



Ordinary Council

Monday 26 February 2024
6.30pm

Late Correspondence

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Subject: **LATE CORRESPONDENCE - 26 FEBRUARY 2024**
Author: Rhys Johnson, Coordinator Governance
File No: 24/33393
Purpose of the Report: To table late correspondence as submitted for consideration by the Mayor and Councillors relevant to the Ordinary Council Meeting held on 26 February 2024.
Alignment to Delivery Program: Strategy 11.3: Ensure effective and efficient governance and risk management.

Recommendation:

THAT Council receives and notes the late correspondence and reads late correspondence in conjunction with the relevant Agenda items.

Please find attached late correspondence relating to matters appearing on the Agenda for Council held on 26 February 2024. Correspondence received is listed below:

Item No.	Matter	Author	Page
12.2	Submission to the 'Explanation of intended effect: Changes to create more low and mid-rise housing'	Double Bay Residents Association ↓ 	3
12.2	Submission to the 'Explanation of intended effect: Changes to create more low and mid-rise housing'	Paddington Society ↓ 	17
12.2	Submission to the 'Explanation of intended effect: Changes to create more low and mid-rise housing'	Lyle Tamlyn, Acting Team Leader Strategic Planning ↓ 	23

Double Bay Residents' Association

Protecting Sydney's Stylish Bayside Village

23 February 2024

Director
Department of Planning, Housing, and Infrastructure
C/- NSW Planning Portal

Dear Sir/Madam,

LATE CORRO	Item: <u>12.2</u>
Previously forwarded to Cirs <u>Y/N</u>	
Meeting: <u>COUNCIL</u>	
Date: <u>26 / 02 / 2024</u>	

Public Submission – Response to the Proposed Low- and Mid-Rise Housing Reforms

This submission has been prepared on behalf of the Double Bay Residents' Association (DBRA) in response to the Explanation of Intended Effects exhibited for the proposed Low and Mid-Rise Housing Reforms. The Association formally objects to the proposed reforms in the strongest possible terms.

While the Association acknowledges the ongoing unprecedented housing crisis and sympathizes with the many families affected by the crisis, it is the Association's position that the proposed planning reforms would be inadequate in addressing the root problems of Sydney's housing market.

Our submission has two sections. First, we explain why the proposed reforms should not apply to Double Bay. Second, we comment on why the reforms would not achieve their objectives.

The Association requests that the Department consider the matters raised in its submission and **abandon the proposed Low- and Mid-Rise Housing Reforms**. There is insufficient data to support the proposed reforms and it is evident that little consideration of local environmental factors and economic conditions has been given in preparing the proposed reforms.

The Association encourages a place-based planning approach for all local areas in Sydney that upholds the local character of those areas and ensures that existing infrastructure is not overstretched because of new development.

Should you have any questions or wish to discuss any of the matters raised in this submission, please contact Anthony Tregoning, President of the Double Bay Residents' Association on 0411 852 448.

Yours Sincerely,

Anthony Tregoning
President
Double Bay Residents'
Association

Malcolm Young OAM
Member
Double Bay Residents'
Association

Douglas Bennett
Town Planner
B. City Planning (Honours)

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DBRA Submission

Low- and Mid-Rise Housing Reforms

Section 1

The DBRA's Position on the Proposed Low- and Mid-Rise Housing Reforms

Who We Are

The DBRA is a long-standing, nearly fifty years old residents' association with some 300 members who reside in Double Bay. Our members are extremely concerned at the prospect that the foreshadowed planning changes will apply to their suburb.

Should the planning changes apply to Double Bay?

The DBRA is of the view that the proposed reforms **should not apply to Double Bay** for the following reasons specific to Double Bay. In the later part of this submission, the DBRA has prepared some additional comments on wider issues relating to the policy.

1. Double Bay does not have a zoned E2 or SP5 centre as referred to in the policy. Its shops are zoned E1 Local Centre. Although they include a supermarket, they are mostly real estate offices, gown/ladies wear, hairdressers, beauticians and the like. There is a lack of food and essentials shops to meet the needs of a population surge such as is implicit in the planning changes.
2. Woollahra Municipality, of which Double Bay forms part, is already one of NSW's most densely populated local government areas. Woollahra Municipal Council has achieved its five-year housing target (2016-2021) and is on track to achieve the target for years 6-10 under the Greater Sydney/District Plan and Woollahra Housing Strategy (2021-2026).
3. For obscure historical reasons the greater part of Double Bay's residential land is zoned R3 Medium Density with a smaller proportion R2 Low Density. The R3 zoned land is on a flood plain where hydrogeological constraints render the construction of up to eight storey residential flat buildings (the six storeys announced in the proposal plus a potential two storey bonus for affordable housing) impractical. Such development would require substantial underground parking. The water table can be as high as a mere one metre below ground surface.

Following the dewatering of a single basement level excavation in Patterson Street for an apartment complex some twenty houses in Court Road, Forest Road and Epping Road suffered cracking. One house (No. 14 Forest Road) was so severely cracked that the front half of the house had to be demolished and rebuilt with deep new footings down to bedrock. More recently, a member's home was severely cracked in William Street following dewatering of a basement excavation for an apartment complex opposite.

In the wake of these environmental disasters, Council commissioned leading engineers, GHD, to produce their 2021 report titled *"Double Bay – Hydrogeological Geotechnical Impacts/Groundwater and Geotechnical Assessment Report"*. Given the recent history of hydrogeological problems in the locality of Double Bay, the DBRA strongly recommends that the NSW Department of Planning, Housing, and Infrastructure review this report. Of particular relevance is the following extracts from the executive summary:

"In the sandy alluvium generally encountered within the Double Bay valley, the impact of construction dewatering is expected to extend far beyond the excavation footprint. The lateral impact can extend up to some 800m away." (see also section 10.4.1)

"Greater the depth of excavation relative to depth to groundwater, greater the temporary drawdown of the water table required to maintain dry/safe construction conditions".

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"The lowering of the water table by dewatering can induce soil settlement which is detrimental to buildings and structures located above the affected water table".

In sum, the DBRA anticipates that adverse and extreme environmental impacts would follow on from any attempt to further develop Double Bay's R3 zoned land.

4. The pockets of R2 zoned land in Double Bay like most of the R3 areas exhibit generous deep soil zones with excellent tree canopy in accordance with Council's tree canopy policy. This environmental benefit would be destroyed with the proposed density increases to both zones.
5. Roads and Traffic. Double Bay is accessed by only one main road – New South Head Road. Chronic congestion is a frequent problem in the locality and gives rise to transport and environmental health impacts. It is frequently blocked at rush hour and at peak times such as school pick-up – to the point, for example, that vehicles are backed up from Rose Bay through to Double Bay. The traffic conditions on New South Head Road force motorists onto the surrounding local street network and disrupt the residential amenity of areas around William Street, Carlotta Road, Kiaora Road and Court Road. Bellevue Road and Manning Road are heavily congested also at peak periods. There is simply no capacity in our roads for the massive increase in population implicit in the proposed changes.
6. There are no rail connections to Double Bay or further into the eastern suburbs, with bus services reaching capacity during peak periods. Any further increase in population growth would put further strain on public transport and roads in Double Bay.
7. Limited bus services. Buses do go to and from Edgecliff and Walsh Bay via Park Street, of limited use to those who want to travel to the city proper or indeed the rest of Sydney. They are slow during peak hours due to congestion on New South Head Road and there is no potential to widen the road to remove bottlenecks. Bus services to Bondi Junction are infrequent and slow, as the routes service several stops in other neighbourhoods such as Bellevue Hill.
8. Ferries. There are two problems with the ferry service. The first is that ferries are intermittent as to frequency and limited as to hours. The second is that there is no parking area so that the only people using it are those within a short walk of the jetty.
9. Sewer and Water. Sewer and Water infrastructure capacity issues in the Eastern Suburbs are identified in the Eastern Sydney Regional Masterplan prepared by Sydney Water. See further comment on this below.

