the airport, Albion Park Rail town centre and Albion Park train station



Foster existing businesses growth whilst attracting new businesses



Illawarra Regional Airport Strategic and Business Plan



Grow the existing emergency services cluster



Expand passenger aircraft services



Extend the airport runway



Provide more flexible zoning/planning controls



Shellharbour Airport Aviation Business Park



Reduce/manage potential land use conflicts



Explore defence industry potential



Government grant/funding opportunities



Explore events and tourism synergies with Shell Cove Marina



Expand the airports' events and tourism focus



Protect, enhance, and manage biodiversity values



Employment Zones Reform



Make the airport a multi-modal transport hub



Improve entry and access off the Princes Highway



Biodiversity Stewardship Agreement for vegetation with high biodiversity values



Leverage employment growth opportunities linked to Port Kembla and Western Sydney



Manage flood-risks and flood-proof new development

Opportunity 1:

Expansion of airport businesses and infrastructure



Key growth opportunities identified by stakeholders during consultation related to the expansion of airport businesses and infrastructure. This included:

- the potential for expanding the airports' events and tourism focus
- growing the existing emergency services cluster
- increasing passenger aircraft services, and extending the airport runways to cater for larger aircraft making it capable of accepting Code 4C aircraft,
- growing of existing and attracting new businesses, and
- providing more flexible zoning/planning controls.

Tourism and events

Several major events are currently held at the airport, such as the annual 'Airshows Downunder Shellharbour' aviation show, the HARS open days and annual Illawarra Convoy family fun days. The airport is also identified as a major regional tourism asset with several major tourist businesses/drawcards operating within the precinct.

Strengthening the existing events and tourism focus/specialisation of the airport was a significant growth opportunity identified during consultation. This included exploring the potential for events, tourism, and other synergies/links with the Shell Cove Marina (e.g. Shellharbour Wild Whale and scenic cruises) and ensuring sufficient car parking for large events.

Council is keen to support existing events and investigate new opportunities for other events at the airport, to actively promote aviation related business development opportunities to the region.

In 2023, Australian not-for-profit corporation AMDA Foundation Limited took over as the new operator of annual Wings Over Illawarra event (now renamed Airshows Downunder Shellharbour). AMDA was established to promote the development of aviation and Australia's industrial, manufacturing and information/communications technology resources in the fields of aviation, aerospace, maritime, defence and security.

AMDA is responsible for delivering some of Australia's most prominent and respected world class expositions/events such as the Australian International Airshow and Aerospace & Defence Exposition at Avalon Airport (Geelong, VIC), the International Maritime Exposition (Sydney, NSW) and the RotorTech Helicopter and Uncrewed Flight Exposition (Gold Coast, QLD).

This presents a significant opportunity for the airport precinct to grow its events focus leveraging off the back of AMDA, its large-scale events experience, industry connections and expertise.

Emergency services

There is an existing cluster of specialised emergency service type industries and business operating within the airport precinct such as the NSW Fire Brigade Emergency Training Facility, Aerial Patrol Base, CHC Helicopter Corporation, the Rural Fire Service – Regional Control Centre and Toll Rescue Helicopters.

There is significant potential to grow the airport as a base for the emergency services leveraging off this existing strength.

Red Roulette aircraft being observed by a crowd at an airport event.





The airport runway.

Increasing passenger aircraft services and extending the airport runway

The *Illawarra Regional Airport Strategic and Business Plan* contains key strategies aimed at encouraging aviation passenger services and expanding the runways to cater for larger aircraft.

Council has made significant progress on these strategies with RPT services provided between Shellharbour-Brisbane and Shellharbour-Melbourne (Essendon Fields) via Link Airways. Council is also scoping (subject to funding) a range of critical infrastructure upgrades and expansions to enable further growth of aviation activity at the airport (refer to **Land availability on page 22**).

Council's Plan notes moving to cater for Code 3 aircraft would require significant upgrades such as increasing the 16/34 runway strip width by approximately 60m, provision of runway end safety areas to the 16/34 runway of 60m x 90m (allowing for a future widening to 90m x 90m) and additional taxiway enlargements.

