

## **INQUIRY INTO DEVELOPMENT OF THE TRANSPORT ORIENTED DEVELOPMENT PROGRAM**

**Organisation:** Save Greater Sydney Coalition

**Date Received:** 28 March 2024

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## Re NSW Legislative Council's Parliamentary Inquiry into the Development of the Transport Oriented Development Program

Thank you for the opportunity to make a submission to the above inquiry.

The Save Greater Sydney Coalition has taken the liberty of submitting its detailed submission on another recent proposal to increase density in the Six Cities Region: *The proposed changes to create low and mid-rise housing*.

The issues raised by this proposal are equally as relevant to the [Transport Oriented Development \(TOD\) Program](#). The submission explains, for example, how the blanket, one-size-fits-all nature of the changes to create low and mid-rise housing across the Six Cities region means that the 8 “first-tier” precincts targeted for high growth and accelerated rezoning under the TOD Program will *also have to weather the impact* of higher density well beyond the 1,200 metre radius of their transport hubs.

The proposed changes also apply to areas affected by the TOD State Environmental Planning Policy (SEPP), which will effectively snap rezone areas for higher density within 400 metres of 31 metro and rail stations in order to fast-track an additional 138,000 new homes over the next 15 years.

This submission addresses in part the following terms of reference of the TOD Inquiry:

*(i) the heritage concerns with the Transport Oriented Development Program including but not limited to the concerns of the Heritage Council*

*(j) the enabling infrastructure capacity for every station selected or considered as part of the Transport Oriented Development Program*

*(k) the impact on localised environment and amenity values caused by the Transport Oriented Development Program*

*(l) the existing or potential measures and programs analysed, considered or implemented by all NSW Government agencies to support additional housing density, including the housing series reports published by the NSW Productivity Commissioner*

*(m) the ten measures outlined in the National Cabinet's National Planning Reform Blueprint*

*(o) the impacts of the proposed Diverse and Well-Located Homes process and program*

*(p) the capability of Greater Sydney to provide for increased residential dwelling where the existing capacity has been diminished due to the effects of climate change*

Importantly, this submission attempts to correct mis/dis-information about the low density of Greater Sydney in relation to other global cities. According to Dr Michael Grosvenor, an urban planning expert at the University of Southern Queensland, [Sydney is a victim of poor statistical reporting with respect to density](#). Unlike comparable American cities, the Sydney region boundaries include national parks and large tracts of open space, which distorts the average and discounts the reality of very high density areas like Potts Point, Chippendale, Zetland, Darling Point and Ultimo. Dr Grosvenor also explains how Sydney is unique in having large commercial areas with high population density - for example, Parramatta - many kilometres away from its Central Business District.

Nevertheless, the myth that Greater Sydney is a low density city is being used by the state government to impose additional density in areas that aren't coping already with the level of existing growth.

With respect to the Inquiry's Terms of Reference, we would like to draw the Committee's attention to our list of just some of the reasons why the Government has failed to create liveable suburbs. It addresses in particular ToF (p) - *the capability of Greater Sydney to provide for increased residential dwelling where the existing capacity has been diminished due to the effects of climate change* - by explaining how successive state governments have failed to implement effective planning controls to combat the heat island effect in Sydney's western suburbs. The consequences of this failure to act cannot be underestimated. According to Mattheos Santamouris, a professor at UNSW and a globally recognised expert on the building of cooler cities, without action to help residents adapt to hotter summers, "[many places](#)" in Western Sydney will be abandoned over the next 20 to 30 years.

Whilst the Government is attempting to sell its proposals by claiming that "the changes will provide for homes where people want to live and create the climate resilient vibrant

communities we want to live in”, its premise that increasing density in the inner city will take the pressure off urban sprawl is a furphy and must be called out.

The recently approved [Cumberland Plain Conservation Plan](#), for example, will facilitate the building of around 73,000 new homes by releasing approximately 11,000 hectares of rural land for urban redevelopment. This is the area south of Campbelltown towards Appin and Wilton that is home to the last surviving koala population in Sydney, the critically endangered Cumberland Plain Woodland and numerous other threatened species.

Apart from the loss of critical habitat for the koalas, the Government is placing more housing in an area that records temperatures up to 10 Celsius warmer than suburbs further east due to its exposure to the hot westerly winds and lack of access to the cooling effect of sea breezes. Campbelltown, for example, [recorded 22 days above 40C](#) in the summer of 2018-19.

We trust that this Committee will also examine the undue and pernicious influence of the property industry on successive state governments. According to Prof Randolph of UNSW’s City Futures, the [main reason why the successive state overnments have failed to prioritise sustainability](#) is because both the Department of Planning and the property industry is fixated on growth at all cost: “The prime criteria for both is the development numbers. It’s not sustainability or liveability.”

This submission highlights that pressure from the property industry forced the abandonment of the Design and Place SEPP and more recently the abolition of the independent Greater Cities Region Commission (formerly the Greater Sydney Commission). We are absolutely dismayed that the Greater Cities Commission website has now been disabled, as its statistical data was vital in informing this submission.

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# 1. Executive Summary

*Protecting the good parts of our great city – whether they are heritage or not – should be given. Yet these elements are now under major threat from over-simplistic strategies for destruction, this time under the guise of being for the public good as a way to solve the housing crisis.*

[David Burdon, NSW National Trust Conservation Director](#)

*The raison d'être of a developer is – believe it or not – not to produce community benefit. It's first and foremost to deliver profit for the investors in that enterprise. It's not our job to deliver benefits for the community.*

[Tom Forrest, CEO, Urban Taskforce](#)

*The developers throw money to both sides of politics to get their way, so it's a continual battle to try and ensure that heritage and environment have a say...the Green Ban struggle was the birth of urban environmentalism...Workers got a lot of pride out of being part of saving The Rocks. They got a lot of pride out of saving the fig trees near the Opera House and at Centennial Park. There was a feeling that they had a role to play.*

[Jack Munday](#), unionist and environmental/social activist who is remembered as an Australian hero for his [internationally pioneering role as the instigator of the 1970s green bans](#), which saved The Rocks, Woolloomooloo, Darlinghurst and Glebe, scores of heritage buildings in Sydney's CBD, Kelly's Bush Park in Hunters Hill, parts of Centennial Park and the Botanical Gardens, housing for the Aboriginal community of Redfern and heritage areas in the regional city of Newcastle.

The **Save Greater Sydney Coalition** is deeply concerned that the [Minns government's proposed changes](#) to create low and mid-rise housing in the Six Cities Region, as articulated in the [Explanation of Intended Effects: Changes to create low and mid-rise housing](#), will give developers carte blanche to take a wrecking ball to Greater Sydney's built and natural beauty and turn it into a profit centre.

Contrary to the Government's claim that the intended objective is to build more homes in the in-fill areas already adequately serviced by state and local infrastructure, the proposed one-size-fits-all changes, to be applied across the Six Cities Region – Central Coast, Lower Hunter and Greater Newcastle, Illawarra-Shoalhaven, Western Parkland, Central River and Eastern Harbour – will make *Greater Sydney, in particular, less liveable and likely less affordable.*

*The blanket nature of these proposals also means that the 8 “first-tier” precincts targeted for high growth and accelerated rezoning under the recently announced [Transport Oriented Development \(TOD\) Program](#) will also have to weather the impact of higher density well beyond the 1,200 metre radius of their transport hubs. The following “first tier” precincts will be rezoned to accommodate an additional 47,800 new high and mid-rise homes over the next 15 years:*

Bankstown  
Bays West  
Bella Vista  
Crows Nest  
Homebush  
Hornsby  
Kellyville  
Macquarie Park

Further, from 1 April 2024, a new TOD State Environmental Planning Policy (SEPP) will effectively snap rezone areas for higher density within 400 metres of 31 metro and rail stations in order to fast-track an additional 138,000 new homes over the next 15 years.