The limitations on infrastructure highlighted in the Masterplan would restrict further population growth in the area.
10. Community facilities. Although Double Bay benefits from a community library, there is almost a complete absence of other community services to accommodate the needs of a growing population, and especially infirm and aged people, and an absence of any land on which such community services could be built and operated.
11. Schools. Not only does Double Bay not have a state high school but nor does the whole of Woollahra municipality. The population growth resulting from the proposed changes would necessitate the provision of such infrastructure in the LGA.
12. There is no hospital located within the local government area. The expected population growth under the reforms would result in increased pressure on St Vincent's hospital in Darlinghurst.
13. The proposed non-refusal standards are to override Council controls with all the work and community consultation that has gone into the crafting of Local Environmental Plans and Development Control Plans. These are to be set aside for "one size fits all" greater heights and densities. In Woollahra's case, months of community consultation that preceded both sets of local controls is to be set at naught.

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14. Community consultation on the proposed reforms has been poor, with little resources provided to Councils and the public to understand the effect the reforms will have on their neighbourhood. Access to the policy is only available through online means and no consideration has been given for providing alternative means for accessing key information relating to the proposed reforms.
15. Lack of consideration for topography. The topography of Double Bay can vary dramatically, particularly close to the waterfront. The proposed reforms would result in high density residential development (up to 8 storeys) constructed adjacent to the foreshore in R3 zoned land, blocking views toward the harbour and detracting from the significance and amenity of the harbour itself. This outcome is antithetical to the planning principle of low-rise development on lower lying areas, and high-rise development along ridges.

In addition, this outcome would be inconsistent with the aims, objectives, and controls under Chapter 6 of the *State Environmental Planning Policy (Biodiversity and Conservation) 2021* for the Sydney Harbour Catchment. It would also bring hydrogeological risks (see 3 above), as an aquifer runs south to north underneath Double Bay.

The above summarises the position of the DBRA in relation to the proposed reforms. It is requested that the Department take into consideration the matters raised. Further comments and analysis on the above issues as well as the impact of the reforms more broadly are provided below.

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Section 2

Detailed Comments on the Broader Context and Implications of the Reforms

How The Proposed Reforms Would Not Achieve Their Intended Objectives

Existing Economic Conditions Not Conducive for the Provision of New Housing

In New South Wales, there is a sustained downward trend in dwelling completions that is considerably impacting the provision of new housing. The (former) Department of Planning and Environment published a housing supply insights paper in Q4 2023 which noted the following trends in dwelling commencements and completions.

*"Dwelling commencements were down 20% in the 12 months to March 2023 (49,189 dwellings) compared to the previous year. The number of dwelling completions has remained stable in the 12 months to March 2023 (47,430 dwellings) compared to the previous year (47,513), **but this remains below previous years and is indicative of a sustained downward trend in completions.**" [Emphasis added in bold] (Department of Planning and Environment, 2023)*

While dwelling approvals have fluctuated in recent years, a consistent downward trend in dwelling completions and uptake of development consents has caused significant pressure on the housing market in New South Wales. The following graph illustrates the persistent downward trend in housing completions that has occurred since late 2019.

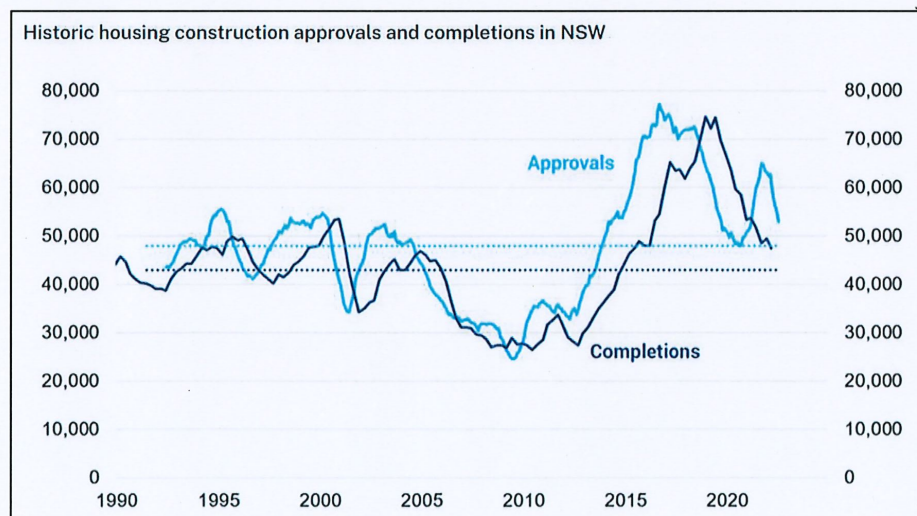


Figure 1 Housing approvals and completions in NSW (Australian Bureau of Statistics and Department of Planning and Environment, 2020)

The downward trend in dwelling completions can be directly attributed to poor market conditions – in particular, the high cost of materials and shortage of labour in New South Wales. Between December 2019 and mid-2023, there were 16 straight quarters of cost increases for material prices. Price hikes are attributed to consecutive interest rate rises, the Australian dollar's decline, and a broader economic downturn in China (McSweeney, 2023). As a result

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of these factors, builders and subcontractors have avoided residential apartment projects as such projects have often failed to come to fruition (McSweeney, 2023).

In addition, data from the Australian Bureau of Statistics demonstrates that the high cost of construction is also being driven by an ongoing chronic shortage in labour and skilled tradespersons, with demand placing upward pressure on output costs (see diagram below).

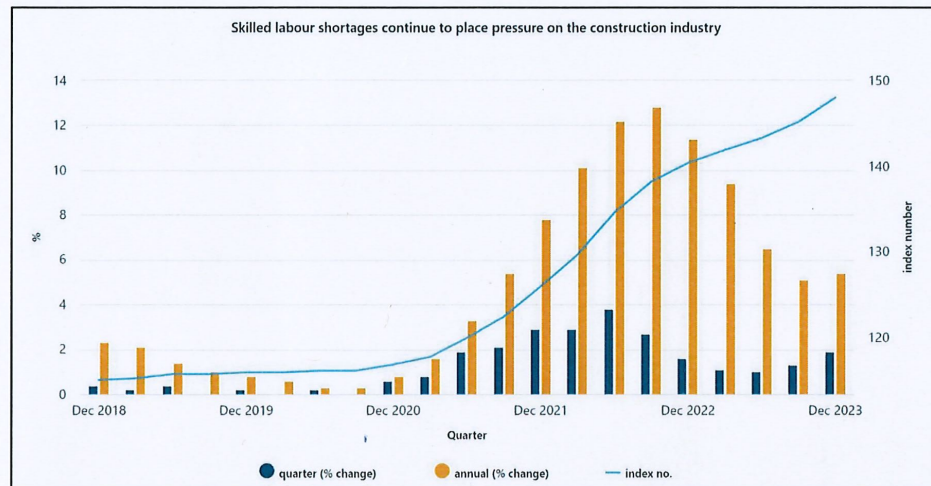


Figure 2 Increase in skilled labour shortages (indexed) (Australian Bureau of Statistics and Department of Planning and Environment, 2020).

