NORTHERN BEACHES HOUSING STRATEGY

ISSUES AND OPPORTUNITIES PAPER

Certified B Corporation

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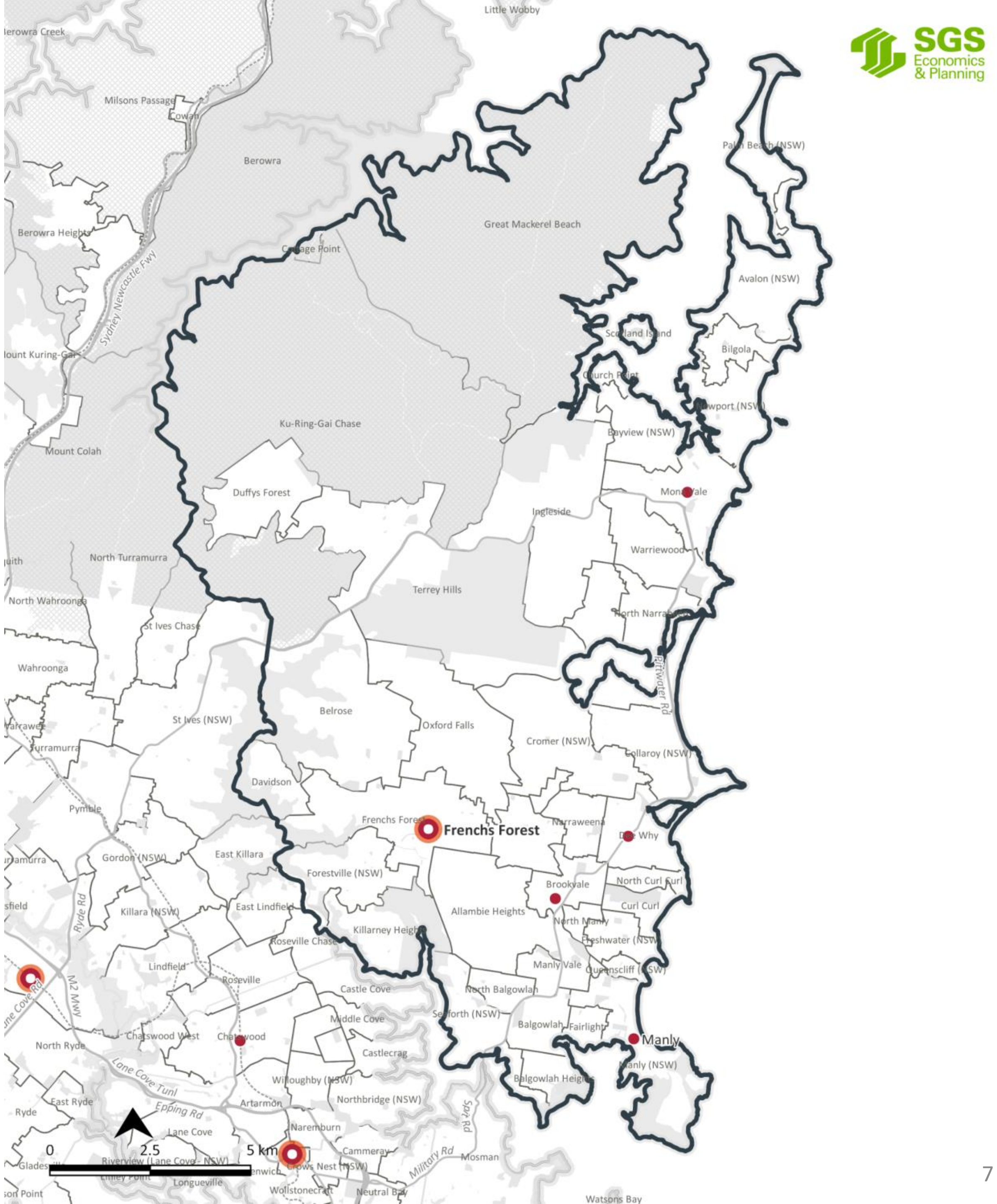
NORTHERN BEACHES HOUSING STRATEGY

INTRODUCTION

Introduction

- The Northern Beaches LGA is located in the Greater Sydney region in the Northern District identified by the Greater Sydney Commission for planning for Sydney's future.
- The LGA covers a range of different environments, stretching along the coastline and into the hinterland from Manly in the south to Palm Beach in the north as well as extending west into the Ku-Ring-Gai Chase National Park.



Northern Beaches Local Housing Strategy

- All NSW councils are required to prepare a Local Housing Strategy (LHS).
- The LHS will set a vision for future housing in the Northern Beaches LGA, demonstrating how the housing directions within the North District Plan will be delivered locally.
- The NSW Department of Planning, Industry and Environment (DPIE) has established a framework for the development and implementation of the LHS.
- Council is currently at Step 2 within the process. Step 2 is the process of identifying council's housing vision, the priorities for the council's stakeholders and its community, and identifying and evaluating the options for delivering new housing.

Step 1 Background and Evidence Base

Step 2 Establish vision and objectives and evaluation options

Step 3 Implementation, consultation and delivery

Step 4 Monitoring, reporting and reviewing

Purpose of this Issues and Opportunities Paper

- The purpose of this Issues and Opportunities Paper is to:
  - Identify key housing issues for the Northern Beaches
  - Summarise the findings from background analysis and the evidence base that has been used to inform this paper and the housing strategy
  - Identify the LGA's changing housing needs and future demand for housing, including affordable housing
  - Identify existing capacity for housing and how this compares to projected future demand
  - Establish the housing vision and principles for the LGA, that will be part of both the housing strategy and the Northern Beaches' Local Strategic Planning Statement (LSPS)
  - Explore spatial options and approaches to the delivery of future housing
  - Identify a potential land use planning approach and potential housing typologies, and other housing opportunities for the LGA.

- Northern Beaches Council is seeking comments and feedback from the community on the issues and options discussed. Community feedback will be used to inform the preparation of the draft Northern Beaches LHS.

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GREATER SYDNEY’S HOUSING CHALLENGE

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Greater Sydney's housing challenge

- As of 2016, Greater Sydney was home to around 4.7 million people. The NSW Department of Planning, Industry and Environment (DPIE) projects the population to increase to around 6.4 million by 2036. This is an increase of over 1.7 million people or approximately 37 per cent on current population levels.
- Planning for this increased rate of growth while maintaining the liveability of Sydney's suburbs will be challenging. It will require consideration of how to best accommodate more population in established areas as well as at Sydney's fringes. Each part of the Greater Sydney Region is currently proposed to house more people and dwellings, including the Northern Beaches LGA.
- According to the ABS, the estimated residential population of the Northern Beaches LGA in 2016 was 265,468. DPIE projections forecast that this will grow to an estimated 297,950 people by 2036. This is an additional 32,482 people (12.2% increase or 0.6% annual growth rate). The DPIE projections have estimated that this will require an additional 17,450 dwellings between 2016 and 2036.

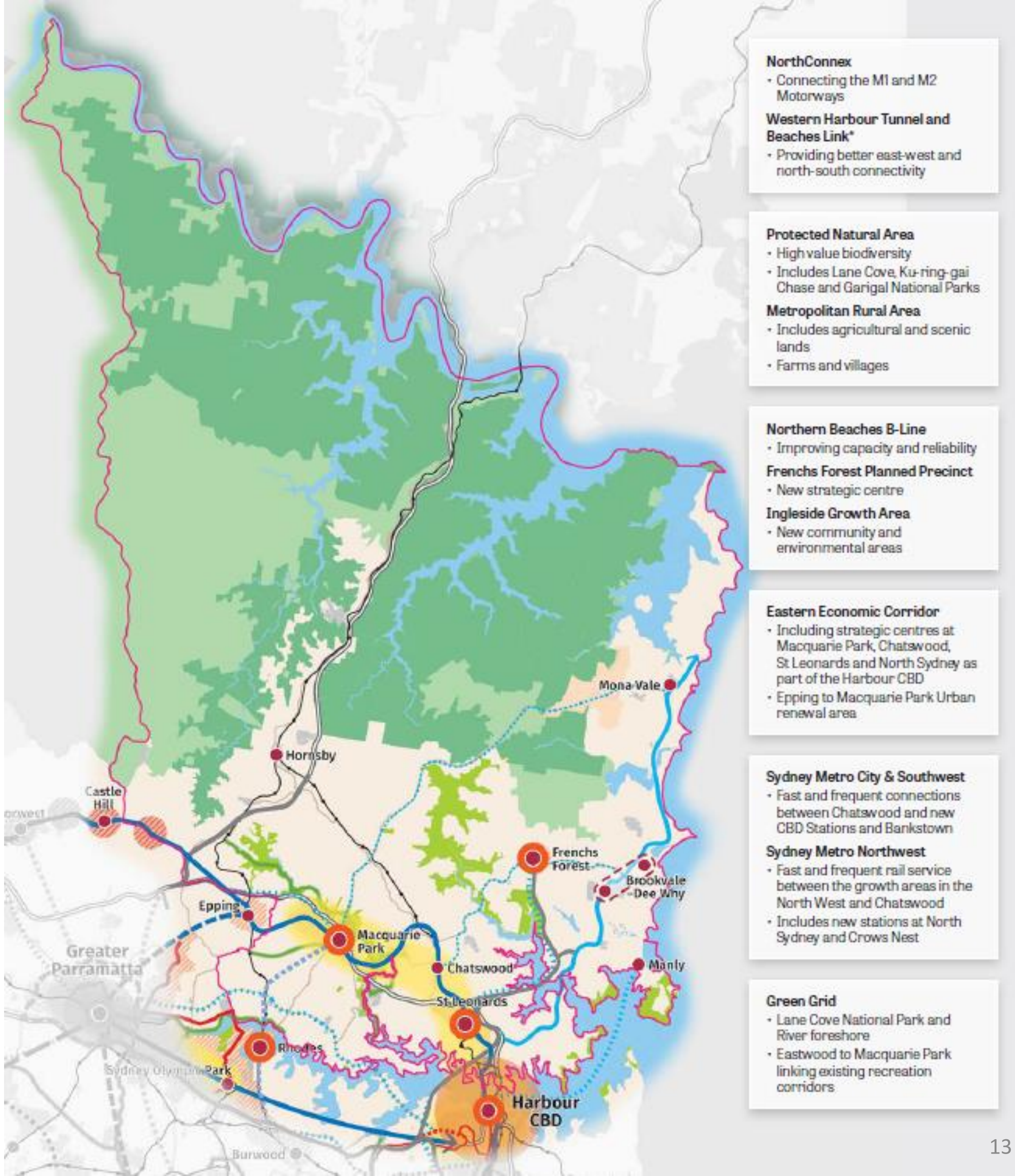
Source: SGS, 2019

Greater Sydney's housing challenge

- Historically most population growth in Greater Sydney has been accommodated in four main ways:
  - The development and conversion of rural and agricultural land at Sydney's fringes,
  - The consolidation of established residential neighbourhoods, including policies which allow development of dual occupancy dwellings as well as forms such as villa housing suitable for seniors (e.g. Warriewood),
  - The construction of higher-density apartment housing around existing centres and public transport (e.g. Dee Why), and
  - The redevelopment of former industrial sites for high-density apartment complexes.
- It is likely that each of these kinds of development will have a role in housing Sydney's growing population in the future.
- Planning for Northern Beaches' future must consider what kinds of housing will most appropriately accommodate the needs of the local community and will be most suitable in the context of climate change and environmental challenges. The provision of adequate infrastructure also needs to be considered in the future planning of housing.
- Sydney's urban boundary cannot continue to expand without limit, and dwellings built in existing suburbs near public transport are often better located than similar dwellings built on the urban fringe, often far away from public transport, job and services.

Policy context

- The Greater Sydney Region Plan (GSRP) envisages a metropolis of three cities and a 30-minute city, to allow residents quicker and easier access to a range of jobs, housing types and activities.
- The GSRP splits Sydney into five districts, with the Northern Beaches in part of the North District. Key priorities for housing under both the GSRP and the North District Plan include increasing overall housing supply, and ensuring that housing becomes more diverse and affordable.
- The North District Plan includes a 20-year housing target of an additional 92,000 dwellings by 2036 across the North District.
- The Northern Beaches has a five year housing supply target to 2021 of 3,400 additional dwellings. This represents 13 per cent of the target for the North District over this timeframe.
- Under the LHS, Councils are expected to develop 6-10 year housing targets through the process of developing their housing strategy.



Key issues for Northern Beaches

- A review of Council documents identifies key issues for the Northern Beaches in particular include the need for:
  - **More affordable housing stock** – social and affordable housing stock is at historically low levels across the LGA, with wait times for public housing currently over 5 years. At the same time, median property prices and rents have increased significantly.
  - **Better transport connectivity** – the LGA currently has limited accessibility by public transport, which can make it difficult to accommodate new dwellings close to jobs and services. Further growth will require appropriate accompanying infrastructure.
  - **Sustainable growth that maintains the character of the LGA** – a key strength of the Northern Beaches is its natural environment and amenity, however this also constrains the potential for future housing development.
  - **Greater housing diversity** – a greater diversity in housing types will be needed to cater to different demographic groups and household types, including an ageing population.
- Council's current strategic planning documents, such as the SHAPE 2018 Community Strategic Plan and draft MOVE Transport Strategy, include a focus on sustainable growth, concentrating more intensive development around existing centres (i.e. Frenchs Forest), and linking future growth to improvements in transport.
- Council has also identified a clear need for more affordable housing across the LGA, and to cater to a range of housing needs, including the potential for downsizing for an ageing population.
- The community has voiced support for the need to retain the character of the LGA, and particularly its environmental values.

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HOUSING IN THE NORTHERN BEACHES

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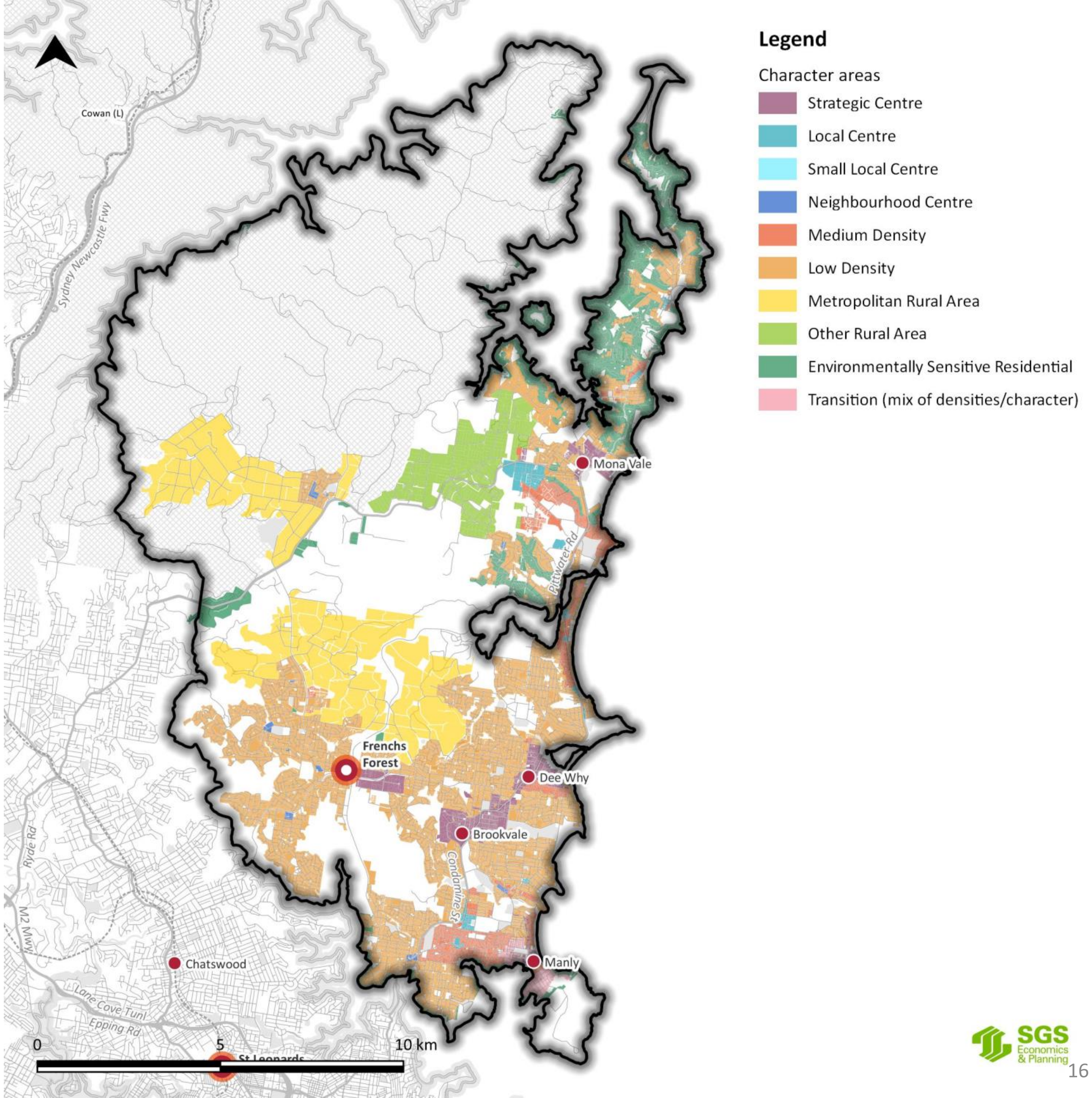
Current forms of housing

