

# Appendix 1: Background Paper

## Nowra City Centre Strategic Roadmap

November 2025





## Acknowledgement of Country

The Department of Planning, Housing and Infrastructure 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.

Artwork by Kyara Fernando Dunghutti (Dhanggati)

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Image on front cover: Looking over the Shoalhaven District Memorial Hospital and the Shoalhaven River.

# Executive summary

The *Illawarra Shoalhaven Regional Plan 2041* (Regional Plan) identifies Nowra as a regional city and a gateway to the South Coast. The Regional Plan sets an action to develop a Strategic Roadmap for the Nowra City Centre to establish a vision, identify actions and guide inter-agency and inter-government collaboration, recognising the opportunities that exist to create major positive change through a coordinated approach to leveraging Nowra's strengths and addressing key challenges.

The regional city of Nowra has been considered as the Nowra and North Nowra–Bomaderry Statistical Area 2 outline at Figure 2 (page 10) and the City Centre is focused on the commercial and mixed use areas outlined in red at Figure 1 (page 7).

This Background Paper provides the context on the current state of the Nowra City Centre and the need for a Strategic Roadmap to guide coordination, planning and decisions to realise change on the ground. The work in this document has informed the development of a Strategic Roadmap for Nowra City Centre.

Extensive strategic planning has been undertaken for Nowra over time which has supported incremental change. However, a critical challenge that still exists is a lack of private redevelopment within the City Centre. An analysis of the reasons why this is the case, was completed by reviewing local development feasibility factors and seeking feedback from local industry representative groups, which highlighted that:

- Encouraging development within existing centres is consistent with the intent of global and national policies.
- Previous strategic planning efforts and changes to planning controls have only led to a limited increase in development in the Nowra City Centre.
- Changes to planning controls in isolation are unlikely to significantly improve development feasibility.

Ultimately, there is a need for a different approach to strategic planning and mechanisms to stimulate development within the Nowra City Centre.

Through understanding the barriers to development within Nowra City Centre and consideration of other centres that have undergone revitalisation, three key areas that present opportunity to address and drive desired change have been recognised:

## Focus area 1: Transport



## Focus area 2: Branding, perception and activation



## Focus area 3: Bringing forward investment



Coordination between government and non-government stakeholders and the local community centred around each of these areas and a planning framework to facilitate private investment forms the basis of the Strategic Roadmap.

# Introduction

Nowra City Centre has many strengths and opportunities but it is also susceptible to the broader challenges facing cities, including the worsening impacts of natural hazards, housing affordability and socioeconomic inequality. In 2021, approximately 30% of households in the Nowra SA2 were experiencing housing stress<sup>1</sup>, 43% of households were in the lowest income quartile<sup>2</sup> and Shoalhaven is one of the areas with the highest number of natural disasters recorded since 2019<sup>3</sup>.

An extensive body of work has been undertaken to date to examine the challenges and opportunities for the Nowra City Centre in the context of these influencing conditions with some resulting actions and recommendations either in progress or already implemented, and others to still be implemented.

The *Illawarra Shoalhaven Regional Plan 2041* identifies the need for increased development, in particular new housing within the City Centre, to respond to local and regional challenges and to contribute towards its activation. Action 2 of the Regional plan recognises that the planning undertaken to date has only had limited success. In developing Action 2 of the Regional Plan, it was important to understand why mixed-use and higher-density residential development is not currently taking place.

The Department of Planning, Housing and Infrastructure (DPHI) engaged Astrolabe Group to analyse the existing planning and market context for the Nowra City Centre and to better understand the factors shaping development decisions. A key finding was that in the current planning and market context, mixed-use and higher density residential development does not meet industry expectations for returns on investment.

Analysis was also run by doubling the current maximum permitted building height, which did not increase the feasibility to levels likely to drive investment, highlighting the likely limitations of changing planning controls, as the sole mechanism to stimulate and drive change on the ground.

Through this understanding, the importance of a coordinated approach, focused on interventions to bridge the gap between the planning framework and market forces is essential. This underpins the need for a Strategic Roadmap that moves beyond statutory planning changes to deliver outcomes.

1 ABS Census of Population and Housing, 2021.

2 ABS Census of Population and Housing, 2021.

3 NSW Natural Disaster Declarations.



# Nowra today

## First Nations significance

Nowra is a place that holds strong connections for Aboriginal people who have lived, worked, visited and cared for this Country for over 65,000 years. It includes many places of cultural significance for Aboriginal people like the Shoalhaven River, and its post settlement name is said to be derived from an Aboriginal word for “black cockatoo” (which may also have many different spellings based on the local language of individual clans and groups).

Today 10.3% of Nowra’s population are Aboriginal and/or Torres Strait Islander, compared to the state average of 3.4%<sup>4</sup>. Keeping an awareness and seeking deeper understanding of the ways that planning and decisions affecting the Nowra City Centre can support self determination for Aboriginal people and enhance connection with Country is important for the wellbeing of the community as a whole.

## The City Centre

For the purposes of this discussion paper, the Nowra City Centre is defined as encompassing the civic, commercial, and retail core of the Nowra CBD including adjacent residential land and the Nowra Centre Plaza site, east of the highway as shown in Figure 1. The Riverfront area has been included as it is an important part of the City Centre. However, separate planning work is being undertaken for this land so the analysis and recommendations put forward will focus on linking to and integrating with this work.

As Nowra is a regional city, there is a large area of influence which plays a critical role in shaping the City Centre. This broader area has therefore been considered in the analysis.

The following section explores the local, demographic and market factors currently experienced in Nowra City Centre as a framework for understanding existing strengths and areas of opportunity for the future. The detail in this section has drawn on the significant body of work undertaken to date for Nowra to inform the development of the Strategic Roadmap. This includes the:

- *Nowra CBD Master Plan 2014*
- *Nowra CBD Revitalisation Strategy and Action Plan 2021–2023*
- *Nowra City Centre Planning Pathways Recommendations Report* (Astrolabe Group on behalf of DPHI, 2023).

Figure 1: Nowra City Centre



- |                                  |                       |                     |
|----------------------------------|-----------------------|---------------------|
| City Centre                      | Existing cycle paths  | Civic hub           |
| Regional open space – riverfront | Proposed cycle paths  | Secondary education |
| Bomaderry                        | Railway line          | Tertiary education  |
| Employment land                  | Improved connectivity | Health facilities   |
| Riverfront precinct              | Train station         | Cultural facilities |
| Health precinct                  | Bus terminal          | Open space          |
| Commercial                       | City gateways         | Water body          |
| Commercial core                  |                       |                     |

### A regional city servicing surrounding towns with proximity to other destinations

Nowra has an important role in servicing surrounding towns as the regional city between Shellharbour and Ulladulla. It is a gateway to the NSW South Coast, within proximity to popular tourist destinations such as Jervis Bay and cities such as Sydney, Wollongong and Canberra.