This confluence of factors (increasing cost of building materials, a chronic shortage of labour and skilled tradespersons, and decline in dwelling completions) has created an untenable economic environment for investment in new housing stock in NSW. **Without significant economic reform(s), and measures to address rising costs of materials and labour, the influx of new housing approvals arising from the proposed reforms will exacerbate existing economic conditions.**

In lieu of significant changes to economic conditions, the reforms will likely result in a concentration of new luxury housing in areas with guaranteed rates of return for investors, and not necessarily in areas that the Department has identified will benefit the most from new housing opportunities. This will exacerbate the inequality within the housing market in New South Wales and put further strain on moderate and low-income households.

The potential for the proposed reforms to exacerbate worsening economic conditions in the housing market should be carefully considered by the Department before the introduction of major planning reforms. There is an inherent risk of introducing new sub-standard housing to local areas such as Double Bay without achieving the aims of the policy and addressing the problem the policy has been set out to address.

Insufficient Infrastructure Capacity and Contributions Mechanisms to Fund New Infrastructure

The DBRA wishes to bring to the Department's attention the significant infrastructure capacity constraints present in the Eastern Suburbs region of Sydney. The constraints have been acknowledged by both local and state governments. Any increase in dwellings within the region would require significant augmentation of existing infrastructure and provision of new infrastructure. These key considerations have been omitted from the Department's Explanation

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of Intended Effects and it is evident that little consideration has been given to the infrastructure needs of Sydney, particularly in the Eastern Suburbs.

Whilst the Explanation of Intended Effects proposes "... using existing mechanisms in the infrastructure contributions system to fund state and local infrastructure" it is evident that the amount of funding needed to facilitate the provision of all critical infrastructure (including new sewage, water, private and public transport infrastructure) in the region would first require a mass injection of housing. This would ultimately create an untenable scenario where thousands of new dwellings (perhaps more) would be constructed in the region before any new infrastructure could be provided. For areas such as Double Bay and the Eastern Suburbs, the reforms are unsustainable and would not succeed in achieving their intended outcome of utilising existing infrastructure to support new housing.

Key Context – Exclusion of Eastern Suburbs from TOD Program due to infrastructure capacity constraints

It is noted that the local government area of Woollahra was not included in the Transit-Oriented Development reforms being publicly exhibited alongside the subject Low- and Mid-Rise Housing Reforms. Minister for Planning Paul Scully confirmed in an interview in December 2023 that the Eastern Suburbs more broadly were excluded from the TOD reforms, as there was insufficient infrastructure in place to support additional growth (see extract from the Sydney Morning Herald Below).

As mayors affected by the changes prepare a summit to discuss one of the most dramatic overhauls to planning in Sydney in decades, Planning Minister Paul Scully has revealed that key suburbs in the east including Bondi Junction and Edgecliff were "currently limited in additional growth" because of constraints on infrastructure that proved difficult to overcome.

"We examined 305 sites based on their infrastructure to support new homes. The sites announced... [last week] were released first because they have essential infrastructure capacity available but still need rezonings for density to be delivered," Scully said.

"There are parts of Sydney's east that are currently limited in additional growth because of limited sewer and water infrastructure. Edgecliff as just one example is one of those."
[Emphasis added in **bold**] (McGowan, 2023).

The exclusion of key Eastern Suburbs transport hubs from the proposed Transit-Oriented Development program due to infrastructure constraints raises questions about whether the provision of additional housing under the Low- and Mid-Rise Housing Reforms would face the same infrastructure capacity constraints.

Sewer and Water Infrastructure Constraints

Sewer and water infrastructure capacity issues in Eastern Sydney are identified in the Eastern Sydney Regional Masterplan prepared by Sydney Water. The water authority provides the following comment in relation to water infrastructure in the harbour city.

"Some of the existing assets are 50-100 years old, resulting in sections of the network infrastructure experiencing performance issues." (Page 9)

"Diminished capacity of the existing infrastructure to service growth provides an opportunity to renew ageing assets." (Page 9)

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"High dependency on the City Tunnel to supply water to the region poses a resilience risk and provides an opportunity to consider alternative sources of drinking water." (Page 9) (Sydney Water, 2021)

Significant augmentation of the existing sewer and water infrastructure in the Eastern Suburbs would be required to support additional population growth envisaged under the proposed Low- and Mid-Rise Housing Reforms. Replacement of existing ageing infrastructure and provision of new assets and facilities will come at significant expense to the taxpayer. It is unclear whether such costs have been accounted for in the preparation of the draft reforms, or whether existing contribution mechanisms are sufficient to capture the funding needed to develop the required infrastructure.

Transport Infrastructure Constraints

A report prepared for Infrastructure Australia in March 2019 titled 'Transport Modelling Report for Sydney' details the existing (as of 2016) and projected (2031) infrastructure capacity constraints within the broader Sydney metropolitan area. Of relevance for the locality of Double Bay and the broader Eastern Suburbs region are findings relating to congestion on roads and bus patronage.

The report finds that congestion in the Eastern Suburbs region (including Double Bay) is set to worsen with increases in peak hour traffic anticipated by 2032. It is important to note that the modelling undertaken in this report was completed before the proposed reforms were announced, and did not account for a larger increase in population for the Eastern Suburbs. The result of the proposed reforms would therefore likely further exacerbate peak hour traffic in the region beyond what traffic engineers and transport planners anticipated.

This untenable scenario would require significant investment in new infrastructure and traffic calming measures that have not been accounted for in any contribution plan for the precinct (either under local or state contribution plans). As mentioned earlier, significant increases in dwellings would be required before any new infrastructure could be constructed – further exacerbating infrastructure capacity issues in the area.

The situation is worsened when impacts on bus patronage are also accounted for.

*The most heavily patronised bus corridors in 2016 are those that provide commuters from the Northwest, Northern Beaches, and Eastern Suburbs with access to the Sydney CBD. **Notably, services in the Northern Beaches and Eastern Suburbs, as well as the M2 in the Hills District, are shown to approach crush capacity, as these areas currently have no rail alternatives.** Bus corridors are crowded in the peak directions, with low patronage in the counter peak direction. [Emphasis added in bold] (Page 41) (Veitch Lister Consulting Pty Ltd, 2019)*

The modelling undertaken in the 2019 Infrastructure Australia Report noted that bus services would approach crush capacity under the report's modelling. It is anticipated that the additional population growth resulting from the proposed Low- and Mid-Rise Housing Reforms would further exacerbate peak bus patronage and result in buses running at or above 'crush capacity' in the peak AM and PM periods.

