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5 May 2020

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Dear Mr McKee

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Draft Ku-ring-gai Housing Strategy to 2036 (Council Ref: S12728)

The Property Council welcomes the opportunity to comment on the draft Ku-ring-gai Housing Strategy to 2036 currently on exhibition.

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 on the draft strategy for your consideration.

It is noted that Ku-ring-gai's population is expected to grow by around 20% in the next 20 years to reach 147,800 by 2036. It has been estimated that an additional 10,427 households will be formed. The draft strategy has appropriately recognised the need for housing to be delivered to meet the increased population. A housing needs total of 10,704 has been estimated for Ku-ring-gai.

Council's Local Strategic Planning Statement was finalised before the 31 March 2020 deadline and the Greater Sydney Commission (GSC) issued a letter of support to Council on 4 March 2020. The advisory notes to the GSC's letter Council has been asked to show how it can meet an indicative 6 to 10-year housing target of between 3,000 and 3,600 dwellings. It is appropriate that Council begin the process of identifying the areas where these additional dwellings will be delivered.

The draft housing strategy indicates that the delivery of housing to 2036 will be implemented in three stages (2021, 2026 and 2031). We welcome the work undertaken by Council to identify the areas additional dwellings can be delivered over the next 15 years to achieve the projected 10,660 dwellings needed.

It is noted that any increase in dwelling numbers in St Ives will be subject to the provision of regional transport improvements between Mona Vale and Macquarie Park. We recommend Council endeavour to give as much certainty on this issue as it can prior to finalising its Local Housing Strategy.

This should be done in line with the principles of Transport Oriented Development (TOD). The Property Council is supportive of initiatives that encourage and facilitate authentic TOD. TOD includes moderate to high density development (residential, commercial, retail etc) within proximity to public transport routes. TOD also facilitates sustainable public transport and improves accessibility to goods, services and employment.

Should such regional transport improvements not be forthcoming Council should indicate how it intends to respond to ensure additional capacity is identified from within the LGA. Increased demand for housing through population growth and changing demographics will require a policy response from Council and the following priorities and actions have been developed.

Housing Priority 1 – Facilitating the supply of homes in the right locations.

Council's intention to prioritise the delivery of housing within areas close to services, cultural and community facilities, and within a 10 minute walking distance to key public transport nodes is supported. The proposed actions, comprising the amendment of Ku-ring-gai LEP to facilitate the provision of new homes close to centres such as Gordon, Lindfield and Turramurra, are also positive.

It is important that Council consider the feasibility of residential development in those centres and any obstacles that may preclude the redevelopment of sites. There may be unexpected development costs associated with individual sites or groups of sites that make redevelopment uneconomic thereby preventing realisation of additional dwellings in those areas.

Housing Priority 2 - Increasing diversity and choice of housing

We welcome Council's intent to provide a mix of dwelling types and sizes, address housing affordability and improve accessibility. The demographics of Ku-ring-gai's population will significantly change in the next 20 years and there must be an adequate supply of appropriate housing stock. Housing supply must be responsive to the ageing population and offer a wide choice of housing options designed for the needs of seniors. This may include small accessible dwellings at ground level and specialised accommodation for seniors including retirement villages and aged care facilities.

Feedback from our members who own and manage facilities in the retirement living sector indicates there is growing demand for this type of product but supply is very limited due to restrictive planning controls and a lack of suitable sites where land zoning would allow this type of development. Council should investigate how its planning controls can be amended to provide opportunities for more suitable seniors housing to be delivered.

The NSW Government has rightly identified the need for more housing to be provided in the categories known as the Missing Middle. This category includes duplexes, townhouses and manor homes. A complying development housing code has been developed for use across NSW and is currently in force in Ku-ring-gai.

Council should look at how it can encourage these types of housing as permissible development (with development approval) through its planning controls that would refer to *Low Rise Medium Density Design Guide for Development Applications*.

Considering the affordability issues being experienced by many, and the great need for more social and affordable housing, we welcome the Council's implementation of this as part your Local Housing Strategy. Our members would also welcome policies that incentivise partnerships

between the public, private and social housing providers and can lead to the creation of new opportunities to assist to deliver on the housing needs of the community.

Housing Priority 3 – Increasing liveability, sustainability and area character through high quality design

Council is seeking to encourage new housing that contributes to healthy and active neighbourhoods, high quality and response to the local character and meets high sustainability targets. These are objectives that we fully support. It is important that Council develop clear and realistic standards that will ensure they are implemented well. If poorly implemented and if they cannot be easily costed, development projects will not be feasible and our concern would be that Council would find it difficult to meet such ambitious housing targets.

The proposed actions relating to design excellence should include consideration of the costs involved to achieve design excellence. The cost of demonstrating design excellence should be proportional to the cost of the development. For larger residential developments to which SEPP 65 and the Apartment Design Guide apply, it may be possible to impose design excellence guidelines and design competitions where incentives such as a density bonus is provided. Smaller scale development such as medium density would not be able to accommodate the significant costs associated with holding a design competition. We remind Council, that often the best solution to getting better design outcomes is to allow for flexibility in design through consideration of performance based measures in the assessment of projects.

It is important that environmental sustainability (energy and water consumption) are regulated through the BASIX SEPP. The targets for both energy, water and thermal comfort are consistent across the Sydney region

Implementation & Monitoring

Council's intention to implement the findings of its Local Heritage Strategy through a series of three staged planning proposals to increase housing supply for the periods 2021-2026, 2026-2031 and 2031-2036 is appropriate. It is important that future planning proposals developed by Council are in alignment with the relevant provisions and any targets contained within the North District Plan in force at the time each proposal is developed.

We support Council's intention to undertake 5-year reviews of the evidence base (demographics and housing needs) that underpin the Local Housing Strategy and a 10-year review of the strategy itself. Where possible, these reviews should be coordinated with and feed into Council's regular 5-year review of its LEP and DCP required by section 3.21 of the Act, 7-year review of its Local Strategic Planning Statement required by section 3.9 of the Act and review of its contributions plans required by clause 33A of the Regulation.

Should you have any questions regarding this submission, do not hesitate to contact Troy Loveday, Senior Policy Adviser, on 0414 265 152 or tloveday@propertycouncil.com.au

Yours sincerely

Jane Fitzgerald
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