To achieve the 150m wide runway strip for Runway 16/34 about 3.62ha of land acquisition/ negotiation of property rights would be required. For all upgrades, approximately 40ha of land in private ownership in the north/north-west of the precinct would need to be acquired.

Council's Plan also notes that if a Code 3 operation was to be considered in the future, Council has zoning/planning provisions in place which would allow it to implement changes via an existing infrastructure easement (refer to Part 4 and clause 80 of the Shellharbour LEP 2004), but that some further private land acquisition would still be required and the cost of the runway upgrade works which would require additional funding to that Council can provide.

Continued investigations to expand passenger aircraft services and the airports' infrastructure should be undertaken to capitalise on this economic growth potential.

Growing existing and attracting new businesses

Fostering the growth of existing industries/ businesses (such as in aviation/light aeronautics, emergency services, events/tourism) and attracting new businesses (such as in transport, freight and logistics, aviation education/training, advanced manufacturing, or defence) were key opportunities identified during consultation.

The Shellharbour Airport Aviation Business Park presents an immediate opportunity to expand existing and lure new aviation-related businesses to the airport precinct in this regard (**Figure 5**).

The airport precinct benefits from a growing light aviation industry. This industry currently employs numerous skilled workers in the light aircraft space, creating agglomeration benefits and the potential for a 'one-stop-shop' for light aircraft aviation outside of the busy Sydney metropolitan airports.

Stakeholders told us that this industry could be successfully leveraged by future business and investment, expanding on services such as through additional hangers or management facilities for emergency services or private services through storage and light aircraft flight and on-ground training programs.

Additionally, we heard that business could be attracted from other airports by the precinct's benefits such as helicopter flights and maintenance which is currently being pushed out of Bankstown Airport.

It was considered that the development of the Nancy Bird Walton (Western Sydney) Airport will mean that airports outside of the Sydney basin may grow in importance for light aviation, as airspace within the basin becomes more focussed on commercial uses at both Sydney (Kingsford Smith) Airport and Nancy Bird Walton Airport. This could provide additional opportunities to service the light aviation industry and expand aerospace manufacturing at the Shellharbour Airport, creating new industry leveraging off the existing skilled workforce.

As identified in the economic context section, there is known vacant and underutilised industrial lots characterised by population serving uses in areas surrounding the airport precinct (predominantly in Albion Park Rail). The airport precinct and associated business parks must therefore find a point of difference or 'areas of differentiation' (i.e. anchor tenants or industries) to realise future growth potential (e.g. defence, aviation, or advanced manufacturing).

One example of this could lie with the advanced battery manufacturing industry. It is known that a lithium battery start-up company has revealed plans (subject to securing NSW Government funding) to potentially set up a \$50-\$60 million battery

materials commercial development plant within the airport precinct. The facility could employ up to 40 people full-time and 20 to 40 people part-time jobs and presents a significant potential opportunity to grow the airport precinct as an advanced (battery) manufacturing hub/ecosystem utilising an anchor tenant.

It was also noted the Port of Port Kembla (like the Shellharbour Airport) is identified as a Regionally Significant Employment Precinct in the Regional Plan and presents an opportunity for the airport to explore and grow new development and trade opportunities linked to the port operations.

Key potential future uses proposed at the Port of Port Kembla include a container terminal, offshore wind farms, wind turbine manufacturing, a hydrogen hub, and a defence base (status not confirmed - subject to final decision by the Federal government). Renewable energy projects would form a part of the Illawarra Renewable Energy Zone. Diversification in the types of minerals handled at the Port is also expected by NSW Ports over the next 40 years to include metals such as lithium, cobalt, and the like, to support demand for battery development and renewable energy generation.

Growth of the Port could therefore involve the airport precinct housing supply chain/downstream businesses, supporting cargo/freight and logistics, the clean energy industry, defence (refer to **Opportunity 5: Defence on page 45**) or other uses emerging from BlueScope's surplus lands master planning project.