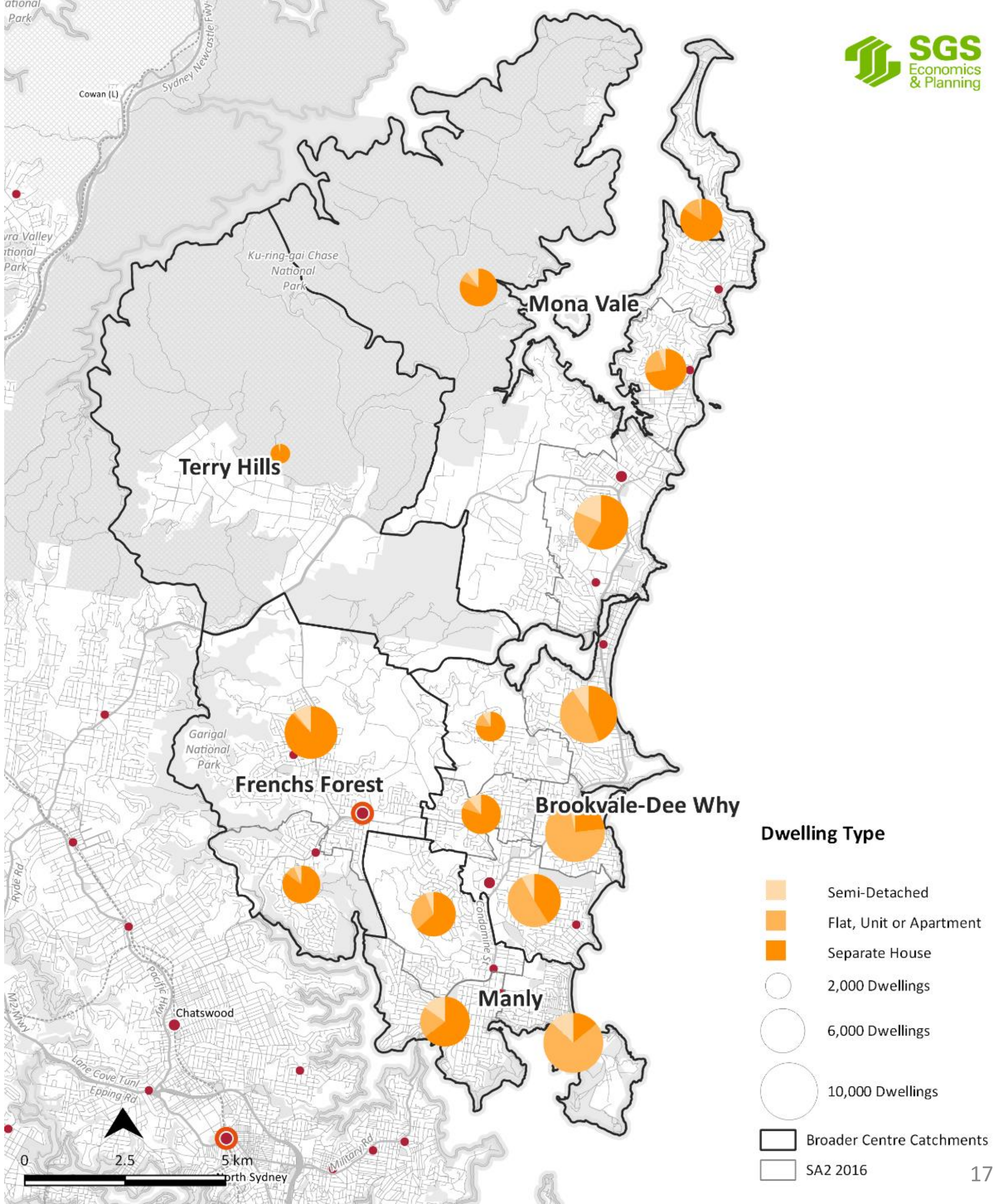
- To assist in identifying potential areas for future housing, the LGA has been divided into distinguishable development character areas, shown in the map.
- These are different from local character areas and overlays outlined in the LGA's development control plans (DCPs). Council will be undertaking a character study which will consider housing character at a more localised level.
- Separate houses remain the most common form of housing in the LGA, making up over 50 per cent of dwellings in 2016. Semi-detached dwellings account for around 10 per cent of dwellings, and apartments around 35 per cent.

LGA	Separate house	Semi-detached	Flat, unit or apartment	Other
Total dwellings	56,537	9,548	34,541	438
Proportion of total	56%	9%	34%	0%



Housing by location

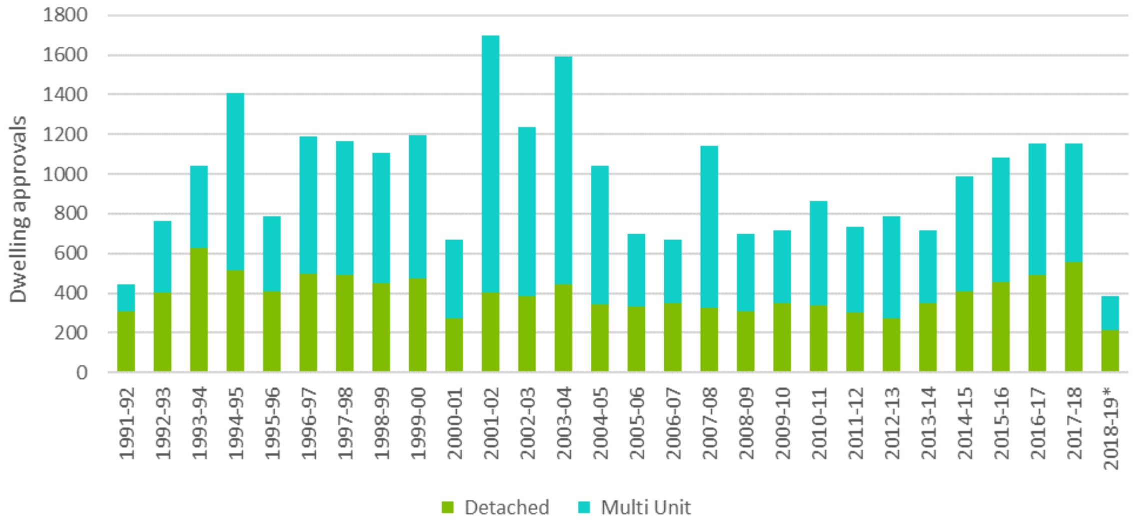
- Compared to the North District and Greater Sydney, the LGA has a slightly higher proportion of detached houses.
- Between the 2011 and 2016 Censuses, semi-detached and apartments dwellings increased as a proportion of total dwellings.
- Predominant dwelling types vary between suburbs across the LGA. Areas further inland, such as Terrey Hills and Frenchs Forest, have much higher shares of separate houses. Coastal locations and areas around the major centres, like Manly and Dee Why, have much higher proportions of semi-detached and apartment dwellings.



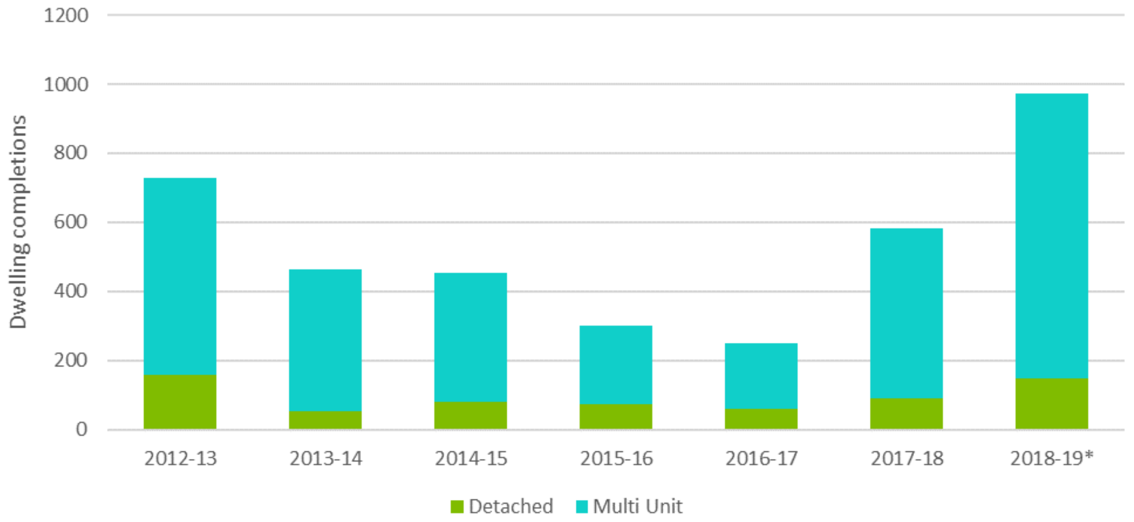
Development trends

- Consistent with Census trends, DPIE's Metropolitan Housing Monitor dwelling approvals data shows that a significant proportion of dwelling approvals in the Northern Beaches LGA in recent years have been for multi-unit housing.
- Since 1991-92, multi-unit housing has accounted for 59 per cent of dwelling approvals.
- Dwelling completions since 2013 have also reflected this trend, with multi-unit dwellings accounting for 79 per cent of completions over this period.

Dwelling approvals, 1991-92 – 2018-19



Dwelling completions, 2012-13 – 2018-19



*Year to March 2019
Source: Metropolitan Housing Monitor

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CHANGING HOUSING NEEDS

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Changing housing needs

- To understand the changing nature of housing need on the Northern Beaches a number of factors have been considered, including:
  - Household types and the types of dwellings that different households live in
  - Forecast population growth and changes in household types across the LGA
  - Housing preferences among different age cohorts and family types.
  - Housing model projections of demand for different dwelling types
  - Adjusted housing model projections under a scenario with different assumptions.
- These steps are outlined in the following pages.

Source: SGS, 2019

Changes in household types

- Couples with children are the most common household type in the Northern Beaches LGA, accounting for over 35 per cent of households.
- Couples with children had the highest rate of growth between the 2011 and 2016 Censuses, with a compound annual growth rate (CAGR) of around 3.4 per cent.
- Compared to the North District and Greater Sydney, the LGA has a slightly higher proportion of couples with children, single parent, and couple only households.
- Couple family households in the LGA tend to occupy detached dwellings, with less than one third occupying attached or apartment dwellings.
- Higher density dwelling types in the LGA predominantly house couples without children and lone person households.
- The proportion of families with children living in apartment dwellings increased slightly between 2011 and 2016, with a similar shift seen across the District and Greater Sydney.

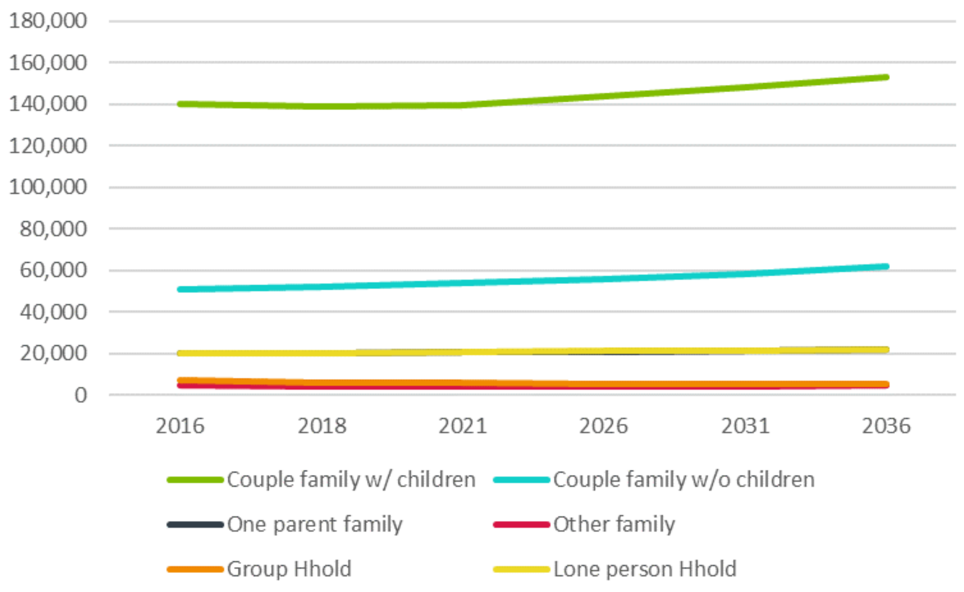
Household and dwelling types

Source: ABS 2006 and 2016 Censuses

Forecast population growth

- The Northern Beaches LGA population is forecast to grow from 265,468 people in 2016 to 297,950 by 2036, representing an increase of around 32,482 people. As of 2018, there were estimated to be around 271,280 people living in the Northern Beaches.
- The forecast growth equates to an annual growth rate of 0.6 per cent, compared to the NSW annual population change of 1.1 per cent.
- The share of household family types across the Northern Beaches is forecast expected to remain relatively consistent over this period.
- Couple families with children are projected to continue to be the most common type of household, followed by couples with no children and lone person households.

Forecast change in household types, 2016-2036

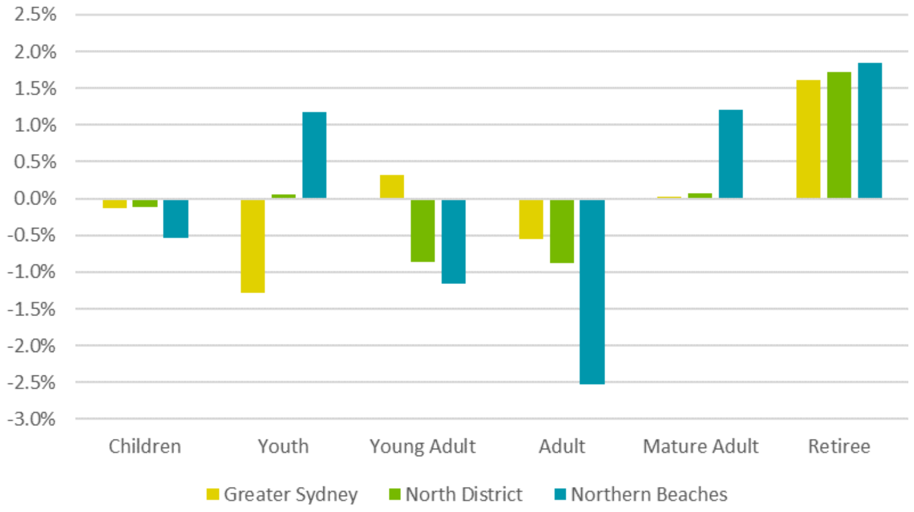


Source: SGS, 2019

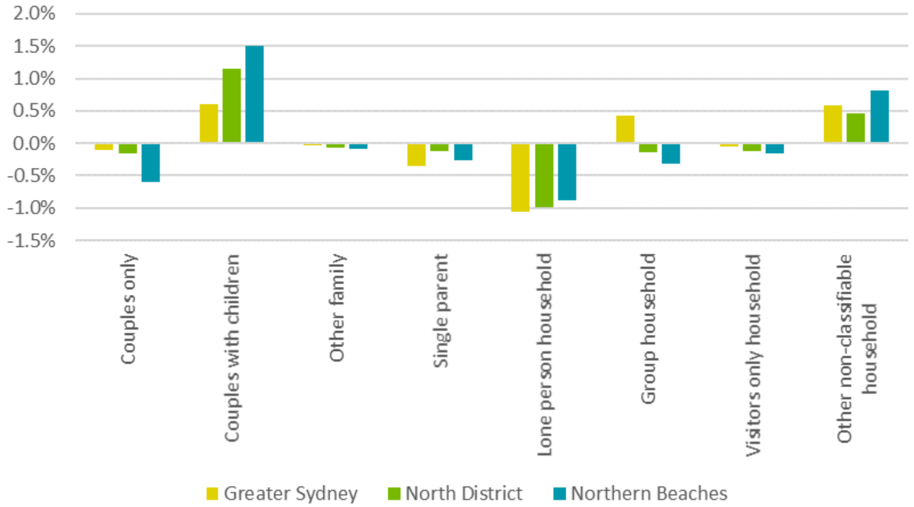
Housing preferences

- It is important to consider the varying housing preferences of different demographic groups and household types.
  - **Family households** are likely to require larger apartments, more affordable medium density options (such as townhouses), or detached dwellings.
  - An **ageing population** will increasingly require accessible dwellings which are located close to health and community services and centres.
  - **Young workers** will be increasingly looking for more affordable and accessible locations, and if this is not available may choose to leave the LGA.
  - **Students** will be looking for affordable accommodation that is located close to public transport.
  - **Key workers** will be looking for affordable rental or purchase housing in close proximity to their place of work.
- If a diversity of housing is not provided which responds to the unique needs of these groups then these households may need to compromise on the type of dwelling or location they can live in.

