

# Proposed changes to NSW Housing Policy

Community Information Session

Feb 2024

# Agenda

- Welcome - Dominic Johnson, General Manager
- Introduction and Acknowledgement of Country - Mayor Carolyn Corrigan
- Presentation - Craig Covich, Director Environment and Planning
- Questions and Answers
- Closing - Mayor Carolyn Corrigan

# Background/Context

- In 2022 all States and Territories signed the National Housing Accord along with The Australian Local Government Association.
- The Accord is an initiative to address housing supply and affordability nationally with a commitment for the States to work WITH local governments to deliver planning and land-use reforms that will make housing supply more responsive to demand over time.
- In December 2023 the NSW Government released the Explanation of Intended Effect: Changes to create low- and mid-rise housing (EIE)
- Mosman is willing to contribute to a solution to the housing crisis but a one-size-fits-all approach will result in development without appropriate planning, the impacts of which will only be understood when it is too late.

# Mosman

- Development has consistently been raised by residents as one of the Top 3 issues for Mosman in every biennial Community Survey conducted in the last decade. In the last survey conducted in 2023, residents rated development and overdevelopment as the TOP PRIORITY for action – a significant increase even on the 2021 result.
- Intensive development during the late 1800s and early 1900s established the pattern of subdivision which characterises Mosman today and includes many small lots with fragmented ownership.
- Mosman was a popular location for unit developments during the period 1960-1980 and mid-1990s.
- This has resulted in over 65% of Mosman's existing housing stock being comprised of good quality medium and high-density apartment buildings - significantly above the Greater Sydney average of 46%.

# Mosman Constraints

- Council's six to ten year Housing Target is 300 homes.
- This target has been based on carefully constructed long-term strategic planning processes with input from the community and with the guidance of successive State governments as well as the now dissolved Greater Cities Commission (GCC)
- The target is small because Mosman is small and for several other important reasons.

# Mosman Constraints

- The housing target may seem small compared to larger LGAs, this is because:
  - Mosman is the second smallest Council in Sydney
  - Mosman has a stable population
  - There is no surplus land and all housing growth is in the form of infill development.
  - 65% of Mosman's existing housing stock is already strata subdivided medium and high-density apartment buildings
  - Mosman has no transport interchanges, heavy rail and no predictable improvements to vehicle movements in and out of the LGA.
  - There is no capacity for additional infrastructure (such as schools, emergency services and sport and recreation facilities) to support any increase in yields.
  - The existing transport infrastructure is already at capacity (Based on government modelling - the Beaches Link that has been now been abandoned was only to catchup on the impacts of existing density increases)

# The Housing Crisis in NSW

- House prices in Sydney averaged near \$27,500 in 1970, which would be worth about \$250,000 at today's prices. By comparison, the current median value of house prices in Sydney is \$1.1 million
- The main factors that have contributed to booming property prices over the last two decades include:
  - Migration and population growth
  - Low interest rates
  - Tax breaks
  - Government Policies such as First Home Buyer Grants
  - Supply constraints
  - Property being used as an investment tool
- Local Government is only one actor in a very complex problem

# What has Council been doing?

- Planning and delivery of new housing needs to be undertaken in a strategic and integrated manner, with an evidence base of:
  - demographic projections
  - housing trends
  - analysis of the capacity of areas to accommodate new dwellings – which also includes acknowledging and identifying areas that are unsuitable for additional housing
- Council's 2021 to 2026 housing target is 300 dwellings - 60 new dwellings a year.
- Since July 2021, Council has approved over 123 new dwellings. 49 dwellings have commenced construction and 25 new dwellings have been completed.
- Council had been working closely with the Greater Cities Commission (GCC) to develop housing targets.
- Prior to being dissolved, the GCC prepared the draft Six Cities Region Plan and Cities Plans. DPHI has not yet released these plans. These documents when released will include 5, 10 and 20 year housing targets for each LGA.



# What is proposed

- The NSW Government is now exhibiting proposed changes to the planning system that are intended to significantly increase the capacity for low and mid-rise housing in well located areas near existing services and infrastructure.
- The Explanation of Intended Effect: Changes to create low and mid-rise housing (EIE) is on exhibition for public comment until 23 February 2024.
- The current proposal by the Government is a one-size-fits-all approach that seeks to impose profound changes to the built environment that will result in substantially larger built forms and dwelling yields than councils and communities had anticipated.
- At the Mosman Council meeting held on 6 February, Council resolved unanimously to raise serious concerns with the proposed reforms.
- Council subsequently lodged a submission with the Department of Planning, Housing and Infrastructure on 12 February 2024.

# What is proposed

- The proposals centre around Town Centres and Train Stations
- Unclear which town centres are subject to the reforms due to poorly defined terms within the EIE.

