

LAND RELEASE AND HOUSING SUPPLY IN NEW SOUTH WALES

Organisation: City of Parramatta Council
Name: Ms Jennifer Concato
Position: Manager City Strategy
Date Received: 5 September 2017



Your Reference:
Our Reference: F2017/00024
Contact: RLaria
Telephone: [REDACTED]

NSW Parliament
Legislative Assembly
Committee on Environment and Planning
Macquarie Street
Sydney NSW 2000

Also via online submission

5 September 2017

Dear Sir/Madam,

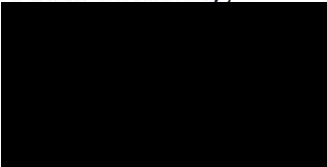
RE: PARLIAMENTARY INQUIRY INTO LAND RELEASE AND HOUSING SUPPLY IN NSW

Thank you for the opportunity to prepare a submission to the Parliamentary Inquiry into Land Release and Housing Supply in NSW.

City of Parramatta Council officers have prepared the attached submission in response to the Inquiry. Please note that this is a Council Officer submission, and has not been endorsed by City of Parramatta Council.

If you have any queries regarding this submission, please contact Roy Laria, Service Manager Strategic Planning on [REDACTED] or email [REDACTED]

Yours sincerely,



Jennifer Concato
Manager City Strategy

Attachments

1. Council officer submission

ENGLISH

If you require interpretation assistance with this letter, please contact the Telephone Interpreter Service (131 450) and ask them to contact Council (9806 5050). Office hours are 8.30am to 5.00pm, Monday to Friday.

FILIPINO

Kung kailangan mo ng tulong sa pag-iinterpretar nitong sulat, pakitawagan ang Serbisyo ng Pag-iinterpretar sa Telepono (131 450) (Telephone Interpreter Service) at hilingin sa kanilang tawagan ang Konseho (9806 5050). Oras ng Opisina ay 8.30n.u hanggang 5.00n.h, Lunes hanggang Biyernes.

CHINESE

如果您需要传译员协助才能看懂本信件，请联系电话传译员服务（131 450），然后要求他们联系市议会（9806 5050）。办公时间是星期一至星期五上午8时30分至下午5时。

ARABIC

إذا كنت بحاجة إلى مساعدة لتفسير محتوى هذه الرسالة، يرجى الاتصال بخدمة الترجمة الهاتفية (131 450) واطلب منهم الاتصال بالمجلس (9806 5050). ساعات العمل هي 8:30 صباحاً حتى 5:00 مساءً، من يوم الاثنين إلى يوم الجمعة.

HINDI

यदि आपको इस पत्र के लिए दुभाषिण की सहायता की आवश्यकता है, तो कृपया टेलीफोन दुभाषिया सेवा (131 450) से संपर्क करें और उनसे काउंसिल (9806 5050) से संपर्क कराने के लिए कहें. कार्य के घंटे हैं: सुबह 8:30 से शाम 5:00 बजे तक, सोमवार से शुक्रवार.

KOREAN

본 문서에 관해 통역의 도움이 필요하시면, 전화통역 서비스(131 450)로 연락해서 카운슬 전화(9806 5050) 연결을 요청하시기 바랍니다. 근무 시간은 월~금요일 오전 8시 30분부터 오후 5시까지입니다.



City of Parramatta Council Officer Submission

Parliamentary Inquiry into Land Release and Housing Supply

This is a submission in response to the Parliamentary Inquiry into Land Release and Housing Supply in NSW. It has been prepared by officers of City of Parramatta Council, and has not been endorsed by City of Parramatta Council. Discussion of relevant issues and suggested actions are grouped into six themes in the following sections.

Improved and strengthened strategic planning processes

Housing supply must be strategically and spatially coordinated through carefully analysing particular areas or regions, using a transparent and rigorous evidence base, and taking into account the conditions, constraints and capacity of different areas and regions to accommodate growth. Improving the evidence base around housing supply, and clearly linking planning decisions to this evidence base, would bring greater certainty about where and when housing can and should be supplied. This evidence base could also facilitate exploration of reasons for the currently-identified mismatch between housing approvals and housing completions.