The changes will allow:

- ***Residential flat buildings (RFBs) up to 6/7 storeys in all low and medium density residential zones (R1, R2, R3 and R4) within 400 metres of identified stations, and RFBs and shop top housing (6/7 storeys) in local and commercial centres (E1 and E2) within 400 metres of identified stations.***

The 31 identified stations are:

Adamstown  
Ashfield  
Banksia  
Berala  
Booragul  
Canterbury  
Corrimal  
Croydon  
Dapto  
Dulwich Hill  
Gordon  
Gosford  
Hamilton  
Killara  
Kogarah

Kotara  
Lidcombe  
Lindfield  
Marrickville  
Morisset  
Newcastle Interchange  
North Strathfield metro  
North Wollongong  
Rockdale  
Roseville  
St Marys metro  
Teralba  
Tuggerah  
Turrella  
Wiley Park  
Wyong

The rezoning changes proposed under the TOD Program and the blanket one-size-fits-all proposed changes to low and mid-rise housing will also apply to Heritage Conservation Areas (HCAs). If implemented, they will have disastrous impacts on some of Sydney's oldest and most loved suburbs that were previously saved from the wrecking ball.

As far as the Save Sydney Coalition is aware, the TOD SEPP for the 31 transport hubs *will not* be put on public exhibition. Whilst public and council consultation for the rezoning of the 8 first-tier precincts has been flagged, the anticipated rezoning will take place between September 2024 to November 2024, *after* the proposed relaxation of zoning and planning controls for low and mid-rise housing discussed in this submission have likely come into effect.

The Government says it's investing \$520 million for community infrastructure (eg critical road upgrades, active transport links and good quality public open spaces) to support the density intensification around the identified transport hubs. But the supporting documentation for the TOD Program doesn't provide any modelling on projected increases to population in the respective areas or discuss whether land is even available to support additional community needs. Further, no maps have been provided to show projected building massing around the train stations and local centres, or the anticipated impact on the HCAs.

The following submission provides detailed analysis as to why the proposed changes to create more low and mid-rise housing, effectively to be implemented by overriding local council controls, undermines an orderly planning system and won't achieve the EIE's stated aim of "providing homes where people want to live and create the climate resilient vibrant communities we want to live in."



**In summary, the proposed changes to create low and mid-rise housing in the Six Cities regions will:**

- Allow 6 to 7 storey residential flat buildings (RFBs) in all medium density zones within 400 metres walking distance of heavy rail, metro or light rail stations and other town centres.\*
- Allow 4 to 5 storey RFBs in medium density zones within 400-800 metres of heavy rail, metro or light rail and town centres.
- Allow affordable housing bonuses of up to 30% for floor space ratio and height, on top of the proposed new controls.
- Allow dual occupancies (two dwellings on the same lot) in all low-density residential zones, with a minimum lot size of 450 square metres, minimum 12 metre lot width and a floorspace ratio of 65%.
- Allow terraces, townhouses and manor houses (re-characterised as two storey apartment blocks) in R2 low density residential zones within 800 metres of heavy rail, metro or light rail stations and town centres.
- Override existing planning controls such as those protecting heritage and the environment in R2 low rise residential and R3 medium rise residential zones.
- Introduce non refusal standards, meaning that development consent by local councils can only be refused in very limited circumstances.
- Apply the new Housing and Productivity Contribution (HPC) on residential development that intensifies land use (ie creates more dwellings than are permitted under current council controls). This tax replaces the State Infrastructure Contribution and will be used to fund “state and regional infrastructure such as parks, hospitals and schools.”

\*Town centres are defined as land zoned for E2 Commercial Centres and SP5 Metropolitan Centres, but the EIE says that the Department of Planning is also seeking input from councils to determine which E1 and MU1 local centres that contain an appropriate level of goods, services and amenities (ie “a wide range of frequently needed goods and services such as full line supermarkets, shops and restaurants) can also be included.

**The main problems with these one-size-fits-all proposed changes are:**

- They subvert local council and Department of Planning, Housing and Infrastructure (DPHI) processes that are designed to consider the relevant factors for good, long-term strategic planning outcomes. It’s effectively rezoning by stealth.
- They are not consistent with district and local council strategic planning policies – including state government mandated local council housing strategies that require councils to allocate medium and high density housing in areas where it can best be accommodated.
- They are not supported by modelling showing the likely population increases on the impacted suburbs – including traffic and parking constraints, as well as the demand

for essential infrastructure and services such as schools, green space and community facilities.

- They do not take into account local circumstances and local character. The changes ignore the importance of “place” to communities and will potentially result in deleterious changes to the built form in local centres and the low density residential suburbs surrounding those centres.
- They completely discount public support for the importance of protecting built and natural heritage, and ignore well established, hard-fought laws and controls deliberately designed to ensure the compatibility of new development in historic and environmentally sensitive areas.
- They reduce landscaping and tree canopy requirements below state and local council targets by allowing new types of development (eg 4 to 7 storey RFBs, terraces, manor houses and dual occupancies) on smaller lot sizes with higher floorspace ratios than currently permitted.
- They do not consider environmental and natural hazard risks, including the impact of increasing population density in areas that are subject to localised flooding, bushfire and rising sea levels or home to threatened species and ecological communities. No consideration has been given, for example, to Greater Sydney's status as a biodiversity hotspot.
- They weaken standards designed to protect local amenity, eg solar access, privacy, loss of views from neighbouring properties and streetscape presentation.
- They do not require developers to deliver affordable housing. Rather, recently introduced incentives like the 20-30% height and FSR bonuses for the provision of 10-15% affordable housing will continue to apply - effectively delivering high rise by stealth in medium density areas.
- They are not supported by policies to prevent the knock down of “affordable” older housing stock with replacement luxury new builds of potentially fewer dwellings.
- They do not take into account the increase in density that has already been imposed on R2 residential zones as a result of the Affordable Housing SEPP (eg boarding houses) and the Seniors Housing SEPP.
- They impose “non-refusal standards” that will severely restrict local councils' ability to properly consider the social, economic and environmental impacts of Development Applications (DAs) - a requirement under the Environmental Planning and Assessment Act 1979.
- They will likely encourage even more shoddily designed and built apartment buildings.

- They provide no assurances that revenue generated by the new HPC will be directed to fund infrastructure in areas where it's needed most or delivered in a timely manner.
- They don't propose any lifting of the rate of local development contributions collected by councils to fund essential infrastructure like local community facilities, stormwater drainage, local open space and local roads. Both the HPC and local infrastructure contributions are still dependent on the rate of building starts, a funding system that has contributed to significant delays in the construction of new infrastructure to support growth in new housing across Greater Sydney.