The city itself benefits from existing services and industry with potential for growth, and has been subject to recent NSW Government investment including:

- **Shoalhaven District Memorial Hospital** is the main acute care hospital for the Shoalhaven region, providing emergency care, medical, cancer, surgical and orthopaedic services. Recently commenced redevelopment will deliver contemporary and expanded hospital services reducing the need to transfer patients to Wollongong and Sydney.
- **Defence:** HMAS Albatross is located approximately 6 km south-west of the City Centre and is the Navy's only air station. A \$124 million investment to upgrade the base was made in 2023 which demonstrates the Australian Government's strong commitment to the Shoalhaven as a vital Defence aviation hub for the nation. This provides employment opportunities and potential for defence housing within the City Centre.
- **Nowra Bridge:** A new four lane bridge across the Shoalhaven River was opened in February 2023. The project provides improved connectivity to the riverfront and presents opportunities around alternative uses of the existing bridge.

- **Nowra Riverfront Precinct Renewal:** The Nowra Riverfront Advisory Taskforce has been established to guide the development and activation of the riverfront precinct. Planning for this precinct was also recently given further funding through the Australian Government's Regional Precincts and Partnership Program which will progress the planning required for this precinct that will bring forward investment.
- **Government Administration:** In 2025, the NSW Government commenced work on the redevelopment of one of its regional workplaces for Nowra, with a \$5M investment in a whole-of-government workplace hub for the city.

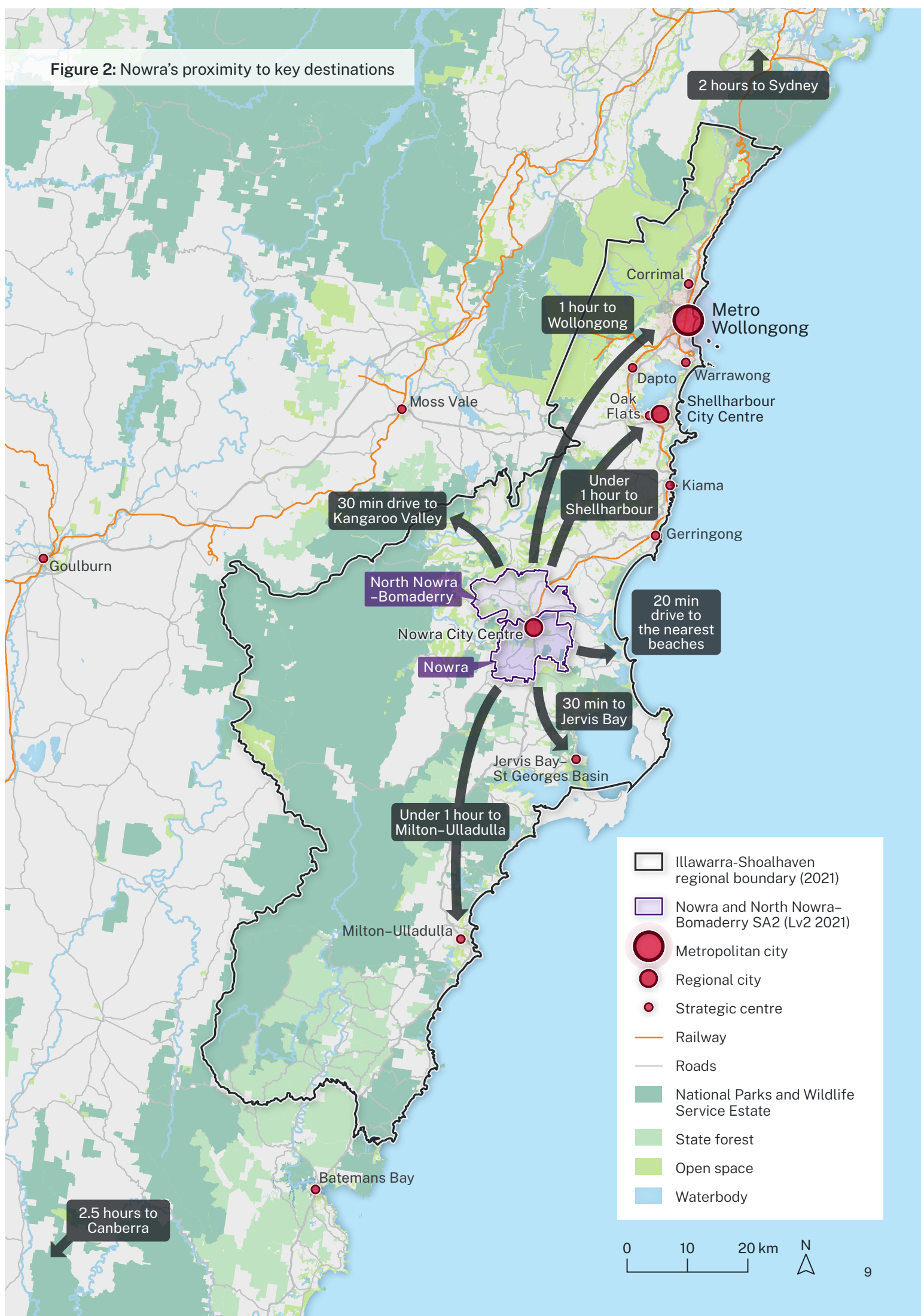
Despite the presence of key services and amenities, there is a perception of Nowra as a city that is defined by its proximity and supporting nature for other destinations.

#### Opportunities to build upon the:

- function of the Nowra City Centre as a focal point for business, government, culture and a hub for retail, commercial and health care.
- Shoalhaven Hospital as the region's main acute care hospital, with the potential for a future health and education precinct.
- employment opportunities associated with the Defence and the South Nowra employment precinct.
- education, training and research through the expansion of the University of Wollongong's Shoalhaven campus and TAFE NSW's campus in Bomaderry.
- tourist accommodation offering in the Nowra City Centre including hotels and motels taking advantage of proximity and views to the Shoalhaven River, restaurants, entertainment, retail and other services.



Figure 2: Nowra's proximity to key destinations



## Large Council-owned assets, social infrastructure and amenity-rich surrounds

The City Centre contains and has access to a rich variety of infrastructure, services and amenity. The combination of natural assets, and cultural and education facilities provide a significant base to build upon to support a growing population.

Notwithstanding this, the lack of people living within the City Centre and the limited public and active transport connections to key locations limits the accessibility and overall vibrancy of the centre.

### Opportunities to:

- encourage additional housing within the City Centre with access to services and amenities with a focus on medium and higher density, social and affordable housing.
- consider options for new uses on Council-owned land.
- build upon the existing institutions and encourage a presence within the City Centre.



## Limited public transport, pedestrian infrastructure and high car dependency

The Nowra City Centre has the foundations for high levels of walkability and public transport, with the Princes Highway as a spine, the grid-like street pattern and existing activity focused along Junction Street.