Overall change in population structure 2006-2016



Overall change in household composition structure 2006-2016

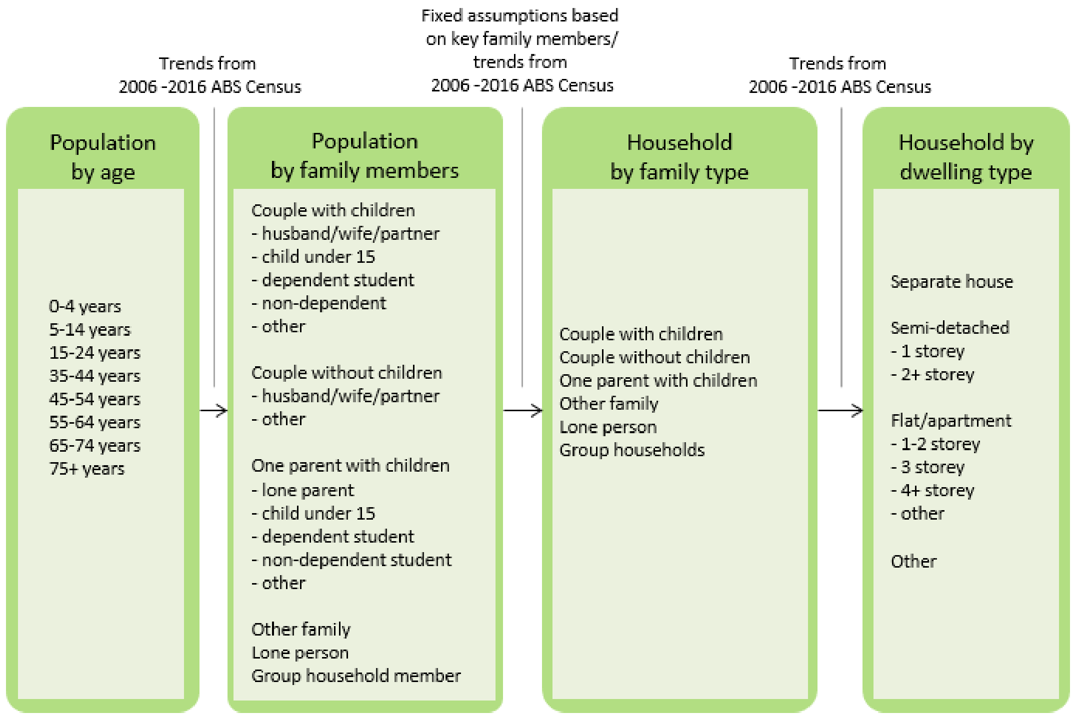


Source: ABS 2006 and 2016 Censuses

Housing demand model

- Future housing demand, by household type, and dwelling type has been forecast using the SGS housing propensity model.
- Underlying dwelling demand is estimated based on population projections for the region and analysis of trends in demographics and housing preferences from recent Censuses.
- Trade-offs made by households between dwelling location, size and type are captured in historical trends and demographic propensities.
- This modelling generates a different forecast number of dwellings to the DPIE’s forecasts (implied dwellings) for the LGA, as the modelling uses different assumptions around household size.

Housing demand model



Source: SGS, 2019

Future housing demand

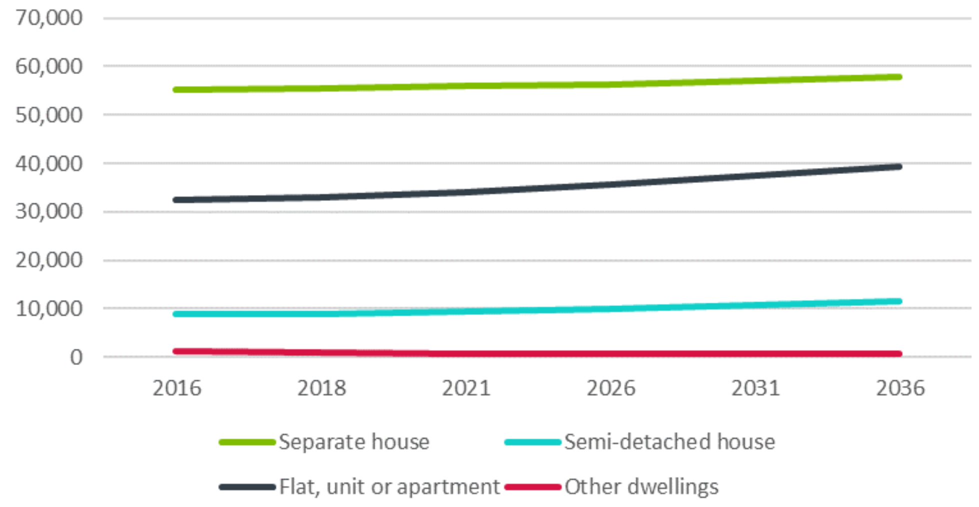
- There is estimated to be demand for an additional 11,267 dwellings by 2036 in the LGA. This equates to an average of approximately 626 dwellings per year.
- The majority of this demand compared to 2018 levels is expected to be for flats, units or apartments (around 6,600 dwellings), followed by semi-detached houses (around 2,500 dwellings) and separate houses (around 2,300 dwellings).
- Apartments and semi-detached dwellings are projected to increase as a proportion of the LGA's dwellings, while the proportion of detached houses is expected to decrease from 56 per cent in 2018 to 53 per cent by 2036.
- While there is likely to continue to be demand for detached houses, accommodating this demand is not likely to be possible given environmental and other constraints. This demand is likely to instead be channelled into larger forms of attached dwellings, which have similar characteristics and gardens, but are able to be provided as infill development.

Dwelling type	2016	2018	2021	2026	2031	2036	*2016-36*	*2018-36*	*AAGR*
Separate house	55,250	55,506	56,060	56,440	57,100	57,800	2,550	*2,294*	*0.23%*
Semi-detached house	8,840	9,050	9,470	10,120	10,840	11,590	2,750	*2,540*	*1.38%*
Flat, unit or apartment	32,390	32,945	34,050	35,670	37,560	39,540	7,150	*6,595*	*1.02%*
Other dwellings	1,170	912	740	720	730	750	-420	*-162*	*-1.08%*
TOTAL	97,650	98,413	100,320	102,950	106,230	109,680	12,030	*11,267*	*0.60%*

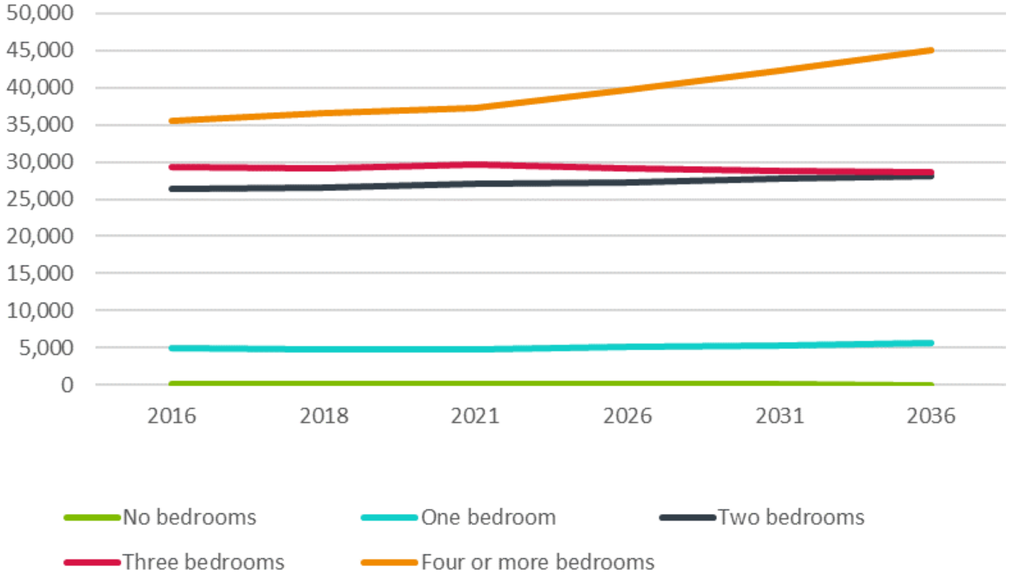
Future housing demand by type

- Semi-detached dwellings are forecast to have the strongest growth rate of the dwelling types, at 1.4 per cent per annum (compared to around 1.0 per cent for apartment dwellings, and 0.2 per cent for detached housing).
- This suggests that there will be increased demand for smaller, more affordable houses that are close, and easily accessible, to services and transport.
- The largest growth in demand is forecast for four or more bedroom dwellings, with an additional 9,600 dwellings demanded by 2036. Two bedroom dwellings also have a large demand forecast, with demand for an additional 1,700 by 2036.
- It is important to note that the demand modelling is based on past Census trends, which saw increased provision of larger dwellings over time. It does not account for whether larger dwellings are being inhabited by larger households or whether the types of housing available on the Northern Beaches is meeting the needs of residents.

Forecast demand by dwelling type



Forecast demand by number of bedrooms

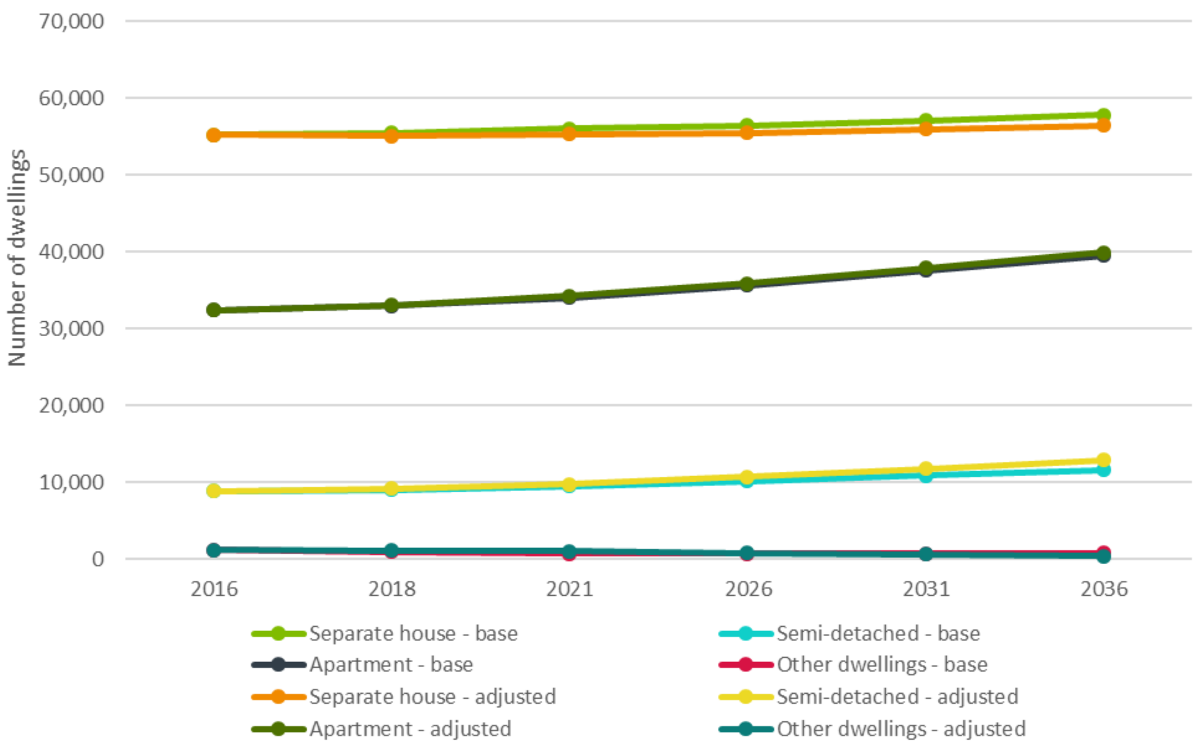


Source: SGS, 2019
Note: dwellings with the number of bedrooms not stated have been excluded.

Alternate future housing demand

- To consider the different type of demand that could be generated if opportunities to achieve dwelling preferences are constrained, adjusted housing demand modelling has been undertaken. This assumes that the share of households and dwelling types in the Northern Beaches LGA in 2036 becomes similar to other LGAs in the North District.
- This has been assumed because these LGAs tend to have a higher overall proportion of semi-detached and apartment dwellings, reflecting a scenario where there is a higher level of demand for smaller, semi-detached and medium density housing compared to the housing that has historically been developed in the Northern Beaches.
- It also reflects a transition to more urban centres and a greater focus on infill development, as the needs of households and impacts of housing affordability are considered.
- The adjusted demand scenario sees the strongest growth in additional demand for apartment dwellings, of around 6,930 between 2018 and 2036, and for semi-detached dwellings and separate houses of around 3,660 and 1,390 dwellings respectively.

Forecast demand under base and adjusted demand scenarios



Source: SGS, 2019

NORTHERN BEACHES HOUSING STRATEGY

AFFORDABILITY OF HOUSING

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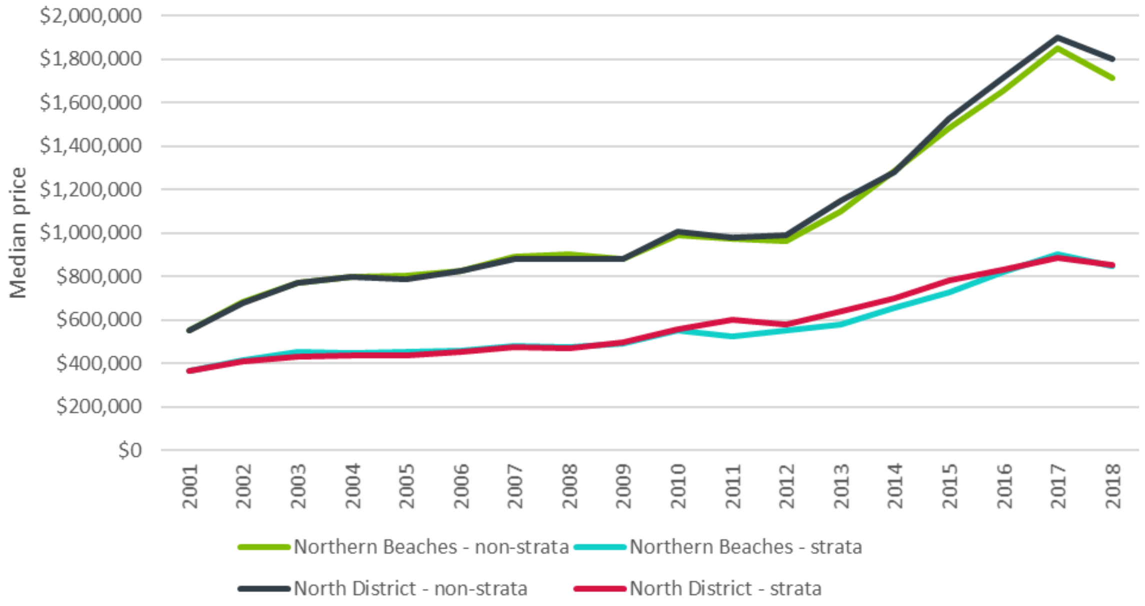
House price growth

- The need for social and affordable housing (SAH) remains a key issue for the Northern Beaches with existing property prices and rents.
- Median dwelling prices in the Northern Beaches LGA have grown substantially in recent years.
  - Since 2001, the median price for non-strata dwellings has grown from $550,000 to over $1.7 million – representing growth of over 200 per cent.
  - Median prices for strata titled dwellings have increased by around 130 per cent since 2001, increasing from $365,000 to $850,000.
- There was a significant increase in prices for both strata and non-strata dwellings between 2012 and 2017, with a noticeable decline observed in 2018.
- Prices in the LGA have generally been consistent with those across the North District.

Median dwelling prices in the Northern Beaches, 2001-2018

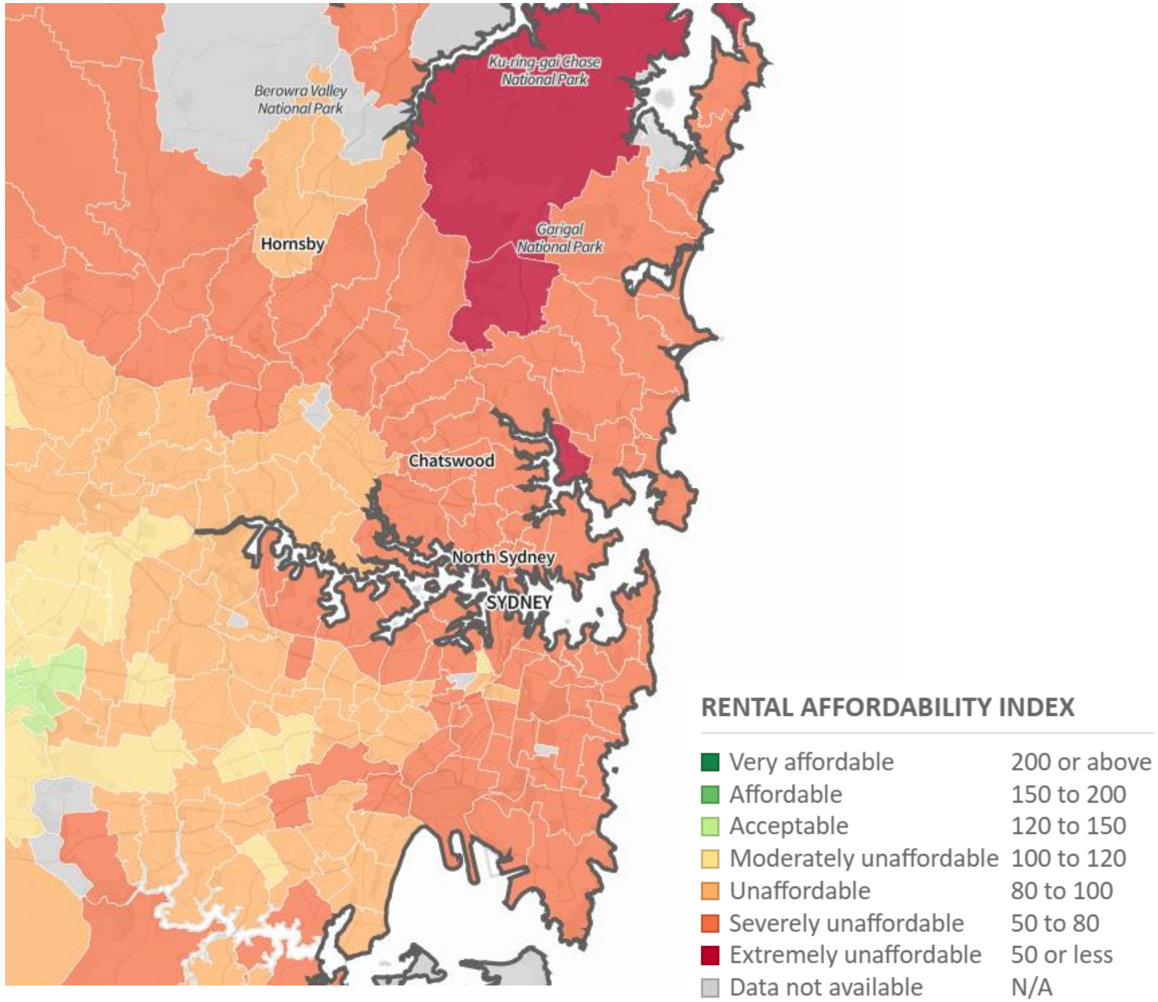


Source: Department of Family & Community Services, 2018 and SGS, 2019

Affordable and social housing

- The limited affordability of the Northern Beaches is reflected in the results of the Rental Affordability Index (RAI).
- The RAI measures rental affordability using the 30/40 rule in relation to household incomes, where households in the lowest 40 per cent of incomes paying more than 30 per cent of their income on rent are considered to be in housing stress.
- For the most recently available quarter, rents in the Northern Beaches LGA were rated as Severely Unaffordable to Extremely Unaffordable for a typical rental household.