Strategic planning for precincts is preferable to site-specific Planning Proposal (PP) processes for many reasons, including improving timely housing supply. The following issues can limit the ability of site-specific PPs to deliver housing, especially when compared to precinct-based planning/rezoning:

- Site-specific PPs often propose fewer units than could be delivered through precinct-based planning/rezoning.
- Site-specific PPs are much more resource-intensive to manage than precinct-based planning rezoning (please see **Case Study** on the following page for more detail)
- It is often difficult to consider the cumulative impacts of site-specific PPs, particularly when several are lodged in a precinct over a period of time; properly coordinating and considering cumulative impacts in such situations can slow down all aspects of the approval process. This could be avoided through a precinct-based planning/rezoning process.
- It is more effective to plan for infrastructure on a precinct-wide basis, rather than an ad-hoc, site-by-site basis as is the case with site-specific PPs; see further discussion relating to infrastructure provision in subsequent section of this submission.
- Well-executed strategic planning can help gain community support for growth, because the benefits of that growth can be clearly anticipated and articulated; this is more challenging when managing multiple site-specific PPs.

Actions relating to this theme:

- Developing a model process to lead precinct planning/rezoning which is clearly based on rigorous evidence.
- Undertaking legislative reform of site-specific Planning Proposals in order to improve housing delivery efficiency and prioritise strategic planning.
- Identifying patterns in data relating to approval conversions.
- Strengthening the content and role of the Metropolitan Housing Monitor (MHM) and clearly linking the MHM to strategic planning for housing and infrastructure.
- Improving resourcing at all levels of government to adequately plan for and manage growth.

CASE STUDY

Comparison of housing supply efficiency - site-specific Planning Proposals vs. precinct planning

Council officers have undertaken an analysis of current site-specific Planning Proposals (PPs) and precinct-based processes within the City of Parramatta LGA in order to estimate the resources required to unlock housing via these pathways.

1. Site-specific Planning Proposals

There are 46 site-specific PPs which propose dwellings currently under active assessment; together these 46 PPs propose approximately 21,000 dwellings. There are an estimated 7.7 FTE planners working to deliver these PPs and the associated DCPs/VPAs. It should be noted that many of the site-specific PPs also fall within the Parramatta CBD Planning Proposal area (discussed below), essentially meaning that two different resources are working simultaneously to rezone the same land. Please also note that the following types of PPs were excluded from this analysis:

- Preliminary PPs
- PPs which have not been supported
- PPs to be withdrawn
- PPs which do not deliver any housing (i.e. housekeeping amendments)
- PPs on hold
- PPs which have been gazetted

2. Precinct-based process (brownfield)

An estimated 1 FTE planner is managing a precinct-based process which is currently expected to deliver approximately 7,600 dwellings in a brownfield redevelopment setting. While currently delivered through 5 site-specific PPs, these PPs are closely related and are being undertaken in a coordinated way through structure plans. Please note that these PPs and the relevant 1 FTE planner were excluded from the analysis above.

3. Precinct-based process (urban infill)

An estimated 4 FTE planners are currently progressing the Parramatta CBD Planning Proposal (and associated DCP and infrastructure funding mechanisms), which is currently expected to yield approximately 20,300 dwellings in an urban infill setting. Please note that the CBD PP and the relevant 4 FTE planners were excluded from the analysis above.

This case study analysis is summarised in the following table. These results suggest that precinct-based planning processes can be more than twice as efficient than site-specific PP processes in terms of unlocking housing supply.

Process Type	Dwellings	FTE Planners	Dwellings/FTE Planner
Site-specific Planning Proposals	21,000	7.7	2,727
Precinct-based process (brownfield)	7,600	1	7,600
Precinct-based process (urban infill)	20,300	4	5,075

Coordinating processes and roles across government

There are currently a variety of paths for rezoning led by a variety of agencies. These include Council-led strategic planning proposals, Council-led comprehensive LEP reviews, Priority Precinct processes, Growth Centre processes, State Significant Development processes, other processes led by the Department of Planning and Environment (DPE), processes led by other Government agencies (i.e. UrbanGrowth, Land and Housing Corporation, etc.) and landowner-initiated Planning Proposals.

This multiplicity of paths presents challenges to planning, managing, coordinating and clearly communicating about any particular rezoning. Government agencies must continue to work together to improve coordination in relation to rezonings, and it is considered that housing delivery would be

streamlined by developing a model rezoning process with clearly defined roles for all government stakeholders.

As discussed in the previous section, planning must also be evidence-based, and Councils, DPE and the Greater Sydney Commission (GSC) must work together effectively to gather, analyse, and disseminate a rigorous and consistent evidence base upon which planning and infrastructure investment decisions are made. Greater clarity about the respective roles of the GSC and DPE, particularly with regards to regional and subregional planning, would also assist in this area.