The report alludes that rail alternatives would be the only viable alternative to alleviate pressure on the bus network. New rail infrastructure (whether light or heavy rail) requires significant state funding that cannot be adequately captured by existing contribution mechanisms. Moreover, if the required public transport infrastructure were to be funded purely by contributions (as is suggested under the Explanation of Intended Effects), then the provision of new housing and residents would need to occur first. This would result in an untenable situation of providing

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critical infrastructure only after large quantities of new housing have been constructed. This is antithetical to the principal tenets of good transport and infrastructure planning.

The DBRA implores the Department of Planning, Housing, and Infrastructure to produce new modelling to gauge infrastructure needs for the Eastern Suburbs under the proposed housing reforms. It is anticipated that it would not be possible to collect the necessary funding for all new infrastructure required in the Eastern Suburbs. In this regard, the proposed reforms are unfeasible.

Costings for new infrastructure should be released before the implementation of any reforms to the current planning system.

The Likely Outcome of the Proposed Reforms

Erosion of Local Character

At a meeting on 27 November 2023, Woollahra Council resolved to adopt the *Double Bay Centre Planning and Urban Design Strategy* which details new planning controls for the Double Bay area. The strategy builds upon recent approvals within the Double Bay centre including various clause 4.6 variations to height and floor space ratio approved by the local council. The strategy was prepared through exhaustive community consultation and prepared by Woollahra Council's planning and urban design team.

The Strategy increases height and density within the Double Bay centre to between 5 and 6 storeys and includes an appropriate mix of commercial and shop-top housing to ensure Council meets its adopted housing targets. The adoption of the Low- and Mid-Rise Housing Reforms would result in the creation of additional residential towers immediately adjoining the Double Bay centre in the surrounding R3 Medium Density zoned land (see below figure), with towers ranging from 6-7 storeys within 400m of the centre and 4-5 storeys within 800m.

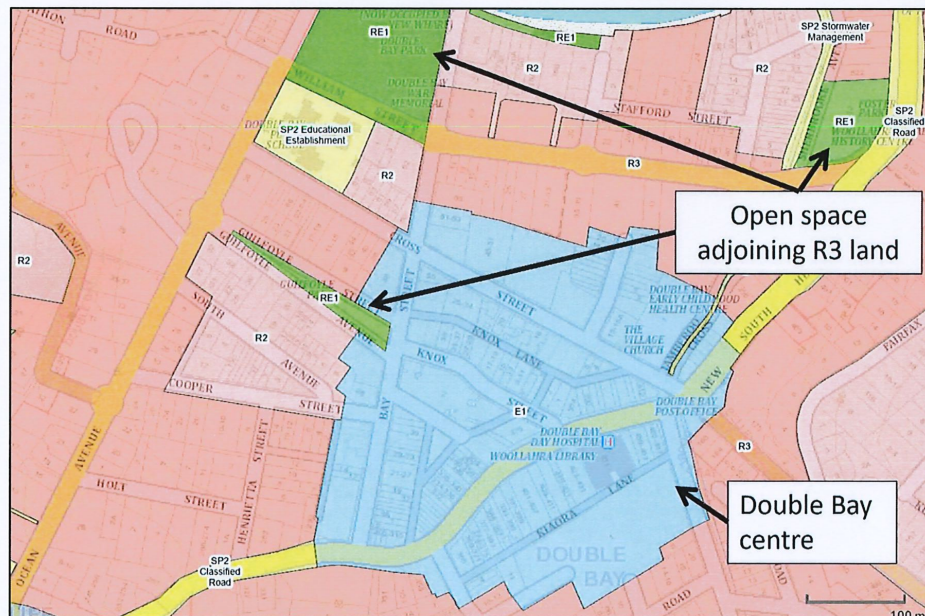


Figure 3 Zoning in Double Bay

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The proposed non-refusal standards (as mentioned in the Explanation of Intended Effects) will effectively override the controls within the Strategy which are aimed at preserving the amenity of Double Bay. In particular, the standards would contradict the aims within the Strategy as well as the LEP and DCP to protect public open space (such as Guilfoyle Park and Double Bay Park) from overshadowing. The reforms would enable 8 storey residential buildings immediately to the north and west of key public open space. The importance of the role these spaces play within the locality will also be emphasised under the reforms, as these spaces will need to cater for the recreational and civic needs of more residents.

In addition, it is likely that the urban environment of Double Bay (and other localities) would have an inconsistent built form with buildings varying in height between 4-5 storeys and 8-9 storeys with no appropriate transition (as the reforms do not require a transition in the built form) (see example in the figure below).

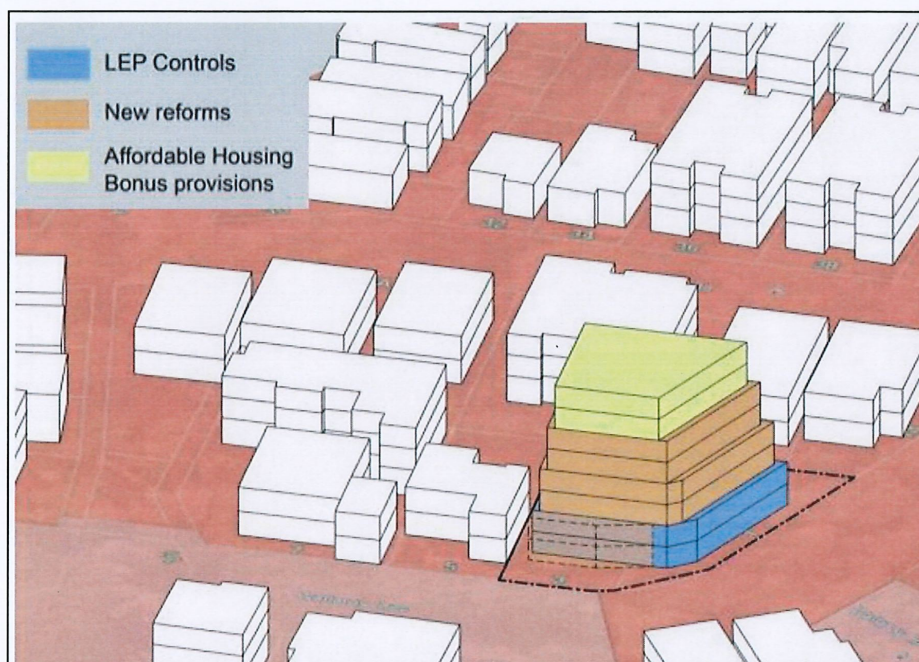


Figure 4 Example of inconsistent built form that would arise from the proposed reforms (current 2 storey control identified in blue).

Furthermore, the proposed Low- and Mid-Rise Housing Reforms apply a 'blanket' approach to housing across Greater Sydney and do not account for the various environmental factors that apply to different areas across the city. For example, the reforms would enable additional housing in the locality of Double Bay without accounting for the existing urban environment, constraints from the high-water table, and the significant slope of land and requirement for excessive earthworks to support further housing.

Localised planning strategies such as the *Double Bay Centre Planning and Urban Design Strategy* have been carefully prepared with such factors in mind including acid sulfate soils. The Double Bay area is subject to significant environmental constraints from the presence of Class 2 acid sulfate soils and flooding which the Strategy responds to (see figures below). Controls that account for local factors and environmental constraints should be given precedents over broad blanket housing controls such as those under the proposed Low- and Mid-Rise Housing Reforms.