Typical rental household, all dwelling types

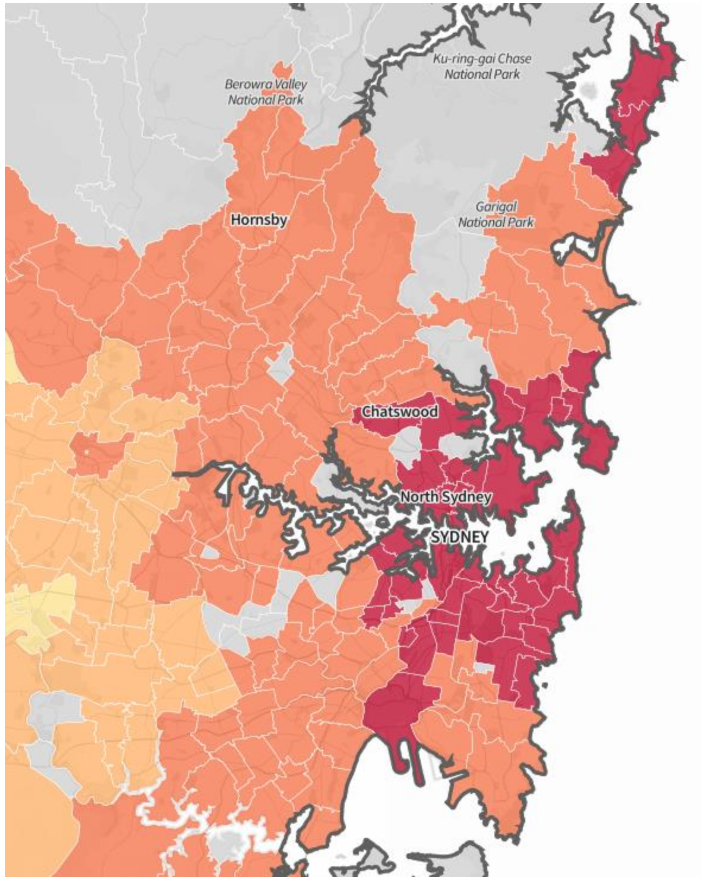


Source: SGS, 2019

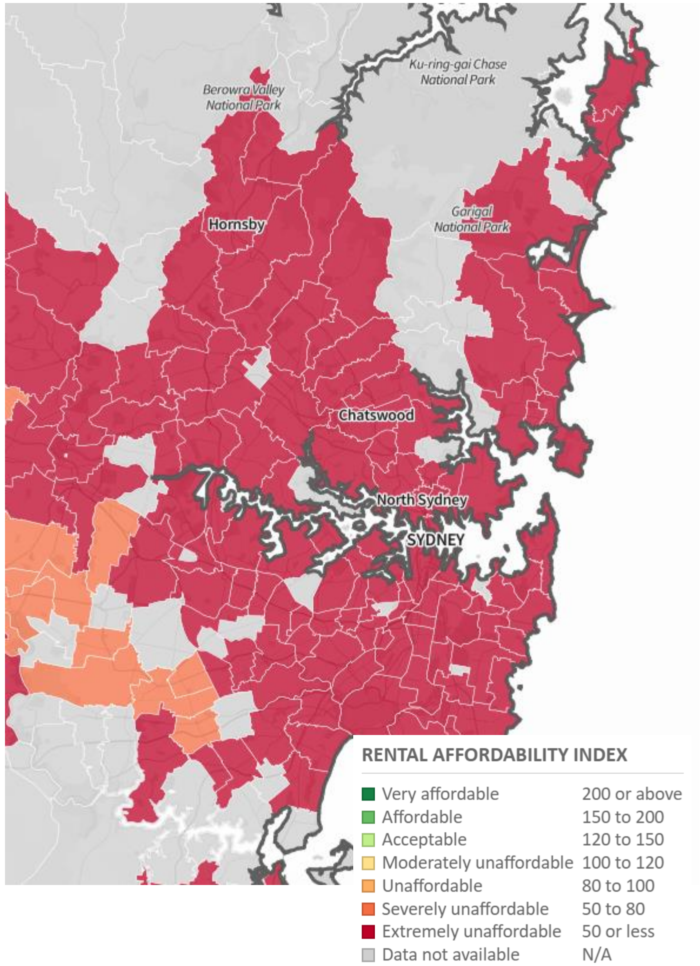
Affordable and social housing

- The lack of affordable housing is particularly pronounced for households on lower incomes.
- The maps to the right show the affordability for:
  - A couple earning the minimum wage seeking a three bedroom dwelling, and
  - A single person on government benefits seeking a one bedroom dwelling.
- Much of the LGA is rated as Extremely Unaffordable for these household types.

Minimum wage couple, 3 bedrooms



Single person on benefits, 1 bedroom



Source: SGS, 2019

Demand for social and affordable housing

- The term 'social housing' includes public and community housing, while the term 'affordable housing' generally refers to affordable rental housing for very low, low and moderate income households. Social and affordable housing (SAH) includes both of these categorisations.
- Household financial stress, which drives demand for SAH, is influenced by a range of factors, including the supply and location of housing stock. Households who are in need of SAH can be defined as either:
  - Being unable to access market housing (including homeless persons), or
  - Having low household incomes and spending a high proportion of those income on rent (experiencing rental stress).
- Modelling has been undertaken to project the need for SAH in the Northern Beaches LGA, using a combination of Census data and the NSW Affordable Housing Guidelines.
- The provision of SAH dwellings across the LGA has been at historically low levels. As of 2017, there were around 1,201 public housing tenancies in the Northern Beaches LGA (not including other community housing stock), with a large proportion of these one bedroom or studio units. Management responsibilities for these dwelling have recently been transferred to community housing providers.
- As of 2016, there was estimated to be demand for around **10,000 SAH dwellings** in the LGA. Existing demand is largely made up of the 7,500 households experiencing either moderate or severe rental stress.
- Compared to Greater Sydney, there is less demand for SAH in the Northern Beaches, at 10 per cent of households compared to 17 per cent for the wider city.
- However, the number of households either homeless or experiencing rental stress suggest that **there is currently unmet demand for SAH in the order of 8,100 dwellings** (exclusive of households already residing in social housing dwellings).
- There may also be additional current unmet demand from households living elsewhere who want to live in the Northern Beaches, but cannot afford to.

Demand for social and affordable housing

- Demand for SAH in the LGA is projected to increase by around 2,000 households by 2036, to a total of around 12,000 dwellings. This includes the current unmet demand of around 8,100 dwellings from households experiencing homelessness and rental stress.
- 'Other family' household types are projected to have the fastest rate and volume of growth in demand for SAH over this period. This is consistent with trends across NSW, being driven by the ageing of the population and more complex household compositions overall.
- Future demand for SAH will also shift with improving or worsening affordability conditions, including shifts in wage growth and house prices.

	2016	2021	2026	2031	2036	Change	AAGR
Couple family with children	1,639	1,655	1,663	1,683	1,713	74	0.22%
Couple family with no children	2,070	2,133	2,243	2,369	2,490	420	0.93%
Families (sub-total)	**3,709**	**3,788**	**3,906**	**4,052**	**4,203**	**494**	**0.63%**
One parent family	726	716	726	748	780	53	0.36%
Other family	4,021	4,230	4,534	4,890	5,254	1,233	1.35%
Group household	1,353	1,402	1,459	1,516	1,581	228	0.78%
Lone person household	189	180	189	199	199	9	0.24%
TOTAL	**9,998**	**10,314**	**10,813**	**11,404**	**12,017**	**2,018**	**0.92%**

NORTHERN BEACHES HOUSING STRATEGY

CURRENT PLANNING

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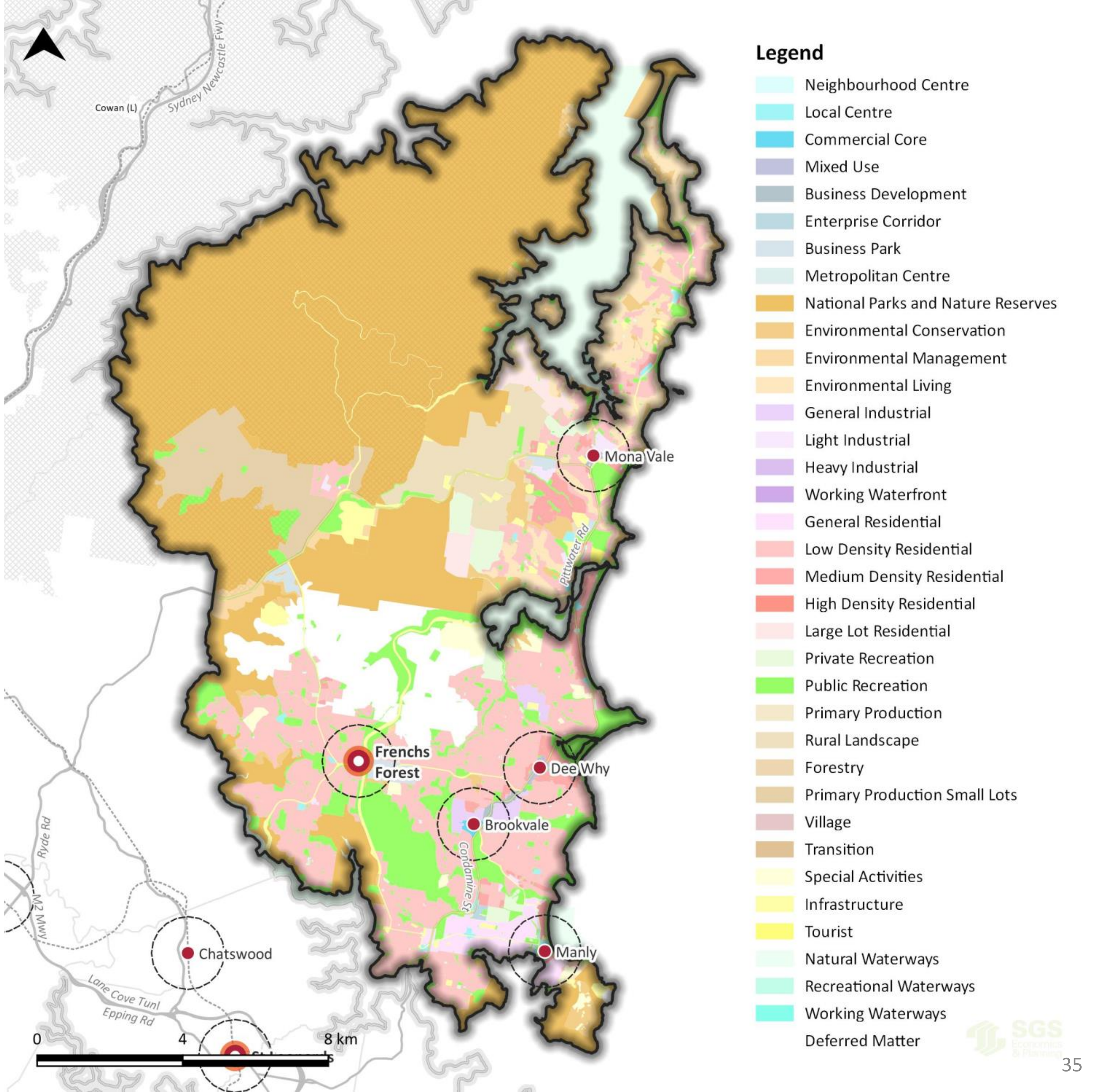
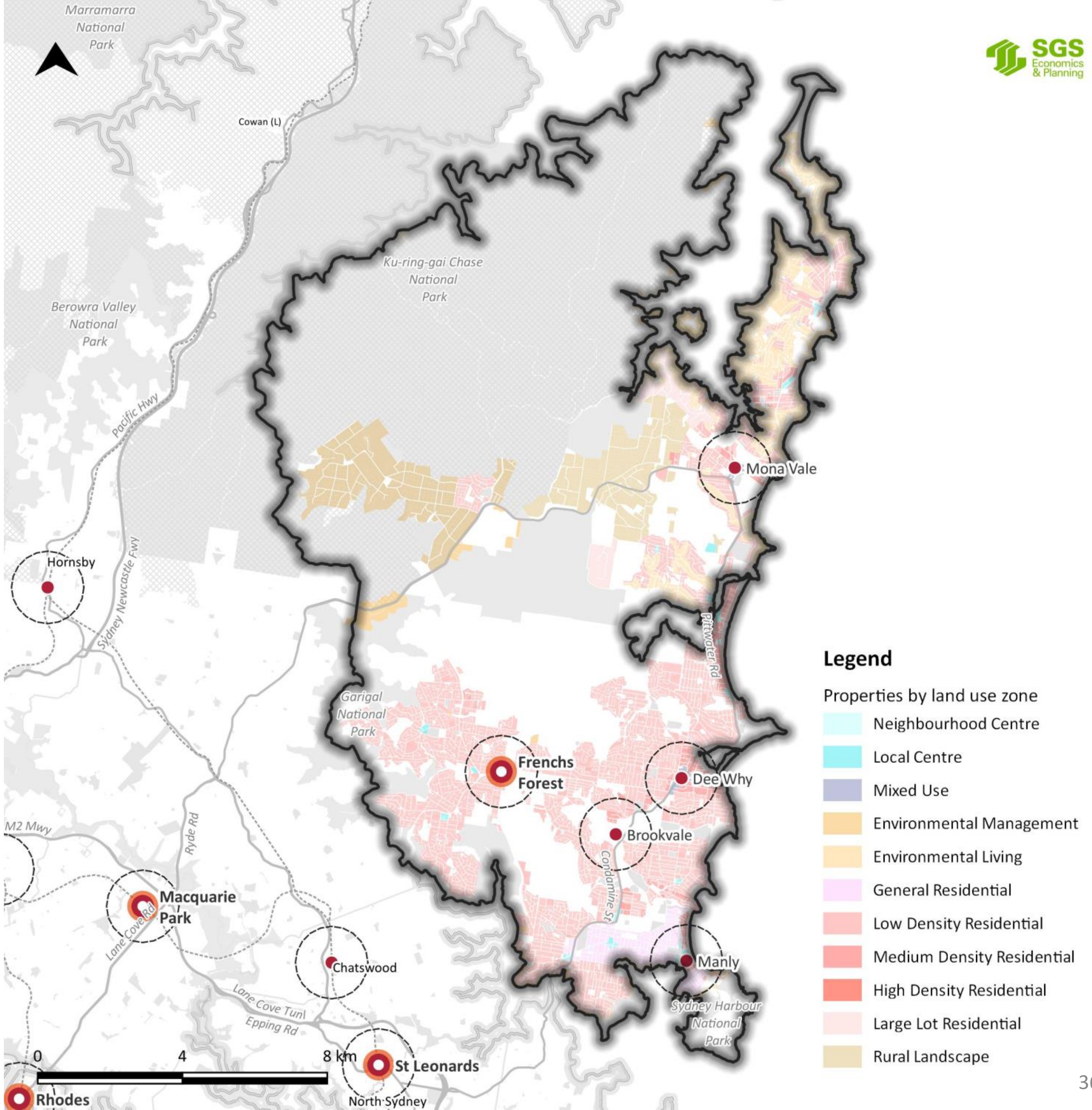
Current local environmental plans

- There are currently four Local Environmental Plans (LEPs) which apply in the Northern Beaches LGA:
  - Manly LEP 2013
  - Pittwater LEP 2014
  - Warringah LEP 2011
  - Warringah LEP 2000 (only applies to some deferred matter areas)
- Each of the LEPs and associated development control plans (DCPs) have different controls that apply to residential development, including the types of housing permitted in different zones, building heights, minimum lot sizes and so on.
- The current zoning across the LGA is illustrated to the right.



Residential zones

- This map illustrates the land and zones where residential development is currently permitted under the LEPs.
- The tables on the following pages show the types of housing permitted under the current LEP zoning.