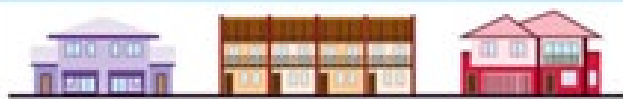
Definition of a station and town centre precinct:

- Within the Six Cities Region; and
  - 800m walking distance of a heavy rail, metro or light rail station; or
  - 800m walking distance of land zoned E2 Commercial Centre or SP5 Metropolitan Centre; or
  - 800m **walking distance** of land zoned **E1 Local Centre** or MU1 Mixed use **but only if the zone contains a wide range of frequently needed good and services such as full line supermarkets, shops and restaurants.**
- Within Mosman this definition would capture Spit Junction but not the smaller centres. Although an alternative position could be formed.

# The Detail - Low Rise Reforms

- Propose to permit multi-dwelling housing and 2-storey residential flat buildings in the R2 zone within station and town centre precincts.
- Propose to permit dual occupancies in all R2 zones across NSW.
- Non-refusal standards to apply wherever these developments are permitted:
  - Minimum lot sizes and widths
  - Floor space ratios (FSRs), heights and car parking rates
  - Current LEP standards that are higher (more permissive) continue to apply
  - Existing complying development pathway available, but standards unchanged

## Low-rise housing



### 1-2 storeys

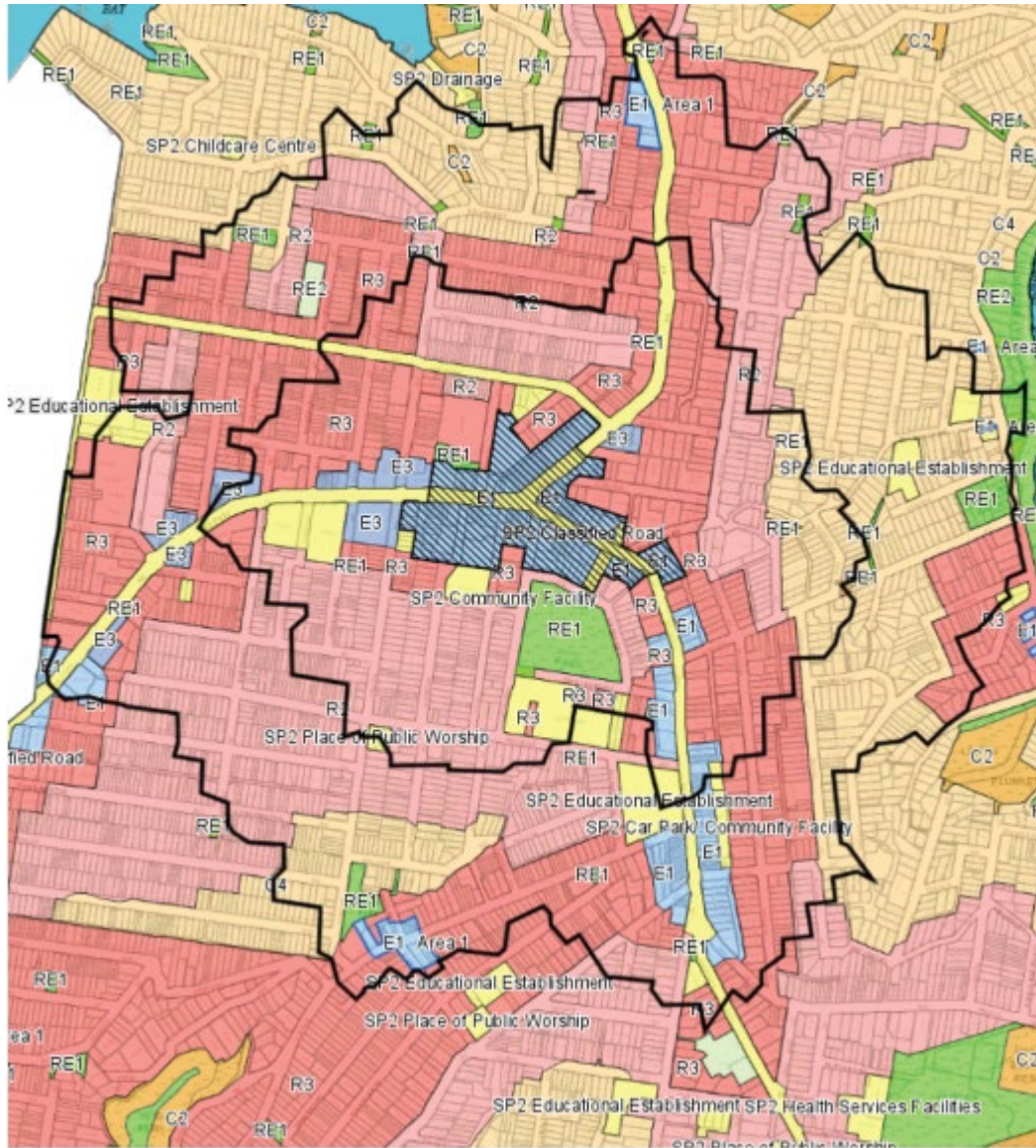
- Dual occupancies
- Multi dwelling housing (e.g. terraces, townhouses)
- Manor houses (ie. 2 storey RFB)