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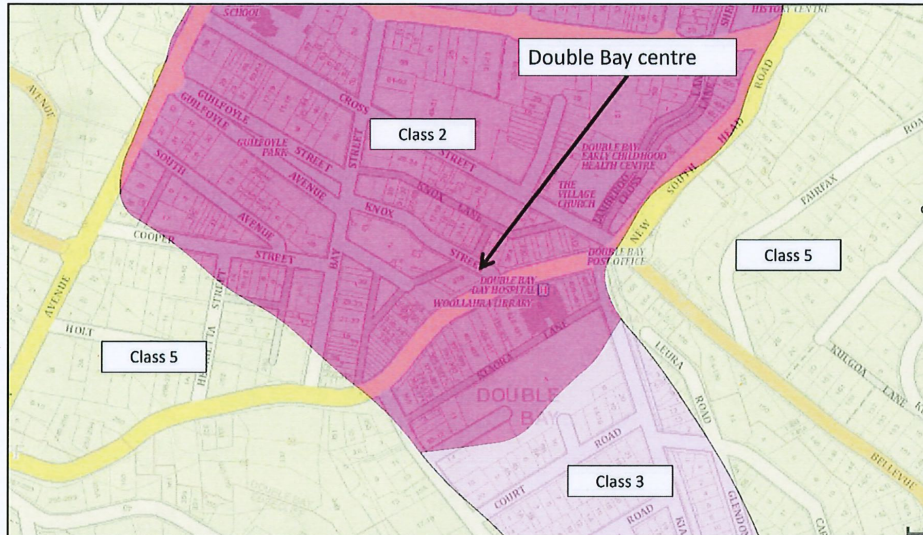


Figure 5 Prevalence of Acid Sulfate Soils in Double Bay

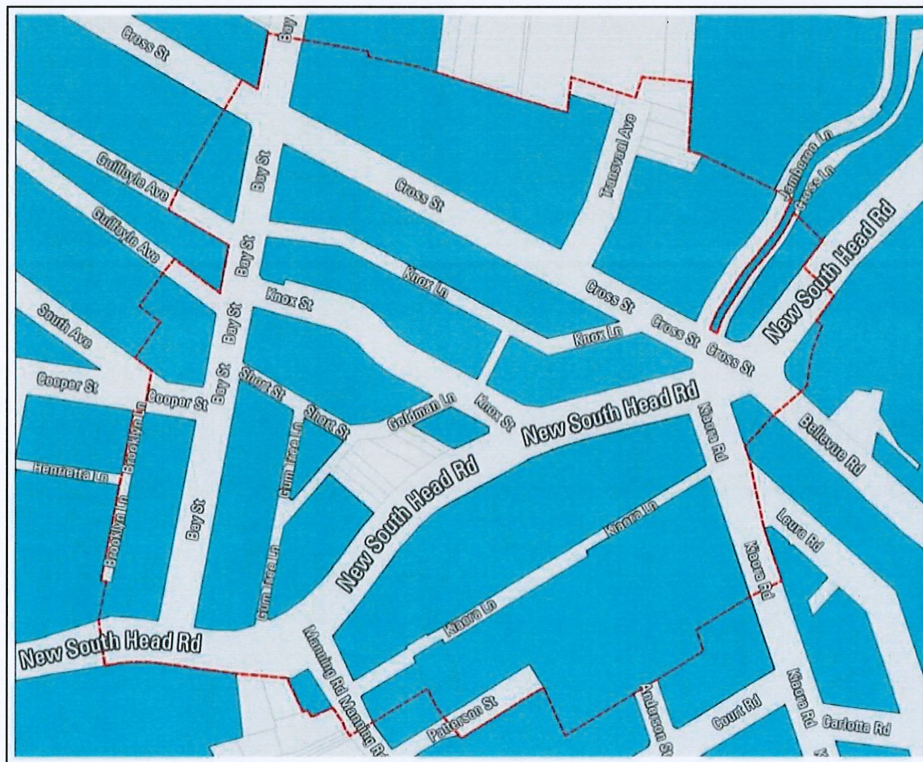


Figure 6 Flood affected sites in Double Bay (identified in blue)

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The cumulative impact of the above identified changes would erode the local character of areas such as Double Bay and result in a patchwork-built form that is not conducive to good urban design. The major increase in height and density would also overshadow key public places and parks that are currently designed to achieve a certain amount of solar access year-round. No consideration of local factors such as those mentioned in this submission have been undertaken in the draft reforms, and the amenity and well-being of residents (both existing and future) would be significantly compromised as a result.

Alternative Measures to Address the Housing Crisis

In lieu of reforms to the planning system, the Association wishes to make the following recommendations for economic and policy reforms to address the ongoing housing crisis. Whilst the implementation of some of these reforms may be outside of the remit of the Department of Planning, Housing and Infrastructure, the following measures would have a more meaningful and certain impact on the crisis than any changes to land use and density controls.

Introduction of a Beneficial Owner's Registry

Australia is one of the only OECD countries without a national beneficial owner's registry in place to record the persons and organisations who ultimately benefit from property transactions and ownership. The effect of this is the utilisation of Australian property markets for money laundering. Whilst the exact scale and extent of this practice is unknown, Transparency International Australia estimates that Australia's money laundering industry could involve upwards of AUD 10 billion every year (Ziffer, 2023).

Estimates for laundering in localised property markets are unavailable. However, criminal arrests in recent years provide glimpses into the operation of the illicit industry at a local scale. In Sydney in 2023, the Australian Federal Police arrested nine (9) people with alleged ties to a money laundering operation and seized 20 properties including a \$47 million block of land near the partially completed Western Sydney Airport (Ziffer, 2023). Similar arrests have been made over the past 10 years of criminals with links to larger enterprises.

Money laundering through real estate has adverse consequences on local property markets including impacts on housing affordability and stock availability. The process of money laundering often involves the sale of property at a premium, which then remains unoccupied for extended periods. Such properties are often located in inner urban areas with good access to existing infrastructure and services.

In the 2021 Australian Census, approximately 164,624 homes across Greater Sydney were recorded as vacant (Australian Bureau of Statistics, 2021). Whilst it is unreasonable to assume that all vacant homes across Greater Sydney are a result of money laundering, the prevalence of the practice in global cities such as Sydney and the estimated worth of the industry (upwards of \$10 billion) hints that the practice likely plays a small part in the ongoing housing crisis.

The introduction of a beneficial owner's registry and tighter regulation of the real estate industry would result in the re-introduction of homes and properties currently used for illicit money laundering back into the housing market. Whilst it is acknowledged that this measure alone would not resolve the ongoing housing crisis, the reforms would ensure a more equitable housing market for Sydneysiders and play a small part in creating more affordable housing.

Caps on Short-Term Rental Accommodation

Approximately 25,480 dwellings are listed on the short-term rental accommodation app Airbnb in the Greater Sydney area, with 71.6% of these listings including the entire dwelling. A

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significant cluster of listings is in key inner urban areas including the Eastern Suburbs, where up to 15% of listings are located (see figure below) (Cox, Morris, and Higgins, n.d.).