**This submission will refute a number of claims made in the Explanation Intended Effects (EIE) and cite evidence to show that:**

- Local councils have not been too slow in delivering net new dwellings over the last decade.
- Greater Sydney's density is not comparably low by international standards, and is not overwhelmingly composed of low-density detached houses.
- Factors other than supply are contributing to the Six Cities housing affordability crisis. These include:
  - Negative gearing and generous capital gains tax concessions, which have led to increased property prices, landlord churn, volatile rental pricing and housing insecurity.
  - The sharp lift in the immigration growth rate since 2000, which has put pressure on the demand for dwellings.
  - The loss of long-term rental properties to the popular Airbnb market.
  - Lax regulations regarding the purchase of property by overseas investors.
  - The dramatic decline in federal and state government's delivery of social and affordable housing over the last 50 years, which has forced low income earners to increasingly rely on the private sector for their housing needs.

**This submission will also highlight how the NSW Government's top-down approach to the delivery of new housing has a very poor track record in terms of creating commuter friendly, sustainable and affordable suburbs. This is because its policies:**

- *Prioritise the meeting of net new dwelling housing targets at the expense of liveability and sustainability.*
- *Rely too much on the private sector to deliver sustainable suburbs.*

- *Too often become the victim of pressure from influential property development lobby groups* that have routinely rejected the well-researched, coordinated approaches to growth as proposed by the Greater Cities Commission (formerly the Greater Sydney Commission but now abolished) and the Department of Planning and Environment, eg the Design and Place SEPP.
- *Override local council planning powers with respect to rezonings, unsolicited planning proposals and state significant developments.*
- *Override local council planning controls through the application of the Low Rise Housing Diversity Code* that allows dual occupancies, manor houses and terraces to bypass local council approval processes specifically designed to take into account the impact of development applications on the amenity of neighbouring properties and the local character of suburbs.
- *Do not impose meaningful affordable housing targets* in greenfield and urban renewal areas targeted for residential development.
- *Are over influenced by misguided policies and incentives by the federal government to increase housing supply.* The proposed changes for low and mid-rise housing, for example, are likely motivated by the Government's desire to exceed the [National Housing Accord's](#) net new dwelling targets over the next 5 years and become eligible for the federal government's New Homes Bonus, potentially delivering \$915 million in additional revenue if the state government delivers between 62,800 and 75,400 new homes per year based on 5 year agreed target of 314,000 to 377,000 new homes.

A desire to tap into the recently introduced Commonwealth [Housing Support Fund](#) – a \$500 million fund which provides targeted activation payments for essential services and amenities to support new housing planning capacity – is also likely one of the reasons why the Government has announced its Transport Oriented Development Program.

## 2. Impacts of Proposed Changes on Amenity, Local Character and Heritage

- The blanket application of one-size-fits-all imposed controls across most R3 zones and all R2 zones effectively amounts to wholesale rezoning changes that fail to take into account local councils' strategic plans and local housing strategies.

Many councils have already designated areas around train stations and town centres for high and medium density in order to meet their state-mandated net new dwelling targets, and to ensure that density is located in areas best equipped to accommodate the increase in population. In fact, somewhat ironically, the Government [acknowledges the success of this approach](#) to date on its website:

*All councils have prepared local housing strategies to support the delivery of new homes in the right locations. These strategies identify ways of delivering the right amount and types of housing in line with infrastructure, access to services and open space. The strategies use a place-based planning approach to help provide great places to live. They aim to provide walkable neighbourhoods that support active and healthy lifestyles, as well as create and renew great spaces. The strategies enable councils to align their local vision with the NSW Government's plans for regions, namely the Greater Sydney region plan and district plans."*

The proposed changes throw these well-considered plans into disarray as they fail to take into account whether enough infrastructure, essential services and open spaces can be provided to accommodate higher population densities in the targeted areas.

- The removal of minimum lot sizes and site widths for RFBs within 800 metres of stations/town centres means that developers will be able to build more on less, leading to disproportionate, narrow, tall and out-of-context buildings.
- The reduction in building separations and in minimum front and side setbacks for RFBs, below the standards prescribed in the ADG and the Codes SEPP, effectively throws out controls based on design principles crafted to ensure a good level of amenity, eg adequate solar access, less impacts from overshadowing etc.

Unfortunately, this weakening of well established design standards appears to have been made in response to complaints from the development lobby.<sup>1</sup>

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<sup>1</sup> Tom Forrest, CEO of Urban Taskforce, has complained that "while it had been promised that the bonus scheme [for the provision of 15% affordable housing] would allow developers to override existing height and density provisions in local environment plans, it now looks as though other controls – relating to solar

- The removal of the requirement for RFBs to accommodate large vehicles entering or turning around within the site means that services like waste disposal will have to be moved curbside, potentially leading to traffic, health and on-street amenity impacts, including conflicts with pedestrians and cyclists.
- The permissibility of manor houses and terraces in R2 zones within 800 metres of stations/town centres is effectively rezoning by stealth. It will transform low density R2 residential zones into medium density zones without any consideration of the impact on traffic congestion, residential amenity and the environment, including the anticipated substantial loss in tree canopy cover.
- The removal of the cap on the number of dwellings permitted with consent for manor houses will potentially lead to parking and traffic problems and impact amenity, local character and the environment.
- The reduction in the number of parking spaces required to be set aside for manor houses and terraces means that developers won't have to accommodate as much space for onsite parking, effectively leading to a higher demand for already constrained street parking spaces in most suburbs.
- The reduction in the minimum lot size for dual occupancy attached developments will likely lead to increased prices for single dwelling houses in R2 low residential zones because developers will be attracted to the idea of doubling the number of dwellings on smaller lots of land. The proposed increase in the FSR will also significantly reduce landscaping and tree canopy count.
- The EIE's reference to the fact that heritage and environmental considerations will only continue to apply to the extent that they are not inconsistent with the new "non-refusal standards" is a concerning and intentionally vague clause that will likely lead to the new standards overriding stricter heritage protections in the impacted areas. It will potentially be disastrous for HCAs, especially because the proposed TOD Program to increase housing around train stations and transport hubs also provides no assurances that the HCAs will be protected.
- The EIE provides no guidance on the lot size requirements for Torrens subdivision of dual occupancy attached developments and terraces - a change that will disrupt local council rules with respect to minimum subdivisions and likely lead to detrimental impacts on traffic and parking, local character, heritage and green space in residential zones.
- The likely extension of the Codes SEPP to include RFBs means both residents and councils will have no say over the look and feel of their suburbs, and limited recourse to lodge objections or make amendments to ameliorate impacts on residential amenity, including parking and traffic, overshadowing, local character and tree canopy loss.

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access, building setbacks, and overshadowing, for example – would remain in place.” See [Knee-jerk policy’: Minns’ first idea to tackle Sydney’s housing crisis hits a wall](#)  
By Deborah Snow, Sydney Morning Herald 5 August 2023.

- The proposed changes fail to take into account the impact of other State Environment Policies (SEPPs) that have overridden council controls and increased density in R2 residential zones, eg the Affordable Housing SEPP and the former Seniors Housing SEPP.
- The landscape requirements will make the Government's [aspirational target of a 40% tree canopy](#) target in Greater Sydney all but impossible to achieve.<sup>2</sup> In response to the news that the Government is proposing to override councils' minimum lot size requirements for subdivisions and mid-rise RFBs, Professor Sebastian Pfautsch, an expert on urban heat at the University of Western Sydney, said that he [feared any reduction](#) in already small lot sizes would lead to further loss of trees and as a consequence exacerbate the heat island effect.
- The lack of detail about the criteria to be used to define local centres to be targeted for increased density is creating community unease. The EIE only states that it is seeking council responses for the identification of centres that "contain an appropriate level of goods, services and amenities." Whether other important factors like traffic congestion, parking constraints, easy walkability, community infrastructure, green space and local character will be considered is not mentioned.
- The Housing and Productivity Contribution (HPC) on new dwellings in areas that intensify land use will go towards the provision of state and regional infrastructure such as roads, parks, hospitals and schools. But the provision of other important infrastructure, like community facilities, stormwater drainage, local open space and local roads - currently funded by local councils - still relies on local infrastructure contributions (7.11 and/or section 7.12 contributions) at the current rates, and is tied to the rate of building starts.