Actions relating to this theme:

- Developing a model process to lead precinct planning/rezoning in which roles for all Government stakeholders are clearly defined.
- Clarifying the respective roles of DPE and GSC, particularly in reference to regional and subregional planning.

Housing supply, affordability and occupation

The interaction between housing supply and housing affordability is an important consideration in this space. Mandatory affordable and social housing requirements are key to ensuring delivery of affordable housing. Research undertaken by the NSW Federation of Housing Associations examined different mechanisms for facilitating affordable housing through the planning system and found that “mandatory inclusionary zoning” achieved under SEPP 70 was likely to be the most effective means, “particularly in higher land value locations with large sites or areas with capacity for up-zoning and redevelopment.”¹

The issue of unoccupied housing is also relevant. The 2016 Census estimated that, across Australia, 11.2% of private dwellings were unoccupied on Census night 2016.² This indicates that housing completions do not always convert to occupation. Further investigation into this issue is required, particularly in strategic locations.

Actions relating to this theme:

- Implementing affordable housing requirements (without impacting on other infrastructure funding).
- Investigating the issue of unoccupied housing.

Coordination of supplying housing and employment uses

The preservation of employment lands must be taken into consideration when discussing housing supply. Housing and jobs must be spatially integrated, with planning controls making provision for protecting appropriately sized and located areas for commercial and industrial uses across Greater Sydney and NSW.

Actions relating to this theme:

- Strengthening the content and role of the Employment Lands Development Monitor (ELDM) and clearly linking the ELDM to strategic planning for housing and infrastructure.
- Clearly identifying and protecting employment lands in strategic and statutory plans.

Housing supply and infrastructure provision

Inadequate infrastructure limits housing delivery, even if a rezoning which increases potential housing capacity has already occurred. The clearest illustration of this issue are examples where

¹ Source: Richardson, Rebecca – Facilitating Affordable Housing Through Planning Mechanisms: Part 1: Review of Planning Approaches & Measures, Urbanista, April 2016 – Page 13.

² Source: Australian Bureau of Statistics http://www.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/036

traffic/transport modelling has not yet been completed (or adequate transport/traffic solutions have not yet been identified and funded), and, as a result, delivering housing in that area remains unviable or undesirable. Adequate and properly-timed modelling, planning and provision of infrastructure must be closely tied to precinct-based rezoning processes, so that these processes can efficiently convert into housing completions. Infrastructure planning also needs to be rooted in analysis of an area's expected growth and the impacts of that growth, with an appropriate funding strategy built to match the resulting infrastructure requirements. As noted previously in this submission, this is made more difficult when rezoning is occurring via individual, site-specific Planning Proposal processes.

As noted above, coordinated planning, adequate funding and timely delivery of enabling infrastructure is crucial (particularly utilities, public transport, major roads, schools, and health facilities). However, this cannot come at the expense of coordinated planning, adequate funding and timely delivery of crucial local infrastructure, such as local parks, footpaths and community facilities.

There must also be recognition across infrastructure planning and development contributions frameworks that infrastructure requirements are different in areas with different housing profiles. For example, residents of high-density areas may have different public open space requirements than residents living in low-density, single-dwelling areas with ample private open space. Given the diversity of housing types developing across Sydney, it is considered that one-size-fits-all benchmarking without regard for housing location and/or density is no longer an adequate planning or assessment method.

Actions relating to this theme:

- Undertaking legislative review of development contributions and infrastructure funding more broadly, including value sharing.
- Developing a model process to lead precinct planning/rezoning which involves coordinated planning, adequate funding and timely delivery of infrastructure (both regional and local).
- Developing a policy framework identifying appropriate infrastructure requirements for different circumstances across Greater Sydney and NSW.

Quality of housing and places

There is a broad web of issues relating to housing supply which look beyond the *quantity* of housing supplied, and pertain to the *quality* of housing and the places in which that housing is located. These issues include, but are not limited to: design, building defects, certification and related safety issues; planning for the health and wellbeing of communities; loss of productive agricultural land; environmental sustainability of the built environment; placemaking; housing diversity and matching housing appropriately to demographics; and the needs of an aging population. These issues must form part of the broader conversation around housing supply.

Actions relating to this theme:

- Developing a policy framework which carefully considers quality of housing alongside housing supply.

Conclusion

City of Parramatta Council officers thank the Committee on Environment and Planning for the opportunity to provide this submission, and look forward to both the release of the enquiry report and further opportunities to work with other Government agencies and bodies on these important matters.