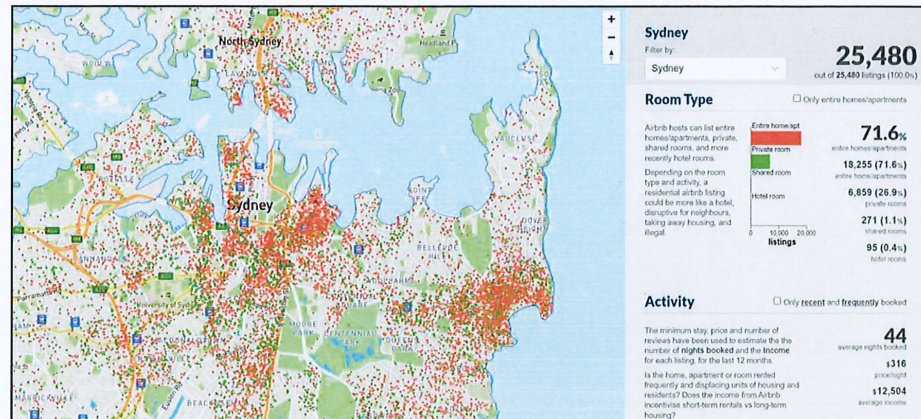


Figure 7 Airbnb Listings in Eastern Sydney (Cox, Morris, and Higgins, n.d.)

It is noted that most listings are in areas that the NSW government has identified as appropriate for further housing development, due to the provision of existing infrastructure in those areas. Reforms to short-term rental accommodations in inner urban areas could potentially result in thousands of existing well-serviced dwellings re-entering the rental market, alleviating pressure on housing availability.

Measures to Counter Rising Cost of Materials and Labour

As raised earlier in this letter, the current economic conditions in Sydney are not conducive to the provision of new housing. Rising costs of materials and shortage of skilled labourers are contributing to increasing construction costs and stifling growth in planned precincts. Reforms aimed at lowering the cost of materials through increased production should be considered as part of broader economic reforms. In addition, programs aimed at upskilling the existing workforce and encouraging persons to enter the construction industry should also be encouraged.

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From: [hayter](#)
To: [Records; Craig Swift-McNair](#)
Cc: [Harriet Price; Matthew Robertson; Peter Cavanagh; Richard Shields; Sarah Swan; Isabelle Shapiro; Lucinda Regan; Luise Elsing; Mark Silcocks; Mary-Lou Jarvis; Merrill Wke; Nicola Grieve; Sean Carmichael; Susan Wynne; Toni Zeltzer; Scott Pedder; Anne White; Fiona Aghili](#)
Subject: Late Correspondence Council Meeting 26 February 2024 - Item 12.2
Date: Friday, 23 February 2024 7:29:01 PM
Attachments: [NSW planning reform letter feb 2024 final.pdf](#)

LATE CORRO Item: 12.2
Previously forwarded to Clrs 8 / N
Meeting: COUNCIL
Date: 26 / 02 / 2024

Dear Records, Craig, Mayor and Councillors, Scott, Anne and Fiona

Late Correspondence: Item 12.2 Council Meeting Monday 26 February 2024

EIE - Explanation of Intended Effect:

Changes to Create Low & Mid Rise Housing, December 2023

Prepared by the Department of Planning, Housing and Infrastructure, December 2023.

I attach FYI the Paddington Society's submission re the above, sent this afternoon to the Department of Planning, Housing & Infrastructure.

We have tried to moderate our relatively brief submission and keep the tone constructive.

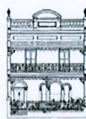
We share Council's many and great concerns regarding the proposed 'reforms' as drafted, recognising that they have the potential to impose dramatic imposts, overdevelopment and unintended consequences upon so many Councils and communities, including our LGA and heritage conservation areas.

Thank you to Planning and Place staff for preparing the thorough and detailed report to be discussed by Councillors on Monday, and for replying at such short notice to our queries as we finalised our own submission.

Yours sincerely

Esther Hayter
President, The Paddington Society





THE PADDINGTON SOCIETY Inc.
For Community and Heritage
Est 1964

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23 February 2024

To: Kiersten Fishburn, Secretary NSW Department of Planning Housing and Infrastructure (DPHI)

CC: Monica Barone, City of Sydney CEO
Craig Swift-McNair, Woollahra Municipal Council General Manager
Alex Greenwich, MP for Sydney
Allegra Spender, MP for Wentworth

Dear Madam,

***Explanation of Intended Effect:
Changes to create Low & Mid Rise Housing, December 2023
Community Feedback from The Paddington Society***

The Paddington Society supports increased housing density and diversity in existing urban areas around transport hubs. This, along with measures to reduce housing demand, should help address the housing shortage and result in a fairer, more sustainable city. The increased housing supply needs to be done well, since we will live with the consequences for many generations.

As a community organisation that seeks to protect and enhance the built environment of Paddington, we offer the following feedback, arising from decades of relevant experience including assessing DA submissions and analysing the built outcomes.

We are not anti-development but seek appropriate development in our heritage context.

We have a number of concerns with the reforms as drafted, and offer the following constructive comments and recommendations:

1 GENERAL COMMENTS ON THE REFORMS

- **Timing:** The reforms seem rushed, being released over the Christmas break with a short time to comment, and they seem to rely on sweeping non-refusal standards that are tied to existing zoning. There is a danger that unintended consequences have not been identified, and that specifics of the place have not been considered. We urge the State Government to consult with Councils and allow enough time and testing to get these standards right.
- **Conflict:** The reforms do not seem to address heritage or environmental protection.

The wording "heritage and environmental considerations will continue to apply to the extent they are not inconsistent with these new standards" seems to indicate that these considerations will be trumped by the proposed standards, to the detriment of our built environment. In addition, this wording will make development more difficult to assess and will result in legal challenges as the courts will rely on the State Environmental Planning Policy's (SEPP) metrics. We request that these considerations, the result of much consultation between Council and the community and so significant for the future, be given more weight.
- **Clarity:** There are areas of uncertainty which make comments on the reforms difficult and which will cause confusion in their application – particularly the Town Centre definition and

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how distances are measured. We request that DPHI and Councils map the affected parts of each LGA, and then allow the community to give feed-back.

- **Standards mis-align:** There is a misalignment between FSR, building height and no. of storeys which will cause confusion and most likely result in even higher development (as FSR tends to win out in the courts).

A good guide is found in the DPHI Apartment Design Guide (ADG) which establishes a 4 storey building height envelope to be 12m, a 6 storey building to be c.19m, 6-7 storeys to be equivalent to FSR of 2:1, and 9-12 storeys equivalent to 3:1. If the intent for mid-rise housing is to have a maximum of 6 storeys, then the metrics need to be 19m max height and 2:1 FSR – not 21m and 3:1 as proposed.

- **ADG:** Increased density brings many challenges to liveability including bulk and scale, privacy and solar access. The Apartment Design Guide, tied to SEPP 65, has done a good job of maintaining liveability standards since it was introduced in 2002. We urge the Department not to reduce ADG standards of building separation in the face of development pressure, as proposed.
- **Dwelling loss:** Recent developments in the area have seen an alarming trend towards much larger dwelling sizes both for houses and units, so that a redeveloped site may be bulkier but contain fewer dwellings. This seems to be market driven but is counter to the need for more housing. We ask for reform standards and incentives that encourage efficient and diverse housing, including studio and 1-bedroom apartments.
- **Carparking Rates:** Increasing density in existing areas will naturally strain existing infrastructure. The new standards can help mitigate traffic congestion and reduce carbon emissions if car use is discouraged, especially when uplift occurs around transport hubs. We recommend low maximum carparking rates per dwelling rather than the minimum proposed.

