

Question With Notice

Councillors Elsing and Regan

Council Meeting - 25 October 2021 (lodged with Council on 20 September 2021)

Update on new dwelling targets of 300 additional new dwellings for 2016 – 2021 and an additional 500 new dwellings for 2021-2026 and request for information regarding supporting infrastructure

Background

1. The Greater Sydney Commission Eastern District Plan March 2018 (released in November 2018)¹

The Plan is prepared pursuant to section 3.4 of the *Environmental Planning and Assessment Act 1979* which requires it to include or identify: the basis for strategic planning in the district, having regard to economic, social and environmental matters; planning priorities that are consistent with the relevant objectives, strategies and actions in the region plan; actions for achieving those planning priorities; and an outline of the basis on which the implementation of those actions will be monitored and reported.²

The Plan informs local strategic planning statements and local environmental plans, the assessment of planning proposals as well as community strategic plans and policies. The Plan also assists councils to plan for and support growth and change and align their local planning strategies to place-based outcomes. It guides the decisions of State agencies and informs the private sector and the wider community of approaches to manage growth and change. Community engagement on the Plan contributed to a plan for growth that reflects local values and aspirations, in a way that balances regional and local considerations.³

The Plan's priority is to create a city including new developments supported by infrastructure (priority E1). A potential indicator is increased % of properties with 30-minute access to a metropolitan centre/cluster.⁴ Which is achieved by aligning growth with infrastructure, including transport, social and green infrastructure, and delivering sustainable, smart and adaptable solutions.⁵ The Plan seeks to achieve more housing in the right locations by identifying clear criteria for where capacity is located.⁶ Criteria includes major transport, health and education investments, either committed or planned, such as Sydney Metro and the CBD and South East Light Rail, which aligns with Future Transport 2056.⁷ Actions included that Woollahra Council prepare a housing strategy which accommodates the targets set in the Plan.⁸

Having regard to infrastructure capacity in the Woollahra Municipality (LGA) the Plan set a target for the period 2016 to 2021 of 300 additional new dwellings in the LGA.⁹

Council identified in 2018 that a "key issue is how Council will fund the required infrastructure that will support infill growth, particularly in Centres like Edgecliff and Double Bay which have been identified as precincts in which planning controls should be reviewed".¹⁰

The Greater Sydney Commission advised Woollahra Council under a letter dated 12 March 2020 that 500 – 600 additional new dwelling were required in the LGA for the period 2021 – 2026.

2. Compliance with the targets set by the Greater Sydney Commission Eastern District Plan

March 2019

(target of 300 new dwellings by 2021 exceeded by 46% or by over 138 additional new dwellings [total 438 new dwellings since November 2016])

¹ <https://www.greater.sydney/eastern-city-district-plan>

² Page 15

³ Page 14

⁴ Page 12 and Page 13

⁵ Page 6

⁶ Page 40

⁷ Page 17

⁸ Page 45

⁹ Page 42

¹⁰ Page 504 of R2 paper to Council Meeting held on 15 October 2018

Answers supplied to my question with notice in March 2019 indicated that as at March 2019 there were a total of 438¹¹ additional new dwellings (approved / constructed / complying) in the LGA. See table below from Agenda for Meeting on 8 April 2019.

Director Planning & Development in response:

The table below gives an indication of net housing supply since the release of the Eastern District Plan in November 2016. Woollahra's 0-5 year housing supply target is a minimum of 300 new dwellings to be delivered between 2016 and 2021. As requested, the table provides a breakup of net additional dwellings by ward, including additional dwellings approved by a Complying Development Certificate.

Net additional dwellings November 2016 to March 2019*				
Ward	Net additional dwellings approved pre November 2016 and construction has commenced post November 2016	Net additional dwellings approved post November 2016 and construction has commenced	Net additional dwellings approved complying development post November 2016	Net additional dwellings approved post November 2016 where construction has <u>not</u> commenced (excluding complying development)
Vaucluse ward	25	48	0	89
Bellevue Hill ward	37	32	1	58
Double Bay ward	13	1	0	81
Cooper ward	3	-2	0	33
Paddington ward	0	0	0	19
Totals	78	79	1	284

*note: building commencement is judged by construction certificates lodged that signal imminent construction commencement.