Due to various land-use and transport factors the City Centre and Nowra more broadly has extremely high levels of private vehicle use, with 73.8% of people driving to work compared to the state average of 46.3%<sup>5</sup>. Buses are the primary public transportation in the area, connecting to the train station at Bomaderry

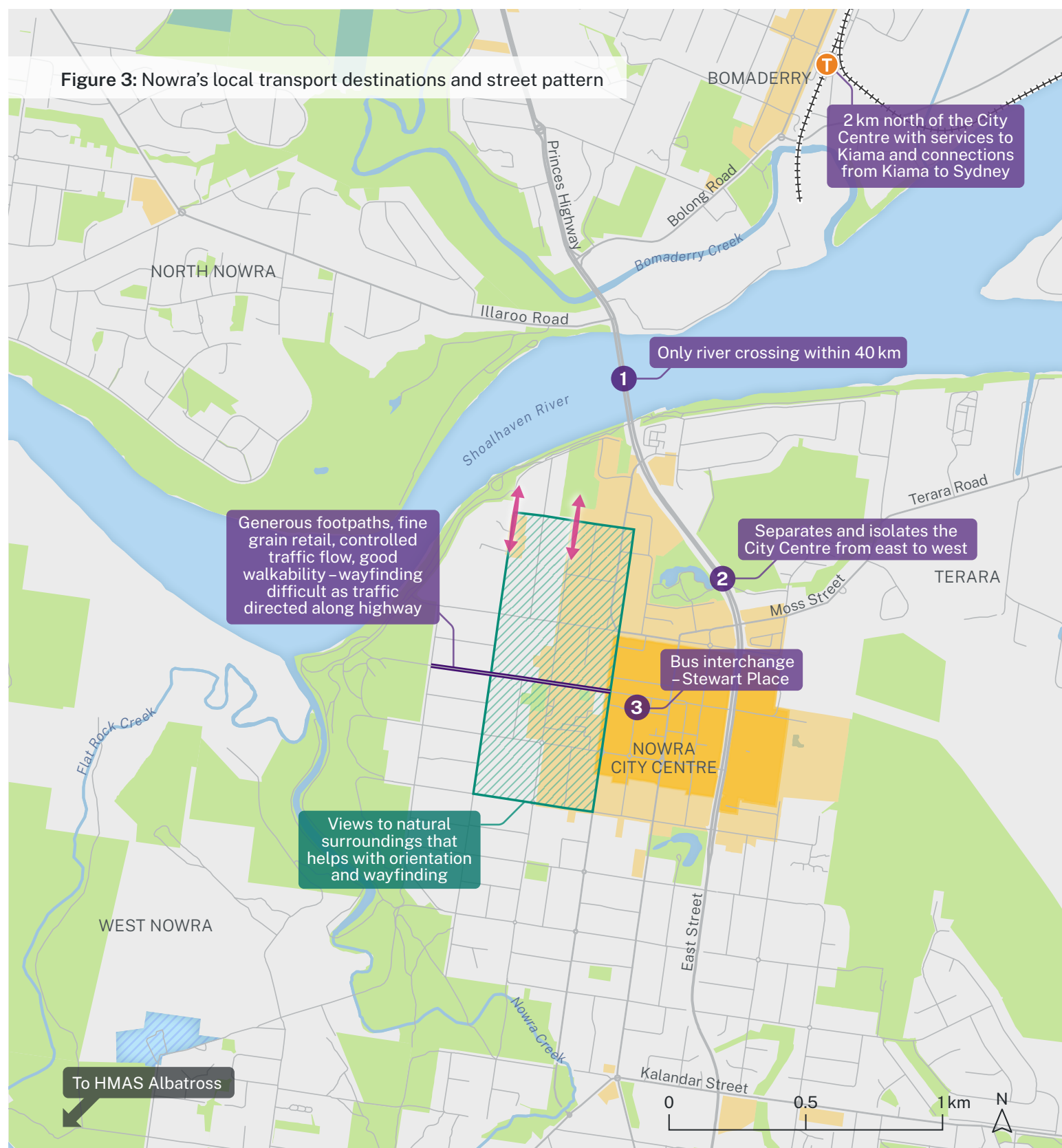
and centres further south. The services, however, are infrequent outside commuter peak times and there is a perception that routes are long and indirect.

### Opportunities to:

- utilise the grid-like street pattern and Princes Highway spine for public and active transport.
- coordinate land-use and transport decisions to support accessibility and connectivity within the Nowra City Centre.
- plan for and deliver additional public transport services, complemented by improvements to walking and cycling infrastructure.

5 ABS Census of Income and Work, 2021

**Figure 3: Nowra's local transport destinations and street pattern**



1 Shoalhaven Bridge

2 Princes Highway

3 Bus Interchange, Stewart Place

T Bomaderry train station

— Junction Street

↔ Connection between CBD and the riverfront

▨ Regular grid patterns

++++ Railway

Commercial

Commercial core

National Parks and Wildlife Service Estate

Open space

Water supply

Water body

## Low-rise, ageing built form with European heritage elements

There is a strong presence of European heritage within the City Centre including buildings with unique facades that contribute towards a sense of place.

The heritage conservation area in the western portion of the City Centre includes approximately 32 ha of land adjoining the CBD fringe. It currently comprises low density detached dwellings from various periods that accommodate a variety of residential and commercial uses.