2 COMMENTS RELATING TO PADDINGTON



Source: Sydney Images

Housing in Paddington is very efficient at 1-3 storeys on small narrow lots with minimal setbacks

The density, scale and consistent facades make a delightful walkable suburb which is also historically significant

- **Unique Significance:**
Paddington is arguably the most intact Victorian terrace suburb in the world. Developed mostly between 1850 and 1890, it is valued as a coherent streetscape of largely 2-storey Victorian terraces, and as a walkable neighbourhood, centred round the Oxford St ridge as a High Street. It has served as a model of urban design, and is now being copied in the 'Missing Middle' housing policy.

The significance of the whole suburb was recognized by Commissioner Bunning's 1968 report, followed by heritage listings from the National Trust, the National Estate and by Councils' Local Environmental Plans.

It continues to be a considerable tourist drawcard.

Judicious development has occurred via constant alterations and additions and infill development, to accommodate modern needs; it is not a suburb frozen in time.

- **Town Centre Precinct:** Since it is zoned E1 and MU1, the reforms may define Oxford St as a Town Centre which would allow 6-8 storey development, and further away 4-6 storeys, in large areas of the suburb, as well as along the Street itself. Refer *Scale* below.
- **Zoning:** The suburb is regulated by two Councils, Woollahra Council to the north of Oxford St, and City of Sydney Council to the south. Most of the residential areas are zoned R2 on the north and R1 in the south. The reforms as drafted would mean that 6-8 storey development would be allowed in the south but 2 storeys would remain in the north, except for small R3 pockets; this would mean a wildly divergent urban form either side of Oxford St which would undermine the coherence of the suburb.

A combined zoning map is attached.

- **Density:** Paddington terraces are characterized by very efficient use of land: zero to 3m front setback, zero side setbacks, commonly 5m rear setbacks, on narrow frontages of 4-5m and average lot sizes of 150m² and 1.25:1 density.

The SEPP should recognize that this density falls between the proposed low and mid rise standards and should treat Paddington (and other similar terrace house precincts) as a special case which needs less uplift than other areas in the city.

The City of Sydney Council advises in their EIE submission that terrace house precincts such as Darlinghurst and Surry Hills have c.12,000 people per sq kilometre, which would be similar to Paddington densities, minus the Victoria Barracks, Trumper Park, White City and Weigall Oval. This places it amongst the highest residential densities in Sydney.

- **Scale:** A 6-8 storey, and even 4-6 storeys, scale of mid-rise housing would overwhelm the consistent, tight 2-storey scale of the terraces and shops in Paddington, and destroy its distinct character.

This is made worse by the small lots and narrow streets, often less than 12m wide, which would increase the impact of bulk and scale and lead to extreme solar and privacy loss.

- **Demolition:** The development uplift would encourage amalgamation and demolition of terraces or major parts thereof, which would again erode the character of the heritage precinct, particularly if done in an ad-hoc and insensitive manner.

3 RECOMMENDATIONS

- Retain the integrity of the suburb: rezone South Paddington from R1 to R2 to match North Paddington zoning, or exclude the whole suburb from the proposed SEPP so that Council standards prevail, in recognition of its existing high density and high heritage value.
- Exclude Oxford St from the definition of a Town Centre since it acts as a linear neighbourhood high street, with mini-markets only, no banks and no train station, and is overshadowed by the larger Bondi Junction Centre nearby.
- Work with both Councils to identify infill sites over the whole LGA which can undertake more uplift but also minimize amenity impacts to residents and neighbours.
- Give heritage and environmental considerations more weight.
- Reduce mid-rise housing standards to 6 storeys at 19m height and 2:1 FSR, and 3-4 storeys at 12m height and 1.5:1 FSR, or delete the FSR control altogether.
- Retain the Apartment Design Guide as is.
- Discourage dwelling loss.
- Use maximum carparking rates to discourage cars.

In summary, the Paddington Society supports the State Government's initiative to increase housing density, where appropriate, as one of the means of easing the housing crisis. The proposed reforms need adjustment in collaboration with communities and the affected Councils to maintain character and liveability.

We trust that the considered and constructive recommendations above will assist in identifying solutions that are acceptable to all,

