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14 October 2020

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Dear Ms Wallace

### Bayside Draft Local Housing Strategy

The Property Council welcomes the opportunity to provide comments to Bayside Council (**Council**) on the draft Local Housing Strategy (**the Strategy**).

As Australia's peak representative of the property and construction industry, the Property Council's members include investors, owners, managers and developers of property across all asset classes. We are pleased to provide the following comments for your consideration.

The actions set out within this Strategy are broadly supported as they will make a contribution towards Council's share of new housing that Sydney needs over the next 20 years. It is positive that Council has made a commitment to investigating areas for additional housing and will undertake a review of planning controls that will provide for much needed diversity of housing sizes and types.

Should you have any questions regarding the content of this submission, please contact Troy Loveday, NSW Policy Manager, on 0414 265 152 or [tloveday@propertycouncil.com.au](mailto:tloveday@propertycouncil.com.au)

Yours sincerely

A handwritten signature in black ink, appearing to read "Belinda Ngo".

**Belinda Ngo**  
**Acting NSW Executive Director**  
**Property Council of Australia**

# **Submission to Bayside Council**

## **Draft Local Housing Strategy**

**14 October 2020**

## 1.0 General Comments

Council has prepared this Local Housing Strategy as a requirement of the Greater Sydney Regional Plan (Action 3), the *Eastern City District Plan* (Action 17) and Bayside Local Strategic Planning Statement (Action 6.1). We support Bayside Council participating in the NSW Government's Accelerated LEP Review Program which has allowed for this important piece of strategic planning work to be completed earlier than would otherwise have been possible.

In 2018, the Department of Planning, Industry and Environment issued "*Local Housing Strategy Guideline*" to local councils that provides a step by step process for councils developing local housing strategies. We note that Council has prepared its Draft Local Housing Strategy to be consistent with the Department's guideline.

## 2.0 Housing Targets

The Property Council and our members have taken the opportunity to review many draft local housing strategies that have been released for consultation. We applaud Council's acknowledgement there is more strategic planning work required to provide for greater diversity of housing, especially for seniors and smaller households, and propose strategies to improve housing affordability.

Together the draft Local Housing Strategy and Council's Local Strategic Planning Statement (LSPS) should identify how medium and long-term housing targets will be achieved. It is understood the Greater Sydney Commission identified a 6 to 10-year housing target for the period 2021/22 and 2025/26 of between 8,500 and 10,500 additional dwellings during the LSPS assurance process. The draft Local Housing Strategy has found that Bayside LGA has sufficient zoned land and development pipeline capacity to accommodate short to medium term dwelling growth (2016-2026).

Council's draft Strategy indicates:

- 26,021 additional dwellings will be required between 2016 and 2036.
- 5,806 dwellings needed between 2021 and 2026
- Demographic changes involve more couples with children and couples without children
- Increased demand for separate houses and medium density housing.
- Projected capacity under existing controls is 16,609 additional dwellings
- 27% of households in Bayside LGA are in housing stress (higher than Eastern City District (26%) and the Greater Sydney region (23%))
- Housing targets contained in Table 10 (26,021 additional dwellings for the 20 years up to 2036)
- Nomination of 9 investigation areas that will be subject to further review and master planning.

We support Council undertaking further work to implement this Strategy once it has been endorsed by DPIE. In particular, Council should give careful consideration to providing a supply of suitable dwellings that meet the needs of seniors, singles, couples and for other demographic groups identified in the Strategy with unmet housing needs.

## 3.0 Mechanisms to deliver options

Section 4.3 of the Strategy identifies several actions recommended to deliver its outcomes. The following table responds to these actions.

Proposed Actions	Response
<p><u>Planning for housing supply and delivery</u></p> <p><i>Actions:</i></p> <ol style="list-style-type: none"> <li>1. Plan for housing targets of 10,150 additional dwellings between 2016-2021, 7,720 additional dwellings between 2021-2026 and 8,151 additional dwellings between 2026-2036;</li> <li>2. Review development capacity and take-up rates every 5 years to ensure sufficient capacity remains.</li> </ol>	<p>The Property Council supports Council's intention to plan for the supply of housing to meet future demand. We encourage Council to work closely with DPIE and the GSC regarding the review and endorsement of these targets.</p>
<p><u>Planning for the location of new housing</u></p> <p><i>Actions:</i></p> <ol style="list-style-type: none"> <li>1. Investigate and plan for the investigation areas outlined in this Strategy (Arncliffe, Banksia, Rockdale, Kogarah, Carlton, Bexley North and Bardwell Park) including the preparation of an implementation plan.</li> </ol>	<p>The Property Council supports Council's intention to investigate and plan for new housing in wide areas of the Bayside LGA and we look forward to Council taking further steps to develop planning proposals to amend its planning controls (Rockdale LEP and Botany Bay LEP) to provide capacity for new housing supply.</p>
<p><u>Planning for a diversity of housing types:</u></p> <p><i>Actions:</i></p> <p><u>Diversity in Apartments</u></p> <ol style="list-style-type: none"> <li>1. Develop planning controls requiring a percentage of all new apartments to have three bedrooms;</li> <li>2. Review Part 4C.5.2 Family Friendly Apartment Buildings of the Botany Bay Development Control Plan 2013 and adopt similar provision in the forthcoming Bayside Development Control Plan;</li> <li>3. Develop planning controls requiring a percentage of all new apartments to be studios in selected precincts close to train stations;</li> <li>4. Develop planning controls requiring the delivery of ground floor terraced dwellings in apartment buildings where retail premises do not need to be delivered.</li> </ol> <p><u>Diversity in Attached Dwellings</u></p> <ol style="list-style-type: none"> <li>1. Investigate the need for planning controls that require a percentage of all new dwellings in larger multi-dwelling housing and attached dwelling developments to be single storey and adaptable.</li> </ol> <p><u>Dual Occupancies</u></p> <ol style="list-style-type: none"> <li>1. Permit dual occupancies throughout the Bayside LGA with minimum site frontage and area provisions set out in the LEP (except in identified heritage conservation areas or potential local character areas).</li> </ol>	<p>The Property Council welcomes Council making a commitment towards providing diversity in housing sizes and types. A number of the requirements will require proponents to provide a specified number of apartment sizes and types as part of DCP/LEP requirements.</p> <p>Council should consider the market for different apartment sizes before it decides on planning controls for 3-bedroom apartments. We encourage Council to consider how it can use incentive-based approach for the provision of these diverse housing types rather than mandate them.</p> <p>Planning controls that encourage smaller and more affordable studio apartments close to transport is supported.</p>