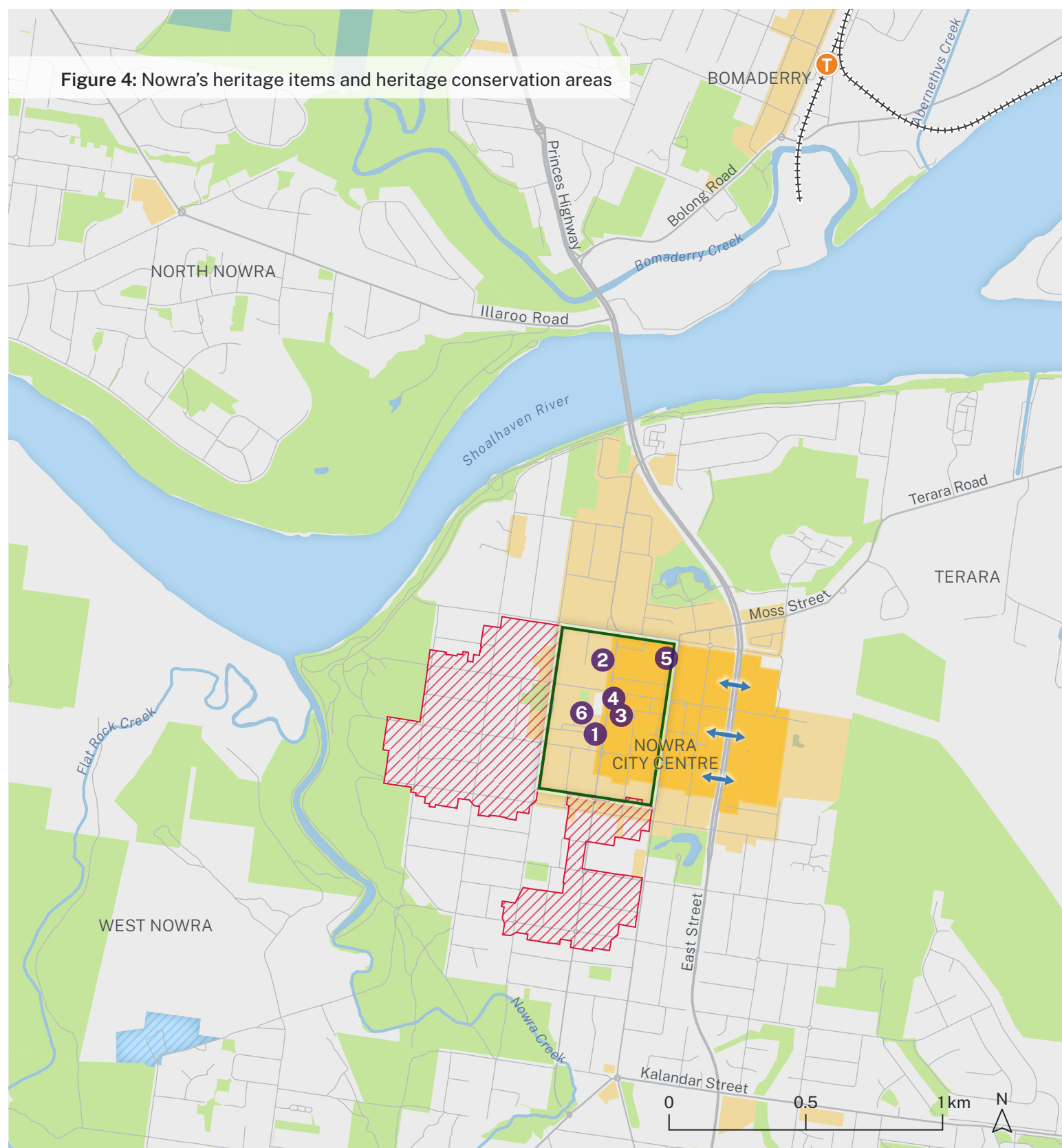
Whilst these buildings contribute towards Nowra's character, there are many examples of buildings that do not positively contribute towards the character of the City Centre. There are also challenges associated with the lack of weather protected spaces to gather outdoors, absence of a unified City Centre identity, stretches of inactive frontages along key streets and the uninviting interface with the Princes Highway. There is also a lack of celebration and acknowledgement of the strong Aboriginal heritage of the area.

### Opportunities to:

- understand, acknowledge and celebrate places of Aboriginal cultural significance.
- think about ways to celebrate and use heritage items to create a sense of place and vibrancy in the City Centre.
- consider changes in scale and built form to contribute towards increased amenity.
- improve the pedestrian environment and activate street frontages.



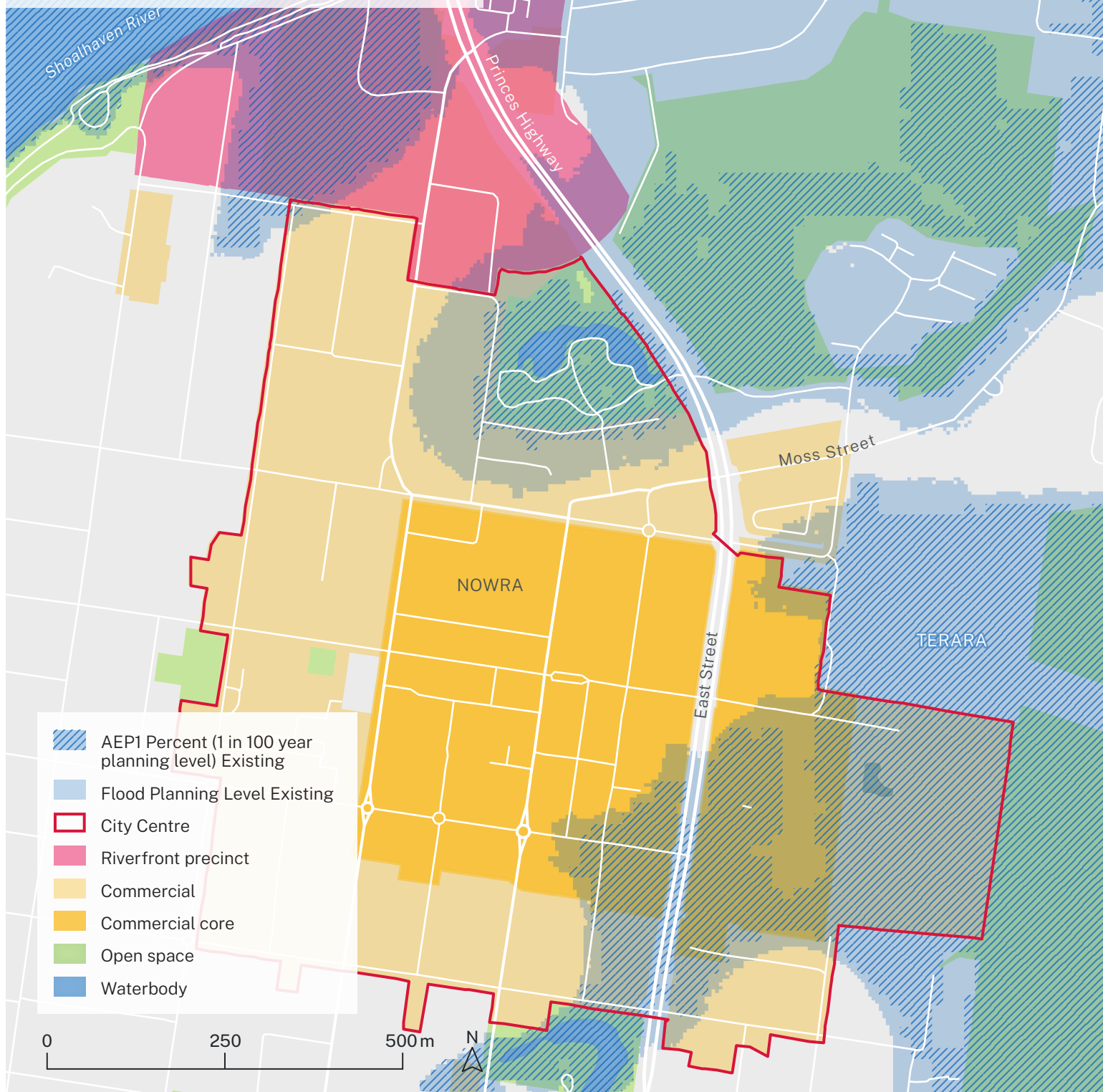
**Figure 4: Nowra's heritage items and heritage conservation areas**



- 1 Roxy Cinema
- 2 Mechanics Institute and School of Arts
- 3 The People's Emporium  
– Woodhill & Co, Walsh's Building
- 4 Former Post Office – Postman's Tavern
- 5 St Andrew's Presbyterian Church
- 6 Uniting Church and Wesley Centre
- ↔ Interface with Princes Highway
- ▭ Predominantly 1-3 storey building with aging built form, lack of weather protected outdoor areas.