Current local environmental plans

PERMISSIBLE USES*	Manly 2013	Pittwater 2014	Warringah 2011
R1 General Residential	▪ Attached dwellings ▪ Bed and breakfast accommodation ▪ Boarding houses ▪ Dual occupancies ▪ Dwelling houses ▪ Group homes ▪ Multi dwelling housing ▪ Residential flat buildings ▪ Secondary dwellings ▪ Semi-detached dwellings ▪ Seniors housing ▪ Shop top housing	N/A	N/A
R2 Low Density Residential	▪ Attached dwellings ▪ Bed and breakfast accommodation ▪ Boarding houses ▪ Dual occupancies ▪ Dwelling houses ▪ Group homes ▪ Multi dwelling housing ▪ Secondary dwellings ▪ Semi-detached dwellings ▪ Shop top housing	▪ Bed and breakfast accommodation ▪ Boarding houses ▪ Dual occupancies ▪ Dwelling houses ▪ Group homes ▪ Secondary dwellings	▪ Bed and breakfast accommodation ▪ Boarding houses ▪ Dwelling houses ▪ Group homes ▪ Secondary dwellings
R3 Medium Density Residential	▪ Attached dwellings ▪ Boarding houses ▪ Dual occupancies ▪ Dwelling houses ▪ Group homes ▪ Hostels ▪ Multi dwelling housing ▪ Residential flat buildings ▪ Secondary dwellings ▪ Semi-detached dwellings ▪ Seniors housing ▪ Shop top housing ▪ Tourist and visitor accommodation	▪ Attached dwellings ▪ Bed and breakfast accommodation ▪ Boarding houses ▪ Dual occupancies ▪ Dwelling houses ▪ Exhibition homes ▪ Group homes ▪ Multi dwelling housing ▪ Residential flat buildings ▪ Secondary dwellings ▪ Semi-detached dwellings ▪ Seniors housing ▪ Serviced apartments	▪ Attached dwellings ▪ Bed and breakfast accommodation ▪ Boarding houses ▪ Dual occupancies ▪ Dwelling houses ▪ Exhibition homes ▪ Group homes ▪ Multi dwelling housing ▪ Residential flat buildings ▪ Secondary dwellings ▪ Seniors housing

*Subject to other applicable LEP provisions

Current local environmental plans

PERMISSIBLE USES*	Manly 2013	Pittwater 2014	Warringah 2011
R5 Large Lot Residential	N/A	▪ Bed and breakfast accommodation ▪ Dual occupancies (attached) ▪ Dwelling houses ▪ Secondary dwellings	N/A
E3 Environmental Management	▪ Bed and breakfast accommodation ▪ Dwelling houses ▪ Secondary dwellings	▪ Bed and breakfast accommodation ▪ Dwelling houses	▪ Bed and breakfast accommodation ▪ Dwelling houses
E4 Environmental Living	▪ Attached dwellings ▪ Bed and breakfast accommodation ▪ Dual occupancies (attached) ▪ Dwelling houses ▪ Multi dwelling housing ▪ Residential flat buildings ▪ Secondary dwellings ▪ Semi-detached dwellings	▪ Bed and breakfast accommodation ▪ Dwelling houses ▪ Group homes ▪ Secondary dwellings	▪ Bed and breakfast accommodation ▪ Dwelling houses
RU2 Rural Landscape	N/A	▪ Bed and breakfast accommodation ▪ Dual occupancies (attached) ▪ Dwelling houses ▪ Secondary dwellings	N/A
RU4 Primary Production Small Lots	N/A	N/A	▪ Bed and breakfast accommodation ▪ Dwelling houses
B1 Neighbourhood Centre	▪ Boarding houses ▪ Group homes ▪ Hostels ▪ Shop top housing	▪ Boarding houses ▪ Shop top housing	▪ Boarding houses ▪ Shop top housing
B2 Local Centre	▪ Boarding houses ▪ Group homes ▪ Hostels ▪ Shop top housing ▪ Tourist and visitor accommodation	▪ Boarding houses ▪ Shop top housing ▪ Tourist and visitor accommodation	▪ Boarding houses ▪ Shop top housing ▪ Tourist and visitor accommodation
B4 Mixed Use	N/A	▪ Boarding houses ▪ Hotel or motel accommodation ▪ Seniors housing ▪ Shop top housing ▪ Tourist and visitor accommodation	▪ Boarding houses ▪ Hotel or motel accommodation ▪ Residential flat buildings ▪ Seniors housing ▪ Shop top housing

*Subject to other applicable LEP provisions

Method for assessing existing notional capacity

- An assessment of housing capacity has been undertaken for the LGA, based on the existing planning controls and recent housing supply trends.
- This is a theoretical assessment of the maximum number of dwellings that could be developed, and is intended to be indicative rather than absolute.
- The capacity assessment uses the 4-step process illustrated to the right to determine the potential volume of dwelling capacity in the LGA.

STEP 1: NET LAND AREA IDENTIFICATION

Removal of land that cannot be developed for residential purposes.

E.g. roads, footpaths

STEP 2: AVAILABLE LAND ASSESSMENT

Exclusion of lots that would not be able, or would be unlikely, to yield additional housing beyond what already exists.

E.g. Small lot size, recently developed sites, heritage status

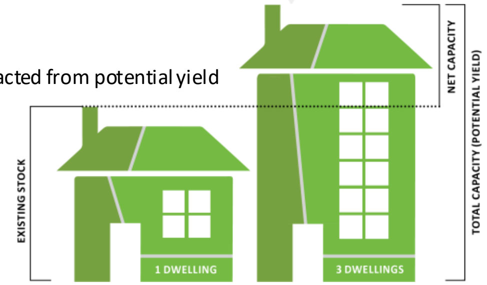
STEP 3: POTENTIAL YIELD ASSESSMENT

Density and yield assumptions (using statutory height limits, setbacks, garden area requirements etc.) are applied to lots defined as available.

The total 'yield' for individual sites is then compared to the current number of dwellings on each lot to determine net capacity.

STEP 4: NET CAPACITY

Existing dwellings are subtracted from potential yield to calculate net capacity



Notional capacity by dwelling type

- The theoretical capacity assessment suggests that if all available areas are fully developed, the LGA could accommodate around 8,800 dwellings.
- In addition, there is a maximum of 4,360 dwellings identified for the Frenchs Forest Planned Precinct, which is not factored into current planning controls. Combined, this suggests an overall capacity for around 13,100 dwellings.
- Much of the existing capacity is in the form of multi-unit housing, residential flats, and shop top housing.

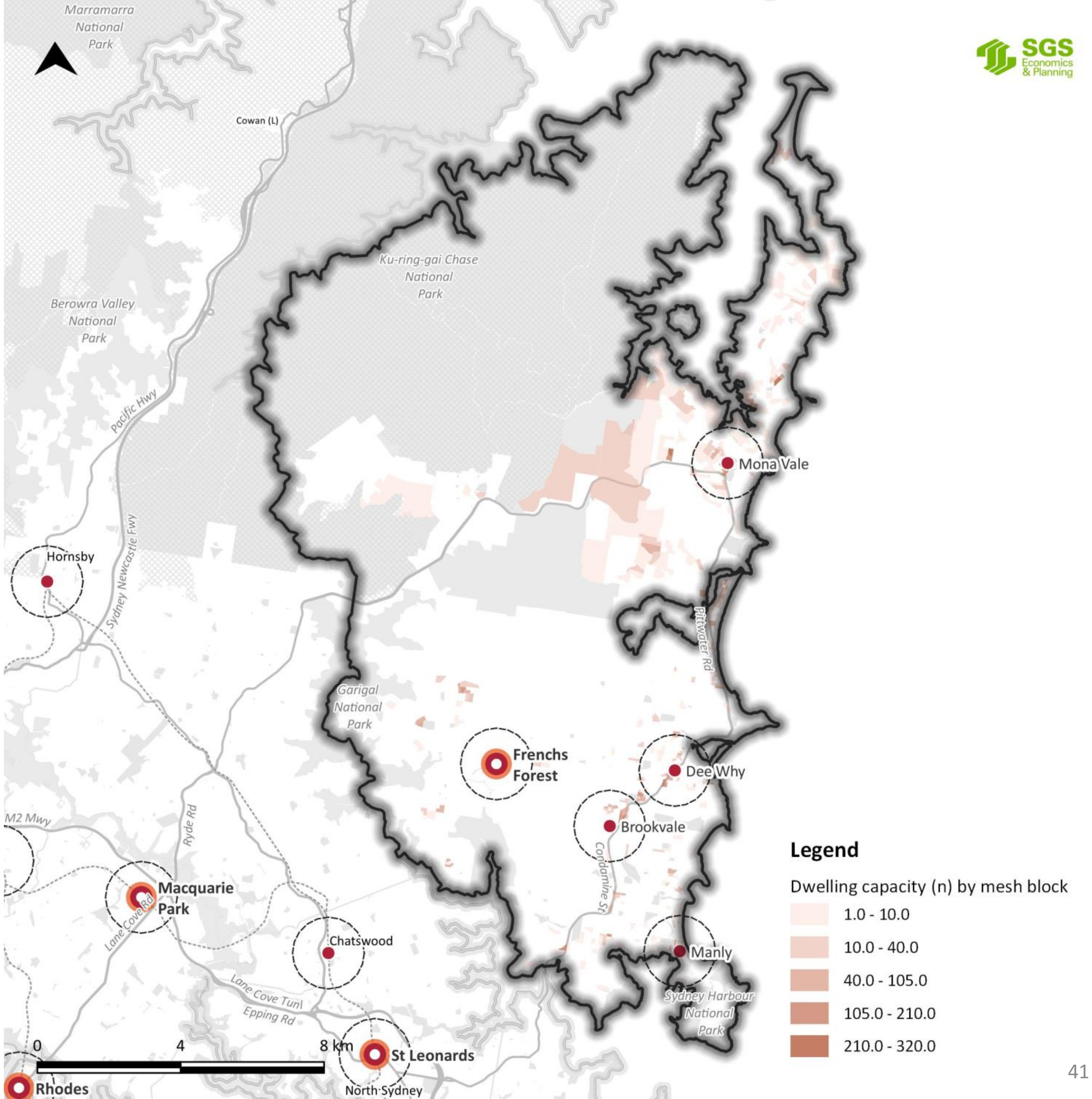
Notional capacity by dwelling type

Highest permissible dwelling type	Existing number of developable properties	Existing number of dwellings	Maximum number of dwellings	Raw capacity
Dual occupancies	551	547	1,102	555
Dwelling houses	44	19	147	127
Multi-dwelling housing and residential flat buildings	604	724	5,742	5,018
Shop top housing	261	66	3079	3,012
Density-controlled lots*	63	58	155	97
TOTAL	1,523	1,414	10,225	8,809
Frenchs Forest Planned Precinct				4,360
TOTAL INCL. PLANNED PRECINCTS				**13,169**

**Density-controlled lots are located in an area within Manly which has a dwelling density control.*

Location of notional capacity

- The identified existing capacity is generally concentrated around a number of centres, including Dee Why, Brookvale and Mona Vale.
- A comparatively limited amount of capacity is identified in rural and environmentally sensitive locations.
- The proposed maximum number of dwellings as part of the Frenchs Forest Planned Precinct represents around 33 per cent of the total capacity (or 49 per cent of notional capacity including the Planned Precinct).



Notional capacity by zone

- Much of the identified capacity is located in the B2, B4 and R3 zones.
- It is important to recognise that not all of the sites identified as having available capacity will be developed, for a range of reasons.

Notional capacity by zone

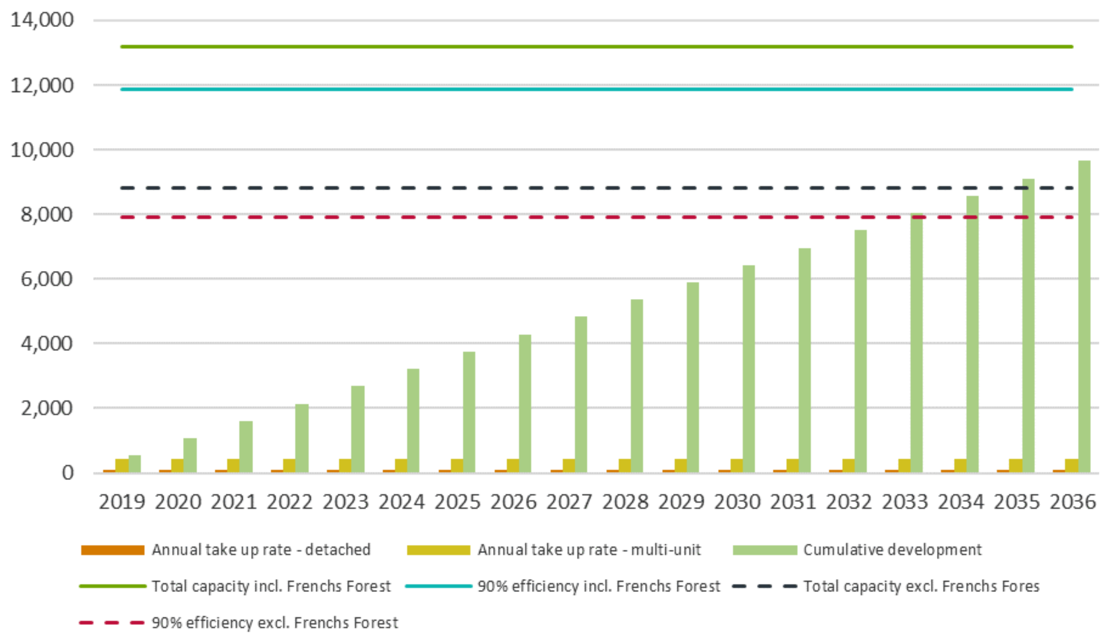
Zone	Existing number of developable properties	Existing number of dwellings	Maximum number of dwellings	Raw capacity
B1	68	0	437	437
B2	177	0	1,893	1,893
B4	55	0	1,718	1,718
B5*	26	66	527	460
E3	1	2	3	1
E4	7	4	11	7
R1	43	49	112	63
R2	420	398	902	503
R3	554	726	4,277	3,551
R5	63	63	129	66
RU2	108	106	215	109
RU4	1	0	1	1
TOTAL	**1,523**	**1,414**	**10,225**	**8,809**
Frenchs Forest Planned Precinct				4,360
TOTAL INCL. PLANNED PRECINCTS				**13,169**

**Additional Permitted Use in B5 zone in Brookvale*

Potential take up of capacity

- The take up of dwelling development is important to understanding how long the identified capacity may last for.
- Between 2012-13 and 2018-19, on average there have been around 530 dwelling completions per year.
- Assuming these take up rates continue, applying this to the overall notional capacity under current controls suggests that:
  - Including the capacity at Frenchs Forest, there would be some notional capacity remaining in 2036, even when assuming a 90 per cent efficiency rate (recognising that not all lots with capacity will be redeveloped).
  - Without Frenchs Forest, the notional capacity would be exhausted by 2036.
  - As there is less existing capacity identified for detached dwellings, this capacity would be exhausted sooner than the capacity for multi-unit dwellings.

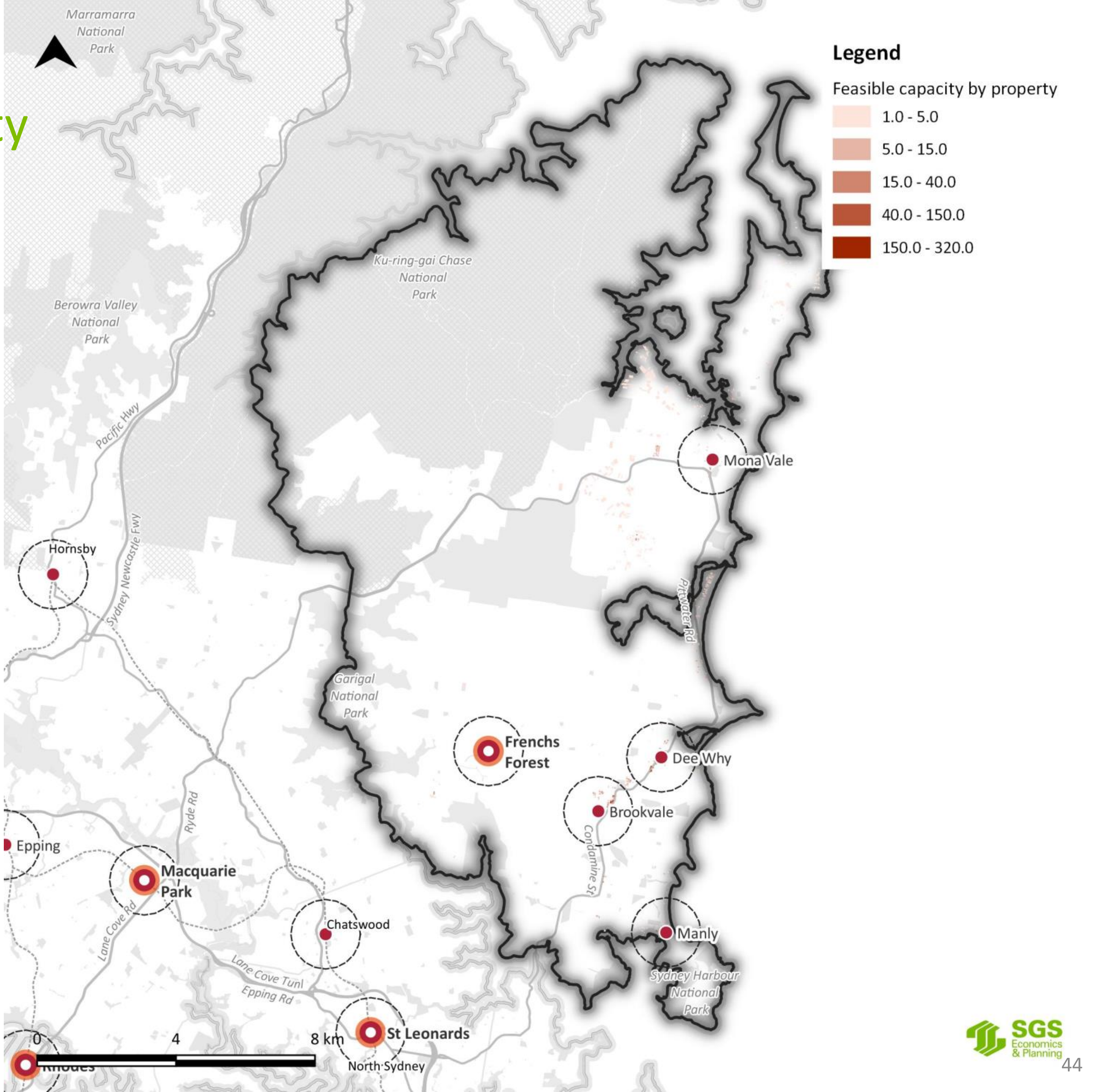
Potential take-up of notional capacity over time



Source: DPIE Housing Activity data and SGS, 2019

Approach to development feasibility

- A **high level feasibility analysis** has been undertaken as a form of sensitivity testing. This gives an indication of the relative feasibility of different types of dwellings across the LGA, factoring in construction, land value, and other costs.
- This analysis has used a residual land value (RLV) model, where the RLV is the development return minus the development cost, measuring the maximum amount a rational developer will pay for a site for redevelopment.
- For development to be feasible, the RLV needs to be greater than the site value, expressed as a ratio. A ratio of 1.25 or above suggests development is feasible, including a profit margin. Ratios between 1.0 and 1.25 suggest that development would be marginally feasible.
- This analysis has identified that there are around 6,300 lots which are likely to be feasible for development, and a further 110 lots marginally feasible.