Proposed Actions	Response
<p><u>Promoting housing affordability:</u>  <u>Affordable Housing Strategy Framework</u>  <u>Actions:</u></p> <ol style="list-style-type: none"> <li>1. Develop an affordable housing strategy that meets the requirements of the Eastern City District Plan.</li> </ol> <p><u>Development Contributions for additional affordable housing supply</u></p> <ol style="list-style-type: none"> <li>1. Develop an affordable housing contributions scheme that sets out how, where and at what rate development contributions can be collected by Council for affordable housing.</li> <li>2. Develop a voluntary planning agreement (VPA) policy to facilitate VPAs in instances where an affordable housing contributions scheme does not apply.</li> </ol> <p><u>Advocacy and Partnerships for affordable housing</u></p> <ol style="list-style-type: none"> <li>1. Continue to engage with NSW Land and Housing Corporation regarding the retention, upgrade and potential expansion of publicly owned social housing in Bayside.</li> <li>2. Investigate potential partnerships with community housing providers to facilitate affordable housing provision.</li> </ol> <p><u>Protecting Relatively Affordable Housing</u></p> <ol style="list-style-type: none"> <li>1. Protect clusters of walk-up apartments from redevelopment to maintain the existing supply of rental housing that is relatively affordable.</li> </ol>	<p>The Property Council supports actions that will deliver more affordable housing and the provision of affordable rental housing for very-low and low income earners.</p> <p>Council would be aware that the Eastern City District Plan has established a 5 to 10% target for affordable rental housing for each LGA although it did not specify how that target would be implemented. DPIE has issued guidelines for the establishment of affordable housing contribution schemes under SEPP 70 where councils propose to initiate such a mechanism. Viability is an important consideration in this process and Council would need to ensure that viability is not impacted should it proceed down this pathway.</p> <p>We encourage Council to collaborate with Land and Housing Corporation (LAHC) regarding the future of its social housing portfolio within Bayside LGA.</p>
<p><u>Encouraging infrastructure delivery through advocacy and partnerships</u>  <u>Actions:</u></p> <ol style="list-style-type: none"> <li>1. Work with the NSW Government on improved transport connections to Brighton-le-Sands and Ramsgate prior to further land use change, including long term mass transit as identified in <i>Future Transport 2056</i> and more immediate service improvements.</li> <li>2. Work with the Greater Sydney Commission and Randwick Council on planning for the strategic centre of Eastgardens-Maroubra Junction, including timing for improved transport accessibility to support current and future development of the strategic centre.</li> <li>3. Work with the NSW Government to understand the staging of long-term transport infrastructure investment, with the intention of preserving long-term development capacity around future mass transit stations between Kingsgrove and Kogarah (including Bexley) until timing for delivery is available.</li> <li>4. Liaise with pipeline operators prior to change in land use or density regarding risk management.</li> </ol>	<p>The Property Council supports these actions and encourages Council to work with these stakeholders to improve transport connections and services within the Bayside LGA.</p>

Proposed Actions	Response
<p><u>Encouraging good design and the preservation of local character through planning controls</u></p> <p><i>Actions:</i></p> <ol style="list-style-type: none"> <li>1. Review development controls including the use of minimum lot-size and frontages controls to ensure that effective design can be achieved in infill development situations.</li> <li>2. Review principal planning controls using a development feasibility model to ensure Bayside is able to accommodate demand for medium-density housing.</li> <li>3. Revise development contribution plans as part of any proposed precinct level residential rezoning to ensure that social infrastructure provision is aligned with growth.</li> <li>4. Complete a review of heritage conservation areas where dual-occupancy development would be restricted.</li> <li>5. Complete a review of potential local character areas where dual occupancy development would be restricted.</li> </ol>	<p>The Property Council notes the actions that Council is considering implementing in order to encourage good design and preservation of local character. We note that these actions are aimed at maintaining local character and residential amenity. Planning controls should be developed to allow for 'good growth' and avoid poor design outcomes. We generally support these actions proposed by Bayside Council as they will provide for the future housing growth that Sydney needs but also ensure that development proposals are well designed and provide good amenity. Council should consider reviewing its DCP controls to identify examples of good design outcomes that would be considered to satisfy Council's requirements.</p>