Notably, there is significant potential for the airport precinct to become a freight and logistics hub, particularly given adjoining business park(s) and its proximity to Port Kembla, the Princes Highway and Princes (M1) Motorway. Containerisation has increased flexibility in transporting goods, allowing a greater level of integration between air and maritime transport systems. Opportunity may therefore exist for coordination of sea and air freight and logistics, and the establishment of a joint air and sea freight and logistics zone/hub, between the airport precinct and the Port of Port Kembla.

The potential for delivery of additional/direct rail capacity over the medium to long-term between Western Sydney (including the new airport) and the Illawarra/Port Kembla would only further enhance economic and employment growth potential.

Another specific potential business growth area identified for the airport precinct was for domestic transport of high value agricultural products, including oysters, prawns, cut flowers and regionally processed farm products. This could potentially grow the agriculture/aquaculture value-adding industry to further support agriculture and the economy of the region.

Finally, it was identified that favourable government funding initiatives have previously been available and may be available in the future to potentially support the growth of the airport precinct. Future funding opportunities should continue to be explored and investigated in this regard.

Port Kembla is within close proximity to Shellharbour Airport and provides opportunities in trade and employment.





E4 General Industrial zoned units in Albion Park Rail.

Zoning

IN1 Light Industrial and IN2 General Industrial zones within the precinct (excluding the IRBP site) and surrounding at Albion Park Rail were translated into the E4 General Industrial zone as part of the department's Employment Zones Reform. Key uses which would now be permissible in all these areas include heliports, general industries (mandated).

Additionally, sensitive uses with the potential to create land uses conflict such as schools and childcare facilities would become prohibited in the E4 zone after the savings and transitional period ending April 2025. Business zonings in Albion Park Rail and the Albion Park town centre were also converted to the E1 Local Centre zone to provide more flexible zoning controls.

Further opportunity may exist to review the zoning within the airport precinct (including the IRBP site) to ensure maximum land use flexibility and that it aligns with current and emerging market demand (e.g. advanced manufacturing).

Actions to support the expansion of airport businesses and infrastructure

At the time of drafting this profile, all of the actions on the right are currently being actively pursued by Council. The status and progress of these actions can be provided by the Department or Council.

- 1 Investigate if there are existing emergency services tenants looking to expand within the airport precinct (e.g. within the Shellharbour Aviation Business Park) or if there are new operators interested in setting up/relocating from other areas in NSW (e.g. Bankstown Airport) and beyond.
- 2 Investigate the potential for expansion of short haul passenger aircraft services to additional holiday destinations, particularly in Queensland (e.g. the Gold Coast).
- 3 Prepare a funding strategy (with consideration of government funding initiatives) towards airport infrastructure upgrades, including extending the runways and developing an airport capable of accepting Code 4C aircraft.
- 4 Prepare an investment prospectus and implement a targeted marketing strategy for the Shellharbour Aviation Business Park to help attract new tenants.
- 5 Collaborate with key agencies such as across the department, the Department of Regional NSW, and peak industry bodies (Business Illawarra, RDA etc) to access business concierge services, find and attract anchor industries/tenants, and investigate new opportunities for businesses development and government funding.
- 6 Review the *Illawarra Regional Airport Strategic and Business Plan* to reaffirm the future strategic direction for growth and provide updated Strategies which capitalise on the growth opportunities identified in this profile.
- 7 Prepare a revised Master Plan for the airport precinct to provide certainty on the contemporary vision, objectives, and aspirations for the precinct's future over the next 20 years, including the development/land use, staging, and servicing strategy.
- 8 On-going review of the zoning and local planning controls within the airport precinct to ensure maximum land use flexibility, alignment with current and emerging market demand, incentivisation of employment generating development and consistency with Council's business and strategic planning for the airport.

Opportunity 2: Illawarra Regional Business Park



The IRBP site (**Figure 5**) presents a significant potential long-term opportunity identified by stakeholders to grow and develop the economic and employment potential of the airport precinct, particularly given its proximity to the Princes Highway and Princes (M1) Motorway. It is anticipated that development of this site would occur over the long-term as the Shellharbour Airport Aviation Business Park starts to reach capacity and supply of industrial lots in the Shellharbour LGA tightens.