This revenue collection system represents a continuation of the pattern of transferring responsibility for the funding of essential infrastructure to the private sector, leading to situations where population density is allowed to increase long before the infrastructure required to support it is financed and delivered. This submission will highlight the state government's very [poor track record](#) to date in delivering essential infrastructure in urban in-fill industrial and greenfield areas targeted for residential development.

### 3. Evidence-Based Response to Proposed Changes

Many of the claims made by the NSW Government in the Explanation of Intended Effects: Changes to low- and mid-rise housing are not supported by evidence.

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<sup>2</sup> According to the Government's [Greener Neighbourhoods Guide: Guiding strategic planning for urban forests](#) (December 2021), the minimum tree canopy target for Residential-zoned land (R1, R2, R3, R4) including streets is 40%.

## 3.1 Refuted Claims

### 3.1.1 Claim: Current council planning powers are curtailing the supply of new homes.

Not true!

In fact, the EIE points to a range of other factors that have slowed down construction of new homes in recent years, including:

- *Shortages of construction materials and labour* – exacerbated by federal government interventions during the pandemic, such as the [Home Builder](#) grant.
- *Limited market feasibility* – which means that developers are withdrawing or delaying new housing projects until conditions improve.
- *Rising interest rates* – which increase the carrying cost of development.

Conveniently, it fails to mention that prior to the Covid 19 pandemic, housing approvals were at record highs, and, as highlighted in the graph below, housing construction completions are now lagging housing approvals by a wide margin.<sup>3</sup>

**Historic housing construction approvals and completions in NSW**



Source: Australian Bureau of Statistics 2022,  
Department of Planning and Environment  
analysis

<sup>3</sup> Nationally, in the five years before the pandemic, 1,028,480 net new dwellings were built across Australia. See The [Great Divide: Australia's Housing Mess and How to Fix It](#) by Alan Kohler, Quarterly Essay 92, 2023. In NSW more than 90 per cent of multi-unit development applications are approved by local councils within about three months. See [The real reason housing supply isn't keeping up with demand](#) by Nicole Gurrán, Professor at the University of Sydney's School of Architecture, Design and Planning, Sydney Morning Herald, 22 August 2023.



[The supply of new homes has also come off pre-pandemic record highs](#), a fact acknowledged in the EIE, which says that its forecast for new homes to be built in the Greater Sydney area over the next 5 years is only lower than the previous 5 years because of record years of high supply in 2017-18 and 2018-19 (more than 42,000 new homes were built each year).

Importantly, [the DPHI website also says that next 5-year forecast is "inline with implied demand"](#). It is nothing if not ambitious for the Greater Sydney area:

- 55,370 new homes will be available in Central River City
- 41,550 new homes will be available in Eastern Harbour City
- 31,530 new homes will be available in Western Parkland City

Councils across Greater Sydney have already identified areas with sufficient capacity to meet net dwelling targets in their local housing strategies. But they don't deliver housing targets, because they don't build the housing. As town planner Tim Sneesby [recently noted](#), "If industry is lodging fewer applications because of softer market conditions, that's not councils' fault. Provide as much planning incentives and rent-seeker giveaways as you like, but this won't resolve the current housing crisis."<sup>4</sup>

### **3.1.2 Claim: Sydney has comparably low density relative to other global cities. Its housing stock is overwhelmingly composed of low-density detached homes.**

Not true!

The EIE presents a misleading picture of density in Greater Sydney because the statistics presented incorporate all of the Six Cities regions:

- 58% of all dwellings are separate houses
- 23% are three or more storey apartments
- 19% are other dwellings such as terrace houses and multi-dwelling housing

Greater Sydney (which includes the Western Parkland, Central River and Eastern Harbour cities) is by far the largest city of the six regions ([5.2 million residents](#) ABS Census 2021) in the Six Cities region. Comprising 34 councils, it has a diverse range of suburbs (650 in total), some of which have very high density.

The [Greater Cities Commission](#) (reportedly recently [disbanded](#) because it didn't set ambitious enough net new dwelling targets) notes, for example, that the dwelling mix for the Eastern Harbour City in 2021 was:

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<sup>4</sup> [Does this stack up? A couple more storeys to fix housing. Nero thinks so](#) by Tim Sneesby, The Fifth Estate, 30 November 2023

- 43% apartments
- 21% semi-detached and medium density dwellings
- 36% single dwelling houses

These statistics are telling because the Eastern Harbour City has been redefined to now include a huge swathe of local council areas, a number of which are located well beyond the inner city area:

Bayside  
Burwood  
Canada Bay  
Hornsby  
Hunters Hill  
Inner West  
Ku-ring-gai  
Lane Cove  
Mosman  
North Sydney  
Northern Beaches  
Randwick  
Ryde  
Strathfield  
Sutherland Shire  
Sydney  
Waverley  
Willoughby  
Woollahra

Within some of these council areas, density is very high even by international standards. Potts Point and Pyrmont (City of Sydney), for example, have the second-highest population density in Australia at 16,700 and 16,500 people per square kilometre, respectively. This compares with a population density of 8,173 people per square km for [the City of Sydney as a whole](#).<sup>5</sup>

Further, Heritage Conservation Areas (HCAs), which typically have stricter planning controls around development, are not responsible for curtailing the delivery of more density in Sydney. In fact, [many of Sydney's most densely populated areas are dominated by HCAs](#), eg Elizabeth Bay, Chippendale, Rushcutters Bay, Ultimo, Potts Point, Haymarket, Pyrmont, Darlinghurst, Woolloomooloo, Forest Lodge and Newtown.

### **3.1.3. Claim: Local councils have been reluctant to facilitate diversity in dwelling types over the last decade**

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<sup>5</sup> By way of comparison, the population density of Beijing China is 4,600 people per square km. See [Top 10: The largest cities in the world](#), BBC Science Focus, 4 January 2024.

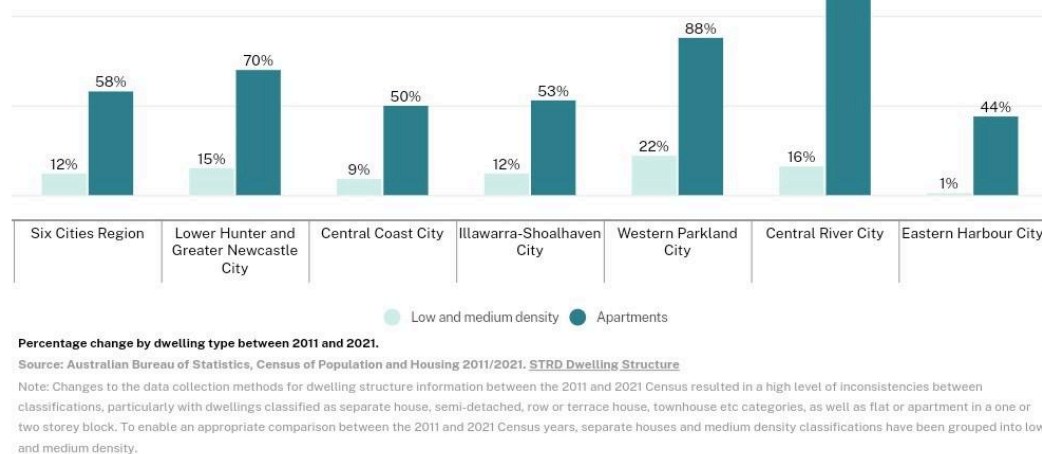
Not true!