October 2020

(target of 300 new dwellings by 2021 exceeded by 259% or by over 479 additional new dwellings [total 779 new dwellings since November 2016])

Answers supplied to my question with notice that the table be provided in the same format as provided in March 2019 were provided in the Minutes of Meeting for 23 November 2020 (see extracted table below).

This information has been incorporated into the table below which is consistent with the format from March 2019:

Net additional dwellings November 2016 to 16 October 2020*^				
Ward	Net additional dwellings approved pre 2016 and construction has commenced post November 2016	Net additional dwellings approved post 2016 and construction has commenced or is completed	Net additional approved complying development post November 2016	Net additional dwellings approved post November 2016 where constructions has <u>not</u> commenced (excluding complying development)to
Bellevue Hill	54	71	1	104
Cooper	21	15	0	17
Double Bay	82	22	0	126
Paddington	0	29	0	7
Vaucluse	48	144	0	38
LGA Totals	205	292	1	281

*Note: building commencement is judged by construction certificates lodged that signal imminent construction commencement.

^ Disclaimer: Every reasonable effort has been made to ensure that this data is correct at the time of this report. However, this data is reliant on third party information and what is currently entered into our property records system.

Page 696

Between November 2016 to October 2020 Woollahra Council has had construction commence, completed and approved for development of at least 779 additional new dwellings (including complying developments). The target set by the Greater Sydney Commission for the period 2016 to 2021 was 300 additional new dwellings. With one year to conclude the period ending November 2021 Woollahra Council has already exceeded the target by at least 259% or by over 479 additional new dwellings.

April 2021

(target of 300 new dwellings by 2021 exceeded by 285% or by over 554 additional new dwellings [total 854 new dwellings since November 2016])

Answers supplied to Councillor Regan and my question with notice in April 2021 that the table be provided in the same format as provided in March 2019, were provided in the Minutes of Meeting for 26 April 2021 (see extracted text and table below).

11 There was an error in the total provided by Council to the March 2019 response. This total in 4th column should read 280 not 284 and this figure was represented as 442 in contemporaneous material but the correct figure is 438

The table provides a breakup of net additional dwellings by ward, including any delivered via Complying Development. The table format is consistent with the format from March 2019 and November 2020.

Net additional dwellings November 2016 to 19 April 2021*^				
Ward	Net additional dwellings approved pre 2016 and construction has commenced post November 2016	Net additional dwellings approved post 2016 and construction has commenced or is completed	Net additional approved complying development post November 2016	Net additional dwellings approved post November 2016 where constructions has <u>not</u> commenced (excluding complying development)o
Bellevue Hill	65	74	1	90
Cooper	20	19	0	43
Double Bay	85	35	0	98
Paddington	1	8	0	24
Vaucluse	49	153	0	89
LGA Totals	220	289	1	344

*Note: building commencement is based on construction certificates lodged, signalling imminent commencement.

^Disclaimer: Every reasonable effort has been made to ensure that this data is correct at the time of this report. However, this data is reliant on third party information and data currently entered into our property records system.

The table provides a breakup of net additional dwellings by ward, including any delivered via Complying Development. The table format is consistent with the format from March 2019 and November 2020.

Whilst the total net dwelling gain has increased we note that the rate of growth has been moderated by unit amalgamations in residential flat buildings. Examples of this are the following DAs in Double Bay: • 28-34 Cross Street (DA2017/617) was approved with 21 units but has been reduced to 15 units • 20-26 Cross Street (DA2015/390) was approved with 34 units but has been reduced to 26 units.

The Double Bay net dwelling gain is also moderated by the DA at 30-36 Bay Street Double Bay being surrendered. An approval for a 100% commercial building on the site has since been issued and the building is now under construction. This is a reduction of 13 dwellings from the previous update.

Staff have also reviewed how DAs were classified in our system for this update. A couple of DAs were found to be listed under an incorrect ward and this has now been rectified. This has not affected the total net dwelling gain for the LGA, only how the total is distributed across the wards, in particular the Cooper, Bellevue Hill, Paddington and Vaucluse wards.

Between November 2016 to April 2021 Woollahra Council has had construction commence, completed and approved for development of at least 854 additional new dwellings (including complying developments). The target set by the Greater Sydney Commission for the period 2016 to 2021 was 300 additional new dwellings. With seven months to conclude the period ending in November 2021 Woollahra Council has already exceeded the target by at least 285% or by over 554 additional new dwellings.