The IRBP site was zoned and strategically identified via the former State Environmental Planning Policy (Major Projects) (SEPP) for light industrial/employment purposes in 2008 (40 ha IN2 Light Industrial and 26 ha E2 Environmental Conservation). These SEPP provisions were later transferred into *Shellharbour Rural Local Environmental Plan 2004* by the State government.

The site has a concept approval for a 60-lot industrial subdivision but presently lacks infrastructure servicing (i.e. water, power, sewer, vehicular access). The site is also known to be flood prone, and contains sensitive coastal wetland areas mapped under *State Environmental Planning Policy (Resilience and Hazards) 2021*, to the west around Frazer's Creek and towards Macquarie Rivulet. The site is also surrounded by several local heritage items (Ravensthorpe grounds and workers' cottages and the Albion Park Showground and Boles Meadows).

The site is also privately owned and used as part of a larger dairy holding.

Despite concept approval in 2009 from the NSW Government, development of the IRBP has not taken place potentially due to site constraints and numerous conditions on the concept approval which may serve to limit the feasibility of development. Key conditions relate to limiting permissible uses according to flooding constraints, implementing stormwater/water sensitive urban design infrastructure, intersection upgrades, management of environmental conservation areas, wetland and riparian constraints, contamination, and water quality and monitoring.

Addressing issues with the IRBP will enable the expansion of the airport precinct to the west, providing a further 40 ha of zoned land for employment purposes. This may mean acting on the existing concept approval, where possible, or exploring new schemes as part of a separate planning process.

Certainty as to feasibility of the development considering the findings of the 2022 NSW Flood Inquiry and contemporary flooding requirements would also need to be established. This could be achieved by preparing a Flood Impact and Risk Assessment (FIRA) in accordance with the requirements of the *Flood Risk Management Manual (2023)* and Council's LEP(s).

Sydney Water and Endeavour Energy emphasised the importance of early communication regarding the future growth expected within the airport precinct, including robust demand projections/employment growth estimates. Whilst there is likely to be some short-term water, sewer, and electrical capacity (e.g. for Stage 1 of the Shellharbour Airport Aviation Business Park), additional infrastructure would be required over the long-term to realise the airport precinct's full development potential. Substantial water infrastructure upgrades would need to be included in the *Sydney Water Growth Servicing Plan (GSP)*.

Depending on the infrastructure item, the lead-in time is approximately 2-4 years. Sydney Water and Endeavour Energy require a strong level of commitment for future demand to justify expenditure to regulators. Pre-commitments or some other demonstrable financial intent to develop will better help utility providers justify investment in the precinct to regulators.

The current IRBP site with Shellharbour Airport in the background.



Recommended options for the Illawarra Regional Business Park site

Noting the IRBP site is privately owned and currently used as part of a larger dairy holding, despite the recommended options below, there is no requirement or expectation emanating from this profile for the landowner to start using the land for light industrial/employment uses unless there is a desire to.

- 1** Council, the department (including its Planning Delivery Unit), the Department of Regional NSW and other NSW Government agencies (where relevant) to provide concierge services to assist any interested party to resolve development constraints and create a pathway forward to realise the IRBP.
- 2** Investigate development feasibility considering the 2022 NSW Flood Inquiry findings and contemporary flood requirements.
- 3** On-going review of the land's LEP provisions to ensure maximum land use flexibility and that it aligns with current and emerging market demand.
- 4** Prepare a staged infrastructure servicing and delivery plan for the IRBP covering electrical, water, sewer, flooding, gas, traffic, access, and telecommunications infrastructure, as well as relevant funding mechanisms.
- 5** Communicate with Endeavour Energy and Sydney Water as early as possible about future growth expected within the IRBP, including robust demand projections/ job growth estimates and evidence of demonstratable financial intent to develop.



An example of a business park style development – Ingleburn Industrial Estate.