In fact, all of the Six Cities/regions have delivered more new apartments than single dwelling houses over the past decade.

According to the [Greater Cities Commission website](#), in the decade to 2021, low and medium density dwellings increased by 12% and apartments increased by 58%:

*Apartments increased across all cities/regions with the highest increase being in the Central River City, where the increase was more than double (116%), followed by the Western Parkland City at 88% and the Lower Hunter and Greater Newcastle City at 70%.*

## 2011-2021



Further, many Greater Sydney councils have already either developed or implemented strategic plans to accommodate significant higher density housing growth in appropriately identified areas. Burwood Council, for example, [released plans for higher density at Burwood North](#), which the state government [recently confirmed](#) will be home to a new Metro West station.

**3.1.4 Claim: “There is a shortage of homes in many parts of the city that have great transport, convenient town centres, and local amenities such as parks and beaches. This undersupply of new housing in these key parts of the city has led to a lack of affordable choices where people want to live.”**

Not true!

The EIE provides no examples of areas in Sydney that are well equipped to cope with significantly higher density. In fact, to the contrary, a [2019 Infrastructure Australia Fact Sheet](#) painted a bleak picture of traffic congestion problems across the city, and said that density increases in Sydney are putting too much pressure on the City's public transport networks despite recent investments to improve capacity:

- *Unlike Melbourne, Sydney has heavy congestion on its local roads, particularly in the inner-west.*
- *Network improvements, increasing road congestion and increased density have increased public transport share.*
- *Sydney has the largest share of journeys to work by public transport of any city.*
- *Notwithstanding current investment in extra capacity, the performance of Sydney's transport network has worsened.*

Recently, the Government was forced to acknowledge that the Eastern Suburbs and parts of the North Shore [are struggling to cope with increasing density](#) because of strained water and sewage infrastructure, as well as transport links already operating at “high capacity.” Nevertheless, these areas are not being exempted from the proposed changes to low and mid-rise housing, further adding to their density pressures.

The implementation of various state government SEPPs in recent years, including those that allow RFBs for seniors and boarding houses in R2 low rise residential areas, have also already increased density beyond what can be accommodated in some council areas.<sup>6</sup> According to Michael Regan, former mayor of the Northern Beaches Council and now the MP for Wakehurst, “the [state government's affordable housing State Environmental Planning Policy continues to fly in the face of good planning](#), forcing development in areas where it can least be sustained and has maximum impact on the immediate neighbours and the street... We continue to call for a moratorium on these ad hoc planning rules so we can better plan for our community.”

### **3.1.5. Claim: The proposed changes will make housing more affordable**

Not true!

- The rezonings and more generous planning controls will make properties more attractive to developers, which will drive up prices, especially in low rise residential areas where more developers will likely compete with owner occupier bidders for single dwelling houses.<sup>7</sup>
- The introduction of Torrens titles for multi-dwellings (terraces) and dual occupancy attached housing will override councils' minimum lot sizes for subdivisions, and likely drive up the

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<sup>6</sup> The introduction of the Affordable Housing SEPP led to a dramatic increase in the number of development applications in low rise R2 residential zones. In 2017-18, for example, 14 development applications to build houses were received by the Northern Beaches compared to two in the previous 12 months. See [Sydney mayor: Boarding house rules 'fly in the face of good planning'](#) by Andrew Taylor, Sydney Morning Herald 2 August 2018.

<sup>7</sup> A Ku-ring-gai residents group has reported that residents are receiving letters from developers scouting for properties to develop already.

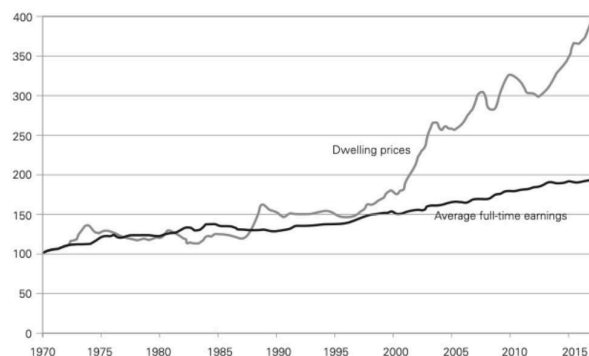
prices for these types of dwellings.

- The anticipated increase in supply will not lead to a sustained fall in property prices, and the NSW Government has provided little-to-no substantive evidence to the contrary. In fact, leading academics have referred to the “[more supply leads to more affordable homes](#)” approach as a “myth”. This is because the development industry will not initiate new projects unless market confidence and prices remain strong. Projects with existing planning approvals will not be [moved to the construction phase](#) if market prices are projected to deflate.

## Factors other than supply of housing are contributing to the affordability crisis. They include:

1. Overly generous negative gearing and capital gains tax concessions for investors:

*Figure 1 House prices and wages (full-time weekly earnings, index: 1970 = 100)*



Source: *Business Insider*.

According to Per Capita’s 2022 report, [Housing Affordability in Australia: Tackling a Wicked Problem](#), the structure of these tax breaks has not only driven up prices far in excess of the annual growth rate in average full-time earnings (see above graph), but it means that supply in the private rental market is dominated by small-scale investors or “hobby landlords” – a situation that has led to volatile prices and housing insecurity for renters because of landlord churn (almost a quarter of landlords leave the sector within the first 12 months and 59% leave after five years).<sup>8</sup>

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<sup>8</sup> Because properties are typically highly leveraged and landlords are in pursuit of the generous tax deductions and the concessionally taxed capital gain, rental tenures are typically short term, and too many landlords are either not interested or unable to meet the cost of adequately maintaining the quality and safety of the homes they rent to other people. See [Fuel on the fire: negative gearing, capital gains tax & housing affordability](#), ACCOS (April 2015)

**TABLE 1. Cost of tax concessions, 2010-22**  
(Source: Parliamentary Budget Office)

Year	Negative gearing deductions (\$m)	CGT exemptions (\$m)
2010-11	\$3,040.00	\$1,740.00
2011-12	\$3,250.00	\$1,580.00
2012-13	\$3,670.00	\$1,680.00
2013-14	\$3,680.00	\$2,380.00
2014-15	\$3,730.00	\$3,070.00
2015-16	\$3,840.00	\$3,280.00
2016-17	\$3,870.00	\$3,660.00
2017-18	\$4,160.00	\$4,250.00
2018-19	\$3,810.00	\$2,970.00
2019-20	\$3,580.00	\$3,400.00
2020-21	\$2,830.00	\$5,390.00
2021-22	\$3,790.00	\$4,710.00
<b>Total to 2021-22</b>	<b>\$43,250.00</b>	<b>\$38,110.00</b>

The above table highlights federal government revenue forfeited from capital gains concessions tax and negative gearing from 2010 to 2021.<sup>9</sup>

2. The sharp lift in the net immigration growth rate, which has pushed up demand for housing since 2000, and recently contributed to historically low rental market vacancy rates.