High level development feasibility scenarios

- Most shop-top housing and apartment development is identified as feasible. Infill development further away from centres is generally less feasible. Site specific environmental and other constraints will also limit the potential for development in some areas.
- Assuming a more conservative scenario, where development requires a higher RLV ratio of 1.5 (and therefore a higher return) to be considered feasible, shows a further reduced feasible capacity.
- Under this assumption, there are around 6,000 feasible, and 390 marginally feasible lots identified.
- This suggests that under less favourable market conditions, the capacity for future development under current planning controls would be further limited, and less able to meet future demand for housing.
- Assuming the same take up rates as recent years, there would be some feasible capacity remaining in 2036, however, without the inclusion of Frenchs Forest the capacity would be exhausted prior to this.

Base feasibility scenario

Development type	Feasible (RLV 1.25+)	Marginally feasible (RLV 1.0-1.25)	Unfeasible
Multi-dwelling housing and residential flat buildings	3,963	72	983
Shop top housing	1,821	17	1,174
Dual occupancies	381	11	162
Dwelling houses	127	-	-
Density-controlled*	18	14	65
TOTAL	6,310	114	2,384

Conservative scenario

Development type	Feasible (RLV 1.5+)	Marginally feasible (RLV 1.0-1.5)	Unfeasible
Multi-dwelling housing and residential flat buildings	3,823	212	983
Shop top housing	1,707	131	1,174
Dual occupancies	372	20	162
Dwelling houses	127	-	-
Density-controlled*	4	28	65
TOTAL	6,033	391	2,384

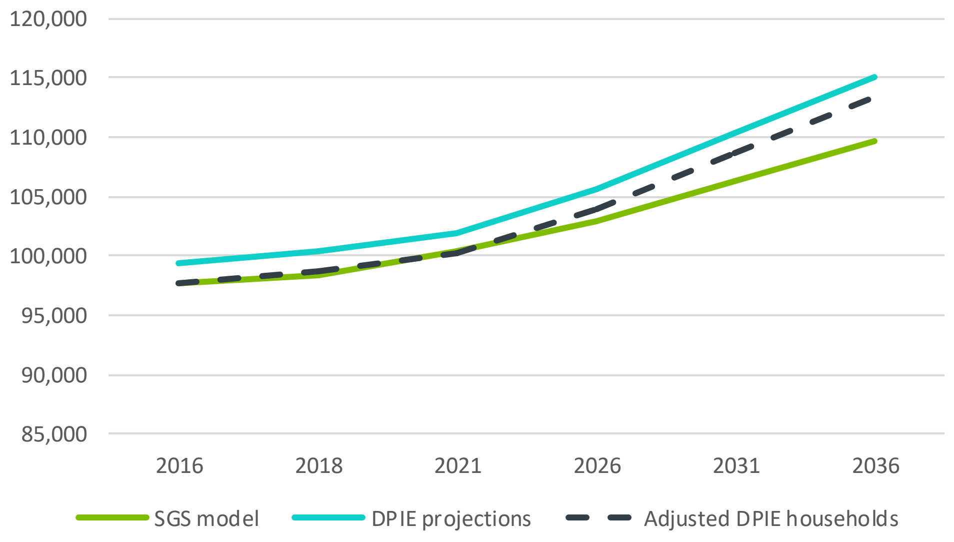
**Density-controlled lots are located in an area within Manly which has a dwelling density control.*

Approach to gap analysis – assessing capacity and demand

- A gap analysis has been undertaken to show the difference between the forecast demand for housing and the identified capacity for housing.
- In addition, **a sensitivity test** has been done to consider the impact of a smaller household size, based on DPIE housing projections. The assumed average household in the DPIE projections is smaller than that used in SGS' demand modelling (as shown below) illustrating a scenario where there is demand for housing from a greater number of households.
- The numbers in the DPIE projections have also been based on inflated estimates that were prepared based on 2011 data. An *adjusted* DPIE projection (beginning with the same number of households in 2016 as the SGS model) has therefore been used to consider the impact of the higher growth scenario.

	2016	2018	2021	2026	2031	2036
SGS model						
Population	265,468	266,026	270,150	278,000	287,650	297,950
Households	97,648	98,413	100,320	102,950	106,230	109,680
Average household size	2.72	2.70	2.69	2.70	2.71	2.72
DPIE projections						
Population	263,700	266,240	270,050	278,000	287,650	297,950
Households	99,350	100,410	102,000	105,650	110,300	115,150
Average household size	2.62	2.65	2.61	2.59	2.57	2.54
Adjusted households	*97,648*	*99,645*	*101,325*	*104,025*	*108,095*	*113,565*

Comparison of household projections



Source: SGS, 2019, based on DPIE projections

Gap analysis – assessing capacity and demand

- Overall, there is a **notional gap of around 2,400 dwellings** under the current controls.
- However, including the capacity identified for the Frenchs Forest Planned Precinct, there would be sufficient capacity to meet future demand.
- **When factoring in the potential feasibility of development there is a deficit in capacity of around 4,800 dwellings, and a deficit of around 500 dwellings even when including Frenchs Forest.**
- If the population and average household sizes in the *adjusted* DPIE projections are used as a sensitivity test – this shows a more significant deficit in feasible capacity of around 3,100 including Frenchs Forest (or close to 7,500 excluding the Planned Precinct).

	Estimated number of dwellings	Including Frenchs Forest Planned Precinct
Notional capacity under current controls	8,809	13,169
Projected additional demand to 2036 (from est. 2018 levels)	11,267	11,267
Difference (capacity – demand)	**-2,458**	**1,902**
Feasible development capacity (feasible and marginally feasible)	6,424	10,784
Projected additional demand to 2036 (from est. 2018 levels)	11,267	11,267
Difference (capacity – demand)	**-4,843**	**-483**
Feasible development capacity (feasible and marginally feasible)	6,424	10,784
Adjusted DPIE projected additional demand to 2036 (from est. 2018 levels) – higher growth scenario	13,920	13,920
Difference (capacity – demand)	**-7,496**	**-3,136**

This is the key capacity figure – suggesting current planning does not have notional capacity to accommodate future demand.

Gap analysis – take up by dwelling type

- It is important to consider the gap between the notional capacity and demand in terms of the **feasible** capacity as this illustrates the development that is likely to occur under current controls. **If the capacity is insufficient, it suggests that something may need to change in the planning controls to be able to accommodate future growth.**
- The demand for different types of dwellings also needs to be considered, and the pace of take up for different housing types is also likely to vary. The table below illustrates that the existing feasible capacity for detached dwellings is likely to be exhausted sooner than semi-detached and apartment dwellings compared to the projected demand for dwellings in the LGA to 2036.
- The feasible capacity for detached dwellings would be exhausted by 2021. For semi-detached dwellings, the feasible capacity would be used up by 2026, and for apartments, before 2036.

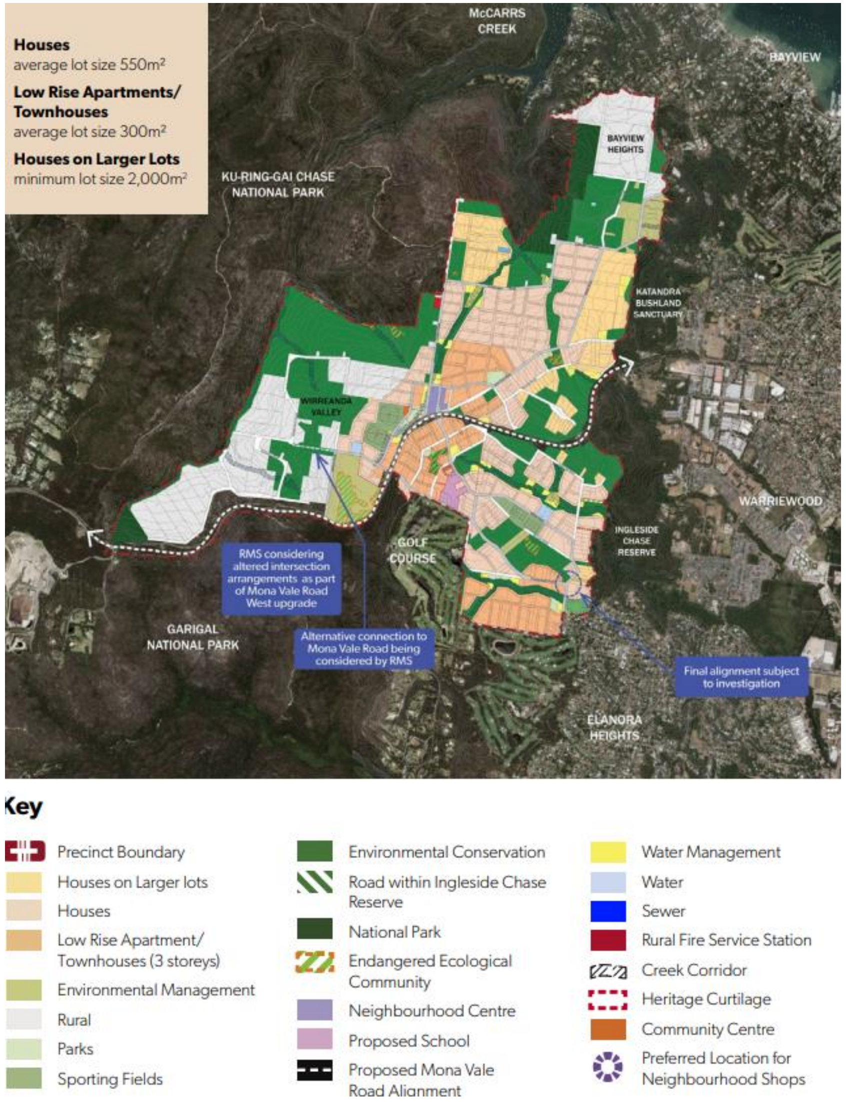
	Projected additional demand			Remaining feasible capacity		
Year	Detached	Semi-detached	Flat, unit or apartment	Detached	Semi-detached	Flat, unit or apartment
2018	-	-	-	127	424	5,873
2021	554	420	1,105	-427	4	4,768
2026	380	650	1,620	-807	-646	3,148
2031	660	720	1,890	-1,467	-1,366	1,258
2036	700	750	1,980	-2,167	-2,116	-722

Note: excludes 'other' dwelling types

Other planning work

- The analysis suggests that the LGA has some existing capacity, and additional opportunities to increase housing could be considered over the longer term (10+ years).
- While not in the current planning framework, there a number of proposals that are also being investigated that could increase housing capacity, including:
  - Ingleside release area
    - Previously identified for 3,400 dwellings, however, this number is likely to be scaled back significantly due to bush fire risks.
  - Draft Brookvale Structure Plan
    - Currently in draft format
    - Proposes 60 per cent of growth around Brookvale to be employment based, and 40 per cent housing based.
    - Identifies potential for additional 670 dwellings and increase of 1,200 residents.
    - Potential for 50,000 square metres of commercial floorspace and 1,700 jobs.
  - Application of Low Rise Medium Density Housing Code
    - Intended to increase housing supply and improve housing affordability.
    - Northern Beaches deferred from applying the policy until 31 October 2019.

Draft (2016) Structure Plan for Ingleside



Source: DPIE, 2016.

Implications for housing strategy

- The evidence base and analysis has highlighted key issues that have implications for the development of a local housing strategy for the Northern Beaches. Implications include:
- **Changing demographics**
  - Changing housing demand relates to an ageing of the population and an increase in couples without children, combined with affordability issues in households accessing their preferred housing types and the need to look for smaller housing options.
  - The housing demand analysis is projecting growth in demand for semi-detached forms of housing, as well as strong demand for housing with four bedrooms or more. As the latter will not able to be met with additional detached housing development, it is likely that this will drive increased semi-detached housing forms as well as larger apartments.
- **Housing affordability**
  - There is a significant unmet demand for social and affordable housing, with many households being in housing related financial stress. This is projected to grow by an additional 2,000 dwellings over the 20-year period.
  - The affordability of housing across the Northern Beaches has declined, with the increase in rents and house prices across many areas of Sydney. The Northern beaches housing is severely or extremely unaffordable for many renters.
- **Housing capacity**
  - With the projected demand for housing, the current planning framework in the Northern Beaches does not have enough capacity to accommodate 20 years of housing growth and demand.
  - With the rezoning of land for higher density residential at Frenches Forest as part of the health and education precinct, there will be notionally sufficient capacity for 20 years housing supply.
  - However, the current planning framework is currently not best addressing the need for more diverse housing choices, including more medium density attached housing forms. This diversity of choice will be important to address firstly the changing needs of the population, but also to provide more affordable smaller housing options to help address the declining housing affordability.

NORTHERN BEACHES HOUSING STRATEGY

FUTURE HOUSING PRINCIPLES

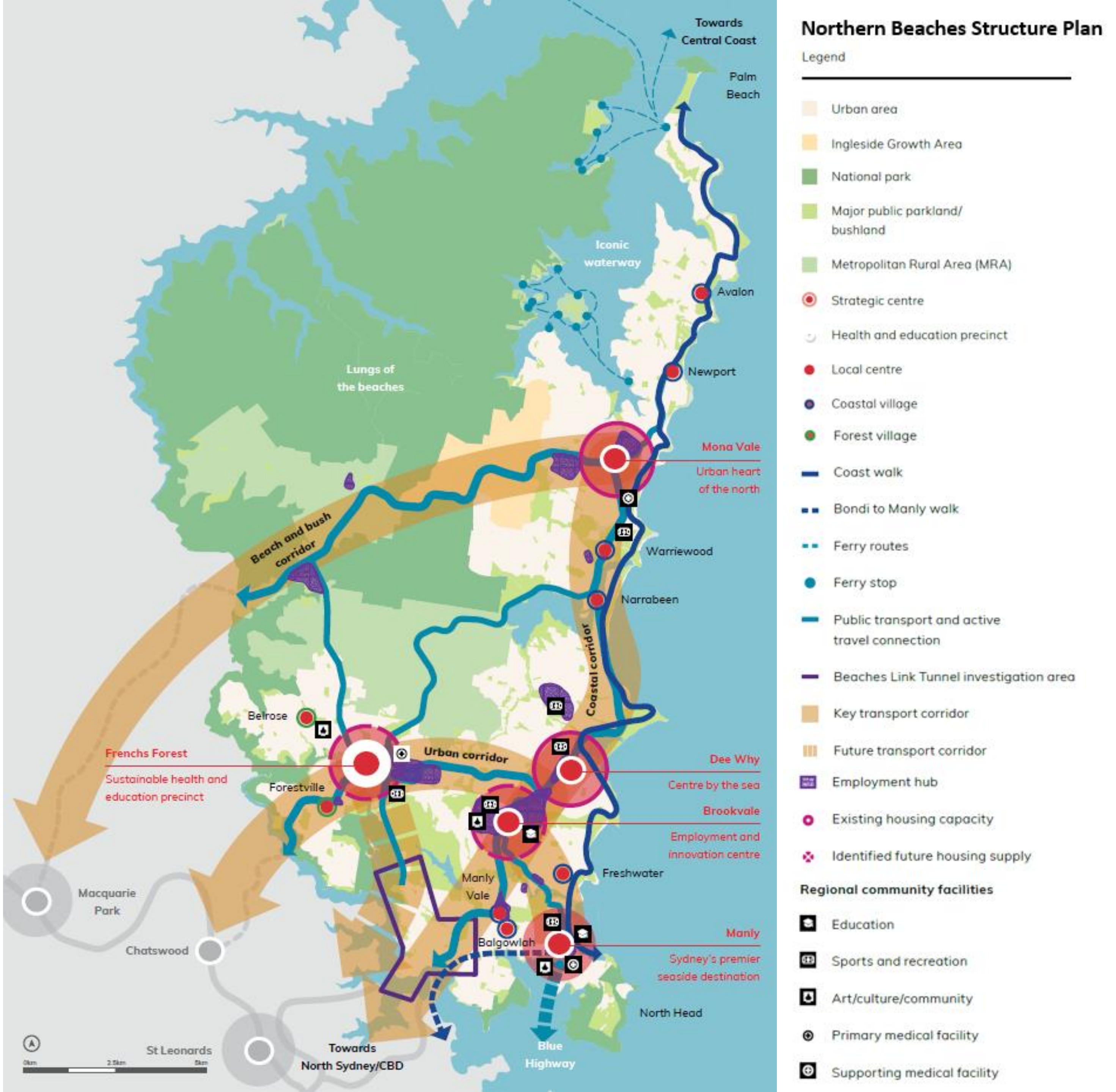
SGS Economics & Planning

Northern Beaches LSPS

"In 2040, the Northern Beaches has a stunning coastal and bushland environment, enriched and contemporary coastal character and better connections to the North District and the rest of Greater Sydney.