Summary

The Woollahra LGA has sustained growth well over the target of 300 additional dwellings set by the Greater Sydney Commission for the LGA in November 2016 resulting in overdevelopment as at April 2021 to the tune of 285% or 554 dwellings over the target of 300 (total new developments 854).

Target is 300 additional new dwellings from November 2016 to November 2021	% increase from target of 300 new dwellings (2016 - 2021)	Number of new dwellings (2016 - 2021)	Number of dwellings in excess of target of 300 new dwellings (2016 – 2021)
As at March 2019	147%	442	142
As at October 2020	259%	779	479
As at April 2021	285%	854	554

	Bellevue Hill	Cooper	Double Bay	Paddington	Vaucluse	Totals
As at March 2019	128 (29%)	34 (8%)	95 (22%)	19 (4%)	162 (37%)	438 ¹²
As at October 2020	230 (30%)	53 (7%)	230 (30%)	36 (3%)	230 (30%)	779
As at April 2021	230 (27%)	82 (10%)	218 (26%)	33 (3%)	291 (34%)	854

3. Community concerns about over development in the Woollahra LGA

The draft Woollahra Local Housing Strategy 2021(which is currently on exhibition together with the Woollahra Affordable Housing Policy 2021 <https://yoursay.woollahra.nsw.gov.au/housingstrategy> together with the Local Character Discussion Paper) (**Housing Strategy**) concludes:

¹² There was an error in the total provided by Council to the March 2019 response. This total in 4th column should read 280 not 284 and this figure was represented as 442 in contemporaneous material but the correct figure is 438

- there are 2.23 people per household. Applying this to the 854 new dwellings since 2016 results in an additional approximately 2,000 people in the LGA (see Snapshot of our local area see also section 4.5) (which means the LGA has already exceeded the DPIE population and household forecast for 2031 [see the Evidence]) and
- 82.9% of households have cars. Applying this to the 854 new dwellings since 2016 means we have at least an additional 712 cars housed in the LGA (see Snapshot of our local area).

Over 60% of the new development as at April 2021 is in Vacluse and Bellevue Hill followed by Double Bay with 26%.

Community concerns include:

- lack of infrastructure (such as roads, sewerage and stormwater systems),
- poor transport options (including petrol stations),
- congestion and traffic (including significant increases in time taken to commute),
- lack of parking,
- insufficient walking and bike pathways,
- lack of public educational facilities,
- lack of public recreational facilities,
- lack of open space,
- reduction in tree canopy,
- general degradation to the special character of many areas; and
- overall amenity in our suburbs.

The Housing Strategy states that the Future Transport 2056 and NSW Infrastructure Strategy 2018-2038 “do not identify any projects in the LGA that would support significant uplift”.¹³

Council responded to the question on notice in April 2021 as to whether additional funding sources have been identified to support infrastructure by saying that it is looking for funding by applying for grants and preparing amended contributions plans and that Voluntary Planning Agreements may also provide opportunities to fund infrastructure.¹⁴

It is worth noting that Council currently has a deficit for year ended 2021 of \$3.508m.¹⁵

Funding opportunities

Relevant recent State and Federal Government funding includes:

- Knox Street Pedestrianization \$4.75m State Government funding subject to meeting targets around speeding up process times for development applicants under the NSW Public Legacy Program,
- Hakoah Club \$15 million - \$7.5m Federal Government funding and \$7.5m State Government funding (not sure what confirmation we have that this facility is available to all Woollahra LGA residents),
- Rose Bay bike path funding from State Government (construction deferred until April 2022),
- Pathway lighting etc at GAP Park funded by the State Government, and
- Upgrade of Cooper Park Community Hall, funded by the Australian Government Local Roads and Community Infrastructure Program (\$480k).

Council notes in the Housing Strategy¹⁶ that its challenge is to fund local infrastructure to support growth. The challenge includes current restrictions on rates and development levies and that Council continues to advocate for improved funding mechanisms and reform. The Housing Strategy sets out the following relevant goals:

- Goal 7 as a short term and ongoing goal to “work with NSW Government to improve funding”,
- Goal 9 as a short term goal to “review and update development contribution plans”, and
- Goal 10 as an ongoing goal “work with state government to ensure that housing is supported by infrastructure improvements and increased public transport service” which includes increased services (including schools, health care and recreational facilities) and safe walkways and cyclepaths.