- ▨ EPI Heritage: Conservation Area – General
- ++++ Railway
- T Railway station
- Commercial
- Commercial core
- National Parks and Wildlife Service Estate
- Open space
- Water supply
- Waterbody

**Figure 5: Extent of flood prone land in Nowra**



## Natural hazards and constraints

The Shoalhaven more broadly is subject to natural hazards such as flooding and bushfires, which constrain new development and present a risk to existing communities. Parts of Nowra City Centre are subject to flooding and some sites are identified as potentially contaminated land due to historic uses.

These constraints can be managed and focusing development within the existing urban area

of the City Centre has benefits compared to developing in greenfield areas and increasing the footprint of hazard prone land.

### Opportunities to:

- encourage development within the City Centre to avoid current and potential natural hazard risks.

## Demographic and market factors

### A growing, ageing population with generally lower incomes

Consistent with trends across the state, Nowra<sup>6</sup> has experienced and is forecast to continue to experience substantial population growth. The forecasted percentage of population growth over the next 20 years is comparable to centres such as Wollongong and Shellharbour, highlighting the importance of strategic planning now to cater for this change.

A growing population brings many opportunities for the city but requires proactive planning to provide appropriate services and amenity to create an inclusive place for all demographics, particularly given the high percentage of low-income residents compared to other regional cities such as Shellharbour which have 23% of residents in the low-income category.

External events, such as the COVID-19 pandemic and technological change, have already significantly impacted people's settlement and work decisions. In particular, the opportunity for jobs to be undertaken remotely has enabled people to relocate to regional areas in search of more affordable housing and lifestyle benefits. In 2020–2021, regional coastal areas experienced the strongest population growth in the country whilst the growth rate for capital cities declined<sup>7</sup>. As these impacts continue to play out, and with likely future events, further changes to population are likely to occur, bringing both challenges and opportunities.

### Population

Nowra SA2, which includes the City Centre, is projected to **grow by 17,193 people** from 22,584 to 40,051 by 2041, an increase of 77%<sup>8</sup>

The **Nowra and North Nowra–Bomaderry** SA2s combined are expected to grow by **20,253 people** during the same period<sup>9</sup>

Between 2001 and 2021, the cohort of **over 65-year-olds in Nowra increased**, while the proportion of residents aged 25–39 and **residents younger than 24 decreased**<sup>10</sup>

### Employment and income

The top three current occupations of Nowra's residents are:

Community and Personal Service Workers (**18.9%**)  
Technicians and Trades Workers (**15.2%**)  
Labourers (**14.7%**)<sup>11</sup>

People in Nowra have a **lower median weekly household income** of \$1,037 compared to the state average of \$1,829<sup>12</sup>

The portion of households with a **very low- or low-income was 36%** in 2021, compared to the state average of 21%<sup>13</sup>

### Opportunities to:

- plan for housing in locations to support public and active transport, increase accessibility and reduce social exclusion.
- encourage diverse housing typologies within the City Centre to cater for different demographics and provide different price points.
- capitalise on technological changes, defence industry presence, and global trends to increase the working population and productivity of Nowra.

<sup>6</sup> Unless otherwise specified, Nowra refers to the Statistical Area 2 boundary

<sup>7</sup> Department of Infrastructure, Transport, Regional Development, Communication and the Arts, *Population change and internal migration during the COVID-19 pandemic*, January 2024

<sup>8</sup> DPHI Population Projections

<sup>9</sup> DPHI Population Projections

<sup>10</sup> DPHI Population Projections

<sup>11</sup> ABS Census of Income and Work, 2021

<sup>12</sup> ABS Census of Income and Work, 2021

<sup>13</sup> Population ID

## Declining housing affordability

Consistent with challenges facing wider NSW as part of the housing crisis, Nowra<sup>14</sup> is experiencing decreasing levels of housing affordability.

In recent years:

- the cost of housing to rent and buy in Nowra has increased by 33% and 72%, respectively since 2017<sup>15</sup>.
- the City Centre is dominated by separate houses, with few options for other more affordable dwelling typologies. In 2021, separate houses made up 81% of all dwellings in Nowra<sup>16</sup>.
- the proportion of detached houses is greater than comparable regional cities such as Shellharbour, which comprised 79% houses in 2021<sup>17</sup>.
- less than 26% of households would have been able to afford to purchase a dwelling in the first quartile of 2021<sup>18</sup>, based on the sales price within this period.
- Nowra's median rental dwelling is not considered 'acceptable' for any very low to moderate income households with 33% of households likely to find it extremely or severely unaffordable to rent in Nowra<sup>19</sup>.

State and local government have introduced, or are in the process of implementing, initiatives to assist with increasing housing pressure. At a state level, these include a review of the short-term rental accommodation framework, regional housing initiatives and the low and mid-rise housing reform. In addition, Council has released an updated Affordable Housing Strategy and some new Strategic Growth Principles.

Whilst these broader programs have an important role to play, the feasibility factors influencing decisions to develop within the Nowra City Centre remain, requiring a focus on ways to proactively encourage development.

### Opportunities to:

- explore ways to incentivise housing within the City Centre to increase supply and accessibility, utilising existing infrastructure.
- consider options to encourage affordable, social and key worker housing as part of mixed-use development.
- integrate planning for Nowra with state and Council led work initiatives to address housing affordability.

## Lacking in night time and weekend activities

There is a mix of retail, commercial, service and hospitality businesses within the City Centre providing for the needs of Nowra and its surrounding communities.

The Nowra Centre Plaza's location at the edge of the City Centre (separated from the rest of the City Centre by the Princes Highway), some key services relocating to South Nowra and the absence of people living within the City Centre, have all contributed towards an overall lack of vibrancy. With limited venues operating at night time, giving few reasons for people to visit the City Centre after business hours and no incidental activity from residents, the night-time economy is currently significantly limited.

### Opportunities to:

- increase housing and population within the City Centre to support diverse businesses.
- build upon the existing cultural destinations and reasons that people visit the City Centre, to expand and encourage new uses to stimulate vibrancy at different times of the day and throughout the weekend.
- undertake place-making, activation and events to support land-use planning

14 Unless otherwise specified, Nowra refers to the Statistical Area 2 boundary

15 Family and Communities (FACS) Rent and Sales reports

16 ABS Census of Dwellings, 2021

17 ABS Census of Dwellings, 2021

18 Based on 60 sales in the Nowra postcode 2541, in the June 2022 quarter. Income required assumes 20% deposit, and ability to borrow the equivalent of 4.5 times household income

19 Based on the median price of a rental, in the September 2022 quarter, of \$498/week

## Development feasibility

In addition to the physical constraints and opportunities within Nowra City Centre, the current market context and interplay with planning controls have an important role in shaping future outcomes and driving change.