Does not include freestanding houses

# The Detail – Medium Rise Reforms

- Proposed to permit provided within 400m of station and town centre precincts, wherever RFB or shop top housing is permitted (except R2 zones)
  - FSR (3:1) and height to allow 6 – 7 storey (21m)
  - Current LEP standards that are higher (more permissible) continue to apply
- Proposed to permit provided within 400m to 800m of station and town centre precincts, wherever RFB or shop top housing is permitted (except R2 zones)
  - FSR (2:1) and height to allow 4 – 5 storey (16m)
  - Current LEP standards that are higher (more permissible) continue to apply
- The above are non refusal standards
- Apartment Design Guide changes including separations and communal open space
- Other controls in LEPs and DCPs continue to apply such as flooding and heritage considerations provided these provisions are not inconsistent with the proposed non-refusal standards.
- Affordable housing provisions apply on top of Low and Medium Rise Housing reforms





# The Impacts - 400m and 800m boundaries

- Land within 400m of the E1 Local Centre zone in Spit Junction will be subject to an increase in building height of almost 250% to 21m.
- Land within 400m-800m of the E1 Local Centre zone in Spit Junction will be subject to an increase in building height of almost 180% to 16m.
- With the 30% Affordable housing bonuses sitting on top of these non-refusal standards where a development

# The Impacts

- The proposed FSR non-refusal standards similarly allow significant uplift when compared to the existing provisions under Mosman's Local Environmental Plan (MLEP) 2012. Allowing an FSR of 3:1 on a site that is currently subject to a 0.6:1 or 0.5:1 FSR will result in a dramatic character shift for affected land.
- One of the greatest impacts will be to R3 zoned land within 400m of land zoned E1 Local Centre in Spit Junction.
- Residential flat buildings on these sites will be able to be constructed to a height of 21m and a FSR of 3:1. Under current controls the same form of development would be limited to a maximum height of 8.5m and a FSR of 0.6:1.



# Mosman Examples

Medium Rise



Low Rise



## Other Examples – Low Rise Reforms



Manor Homes



# Other Examples – Medium Rise Reforms



# Other Council Modelling



- Source SMH 19 Feb Waverly Council Modelling

# Other Potential Impacts

- Heritage Overlays
- Increased local and regional traffic with no supported infrastructure
- Biodiversity and canopy loss
- Hard Infrastructure - Stormwater capacity; Sydney Water sewerage and water network
- Soft Infrastructure - shortfall of ovals and recreation spaces not even taking into account the increases, current shortfall in Library space
- Potential CDC Pathway
- Discrepancy between the proposed height and floor space rates.

# The Issues

- The current proposal by the Government is one-size-fits-all approach that will impose profound changes to the built environment.
- They will result in substantially larger built forms and dwelling yields than councils and communities had anticipated.
- The NSW Government has not released modelling at a State or individual council level to gauge the impact of these reforms.
- Councils are still in the dark about the Six Cities Region Plan and Cities Plans and local housing targets – there is a need for Council to see this prior to finalising the reforms so that councils can undertake the strategic planning, upzone areas themselves and demonstrate how they will meet the housing targets.

# What next

- Tonight's Community Information Session.
- Plan of action agreed at Extra-ordinary NSROC Board Meeting held on 15 February.
- Council seeking an urgent meeting with the Planning Minister/Premier.
- Collaboration with other ROC Presidents to develop a common understanding of the issues around the planning changes and find common ground and approaches to challenge the manner and timing of the changes.
- Investigating legal options.

# Have your say

Make your submission directly to the NSW Government.

The Explanation of Intended Effect: Changes to create low and mid-rise housing (EIE) is on exhibition for public comment **until 23 February 2024**.

[planningportal.nsw.gov.au/draftplans/exhibition/explanation-intended-effect-changes-create-low-and-mid-rise-housing](https://planningportal.nsw.gov.au/draftplans/exhibition/explanation-intended-effect-changes-create-low-and-mid-rise-housing)

## Explanation of Intended Effect: Changes to create low and mid-rise housing

Have your say on the proposed changes.

[Home](#) > [Draft Plans and Policies](#) > On Exhibition

The Explanation of Intended Effect: Changes to create low and mid-rise housing is on exhibition for public comment until Friday 23 February 2024.

### The proposed reforms seek to:

- Allow dual occupancies (two dwellings on the same lot) in all R2 low density residential zones across NSW.
- Allow terraces, townhouses and 2 storey apartment blocks near transport hubs and town centres in R2 low density residential zones across the [Six Cities Region](#).
- Allow mid-rise apartment blocks near transport hubs and town centres in R3 medium density zones across the six cities region.

This will mean more housing within walking distance from transport hubs, shops, and amenities.

It will encourage better uptake of low and mid-rise housing where it is already permitted under the current rules by introducing new planning controls.

### Have your say

Your responses can address issues raised in the proposal document or provide additional input regarding the suggested changes.

### Timeline

- On Exhibition**  
The consultation is open for public comment.
- Under Consideration**  
We'll be reviewing what you told us.
- Made and Finalised**  
The final outcomes of this consultation will be documented here.

### Consultation period

From: 15/12/2023  
To: 23/02/2024

# Questions