Amended Contributions Plans

Council has advocated that the State Government recent plans to divert developer contributions from Council to State Government be reconsidered.¹⁷

4. Communication with relevant authorities regarding the achievement of the 2021 targets and requesting withdrawal of 500 – 600 additional new development from 2021 to 2026 in the Woollahra LGA

¹³ Under chapter heading “What is Affordable Housing”

¹⁴ Council Meeting Minutes of 26 April 2021

¹⁵ <https://www.woollahra.nsw.gov.au/news/articles/whats-in-this-years-budget-post-pandemic-financial-recovery-and-investment-in-local-infrastructure>

¹⁶ Section 5.3 under the heading Funding

¹⁷ Mayoral Minute from Council Meeting of 23 August 2021

Following a unanimous resolution of Council on 26 April 2021 the Mayor Councillor Susan Wynne wrote to Minister Stokes (and other relevant authorities) noting how densified the Woollahra LGA already is, referring to the number of new dwellings already exceeding the set target and requesting that the additional requirement of 500 – 600 additional new dwellings from 2021 to 2026 be withdrawn given the amount of development to date and lack of supporting infrastructure in the Woollahra LGA.

The Federal member Dave Sharma MP supported withdrawing the 2026 targets based on residents' concerns about pressure on infrastructure, facilities and services such as roads, schools and parking due to "*continually increasing housing and population growth*". He noted that the area is close to capacity and due to the LGA being a peninsula there are limited opportunities for road expansion and additional public infrastructure.

State Member for Vacluse Gabrielle Upton MP, Minister Rob Stokes MP and the Greater Sydney Commission rejected the request to withdraw the 2026 targets.¹⁸ Minister Stokes advised that the 6 - 10 year (2021-2026) housing supply target was developed based on evidence of dwelling projections and housing supply forecasts, as well as consideration of infrastructure capacity.¹⁹ The authorities urged Council to progress the Housing Strategy.²⁰

5. Draft Woollahra Local Housing Strategy 2021

The Housing Strategy is required by the State Government, is an action item included in the Plan to accommodate the targets set in the Plan²¹ and has been prepared in accordance with the Department of Planning, Industry and Environment's "Local Housing Strategy Guideline and Template".²² The purpose of the Housing Strategy is to establish how housing controls will facilitate achieving housing supply targets²³ and once finalised Council must give effect to the Housing Strategy.²⁴ The Housing Strategy lays out matters for further consideration to improve planning controls to facilitate development.²⁵ Opportunities identified include Edgecliff Commercial Centre and Cross Street, Double Bay.²⁶

The Housing Strategy²⁷ sets the following targets: 2016 – 2021 (300); 2021 – 2026 (500); 2026 – 2036 (400) totalling 1,200.

6. Edgecliff and Double Bay planning strategies

These draft plans indicate that the current controls are sufficient to meet housing targets (300 to 2021 and an additional 500 to 2026) and collectively allow for a further 400 – 500 new dwellings in addition to the current additional capacity of 600 – 750 (Edgecliff) and (300 - 400 Double Bay) facilitating a total of a further 1,000 – 1,250 new dwellings in these locations.²⁸

Questions

Could staff please:

1. update the information regarding the number of new dwelling in the Woollahra LGA in the same table format as provided for March 2019, October 2020 and April 2021 from November 2016 to September 2021,
2. advise and include in table under a separate column the number of residential dwellings that have been created from conversion from business use to residential use,
3. confirm the relevant recent State and Federal Government funding initiatives outlined above are correct and advise of any other relevant infrastructure funding, and
4. advise whether any additional funding has been identified.

¹⁸ Agenda for Council Meeting on 23 August 2021

¹⁹ Agenda for Council Meeting on 23 August 2021

²⁰ Agenda for Council Meeting on 23 August 2021

²¹ Page 45

²² Housing Strategy Chapter "What do we mean by housing?"

²³ Housing Strategy Chapter "Executive Strategy"

²⁴ Housing Strategy Chapter "What do we mean by housing?"

²⁵ Housing Strategy Chapter "What is affordable housing?"

²⁶ Housing Strategy Chapter "What is affordable housing?"

²⁷ Housing Strategy Chapter 6 under the heading "Housing targets for Woollahra LGA"

²⁸ Edgecliff Strategy page 22 and for Double Bay - Strategic & Corporate Committee Agenda 19 April 2021 page 17