The natural environment is healthy and protected and highly valued by residents and visitors alike. There is a range of housing to accommodate our whole community and we continue to pursue design excellence and sustainability outcomes in our built form.

It offers a thriving local economy and a sustainable mix of employment and industrial lands and vibrant and enlivened centres. Our healthy and active community can easily access artistic, creative, sporting and recreational opportunities and the services and facilities that support their health and wellbeing."



Government role in housing policy

- Many areas of housing policy relating to housing demand and supply are the responsibility of Commonwealth and State Governments.
- In general, the Commonwealth government has responsibility for matters that relate to housing demand, while state and territory governments have responsibility for housing supply, including local government's role in housing supply and regulation.
- The local government role in housing policy relates to some areas of local planning and management for housing supply, primarily regulating private sector housing delivery.
- This hierarchy is summarised on the right.

Commonwealth Government role

- Housing demand impacted through population/migration policies as well as taxation and benefits for housing investors
- Social housing investment through National Housing and Homelessness Agreement (for social housing providers), National Housing Finance Investment Corporation (for community housing providers)
- Commonwealth private rental assistance as part of welfare payments
- Infrastructure investment in partnership with states and territories – including National Housing Infrastructure Facility to fund critical infrastructure for housing delivery

State & Territory Government role

- Public and community housing provision and management
- Infrastructure provision (transport, education, health etc) and investment, including low cost loans for local government infrastructure
- Land use planning legislation and framework, including regional and district planning and requirements for LG
- Major development (panels)
- Property taxes (including stamp duty on transfer)

Local government role

- Local land use planning and zoning
- Local development standards and regulation
- Local infrastructure provision
- Inclusionary zoning for affordable housing
- Redevelopment of Council property assets
- Advocacy and demonstration
- Property rates

Local government role in housing policy

In developing a vision and strategy for the Northern Beaches LGA, the opportunities for action for local government relate the following roles:

- **Planning for housing location**, including land use zoning through Council's Local Environmental Plan
- **Local land use planning**, including zoning of land (i.e. in LEPs) that regulate the location, quantity and type of housing, affecting housing supply and choice
- **Establishment of development control standards** that regulate the form and density of housing provision (i.e. LEP and DCPs)
- Land use planning for the Northern Beaches **needs to comply with Regional and District Strategic Plans** as well as state policies
- **Regulation of local development and building**, including assessment of development applications, although regulation of major development may be by state panels, as well as compliance
- **Local infrastructure provision**, which affect accessibility, amenity and liveability for housing.
- **Establishing development contributions requirements** or agreements that require development to contribute to the provision local infrastructure and facilities, that would impact the cost of housing
- **Establishment of inclusionary zoning requirements for affordable housing**, that would add to housing supply for low-moderate income households
- **Potential use and development of Council property assets**, which may include provision of affordable housing
- **Advocacy and partnerships** including demonstration of best practice and design quality as well as partnerships with public and private land owners and developers, that may achieve public benefit relating to housing supply
- **Establishing rates to be paid on property** with collection of council rates, that may impact on housing costs, including rents.

Housing Principles

The Housing Principles for the LGA are:

- Housing in the Northern Beaches LGA will respect the heritage, environment and local character and make use of the existing urban footprint for additional housing.
- New housing will be of a high quality, deliver greater diversity of housing choices for smaller households, accommodate an aging of the population as well as encouraging provision of a range of more affordable housing opportunities.
- Planning for housing supply will establish sufficient capacity within zoned land for the Northern Beaches to accommodate future (20-year) housing demand as the population grows as well as housing needs change.
- New housing will be located in and around existing and planned centres with good accessibility and walkability, and align with the provision of critical transport and other infrastructure.
- Housing design and form will be sustainable, and delivered with a focus on maintaining the relaxed character and environmental qualities of the Northern Beaches.
- Affordable rental housing supply on the Northern Beaches will be increased through inclusion within, and contributions from, new development.
- Advocacy and partnerships will encourage the renewal and expansion of the supply of social housing for low income and special needs groups in the Northern Beaches community.

Developing a housing strategy

- The development of a local housing strategy, would be focused on the following main policy areas:
  1. **Housing supply capacity and targets** – this will include planning for sufficient housing supply for the next 20 years as well as identifying for the GSC a housing target for 6-10 years (current 5-year target from 2016).
  2. **Planning for a diversity of housing types** – this will involve providing opportunities for a mix of smaller housing types to suit various community needs including considering housing affordability.
  3. **Planning for the location of new housing** – this will involve focusing new housing growth within walkable access of centres with good access to frequent public transport as well as retaining opportunities for lower density neighbourhoods.
  4. **Setting development standards** – this will involve ensuring that new housing is high quality, well designed and responsive to local character as well as being sustainable.
  5. **Affordable housing supply** – this will involve considering opportunities for increasing the supply of social and affordable housing for low income and special needs households.
  6. **Advocacy and partnerships** – relating to areas where other levels of government are responsible, and also potential partnerships for demonstration projects.
- The spatial options for location of new housing is a key part of and local housing strategy, options for which are discussed in the next section.

NORTHERN BEACHES HOUSING STRATEGY

SPATIAL OPTIONS FOR LOCATION OF HOUSING

SGS Economics & Planning

Spatial options for location of housing

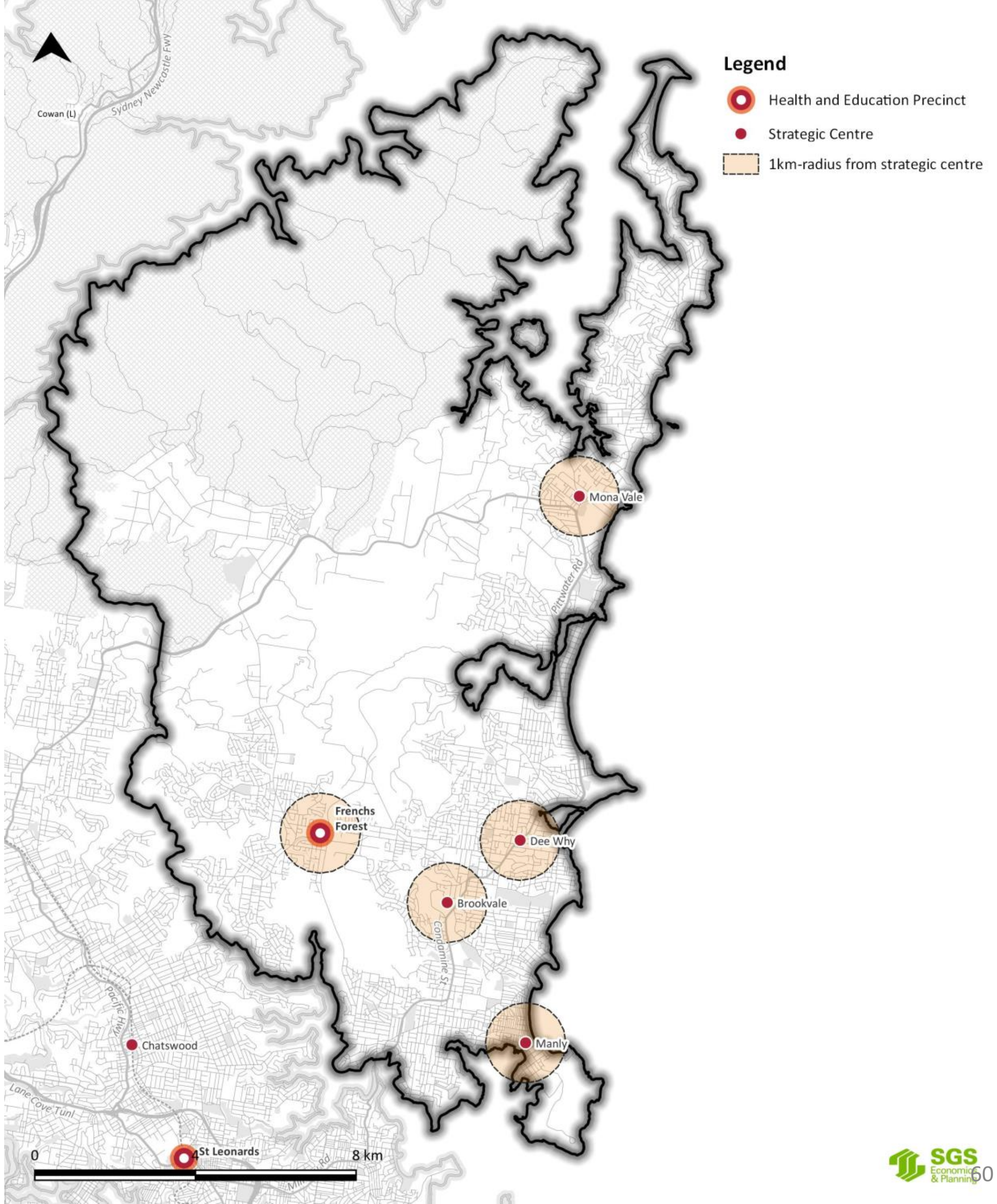
- The options for spatial location of housing are a core element of local government's role in planning locally for future housing supply.
- NSW Government strategies outline the most appropriate locations for new dwellings, including for high-density redevelopment and for the replacement of existing houses with villas and townhouses. Locations which:
  - Are accessible to jobs and services,
  - Are near railway lines and other public transport services,
  - Are pleasant to walk around, with services and shops within a reasonable walking distance,
  - Are near significant infrastructure investment which creates opportunities for housing redevelopment, or
  - Contain concentrations of social housing which could benefit from redevelopment to provide newer housing close to transport and jobs.
- At this stage, an option which prioritises the release of greenfield land for housing is not being considered. This is due to the significant environmental constraints associated with development of many parts of the LGA, such as Ingleside, including significant bushfire risks.
- Housing options that could be considered for the Northern Beaches Housing Strategy include:
  - **Current approach** – retention of the existing planning framework, with the addition of the Frenchs Forest Planned Precinct.
  - **Concentrated urban renewal in and around strategic centres** – development promoted within and around the five key centres, focusing on diversifying dwelling mix and more medium and higher density housing.
  - **Dispersed urban renewal in and around all centres** – medium density development is encouraged around smaller centres in addition to higher density for major centres.
  - **Transport-centric renewal** – development is encouraged around key current and future public transport infrastructure (the B-Line).
  - **'Missing middle' housing diversity** – increasing options for greater diversity and smaller housing options in low density residential areas, while locating medium density around centres.
  - Or a combination of the above options.

Why we are looking at spatial options for housing

- As discussed earlier in this Issues Paper, there are a number of key issues related to housing facing the LGA, including:
  - A lack of affordable housing – in terms of both social housing and affordable rental housing
  - Limited housing diversity in many parts of the LGA – further contributing to housing affordability issues
  - Changing demographics in the population – creating a need for different housing types compared to what is currently available, particularly as people age
  - Potentially limited capacity for additional housing to be developed over the longer term (15+ years)
  - The need to retain the Northern Beaches' existing qualities including the natural environment, while accommodating future housing demand and projected population growth.
- **Addressing all of these challenges may not be possible under the current approach** – where the existing planning framework is retained, and where the only major source of new housing capacity is the Frenchs Forest Planned Precinct.
- **To be able to address these issues, the range of options identified above could be considered.** These options provide opportunities to deliver greater housing diversity, with housing types that are capable of meeting the changing needs of the population, as well as increasing the LGA's capacity to accommodate new dwellings in appropriate locations with good access to transport and services.
- Each of the options is discussed in more detail in the following pages.

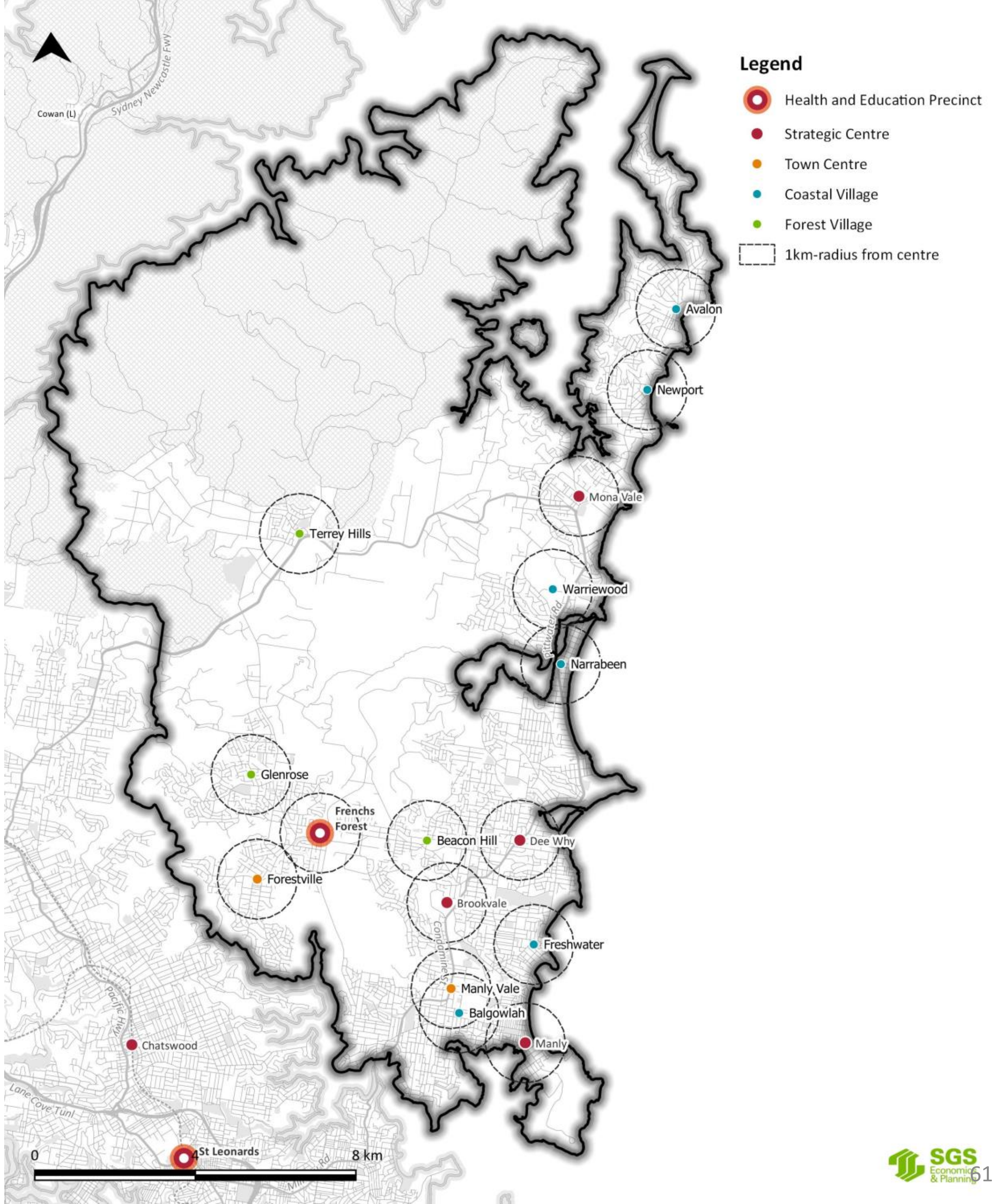
Concentrated urban renewal

- This option would see housing growth and a diversified dwelling mix concentrated around the Northern Beaches' strategic centres of Dee Why, Brookvale, Manly, Mona Vale, and Frenchs Forest.
- This will provide opportunities for the incorporation of future additional housing for people to live near where they work, and be close to services and transport.
- Elements of the concentrated urban renewal option include:
  - Review **'mixed use'** zones in strategic centres, for inclusion of higher density housing types, with retention of min FSR for non-residential to maintain capacity for future town centre growth
  - Identify opportunities for introduction of a **'core higher density residential'** areas in lands immediately adjoining town centres and with high access. This would use an R4 high density residential zone, with opportunities for increasing heights.
  - Ensure core housing areas for higher density residential only redevelop at sufficient densities to support housing as part of the strategic centre
  - Identify a form of housing for any mixed use and core housing areas for Mona Vale strategic centre, that respect the 'village' character of this centre
  - Identify opportunities for medium density **'mixed housing'** areas in accessible locations with high amenity within the walkable catchment of strategic centres.



