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17 October 2023

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Department of Planning and Environment 4 Parramatta Square Parramatta, NSW 2150

Sandy Chappel **Director Housing Policy** 

By email: housingpolicy@planning.nsw.gov.au

## RANDWICK CITY COUNCIL SUBMISSION

Planning reforms to Housing SEPP and Planning Systems SEPP – incentivised development of affordable housing

Dear Sandy,

Randwick City Council is supportive of efforts to increase the provision of affordable housing within New South Wales and within the Randwick Local Government Area (LGA). Randwick City Council has had a long history of implementing changes to our local planning framework to increase the supply of affordable housing in the LGA including the Kensington and Kingsford town centres, new housing investigation areas and Randwick Junction Town Centre.

As an overarching comment, a blanket approach proposed under the amendments to the Housing SEPP that enables substantial increases in residential dwelling density and height undermines place-based design considerations and extensive strategic planning work.

Randwick City Council is concerned by both the detail contained within the policy and the short timeframe provided by the Department of Planning and Environment (DPE) to respond to the draft material.

After reviewing the available draft practice note and proposed amendment sheets, Randwick City Council makes the following comments and recommendations:

- Timeframe of affordable housing provision The proposed increases to Floor Space Ratio (FSR) and maximum Height of Building (HoB) are in perpetuity, while the affordable housing is not. Affordable housing must be permanently retained as affordable to break the cycle where after the specified period, that housing is returned to a higher market value. The proposed future loss of affordable housing, which depending on project uptake, may create a future cliff in a housing market with conditions that are unknown. Amendments are required to ensure the benefits of any realised affordable housing are in perpetuity.
- Infrastructure provision A temporary increased provision of affordable housing will be a positive contribution to the Randwick community. However, it is unclear what other

- community benefits are proposed as part of this package. Specifically, an additional 30% FSR and a corresponding 30% increase in dwelling numbers will result in an increased localised demand for infrastructure and services. A broader response considering community benefit that includes considerations of how this increased local demand is to be funded, managed and maximised must be undertaken as part of this reform.
- Area of application The proposal does not seek to increase accessibility requirements for areas with increased uplift, it simply retains the current definition of an accessible area as defined by the Housing SEPP. Therefore, areas that previously could achieve a 10% uplift can now achieve up to 30% uplift while retaining the same minimum requirement to be within 400m of a bus stop with an hourly service (during various hours). This is not supported as it opens much of the Randwick LGA for increased uplift with no increased transport accessibility. As is demonstrated by Figure 1 below, effectively all residential land within the Randwick LGA falls within 800m of a Light Rail Stop and / or 400m of a Bus Stop. All Light Rail Stops and nearly all Bus Stops within the Randwick LGA meet the service requirements of the accessible area definition. The definition of an accessible area for the purposes of achieving a 30% residential uplift must reviewed to target higher levels of uplift to more accessible areas.

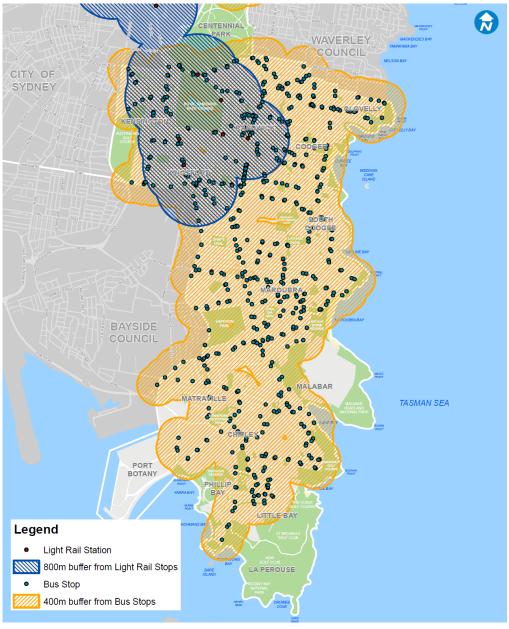


Figure 1 - Area of Randwick LGA within 800m of a Light Rail Stop and 400m of a Bus stop