Traditionally, changes to, or bonus provisions for, planning controls such as height and floor space ratio are the mechanisms used under the planning framework to stimulate development within an area. However, without a detailed understanding of all the factors influencing development decisions, there is a risk that relying on changes to these controls alone will potentially not result in the desired outcomes and could instead have detrimental impacts through speculative proposals and land banking.

Recognising the regional city setting and to assist with targeted change, investigations into existing factors influencing development decisions have been undertaken as a baseline for understanding the current barriers to development within the City Centre.

Astrolabe Group was commissioned to undertake analysis of the factors impacting development activity within the Nowra City Centre, which included testing the likely return on investment of the following four development typologies:

- Residential build-to-sell
- Residential build-to-rent
- Mixed-used residential and commercial, and
- Co-living.

Parameters were established for a typical block within the City Centre and the testing was run based on a 5 storey (15 m) development on a 1,500 sqm block with an apartment mix and parking provision in accordance with Council's Development Control Plan.

The findings revealed that there is a significant gap between potential profits and industry expectations across all four typologies. The estimated return on investment ranged from -3% for mixed use and 9% for co-living developments where land is purchased at market rate, which is well below industry expectation of 20%.

The same feasibility tested building height of 12 storeys (36 m) which resulted in an increased return on investment but did not reach the required 20%. The model was also run for both height scenarios with the cost of land removed\* from total development costs, which increased profit levels, but not enough to reach industry expectations.

### **Residential development within Nowra City Centre under the current planning controls does not meet industry expectations for returns on investment.**

The feasibility analysis is included within the *Astrolabe Report* part of the Strategic Roadmap. As little can be done in the short term to reduce the cost of construction, or increase market willingness to pay, a combination of interventions and innovative approaches will be needed to catalyse development in Nowra.

The underlying factors contributing towards decisions regarding development in the City Centre include:

- high levels of car dependency
- perceptions of not associating the City Centre with high levels of amenity, when compared to surrounding areas
- developer uncertainty to try new housing products, without committed tenants
- entrenched land holding patterns, and
- widely experienced issues such as cost of land and construction.

Identifying and understanding these factors and barriers will enable the Strategic Roadmap to focus on areas of high impact for change.

### **Opportunities to:**

- review the available planning pathways available in the planning system and identify solutions to derisk investment and development within the Nowra City Centre.
- focus on coordination between agencies and stakeholders to address challenges associated with the City Centre.
- explore where bespoke approaches to the planning framework can be applied to support streamlined assessment processes.

\*This test assumes land is already owned by a developer and/or other models are in place to negate the exchange and sale of property as part of the development process.

# Policies and strategies guiding Nowra City Centre's future

## Place-based strategies and policies

### State policy, region specific – Illawarra Shoalhaven Regional Plan 2041

The Regional Plan sets the strategic framework for land-use planning over a 20-year period. It highlights the opportunities and challenges facing the region and seeks to guide change to deliver the best outcomes in the face of competing priorities.

Objective 2 of the Regional Plan is to grow the regional cities, recognising the important role they will play as the region accommodates a growing population and responds to environmental challenges. In order to help Nowra transform in line with its potential, Action 2 of the Regional Plan is to develop a Strategic Roadmap to set a vision, identify actions and guide inter-agency and intergovernmental collaboration. This paper provides the research and context as the basis for the roadmap.



## Local strategic planning – Shoalhaven Local Strategic Planning Statement 2040

The *Shoalhaven Local Strategic Planning Statement* (LSPS) is a high-level strategic land-use planning policy setting out how Council will meet the communities' land use needs over the next 20 years. It recognises key challenges facing the region such as managing a growing and changing economy and population, better connecting and servicing communities, and continuing to build resilience to natural hazard events.

The important role that the Nowra City Centre needs to play in the broader context of addressing these challenges is reflected in the below priority.

Sustainable supply of all housing types throughout Shoalhaven including areas of compact homes like medium density, apartments and townhouses in and around Nowra City Centre.

Despite the inclusion of this priority, private development is unlikely to respond until a profit threshold is reached or incentives from government are provided. Waiting until market forces drive this to occur is detrimental to the future of the centre and the region, as social, environmental and economic pressures increase.

Delivering meaningful change in Nowra must focus on coordinating government and non-government stakeholders and guiding changes to bridge the gap between the directions contained within the LSPS and the current planning and market environment.

### Local statutory instruments – Shoalhaven Local Environmental Plan 2014

The *Shoalhaven Local Environmental Plan 2014* (LEP) is the primary environmental planning instrument applying to the Nowra City Centre, outlining the land-use parameters for development such as building height and land use zoning. The table below provides an overview of current LEP controls in the City Centre.

| Control                 |                                           |
|-------------------------|-------------------------------------------|
| Maximum building height | 12–20 m                                   |
| Zoning                  | Mixed Use (MU1)<br>Commercial Centre (E2) |

Despite provisions of the LEP enabling mixed use development up to 20 m in parts of the City Centre, there are limited examples of such development types. This underpins the importance of an innovative and integrated approach to planning for the City Centre.

If a focus on planning controls is taken without appropriate integration with transport and economic changes, Nowra will unlikely see any changes to current activity levels. Instead, businesses and institutions will only be moved to invest when land values increase high enough to improve returns, further entrenching issues such as low housing affordability.

### Other strategic planning work shaping the Nowra City Centre's future

This is not the first strategic planning effort to support the revitalisation of the Nowra City Centre, which has been the subject of various studies and plans aimed at revitalisation. An overview of completed and current work and how it has informed and will shape the analysis is provided on the following page.

The roadmap has been designed to build upon the strong foundations of strategic planning for the centre whilst focusing on collaboration and coordination between stakeholders to achieve outcomes on the ground.



## Nowra CBD Urban Design Masterplan and Development Control Plan

Strategic planning to guide the future of the City Centre was led by Council in 2011. The resulting *Nowra CBD Urban Design Masterplan* adopted by Council in 2014 outlines a vision for the city. *Development Control Plan (DCP) Chapter N8 Nowra CBD Urban Design & Development Controls* adopted by Council in 2017 supports the realisation of the masterplan and provides detailed parameters for development. The DCP is still applicable to development in the City Centre and outlines the following vision:

The town centre will support and attract a range of residents, workers and visitors through the provision of civic facilities, amenities and public spaces which build upon the natural setting and physical strengths of the town.

## Nowra CBD Revitalisation Strategy Committee Action Plan

The Nowra CBD Revitalisation Strategy Committee (the Committee) was established in 2014 to support the realisation of the masterplan. The Committee has worked closely with Council to deliver improvements to the City Centre. Following community engagement, a 3-year Action Plan was developed with the aim of progressing towards achieving the long-term vision for Nowra CBD.

Although the planned period for implementation of the Action Plan has concluded, the research and initiatives remain relevant and provide an important base for the future direction of the City Centre.

## Nowra Riverfront Precinct

The Nowra Riverfront Advisory Taskforce was established in 2021 to coordinate strategic planning and opportunities to catalyse investment within the precinct.