Opportunity 3: Biodiversity



The precinct contains areas of remnant native vegetation (potentially including Illawarra Lowland Grassy Woodland which is listed as an Endangered Ecological Community under the New South Wales *Biodiversity Conservation Act 2016* and a Critically Endangered Ecological Community (CEEC) under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999*). Key vegetated areas of interest to the east (zoned C3 Environmental Management) and south-east (zoned SP1 Air Transport Facility) cover a combined estimated area of approximately 16ha.

RE2 Public Recreation zoned land immediately adjoining the precinct to the south-east may also be of interest as it appears to contain the same vegetation and is understood to be owned by Council.

Protection, enhancement, and management of this native vegetation within the precinct was a key opportunity identified during consultation. There was an identified potential option for such lands to become an asset via a Biodiversity Stewardship Agreement which could be pursued by Council.

Council could pursue an option to preserve all or part of this area to generate biodiversity credits for sale on the open market.

Money generated from the sale of biodiversity credits above that used to manage the site/s could be used by Council to help grow the airport precinct. The Credit Supply Taskforce should be a point of contact for Council and that the department's Biodiversity and Conservation Division could also be available to assist in this regard.

There are three smaller, isolated pockets of vegetation, two within the airport holding and one within the IRBP which may be suited to development, subject to appropriate investigations.

Certain vegetation also creates obstacle hazards for aircraft which is a safety management issue and requires ongoing maintenance to meet CASA/ legislated obstacle limitation surface and airport safety requirements. The completion of these management measures are to be undertaken in consultation with the Department.

Recommended options to address biodiversity constraints

- 1 Investigate the potential pathway and opportunities for land containing the Illawarra Lowland Grassy Woodland, such as via Biodiversity Stewardship Agreement(s).
- 2 Review the zoning of land containing areas of significant vegetation to ensure it is appropriately protected.

Native vegetation on Boomerang Avenue.



Opportunity 4: Transport, access, and place



Providing better pedestrian connections to the Albion Park train station (950m to the south), shops on the Princes Highway within the Albion Park Rail town centre, and maximising the airport's alignment, and access to the Princes Highway to enhance the place of the area were key opportunities identified by stakeholders during consultation to foster economic and employment growth. It was considered the airport should become a multi-modal transport hub.

It was suggested focusing on transport, access, and place improvements focused on the airport precinct, Albion Park train station, and Albion Park Rail town centre in an integrated manner may result in an improved strategic outcome generating greater benefits across the broader area.

Regarding pedestrian connections:

- there is no dedicated footpath for pedestrians connecting the main train station building to the footpath on the Princes Highway (requiring pedestrians to walk through the car park)
- the existing footpath located to the far south of the station and main building may be inconvenient for passengers to use
- there are large sections of the narrow footpaths located between the train station and the airport's main terminal building, particularly on the eastern side of the Princes Highway (leading up to, and to the north, of the shops) and along Hargraves Avenue and Boomerang Avenue
- the footpath connecting the train station to the main southern entrance of the airport down Hargraves Avenue, Boomerang Avenue and then Airport Road is incomplete and does not connect to the main terminal building,
- there are no footpaths connecting the main northern entrance to the airport at the intersection of the Princes Highway and Airport Road down to the main terminal building, and
- wayfinding signage between the airport, Albion Park train station, and Albion Park Rail town centre is limited.

Council is currently preparing an Active Transport Strategy which will address enhancing multimodal connectivity between the airport, Albion Park train station and Albion Park Rail town centre; and is investigating the feasibility of amending public bus services to include stops closer to the airport's main buildings.

Vehicular access to the main northern entry of the airport down Airport Road is via a signalised T-intersection on the Princes Highway. Approaching from the north, the entry is poorly sign-posted, and the intersection is not prominent from the Highway meaning it could easily be missed.

Additionally, whilst Premier Illawarra bus routes (37, 57 and 77) stop close to the airport's main northern and southern entrances on the Princes Highway, no public transport currently services the airport directly. Public transport will become increasingly important to the airport precinct as operations increase.

It was also noted there is no regular shuttle bus service currently operating between the train station and the airport and there is a need to ensure sufficient car parking is available to cater for future large events such as Airshows Downunder Shellharbour.