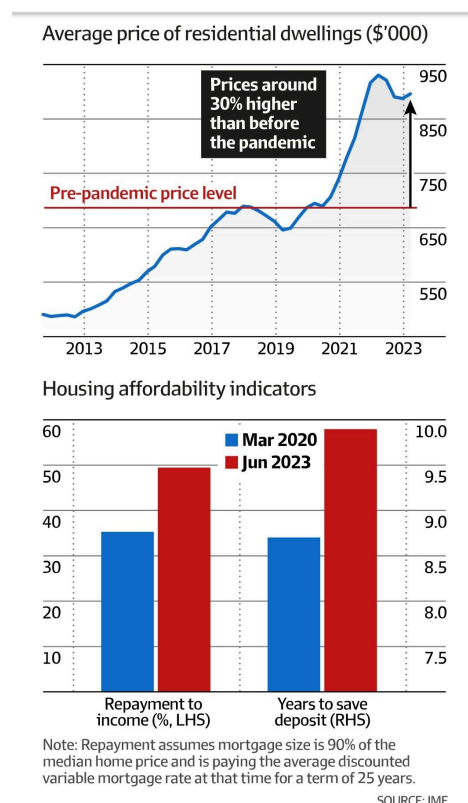


Source: CoreLogic

<sup>9</sup> In policy terms, Australia is a global outlier. Most OECD countries apply 'loss quarantining' rules to prevent losses made on investment properties from being offset against income generated elsewhere. Where negative gearing is allowed, it is generally with far stricter loss quarantine rules. Australia's overly generous tax treatment effectively serves to subsidise investment in housing as an asset class at the expense of owner-occupiers. See [Written Off The high cost of Australia's unfair tax system](#), Everybody's Home, January 2024.

3. The [lifting of restrictions on home loans](#) that were originally introduced to improve affordability for owner buyers and reduce risky borrowing.

Between 2014 and 2018, the Australian Prudential Regulation Authority [cooled the property market](#) by forcing banks to slow down lending to landlord-investors and cap interest-only mortgages to no more than 30% of new loans. The abolition of these restrictions in 2018 was made in response to federal government concerns about falling house prices. Their removal likely contributed to steep increase in house prices after the pandemic (see graph below).



4. Lax restrictions on property ownership rules for foreign buyers.

A recent Sydney Telegraph article pointed to [the sizeable volume of investor interest in Sydney property from overseas buyers](#). Because overseas investors are typically restricted by law to buying only new homes, according to Ray White's chief economist Nerida Conisbee, developers often rely on pre-sales to foreign investors to bankroll new projects.

5. The decline in social housing

According to the Greater Cities Commission, [Social housing stocks have declined dramatically over the last 50 years](#). In the mid-1980s, for example, roughly one in four renters were housed in social housing, effectively removing most low-income renters from the private rental market. However, their share has now declined to less than one in 10,



according to research conducted by the independent public policy think tank Per Capita.<sup>10</sup> Further, in 2019 -2020 roughly 90% of households in the lowest net worth quintile rented: 72% in the private market and just 17% in social housing.<sup>11</sup>

The failure to prioritise the delivery of public housing has also worsened inequality between those who can afford to buy and invest in housing and those who cannot, according to a report just released by Everbody's Home: [Written Off: The high cost of Australia's unfair tax system](#),

## **6. Inadequate policies to encourage and retain low cost and affordable housing**

In 2020, the state government [rejected an application by the City of Ryde to apply inclusionary zoning](#), a rule that forces developers to include a portion of affordable housing in their developments or pay a levy. And in the affluent suburbs of inner Sydney and the East, for example, moderately priced [interwar low-rise apartment buildings are being demolished to make way for "ultra-luxurious" homes for fewer residents](#).

The 8 "first-tier" stations identified for rezoning under the TOD Program, will likely include inclusionary zoning for 15% affordable housing, but the provision for only 2% affordable housing in areas around the 31 stations earmarked for higher density in the TOD SEPP is inexplicable and shameful.

## **7. The high number of unoccupied dwellings - 163,740 across all Sydney LGAs, according to the [2021 census](#).**

Whilst the reasons for this situation are complex, evidence suggests that the proliferation of [Airbnbs have removed a lot of properties from the long-term rental market](#).

Dr Crommelin, senior lecturer in City Planning at UNSW, notes that housing was already unaffordable before short-term letting platforms like Airbnb came along, but argues that their [popularity](#) is "another factor [contributing to the tight rental market] because they have increased the scale of short-term letting, placing further strain on the existing housing supply."

### **3.1.6 Claim: "The changes will provide for homes where people want to live and create the climate resilient vibrant communities we want to live in."**

Not true!

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<sup>10</sup> Centre for Equitable Housing: A Per Capita Initiative, [The National Housing and Homelessness Plan: A historic opportunity not to be missed](#), 31 October 2023

<sup>11</sup> The Committee for Sydney, a property developer think tank, is [calling for developments with mandatory inclusive zoning](#), ie a percentage is set aside for affordable and social housing, with affordable homes offered at 20-25 per cent less than the market rate for 15 years.



## The NSW's Government's history of a top-down approach to the delivery of sustainable housing has a very poor track record.

For evidence, here's a snapshot of [the type of development the state government has facilitated in the Greater Sydney area](#) over the last 10 to 15 years:

- Soulless suburbs with [only limited access to essential infrastructure and services](#), and houses [so packed together](#) that the eaves of neighbours' roofs almost touch each other.<sup>12</sup>
- [Few if any trees in tiny front and back yards](#) and less than adequate tree canopy on street verges.
- Bigger houses on increasingly smaller block sizes. The [minimum block size for Oran Park](#) in Western Sydney, for example, was reduced to meet Department of Planning housing targets for the suburb.
- Lack of green space and trees in [urban redevelopment projects](#) around railway stations.
- The [summer heat island effect](#) in an increasing number of Western Sydney suburbs - caused by the lack of cooling water in the landscape and atmosphere due to not enough plant and vegetation cover, too many hard surfaces and the use of heat absorbing building materials etc. Mattheos Santamouris, a professor at UNSW and a globally recognised expert on the building of cooler cities, believes that [without action to help residents adapt to hotter summers](#), "many places" in Western Sydney will be abandoned over the next 20 to 30 years.
- Lack of alternative public transport options. Even high density residential areas like Zetland in Sydney's east [aren't well served by public transport](#) options (a metro station at Zetland was originally part of the planned Metro West but later cancelled). The heavy rail station in Green Square - a suburb with a [population density expected to exceed Hong Kong's](#) by 2030 - often operates at over capacity.
- Lack of essential infrastructure. Ageing water, sewage and stormwater infrastructure in established suburbs is already not coping with additional density. Water scientist and Western Sydney University associate professor Ian Wright said the amount of sewage being generated by the bulging population living along the coastline was a [contributing factor to poor water quality at Sydney's beaches](#), particularly in older established areas like Bondi, Bronte and Coogee, which are now dominated by apartment buildings: "each person generates about 200 litres of sewage a day – the kitchen, the bathroom, washing machines et cetera – and our sewer mains were often built when we didn't have that population."

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<sup>12</sup> ['Here's what's missing - everything': No schools and no services but houses keep going up](#) by Jordan Baker, Sydney Morning Herald 15 October 2022: "There is deep frustration among many of those who have moved to the high-growth areas on the city's fringe about a failure to provide the services they need – and, some say, were led to expect. The feeling is shared by people in other parts of Sydney, too, who have seen rapid development and ballooning population in their suburbs without the social infrastructure to match."