- Exclusion areas Randwick LGA, along with other LGAs such as Canterbury-Bankstown, Bayside and City of Sydney, include areas with hard height limits determined by the protection of airspace as prescribed by Obstacle Limitation Surfaces (OLS) provisions. In these areas additional building height for residential flat buildings and shop top housing cannot be realised to accommodate the corresponding uplift in FSR. Without any additional height, the increased FSR will result in building bulk and mass being distributed laterally into landscape areas and through deeper into floorplates with an overall reduction in articulation. This anticipated response will be inconsistent with ADG and localised DCP objectives and controls. It is requested that areas affected by absolute / hard height controls be excluded from this reform.
- Applicable land uses The draft practice note along with the proposed amendment sheet
  outline a new definition of 'residential development' that <u>excludes</u> residential uses such as
  co-living and boarding houses that are a type of 'residential accommodation' as defined by
  the Standard Instrument. However, in several instances the draft practice note refers to
  height and FSR bonuses applying to 'residential accommodation'. References to
  'residential accommodation' in the draft practice note should be removed to avoid
  confusion.
- Localised strategic planning work Enabling blanket access to residential uplift undermines established LEP development standards and DCP controls strategic that have been the subject of extensive planning analysis and community consultation and LSPS agreement. This is particularly the case for recently reviewed strategic centres/areas in the Randwick LGA, including the Kensington to Kingsford corridor, the recently approved Housing Investigation Areas and the Randwick Junction Town Centre. These three projects' have bespoke FSR and HoB controls that have been the subject of intensive feasibility and planning analysis; and are supported by significant design analysis and review; to ensure the amenity and quality of the public domain and local character of these areas.
- Site specific design controls Under the proposed amendments to the Housing SEPP, CI 19 proposes non-discretionary development standards including a flat rate of 30% of the site area for landscaping (private development) and 15% of the site area for a deep soil zone. These development standards are in many instances well below those contained within Randwick's site-specific DCPs that apply to a range of residential and employment zones. Removing the ability for specific localised controls, such as landscaping area and deep soil zones that have been tested and tailored to sites address the distinctive conditions of specific sites is not supported. In addition, the removal of localised standards with state-wide development standards is inconsistent with Guidelines prepared by the Government Architect that highlight the importance of place-based considerations.
- Consultation timeframes With a proposed introduction of the reforms in mid-November 2023, and submissions closing on 17 October 2023, approximately four weeks are provided for submissions to be read, considered, documentation reviewed and revised and republished. From experience, four weeks is not an adequate timeframe for appropriate consideration to be given to submissions from local government and stakeholders, and where relevant, for significant changes that deeply affect the scale and character of future development in our City is going to be made. Additional time must be provided for the DPE to review and respond to submissions.
- Monetary contribution for shortfalls The draft amendment sheet to the Housing SEPP shows that affordable housing component is to comprise at least 15% of the gross floor component use for residential development. However, unlike existing affordable housing contribution schemes in operation within the Randwick LGA, there is no provision for a combination of a monetary contribution for any remaining balance. Consideration should be given for the ability of any minor shortfall to be made as a monetary contribution (i.e. where

- gross floor component of affordable residential use total 14.8%, a monetary contribution of 0.2% of GFA should be considered, rather than negotiated through the DA process).
- Background feasibility testing and ratio It is unclear what feasibility work has been undertaken by DPE to determine the ratio of uplift to affordable housing, nor the timeframe for the provision of the affordable housing component. Consideration should be given by DPE to releasing high level feasibility advice that has informed the calculation of the ratio.

Council reiterates its concerns that a blanket approach to enable substantial increases in residential densities and height undermines place-based design considerations. It also ignores extensive strategic planning reviews that have been undertaken in key town/strategic centres in the Randwick LGA.

In addition, without localised infrastructure provision and affordable housing reverting to market housing after 15 years, few, if any lasting community benefits will be achieved.

Should you require further information or wish to discuss this matter, please do not hesitate to contact Liam Stanley – Coordinator, Strategic Planning on 9093 6679.

Yours faithfully,

Stella Agagiotis

Acting Director City Planning