Yours faithfully



Esther Hayter,
President, The Paddington Society



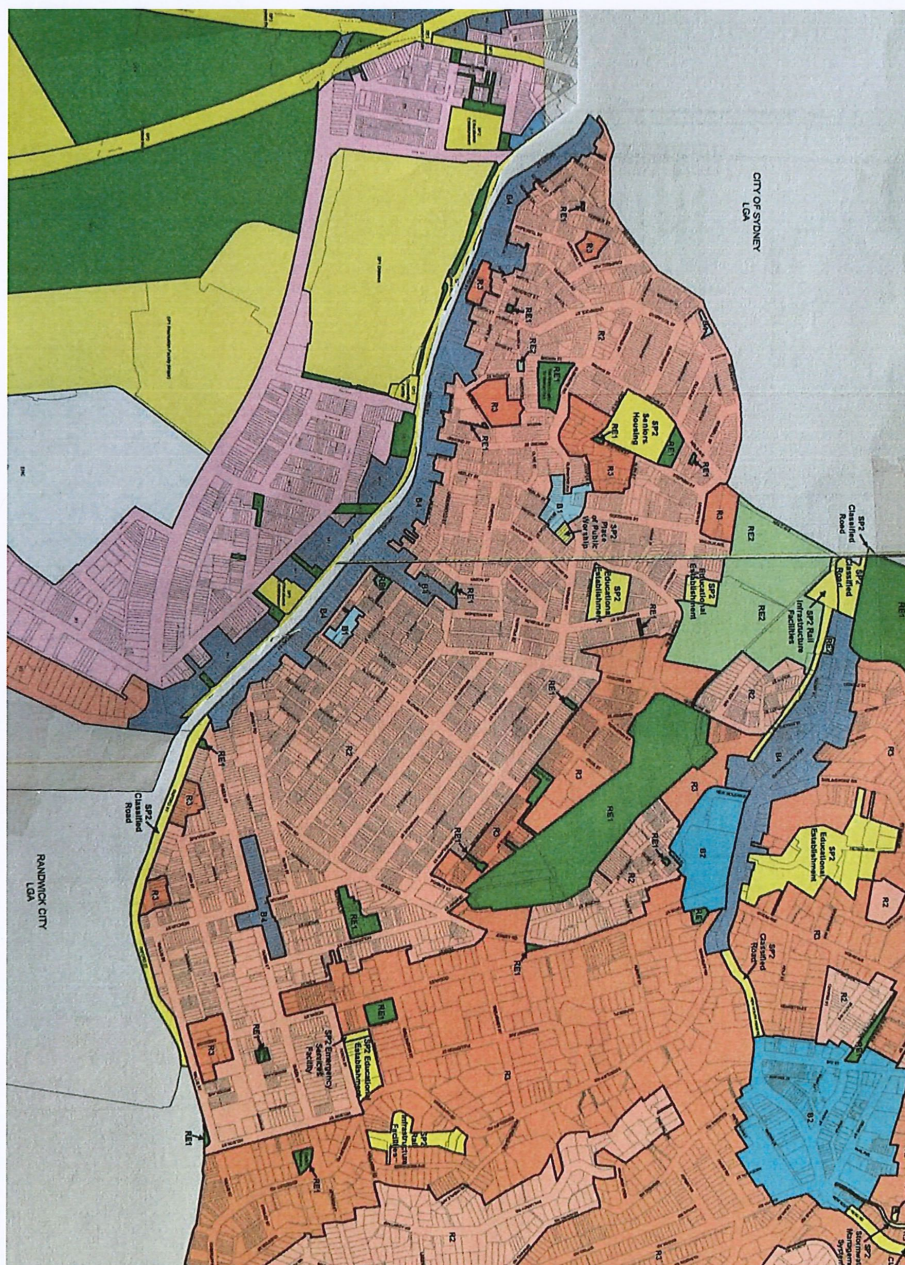
Per Linda Gosling, Vice-President

**APPENDIX
COMBINED ZONING MAP of NORTH and SOUTH PADDINGTON**

Showing R1 residential zoning to the south and R2 to the north, and E1 and MU1/B4 zoning along Oxford St

(north point is to the right)

The suburb is defined as being bound by Moore Park Rd, Jersey Rd, New South Rd, Boundary St and South Dowling St



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Memorandum

Date 26 February 2024

File No. SC7882
24/32349

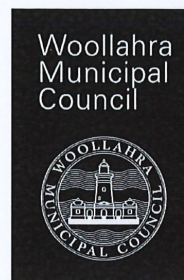
To Mayor Cr Shields and Councillors

CC Executive Leadership Team
Anne White - Manager Strategic Planning and Place

From Lyle Tamlyn – A/ Team Leader Strategic Planning

Subject LATE CORRESPONDENCE TO COUNCIL MEETING OF 26
FEBRUARY 2024 – ITEM 12.2 – ADDITIONAL MAPS FOR
SUBMISSION TO 'EXPLANATION OF INTENDED EFFECT:
CHANGES TO CREATE MORE LOW AND MID-RISE HOUSING'

LATE CORRO	Item: <u>12.2</u>
Previously forwarded to Cllrs <u>8</u> / N	
Meeting: <u>COUNCIL</u>	
Date: <u>26 / 02 / 2024</u>	



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Dear Mayor Cr Shields and Councillors,

On 15 December 2023, the Department of Planning, Housing and Infrastructure commenced exhibition of the *Explanation of Intended Effect: Changes to create more low- and mid-rise housing*.

After reviewing the proposed changes, staff have prepared a submission that strongly objects to the reforms. This is provided under Item 12.2 of this evening's agenda.

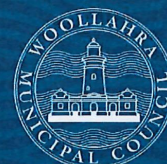
Staff have prepared enlarged maps to further illustrate the impacts of the proposed reforms, and in assist Council's consideration of the matter. These are provided at **Attachment 1** to this memorandum.

Attachments:

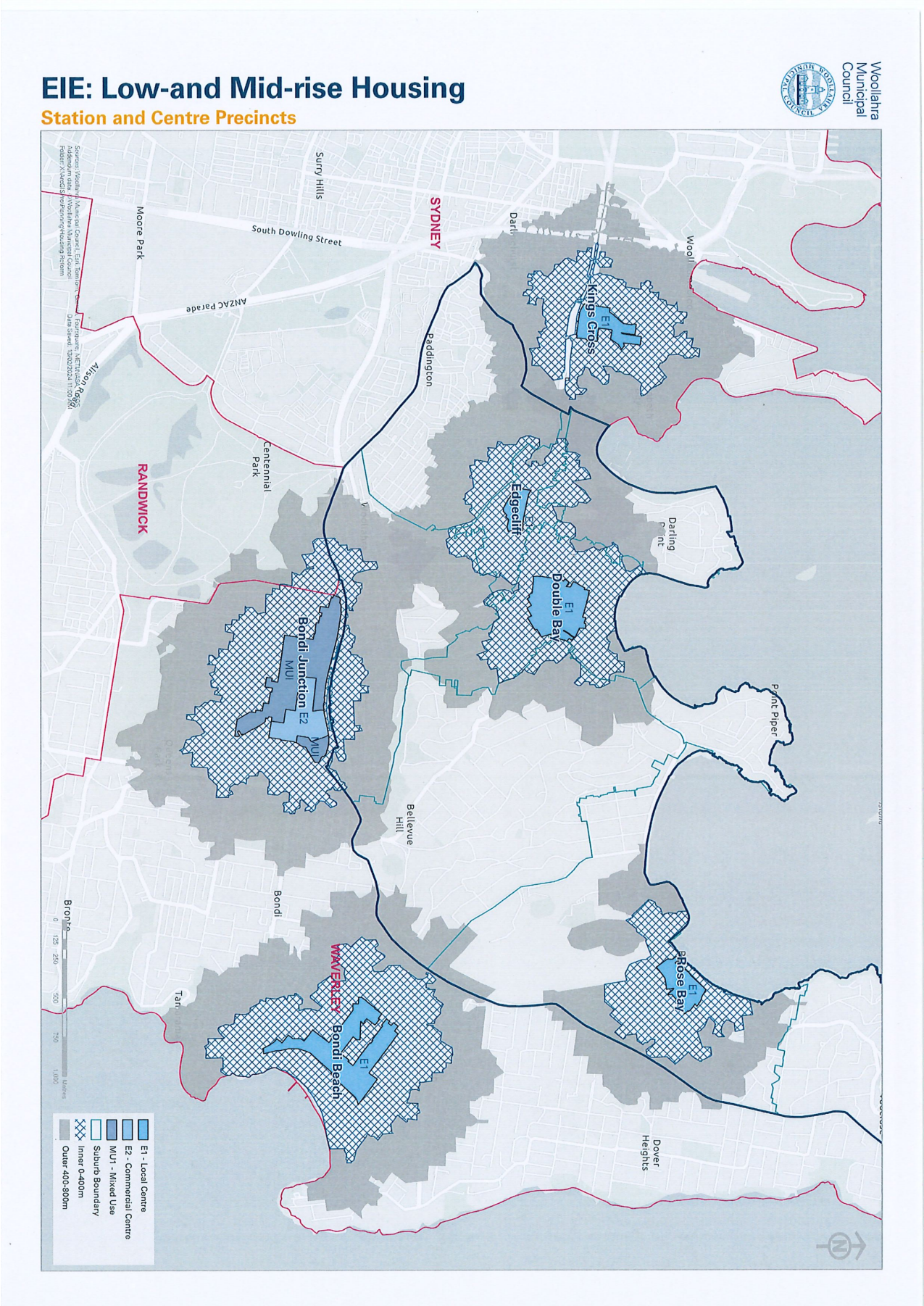
1. Enlarged mapping of low and mid-rise reforms

Attachment 1:

Mapping of low and mid-rise
implications across Woollahra



1. Station and town centre precincts –
Woollahra Municipal Council
precincts scenario map – 400m and
800m walking distance areas



2. Double Bay E1 Local Centre Precinct Scenario Map – 800m and 400m walking distance

Woolahra
Municipal
Council

[illegible]

3. Edgecliff E1 Local Centre Precinct Scenario Map – 400m and 800m walking distance areas

Station and Town Centre Precinct - Edgecliff