- *Failure to protect Sydney's unique biodiversity. [One third of Australian threatened species can be found in our cities and Sydney is a hotspot for biodiversity](#). But state and federal government conservation policies don't tend to recognise the integral role of cities in managing threatened species risks. Koalas, for example, have disappeared from most suburbs in Sydney, and the South West Sydney koalas, the last surviving chlamydia-free population in NSW, is [facing multiple threats from the cumulative effect of hundreds of development approvals](#) that cause habitat loss, modification and fragmentation, increased vehicle strikes, dog attacks, stress-induced disease and significant weather events such as drought, fire and floods.*
- Shoddy quality of new builds. The NSW Building Commission recently announced that [since 2016, more than half of apartment buildings registered in the state have had at least one serious defect](#). The factors contributing to this distressing situation are multiple and complex, but no doubt the emphasis on cutting red tape to accelerate new housing supply has contributed to the problems.

***Below is a list of just some of the reasons why the Government has failed to create liveable suburbs:***

- ***The Government doesn't prioritise sustainability.*** According to Prof Randolph of UNSW's City Futures, the [origin of the problem](#) is the Department of Planning and their determination to get the numbers of dwellings up, and the development industry. "The prime criteria for both is the development numbers. It's not sustainability or liveability."

Professor Wright, an associate professor in the School of Science at Western Sydney University, says people in Sydney's newer, more affordable suburbs are [being sold the "great Australia dream" but "poor planning is letting them down"](#)...we need to "return to planning where facilities like schools, hospitals, roads, and libraries are considered before housing development" is allowed to commence.

- ***Well thought out policies to promote sustainable development are abandoned.*** In response to development pressure, [the previous Coalition government refused to implement the Design and Place SEPP](#), which was designed to make new homes and suburbs more sustainable and liveable.
- ***An overreliance on the private sector to deliver new housing and sustainable suburbs.***<sup>13</sup> Prof Randolph [says](#) that "in urban renewal areas developers have to buy expensive land. No one wants [to pay for] the park. The government doesn't buy up the land then develop it, it leaves it to the private sector. The planning system acts as an enabler to the market rather than thinking about sustainability."
- ***Code complying development pathways override local council planning controls.*** In NSW, if a proposed dwelling satisfies the broad criteria of the building codes it does not have to go to the local council for individual assessment under rules known as "exempt and

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<sup>13</sup> The [proportion of homes built by the public sector](#) has fallen from well over 10 per cent in the mid-1980s to about 2 per cent today.

complying development”. This means that councils have little say over the look and feel of their suburbs.

- ***The advice of the independent Greater Sydney/Greater Cities Commission has repeatedly been either ignored or watered down because of pressure from property development lobby groups.***<sup>14</sup> (The Commission was recently [abolished](#)).

When established in 2015, the Commission set [lofty goals for coordinating Sydney's growth](#) that were not welcomed by developers and subsequently not enforced by the Government, eg ensuring infrastructure kept pace with new housing developments, making sure jobs were near where people lived, providing adequate green space and trees canopy.

- ***The failure of successive state governments to impose meaningful affordable housing targets.*** The New South Wales Planning Minister Paul Scully, for example, recently admitted that the affordable housing target of just 5% for the [controversial approval](#) of a 13,000-home development in Appin was below community expectations. He defended the decision by claiming a higher target would be “a cost to the developer”.
- ***Misguided federal government incentives for state governments to build new houses.*** Under the [National Housing Accord](#), which was agreed to by the states and territories last year, the Commonwealth has committed \$3.5 billion in funding to facilitate the building of 1.2 million homes Australia wide over the next 5 years.

Included in this package of funding is the [New Home Bonus](#), which will see the federal government pay the states \$15,000 for each home that is built above the initial target of 1 million homes. This payment will not start until 2028; hence perhaps a plausible explanation for the Government's haste in accelerating the potential for new housing development.

The NSW Government [stands to gain more than \\$915 million if it meets its share of the new 1.2 million new housing target](#), and it can also tap into a \$500 million [Housing Support Fund](#), a competitive funding source designed to “kick-start housing supply in well-located areas through targeted activation payments for things like connecting essential services, amenities to support new housing development, or building planning capability.”

- ***The reliance on developer contributions to fund new state and local council infrastructure.*** The Minns government is [imposing a new developer contribution – the Housing and Productivity Contribution \(HPC\)](#). Expected to collect \$700 million annually, the HPC will be put towards the provision of state and regional infrastructure such as roads, parks, hospitals and schools. It replaces the former State Infrastructure Contribution (SIC), but is broader in reach, as it will be levied on:
  - residential development that intensifies land-use where new dwellings are created, such as houses, apartments, terraces and dual occupancies;

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<sup>14</sup> [Plan to ban dark roofs abandoned as NSW government walks back sustainability measures](#) by Elias Visontay, The Guardian 9 April 2022.

- commercial and retail development such as neighbourhood shops, supermarkets, and commercial office buildings where new floorspace is created; and
- industrial development such as warehouses and industrial buildings, where new floorspace is created.<sup>15</sup>

Although the new tax will facilitate the construction of essential infrastructure, the funding is dependent on development applications, [perpetuating a common situation](#) where new housing starts are allowed to ramp up before essential infrastructure is planned and then delivered.

- ***The overriding of local council planning powers.*** [According JOC Consulting senior urban planner Samuel Austin](#), mass development in the west is the direct result of urban release areas that “completely overrode council controls.” Austin says that “councils in western Sydney know that heat is an enormous problem, but they are struggling to do anything because development planning and rollout is coming from the top down... Councils get no say in these spaces, they get to advocate what they’d like to happen, but it’s ultimately up to the state to decide what happens ...What’s really sad is that Blacktown Council, where Marsden Park is, is a massive advocate for reducing heat, but they get little say on how to prevent this development from happening.”
- ***The oversize and pernicious influence of the development lobby groups.*** Former Planning NSW Minister Frank Sartor complained that he came under too much pressure from [colleagues on behalf of Urban Taskforce](#), a group Sartor described as “nothing more than a lobby group for land speculators dressed up in the clothes of a respectable property group.”

Urban Taskforce is still a formidable and effective advocate for overdevelopment. It has [welcomed](#), for example, the Government’s [Transport Oriented Development \(TOD\) Program](#), which will fast-track rezoning for 47,800 new homes over the next 15 years within 1,200 metres of train stations. Identified as “Tier 1 TOD precincts”, the stations targeted are:

Bankstown  
Bays West  
Bella Vista  
Crows Nest  
Homebush  
Hornsby  
Kellyville  
Macquarie Park

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<sup>15</sup> As outlined in the Ministerial Order, developments that do not create demand for additional infrastructure are exempt from the contribution including: replacement residential dwellings (knock down rebuilds), refurbishment of existing industrial or commercial developments (that doesn’t increase the gross floor area), public housing, supportive housing, specialty disability accommodation, seniors residential care and hostels, boarding houses and group homes.

In these Tier 1 TOD precincts, Residential Apartment Buildings will be *mandated as permissible in all residential zones*, as well as E1 and E2 commercial zones, within 400m of these stations.

This initiative will be complemented by the 1 April 2024 introduction of the [TOD SEPP](#), which will override local council planning controls within 400 m of 31 metro and rail stations to fast-track an additional 138,000 new homes over the next 15 years.