Consideration of transport, access, and place enhancements to address the above would likely improve overall user experience and encourage visitors and workers (including employees in the Shellharbour Aviation Business Park and future IRBP) to use public transport to access the airport precinct. They would also help the airport precinct to be recognised in the region as a key transport gateway and multi-modal transport hub.

Recommended options to improve transport, access, and place

- 1 Investigate provision of transport, access and place enhancements for the airport precinct and surrounds with a particular focus on improvements to address the abovementioned issues.

Opportunity 5: Defence



Exploring the potential for the Shellharbour Airport to support the defence industry was a key growth opportunity identified during consultation. Shellharbour Airport is in proximity to the Holsworthy Army Barracks and Military Airport as well as HMAS Albatross and the Albatross Aviation Technology Park in the Shoalhaven (Nowra). In addition, the East Australia Exercise Area sits offshore in the Tasman Sea. The airport precinct also has significant immediate and potential future expansion sites which, when coupled with the existing airport operations and infrastructure, may be suitable and attractive to the defence industry.

The Port of Port Kembla is also located nearby which has been short-listed as one of three preferred locations (along with Newcastle and Brisbane) being considered as the site for Australia's East Coast Base (ECB) to house a fleet of nuclear-powered submarines. A final decision on the location of this facility is expected to be made by the Federal Government late in this decade.

It is recommended that further investigations could be undertaken into how the Shellharbour Airport may be able to leverage growth off existing and proposed defence assets in proximity, particularly with regards to the Shellharbour Aviation Business Park and future IRBP sites.

For example, this could involve the airport business parks housing downstream business/industries with defence support capabilities (e.g. battery manufacturing for defence mobility applications) for a potential ECB at Port Kembla.

The *Illawarra Shoalhaven 10-Year Defence Industry Strategy* notes that scope for future defence industry innovation is already being provided through the design of the Shellharbour Airport Aviation Business Park. The Strategy recommends the formalisation of partnerships amongst all the region's key defence assets into a defence industry alliance to promote the region as a defence industry innovation ecosystem.

The intent of the alliance would be to position the Illawarra Shoalhaven as a highly collaborative network of defence industry innovation, improving the attractiveness of the region for investment and growth. Such an alliance may provide a useful platform to explore the airport's future potential to support the defence industry.

Recommended options to explore potential defence opportunities

- 1 Continue to investigate opportunities to leverage the airport precincts' growth off existing and proposed defence assets in proximity through collaboration with key stakeholders such as the Australian Defence Force, the Department of Regional NSW and peak industry bodies (Business Illawarra, RDA etc).

The DHC-4 Caribou flying in Shellharbour Airport.
Credit: Destination NSW.



Opportunity 6: Land use conflicts



As the airports' operations expand, it has the potential to cause adverse amenity impacts (aircraft noise, traffic, lighting etc) to surrounding residents and other sensitive uses resulting in complaints and land use conflict.

At the same time, development pressure on land in proximity to the airport for agricultural/primary production, increased residential and other sensitive land uses, major projects (e.g. Albion Park Rail bypass and the Tallawarra B Power Station), and the like can also create land use conflict. For example, this could be from building/structure height, lighting, or inadequate bird hazard management impeding airspace operations.

The Environmental Protection Authority's (EPA's) primary concern was to minimise any potential for land-use conflict from the airport's operations, including managing the impacts of existing and new/future industrial uses on nearby sensitive receivers (e.g. from cumulative noise).

These conflicts could constrain the airports' existing operations and future growth and need to be carefully managed.

For example, due to proximity to the airport and the absence of buffer areas, remnant housing in the E4 General Industrial zone immediately adjoining the airport precinct to the east, and R2 Low Density zoned housing immediately adjoining the airport precinct to the north-east (bounded by the Princes Highway to the east) could result in land use conflicts as the airport expands.

There are also isolated pockets of RU1 Primary Production zoned land immediately adjoining the airport precinct to the north and west, which appear to be currently used for a combination of

Houses on a residential street in Tullimbar.



agricultural/farming, building supply, construction, transport, and freight type uses. The RU1 Primary Production zone pockets have become isolated from other similar zoned lands to the west and north-west by construction of the Albion Park Rail Bypass.