A key action of the Taskforce is the *Nowra Riverfront Activation Plan (2023)*, developed to guide the activation and revitalisation of this part of the City Centre (along the southern riverbank of the Shoalhaven River). This plan recognises the riverfront's potential as an area for recreation, leisure, culture and new housing options to support the City Centre and wider area. The Activation Plan represents the community's vision for the precinct.





## Shoalhaven Active Transport Strategy

There is currently work underway to finalise an Active Transport Strategy that brings together and supersedes the existing *Pedestrian Access Mobility Plan* and *Bike Plan* for the Shoalhaven LGA. The plan was finalised in January 2025, and includes a number of recommendations that directly relate to improving active transport for the Nowra City Centre.

## Shoalhaven Affordable Housing Strategy

The *Shoalhaven Affordable Housing Strategy* has been developed by Council to identify affordable housing needs, advocate for protection of existing and creation of additional affordable housing supply and outline actions to increase provision.

Opportunities for the Strategic Roadmap to support this strategy exist, and the overall intent is aligned with increasing housing options in the City Centre. Key actions that align and provide opportunity for coordination include:

- consider targeted bonuses in planning controls to encourage the supply of affordable or higher density housing and the preparation of development controls that support and supplement these bonuses.

- create a collaboration agreement with preferred Community Housing Providers (CHPs).
- investigate pilot projects of exemplary diverse and affordable housing types to increase market confidence.

## Shoalhaven Strategic Growth Management Principles

Council have prepared updated principles to guide growth management across the Shoalhaven, in the face of significant change since the Growth Management Strategy was released in 2014.

The intent of the Strategic Roadmap to promote a vibrant City Centre with housing, employment and cultural opportunities is consistent with the principles, in particular:

- Increase residential densities and deliver master-planned urban consolidation in strategic centres.
- Facilitate an increase in housing diversity in established neighbourhoods to provide a greater variety of homes which contribute to existing and desired future character.



# The need for a Strategic Roadmap

Planning for the Nowra City Centre in a way that considers projected population growth, settlement patterns and likely impacts of climate change will play an important role in its future success. Planning for the centre must also seek to promote resilience and sustainability and shift away from the traditional reliance on greenfield development in regional cities.

Creating a town centre that attracts the diversity of uses and people to support amenities and open spaces requires a greater population living within the City Centre. Whilst Nowra City Centre has been competing with surrounding areas such as

Worrigee, Bomaderry and the newer urban release areas along Moss Vale Road, there has been limited incentive for private investors to try mixed-use or higher density residential development within the CBD. Without intervention, this trend is likely to continue, inhibiting the realisation of the vision and sustainability of communities into the future.

A focus on increasing density within established centres to maximise existing infrastructure and provide homes close to services and jobs has become increasingly important as cities grapple with housing shortages.

The level of density within a centre is one of many components that contributes towards the overall experience and vibrancy and can create positive change, when considered in conjunction with factors such as street design, transport and land-use mix.

Nowra City Centre is expected to grow by up to 17,193 people by 2041<sup>20</sup>. Proactively planning for the location, types of housing and employment to support this growth will assist with better outcomes for generations to come. This number is not viewed as an ultimate cap or limiting factor, rather should be considered when planning for the broader Shoalhaven and the role Nowra plays in servicing communities.

Although the design and planning outcomes contained within existing local plans seek to achieve desirable outcomes, the absence of broader stakeholder coordination, and previous government support to drive change has limited this realisation.

#### Key points

- proactively planning for and focusing development within existing centres is consistent with the intent of national, state and regional policies to promote resilient and sustainable cities.
- previous strategic planning efforts and changes to planning controls have not led to increased development or activation in Nowra City Centre.
- there is a need for a coordinated and innovative approach to strategic planning and mechanisms to stimulate development in the City Centre in regional cities like Nowra.



## Creating desired change

As highlighted in the previous sections, there is a need for a different way of thinking and approach to planning within the Nowra City Centre.

Keeping in mind the importance of responding to and celebrating the unique characteristics of the Nowra City Centre, there are several features common to centres that have successfully undergone revitalisation, including:

- vibrant retail activity
- varied housing typologies
- varied activities and uses
- quality built environment and a sense of place
- active organisational support
- distinct character
- branding and promotion, and
- a supportive environment for innovation and diverse businesses<sup>21</sup>.

These factors are largely aligned with previous strategic planning efforts and provide a base for guiding a desired future state of Nowra and to measure the success of the Strategic Roadmap implementation.

Change within city centres can be triggered in a range of different ways. These depend upon the characteristics of the place, the market context and government support. In the case of Nowra, the work undertaken in conjunction with Astrolabe provides insight into areas that are likely to have a higher impact.

Preliminary engagement undertaken with peak bodies, agencies and institutions revealed common factors influencing decisions to invest and locate housing and services within the Nowra City Centre, including:

- lack of public transport options connecting the City Centre to key locations.
- a perception that the City Centre is lacking in amenity and does not have a strong brand.
- development constraints such as heritage, flooding and car parking requirements and the comparative ease of greenfield development outside of the City Centre.

Focusing action on these issues will assist with addressing underlying, interconnected issues and ultimately enable and encourage development within the City Centre.

Consideration of centres that have undergone revitalisation and the different mechanisms that have driven this is useful to identify focus areas and possible actions. While there is no one centre that provides a like for like comparison to Nowra, there are common elements that have driven change within cities that have undergone revitalisation and that underpin a successful centre.

Despite the different context and scale of each of these cities to Nowra, and recognising the complex nature of city centres, common themes are experienced across both case studies that suggest:

- rapid, reliable and safe transport is a characteristic of successful city centres and fundamental to the overall wellbeing and desirability.
- successful centres have a clear and unified purpose and sense of branding which enhances and creates a positive perception.
- government support and planning mechanisms to encourage change and catalyse investment underpin revitalisation and successful places.

The common themes identified in these case studies align with the barriers highlighted by stakeholders as impacting development feasibility in the Nowra City Centre, as revealed by Astrolabe's analysis. Focusing on interventions within each of these themes to address these challenges, and aligning with broader best practice examples, is likely to achieve the most effective outcomes.

Each of these focus areas is explored in greater detail and within the context of the Nowra City Centre in the following section.

<sup>21</sup> [Investing In Revitalization Efforts: Case Studies From Knight Cities](#)

### Focus area 1: Transport



#### What is the issue/opportunity?

As touched on in the 'Nowra Today' section, Transport is a recognised issue for the City Centre and is a common theme across historic strategic planning documents. As part of the preliminary stakeholder engagement undertaken to inform the development of the Strategic Roadmap, peak bodies and housing providers identified that accessibility and availability of transport options and transport connectivity impacts decisions for private investors to develop, as well as institutions to locate housing within the City Centre.

This absence of frequent, reliable public transport and the associated costs of providing onsite car parking is identified as a barrier to development and has wider environmental and equity implications, including:

- creating and intensifying socioeconomic exclusion
- increased environmental impacts associated with emissions
- traffic and parking demand within the City Centre.