The [changes](#) will allow:

- Residential flat buildings in all residential zones (R1, R2, R3 and R4) within 400 metres of identified stations and residential flat buildings and shop top housing in local and commercial centres (E1 and E2) within 400 metres of identified stations in 31 identified transport hubs: Adamstown, Ashfield, Banksia, Berala, Booragul, Canterbury, Corrimal, Croydon, Dapto, Dulwich Hill, Gordon, Gosford, Hamilton, Killara, Kogarah, Kotara, Lidcombe, Lindfield, Marrickville, Morisset, Newcastle Interchange, North Strathfield metro, North Wollongong, Rockdale, Roseville, St Marys metro, Teralba, Tuggerah, Turrella, Wiley Park and Wyong.

The DPIH has not yet released data about why the above stations were targeted and what criteria was used to assess their suitability – for example: frequency of train services, proximity to parks, adequate essential infrastructure and services, and the definition of walkability.

At this point, the Government has at [least committed in principle to inclusionary zoning](#) for affordable housing within the 8-first tier precincts (15% affordable housing in perpetuity, subject to feasibility testing), but is only requiring an inexplicable 2% mandatory contribution for affordable housing around the 31 stations identified in the TOD SEPP.

For these TOD SEPP stations, this means that developers will likely pay an affordable housing contribution rather than providing affordable housing onsite. As a consequence, no affordable housing will be delivered in areas best suited to accommodate them, and councils and/or the state government will likely take years to find appropriate alternative locations for affordable housing.

- ***A relentless focus on increasing housing supply and density as the only solutions for solving the housing crisis.*** [Recently NSW Premier Chris Minns said](#): "We're not going to deal with the housing crisis in NSW unless we get more construction going, more completions done, and part of that means that you have to have at times difficult conversations with communities about more density."

## 4. Responses from councils to the Proposed Changes

Councils serve a very important role in ensuring that development complies with their strategic plans and planning controls, which are designed to address issues like the provision of public and private open space, diversity of homes, neighbourhood character, traffic and parking, urban design outcomes and the protection of heritage.

To date, councils have been completely left out of discussions with the NSW Government, especially with respect to the TOD Program, and blindsided by the pre-Xmas public exhibition of the EIE for the proposed changes to create low and mid-rise housing.

In mid December, Inner West Mayor, Darcy Byrne [convened](#) an urgent summit of mayors from the 8 councils singled out for higher density within a 1.2 km radius of their train stations under the TOD Program.

With respect to snap rezonings proposed for his own Council area, Mayor Byrne commented, “Everyone knows there’s more housing density coming around transport hubs and in White Bay but extending high density zoning into all surrounding suburbs is ludicrous and just won’t work.”

For an indication of how the proposed changes to create low and mid-rise housing are being received by local councils, see the following summary of the Northern Beaches Council’s major concerns, as highlighted in its 20 December 2023 press release, [Radical state planning changes to create medium and higher density housing](#):

- **Rezoning by stealth:** *The changes are in effect rezoning land for higher density uses without going through a rezoning process. The rezoning process allows all relevant factors to be considered for good strategic planning outcomes. The one-size-fits-all approach as outlined here does not and it undermines the very basis of the planning system in NSW.*
- **Inconsistency with state and local strategic planning policies:** *The changes are inconsistent with planning statements and actions contained in the North District Plan, and Council’s Local Strategic Planning Statement and Local Housing Strategy.*
- **Insufficient justification for changes:** *While the “housing crisis” is acknowledged, no analysis has been provided to Council to justify the detailed changes proposed and no estimates of the additional population likely to result has been provided.*
- **Impact on local character:** *The changes take no account of local circumstances or character, potentially resulting in wholesale changes to the built form of our local centres and to low density residential suburbs surrounding those centres.*
- **Impact on roads and infrastructure:** *The changes take no account of the potential increase in population and impacts on traffic, parking and demand for services and facilities; for example, parks, schools, and community centres that are required to service new residents.*
- **Impacts on natural hazards and resilience:** *No assessment has been made of the potential impacts of locating additional population in areas subject to flooding, bush fire or sea level rise. Rather, Council will need to assess these impacts on a case-by-case basis through the development assessment process.*



- **Reduced landscaping and tree canopy:** *The changes propose substantial increases in density; for example, permitting far higher floorspace ratios, necessarily resulting in loss of landscaping and tree canopy.*
- **Local amenity impacts:** *The changes will increase issues associated with shadowing, privacy, and loss of views for neighbouring properties.*

## 5. Summary of Proposed Changes to Low to Mid-Rise Housing

- Residential flat buildings (RFBs) of 6 to 7 storeys will be allowed in R3 medium density zones within 400 metres of heavy rail, metro or light rail stations, land zoned for E2 Commercial Centres and SP5 Metropolitan Centres, and possibly other local centres.\*

\*The EIE says that “the Department is seeking input from councils to determine which E1 and MU1 centres contain an appropriate level of goods, services and amenities to be included.

- RFBs of 4 to 5 storeys will be allowed in R3 medium density zones within 400-800 metres of heavy rail, metro or light rail stations, commercial and metropolitan centres, and possibly other local centres.
- Minimum requirements will be “turned off” for the lot size and lot width of RFBs and shop top housing in medium density zones within 800 metres of stations/local centres. Front setbacks will only have to be an average of the neighbouring buildings with a minimum setback of 6 metres. The minimum separation between buildings of 5 to 6 storeys will be reduced to match the requirement for 4 storey RFBs in the [Apartment Design Guide](#) (ADG).
- The RFBs will not have to accommodate large vehicles entering or turning around within the site.
- Multi-dwelling housing (ie terraces) and manor houses will be permitted with consent in Low Density Residential R2 zones within 800 metres of heavy rail, metro or light rail stations and local centres.
- Manor houses will be characterised as 2 storey residential flat buildings (excluding any habitable roof) and *only* limited to 3 or 4 dwellings if developers choose to use the [Low Rise Housing Diversity Code SEPP](#) (Codes SEPP) approval pathway instead of seeking development consent from councils.
- New minimum lot sizes, floorspace ratios (FSRs) and minimum car parking requirements for manor houses and terraces are below most councils’ current Development Control

Plans (DCPs) and are lower than the current standards in the Codes SEPP.

- Dual occupancies (minimum lot size 450 sq metres, minimum lot width 12 metres and an FSR of 0.65:1 with a minimum 1 car parking space) will be permitted in all R2 low density residential zones.
- Heritage and environmental considerations *will only* continue to apply to the extent that they are not inconsistent with the new “non-refusal standards.”
- Torrens subdivision is proposed for dual occupancies and multi-dwelling housing (terraces) providing proposed lots meet the appropriate size, width and access requirements.
- The Codes SEPP will continue to apply. It allows dual occupancies, manor houses and terraces (up to 2 storeys) to be built under fast-track complying approvals that bypass local council development approval processes.
- Whilst the EIE states that landscaping requirements outlined in councils’ “relevant DCPs will continue to apply”, the landscaping provisions for dual occupancies (eg at least one small tree per dwelling) is a lot lower than what is prescribed in most councils’ DCPs.
- The new [Housing and Productivity Contribution](#) (HPC) will be levied on residential development that intensifies land use (ie creates more dwellings than are now permitted under current council controls).

The [Save Greater Sydney Coalitional](#) is a network of community groups across Greater Sydney that have come together to push back against Government proposals that will not solve the housing affordability crisis but instead facilitate rampant overdevelopment and destroy the liveability, character and heritage of Greater Sydney.