Existing building supply, construction, transport, and freight type uses are more reflective employment zoning and as the airport precinct expands (including development of the IRBP site), primary production uses are likely to become increasingly isolated, unviable, and incompatible with the surrounding airport/industrial uses. Urban encroachment on key road corridors may also create land use conflicts as the airport business parks develop.

In the short to medium term, prior to realisation of the IRBP site for industrial purposes, potential land use conflicts between the airport and adjoining dairy farm operations will also need to be minimised.

The potential for land use conflict between the airport operations and new residents in areas such as Calderwood, Yallah, Marshal Mount and Tullimbar also requires careful consideration.

Recommended options to manage potential land use conflicts

- 1** Review zoning and local planning controls (LEPs, DCP, land use permissibility etc) to:
 - a** ensure potential land use conflicts with (and from) the airport's operations are effectively managed and zoning aligns with the desired future character of the area
 - b** consider ways to encourage take up of E4 General Industrial lots immediately adjoining the airport precinct to the east by industrial uses and phase out of remnant housing
 - c** consider the appropriate zoning of isolated pockets of RU1 Primary Production zoned land immediately adjoining the airport precinct to the north and adjoining the IRBP site to the west to ensure it reduces land use conflict potential, best reflects existing employment type uses, and aligns with the desired future character of the area, and
 - d** incorporating additional land into the precinct if zoned appropriately.

PART 6

The role of collaboration



Historical aircraft at the HARS museum.



Local businesses in Albion Park Rail.

Precinct profiles are to identify stakeholders and, where required, a precinct collaboration team to facilitate activation of employment lands, coordination of infrastructure planning and delivery, and consideration of how underutilised sites could be used for new employment generating opportunities (amongst other things).

Council has already established the Shellharbour Airport Advisory Committee (the Committee) to:

- implement Council's Illawarra Regional Airport Strategic Business Plan
- advise on policy and strategies to encourage business growth and development at the airport
- strengthen the airport's role in providing transport services, tourism, and business opportunities within the region.

The Committee meets as required with membership including:

- two (2) Councillor representatives elected by Shellharbour City Council each year
- several Council staff - Airport Manager, Manager Business and Investment and Chief Financial Officer
- regional business representatives from:
 - Wollongong City Council
 - Kiama Municipal Council
 - Industry and Investment NSW
 - Regional Development Australia (Illawarra)
 - South Coast Regional Tourism Organisation
 - Destination Wollongong
 - Department of Regional NSW, and
 - Business Illawarra.

Committee membership is reviewed by Council periodically.

The Committee has been established for several years and draws upon the vast depth of knowledge and expertise of its members to help grow the airport. It is therefore considered that Council and the Committee are best placed to work on implementing the solutions/options identified in this profile to address constraints and unlock the future employment generating growth opportunities, including those faced by new investors to the precinct.

Other key stakeholders such as the department, (including the Planning Delivery Unit and its Biodiversity and Conservation Divisions), the Department of Regional NSW, TNSW, the Illawarra Shoalhaven Joint Organisation of Councils, the EPA and the Office of Defence Industry Support may be called upon by the Committee as required to help negotiate issues, resolve constraints, and realise growth (particularly with regards to the IRBP site).

Again, the options and ideas identified in this report are not a Government-endorsed or committed action plan. Rather, they are potential options that were identified by stakeholders during the consultation process which could be further explored by Council, the Committee and/or relevant NSW Government agencies should they see benefit in doing so.

If executed successfully, effective collaboration to capitalise on the opportunities, and resolution of the constraints identified in this profile would generate transformative future economic and employment value for the Shellharbour Airport and the Illawarra Shoalhaven region.

Planning and Environment

dpie.nsw.gov.au

Postal Address:
Department of Planning
and Environment
Locked Bag 5022
Parramatta NSW 2124

Street Address:
4 Parramatta Square
12 Darcy Street
Parramatta NSW 2150