As a regional city, there will always be a role for private transport to cater for the wider catchment. However, consideration of land-use development and how it can support investment in public and active transport infrastructure to reduce car dependency for certain trips, is an essential component of achieving a vibrant and sustainable City Centre and improving the wellbeing of the population. Without coordinated and targeted efforts to shift current disconnect between planning and transport decisions, land-use planning decisions alone are unlikely to create the desired change, and there is a risk of exacerbating environmental and socioeconomic issues.

#### How the roadmap can help

The impact of transport options on current investment decisions and their ability to shape land-use and place outcomes is paramount for cities.

There is an opportunity for coordination between strategic land-use planning and transport decisions to complement each other and

encourage desired outcomes. Setting a clear direction for the future will assist with identifying steps to develop a transport system to cater for a population in the City Centre, and planning for development in locations to support a feasible transport system.

#### The transport challenges within Nowra

The physical constraints facing Nowra, including the Shoalhaven River to the north, the Princes Highway dissecting the City Centre, and the end of the South Coast Rail Line at Bomaderry presents an opportunity for innovative ways to approach transport and reduce dependency on cars.

There has been a focus on upgrading road infrastructure through projects such as the Princes Highway upgrade from Berry to Bomaderry and the new Nowra bridge. Such projects are important from a regional perspective given the volume of traffic that travels through Nowra as the gateway to the South Coast. Equally important to considering road upgrades, is an emphasis on transport, infrastructure and public domain improvements that will support people living in Nowra in conjunction with land-use measures for the City Centre.

#### Nowra Bypass

Transport for NSW are in the early planning phase of options for a bypass of Nowra, which would take pressure off the Princes Highway as the major north-south link between Sydney, the Illawarra and Shoalhaven and the only crossing point for the Shoalhaven River within 40 km of Nowra.

The construction of the bypass, and associated opportunities for the Princes Highway would help achieve a less car dependent City Centre through opportunities for:

- increased east-west connections within the City Centre.
- a people-focused spine between the City Centre, providing opportunities for active and public transport.
- long term opportunities for development with active street frontages and increased density along certain portions of the highway.

## Focus area 2: Branding, perception and activation



### What is the issue/opportunity?

Despite the unique, high amenity values provided by the City Centre's surrounds, there is a lack of character and identity. In combination with an absence of clear branding, and events or reasons for people to visit the City Centre, this has contributed towards poorer perception of the City Centre in comparison to surrounding areas.

There is also a perception that the City Centre's 'gravitational pull' has weakened in recent years, as residents and visitors are drawn to services and amenities provided in South Nowra and Bomaderry. Investment in these surrounding areas competes with the need for trips into the City Centre, particularly for day-to-day activities.

A cycle is evident whereby the perception, branding and lack of activation has impacted development

and the number of people living and visiting the City Centre, resulting in limited activity outside of business hours and a very limited night-time economy. This perpetuates the currently reported perception of the City Centre and contributes towards limited appetite for development in the centre and decisions to locate elsewhere.

Given the housing and environmental pressures facing the region, focusing on ways to shift the perception of the City Centre, stimulate economic vibrancy and encourage development and activations is imperative to respond to broad scale challenges and improve the wellbeing of the current and future population.



## Focus area 2: Branding, perception and activation



### How the roadmap can help

An opportunity exists to holistically consider and bring together the land-use and economic considerations to be a catalyst and sustain activity within Nowra City Centre throughout the day and during the weekends.

Recognising the importance of stimulating economic development within centres, broader vibrancy reforms aimed at activating areas across NSW are being rolled out. Resources to build capacity for a number of businesses within the Nowra CBD were recently provided by the Office of the 24-hour Economy Commissioner, to collectively work towards enhancing and promoting the offering of the City Centre. Integrating such a group of businesses and capturing the momentum and resources to complement Council's actions to increase vibrancy and the overall branding for the centre presents an opportunity.

A state government policy is available to promote active uses within centres by establishing a Special Entertainment Precinct. This policy allows councils to designate specific areas where sound from premises with amplified music is regulated through a council-managed noise management plan, thereby supporting live music and performance. There is an opportunity to explore the feasibility of such a precinct within the Nowra City Centre and consider how broader land-use and transport decisions can enhance and support its success.

Enhancing and expanding existing initiatives through incentives for commercial or residential developments to include entertainment, creative spaces, or other desired uses can help ensure the City Centre evolves in a way that promotes vibrancy and activation. Additionally, the *Revitalising Nowra CBD Action Plan 2021–2023* outlines a series of actions designed to bring life into the City Centre, and provides a crucial foundation for the roadmap to build upon.

It is important to consider alongside these measures, the role of Nowra's heritage assets. These assets can contribute to a diverse and interesting offering that attracts both people and development. However, there is also the opportunity for proactive thinking about the future role of the heritage conservation area to support the city's growth.

Taking another strategic look at adaptive re-use and development opportunities in these locations can help to protect heritage, and also ensure that it is used for the benefit of the region, and allow for new development in good locations.

There is also the opportunity for future direction of the City Centre to empower First Nations communities as a crucial part of overall community wellbeing.

### Focus area 3: Bringing forward investment



#### What is the issue/opportunity?

The Nowra City Centre displays many strategic advantages and a strong foundation for growth and change. However, it has not yet attracted significant levels of private investment in its mixed-use and commercial areas. Factors such as transport, perception, branding and identity challenges have shaped the current environment of the City Centre and play a crucial role in influencing investment decisions.

Feedback from peak bodies following preliminary engagement in the initial phase of developing the roadmap has revealed that pre-sale requirements are viewed as too risky to achieve in the Nowra market, particularly for less common projects such as multi-unit development. In addition, there has been a steady supply of greenfield land in surrounding growth areas providing a familiar option for developers and community. A shift away from reliance on greenfield development as the predominant source of new housing without concurrent ways to incentivise alternatives, will worsen the pressures faced in regional areas and become more difficult to address in the face of growing population and environmental challenges.

Without change, it is likely that development will keep being driven by market forces, whilst challenges associated with a growing population, housing, economic and environmental pressures continue to worsen and may be exacerbated by traditional approaches.

In a market such as the Nowra City Centre, where there has been limited appetite for investment in different development types, a focus on reducing risk and increasing certainty for investment decisions, in the short term as required to encourage different types of development is important.

#### How the roadmap can help

To provide certainty and reduce the perceived risk for institutions to locate and invest in the City Centre, a targeted approach to the planning framework and focus on developing relationships is recommended to address the challenges currently impacting on decision making.

There is an opportunity to consider both coordination and collaboration between government and non-government stakeholders and ways that the planning system can enable change.

# Where to from here?

The Strategic Roadmap identifies two preliminary tasks, focused on building on the opportunities provided in the planning framework to increase investment.

The second task in particular focuses on the role of Council and NSW Government agencies in prioritising and advocating for funding to deliver on key actions under the focus areas discussed in this document. This looks to create a better understanding of the barriers to development within Nowra City Centre and consideration of other centres that have undergone revitalisation.

Refer to the Strategic Roadmap for more information.



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