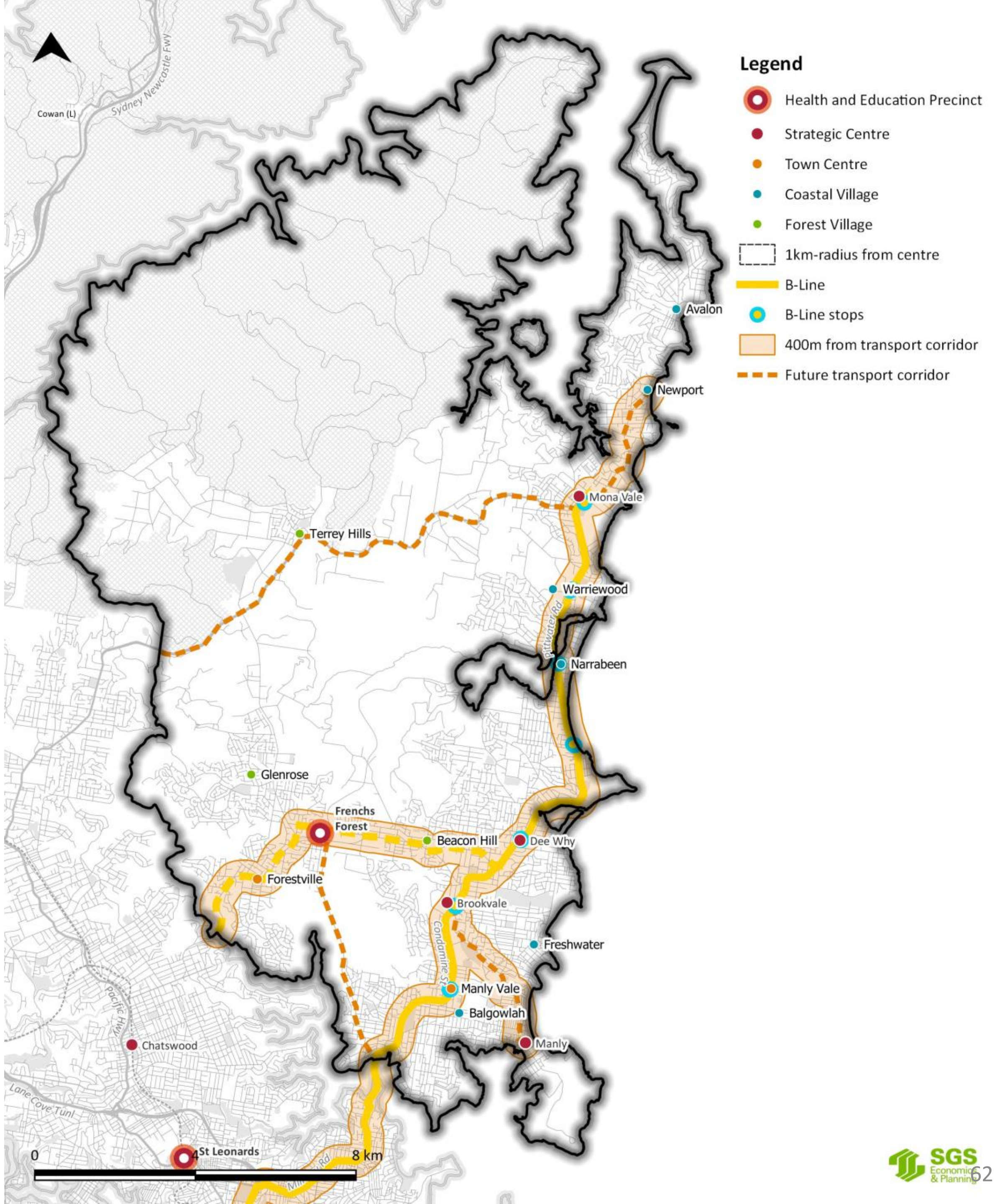
Dispersed urban renewal

- This option would see increased medium density development around a wider variety of local centres, in addition to the larger 'strategic centres'.
- Future housing could be focused around town centres including Manly Vale and Forestville, which will have good accessibility with the current and proposed B-Line route.
  - Identify opportunities for introduction of a '**core apartment residential**' areas in lands immediately adjoining town centres and with high access. This would use an R4 high density residential zone, but with height limits 4-6 storeys and corresponding densities.
  - Identify opportunities for medium density '**mixed housing**' areas in accessible locations with high amenity within the walkable catchment of strategic centres.
- Future housing could also be located around Village Centres such as **Avalon, Newport, Narrabeen, Balgowlah and Freshwater.**
  - Medium density housing forms within the village centre where there are opportunities to integrate renewal with the existing village character.
  - Focus on housing diversity and develop greater housing choice that can support the population as demographics changes, including allowing for residents to be able to age-in-place.
  - Investigate opportunities for rural and hinterland villages to increase housing choice, such as Terrey Hills, Glenrose and Beacon Hill, while considering environmental constraints.



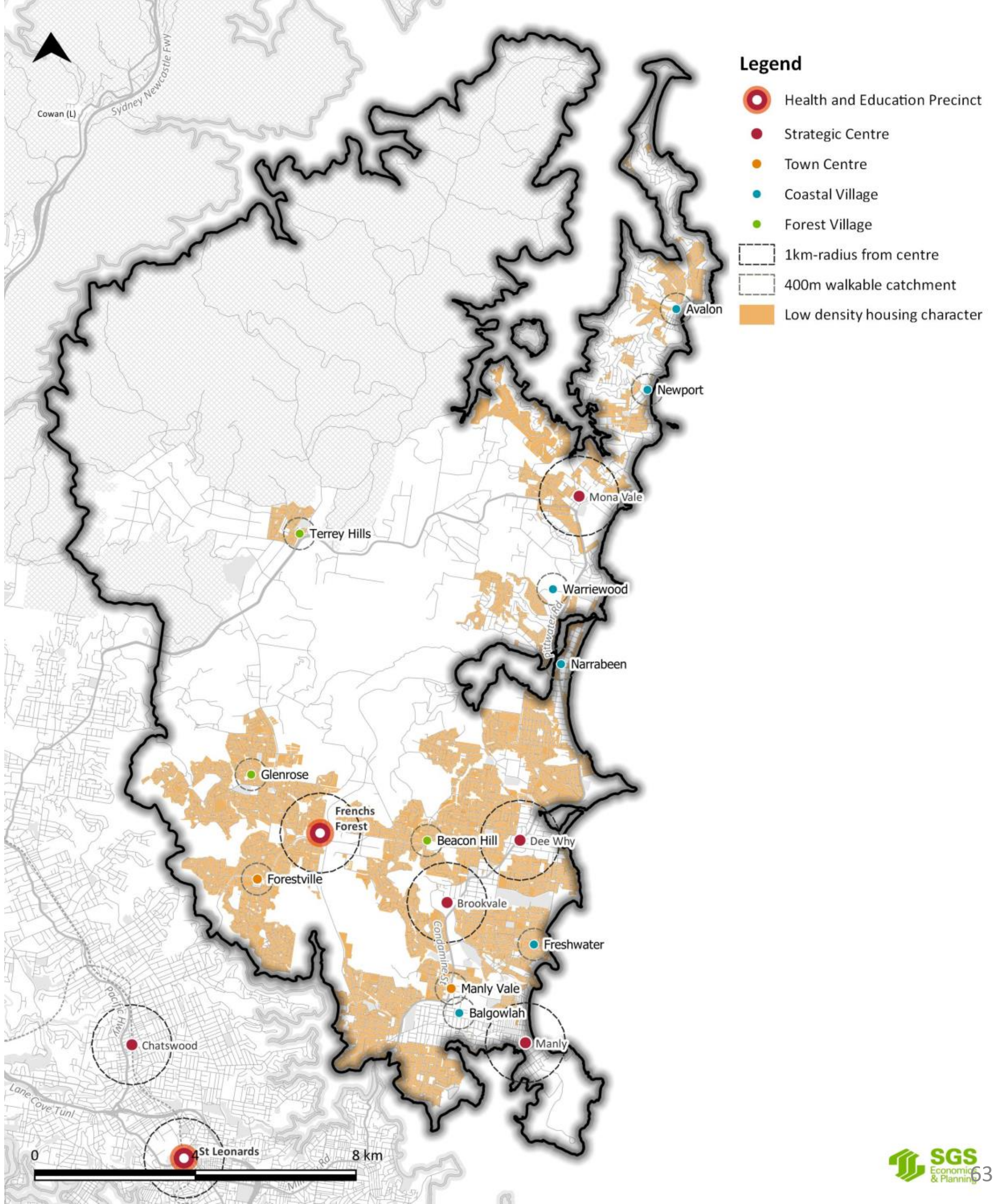
Transport-centric renewal

- This option would see renewal focused around current and future public transport stops and corridors, including the existing and proposed B-Line routes.
- This would only consider renewal in areas with high levels of accessibility to the B-Line, particularly the existing B-Line to Mona Vale, and the proposed B-Line route between Dee Why and Chatswood.
- Opportunities for additional housing in this corridor in close proximity to B-Line stops would be investigated. These would include:
  - Potential B-line stops including Beacon Hill as well as at Warriewood
  - Town centres identified in the dispersed urban renewal option at Manly Vale and Forestville.



‘Missing middle’ housing diversity

- Seek exemption from the medium density housing code based on a Northern Beaches specific approach to addressing housing diversity
- Elements of the housing diversity option include:
  - Allow attached and detached dual occupancy, into residential low density zones city-wide, with a minimum lot size of 450sqm.
  - Define ‘Centre Influence’ areas within the walkable catchment of centres, and allow attached (i.e. terraces) and multi-unit housing (i.e. villas) with a min lot size of 600sqm as infill redevelopment in currently low density residential zones.
  - Identify ‘Environmental Living’ areas city-wide, where environmental or character constraints should limit infill development.
  - Prepare development standards for ‘centre influence areas’ to ensure attached and multi unit housing retains deep soil zones and vegetation as a part of the character of these areas.
- This option would work well with the dispersed urban renewal option that would also promote medium density housing (i.e. R3 medium density residential zone) located around local centres.



Discussion of spatial options

Current + Frenchs Forest	Concentrated renewal	Dispersed renewal	Transport centric	Missing middle diversity
• The current planning framework has sufficient capacity in the short and medium term to accommodate housing growth targets • The rezoning of the Frenches Forest Planned Precinct as part of the Health and Education strategic centre will provide a considerable amount of this additional housing capacity • The planned precinct will provide a range of higher density apartment types • Additional capacity is located in mixed use zones, such as Dee Why • The wider diversity and demand for provision of a wider range of medium density housing forms may not be adequately addressed by this option • There is considerable variation in the approach to residential zones within the existing LEPs	• The opportunity for additional housing located close to strategic centres, helps to achieve a 30 minute accessible city • Housing development around strategic centres will make best use of B-line public transport accessibility • The strategic centres include Frenches Forest, which have already been planned. • The opportunities for additional housing in the Dee Why-Brookvale strategic centre would be potentially located in Brookvale, due to the significant redevelopment of higher density housing forms in and around dee Why to-date. • The opportunities for redevelopment of housing in Brookvale are limited by the current industrial lands and shopping mall major land uses. • The strategic centre of Mona Vale has a village character that is valued and the retention of this character should be included in any housing options. • Planning for additional housing around strategic centres should be to protect strategic precincts for long term consideration as higher density housing (post 20 year strategy) and in the short to medium term focus on housing diversity in surrounding walkable catchment. • Increasing housing in strategic centres will be subject to infrastructure and transport upgrades to manage this increase.	• The opportunity for additional housing dispersed around a range of local centres would address housing diversity and choice broadly across the LGA • The focus would be on introduction of medium density forms within walkable catchments of local centres, and a more limited focus on higher density housing forms in the mixed use centres – particularly in the town centres of Manly Vale and Forestville with B-line access. • Opportunities will be limited in village locations that have poor access to the public transport spine of the B-Line as well as character constraints. • Village housing options would need to be developed that reflect character – and whether opportunities more than shop-top housing will be able to be integrated. • The rural village of Terry Hills may not be appropriate for increasing housing, due to constraints and accessibility. • Planning would need to retain within the mixed use planning framework protection of capacity for non-residential village and town centre uses (i.e. min. FSR for non-residential) • Focus on housing diversity in the short to medium term with longer term capacity retained in strategic centres for significant apartment development.	• Aligns with location of housing in close proximity to B-Line public transport access – existing and new. • Opportunities are limited along the coastal areas such as Collaroy and Narrabeen due to environmental concerns. • Opportunities limited on the new B-Line east-west from Dee Why to Chatswood due to topography – with the main focus being on the Frenches Forest Planned Precinct. • Minor opportunities for some housing diversity at a number of other B-Line stops or potential stops. • Focus on Manly Vale, and Brookvale opportunities as per the discussion of concentrated or dispersed urban renewal. • Broader corridor development along main roads, often has poor amenity outcomes. • Significant density increases for housing not justified in a 20 year housing strategy based on analysis of housing demand and growth.	• Focus on housing diversity and the provision of medium density and smaller housing options as infill in existing neighbourhoods. • Opportunities for infill development that has individual title that has similar tenure for current single detached housing neighbourhoods. • Smaller, non-apartment options that may be more affordable in detached housing neighbourhoods may be preferable option for younger families as well as for aging households downsizing but wanting to stay within their communities. • Medium density infill development forms could be located in walkable catchment to centres. • Dual occupancies could be permitted across low density residential zones (excluding environmental living) in the city. These dual occupancies are currently allowed in some of the LGA. • Long term capacity post 20 years and surrounding strategic centres should be protected form lower density development to ensure future options for housing (subject to future strategy considerations). • Continued use of secondary dwellings to provide flexibility in the use of housing, to support housing affordability as well as to support diversity.

NORTHERN BEACHES HOUSING STRATEGY

PLACE BASED OPPORTUNITIES

SGS Economics & Planning

Place-based opportunities

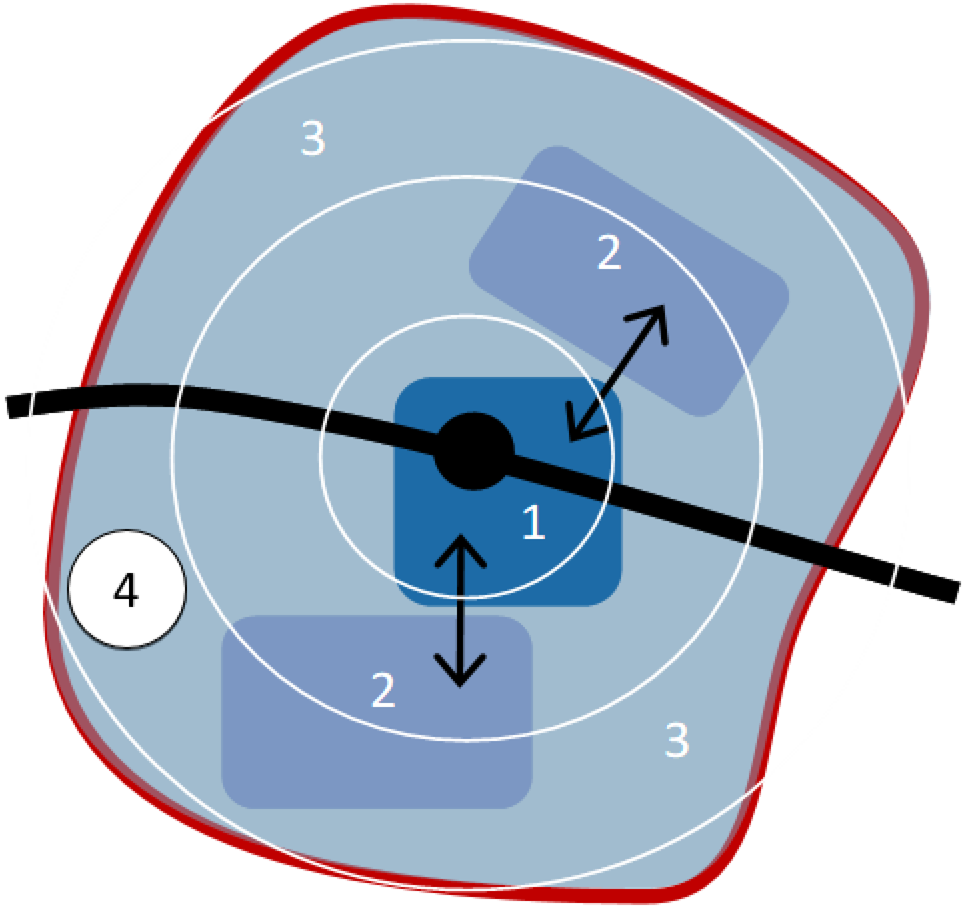
- This section outlines a **Centres Renewal Framework** which sets up the principles for planning for places within the Northern Beaches LGA.
- The Framework discussed on the following pages, but in general it applies a number of different housing precincts in and around a centre within the walkable catchment. The criteria for their application is outlined.
- This approach allows for the identification of potential areas that could be considered for additional housing, and the type of housing that could be included in urban renewal, to allow the potential impacts on housing capacity in the LGA to be determined.

Source: Low Rise Medium Density Design Guide

Source: Shed Architects and Terence Yong Architecture

Explaining the centres renewal framework

- The Centres Renewal Framework is a way of thinking about the approach to zoning and housing types around centres and transport infrastructure.
- The framework is based on four components:
  - 1. Centre core (housing)
  - 2. Mixed housing areas
  - 3. Centre ‘frame’ or influence area
  - 4. Excluded areas and areas outside the centres frame (e.g. existing strata development, or a heritage item).
- For each component, the aim is to define the desired character and potential controls that could apply.



Application of the centres renewal framework

- Each of the components can be defined as follows. The following page discusses how this could be applied in the Northern Beaches.

1. CENTRE CORE

- Highly accessible to the town centre (B1-3) zoned areas, largely within 400m walking.
- Housing typology for more intensive forms of housing, including apartments & mixed use (i.e. R4 zone).
- Identify sites that are suitable for accommodating new higher density forms of development, including existing R3 zones.
- Requires more detailed design studies and planning controls and possibly infrastructure upgrades and funding.
- Land assembly or development of key sites may be required as catalysts for broader change.

2. MIXED HOUSING AREAS

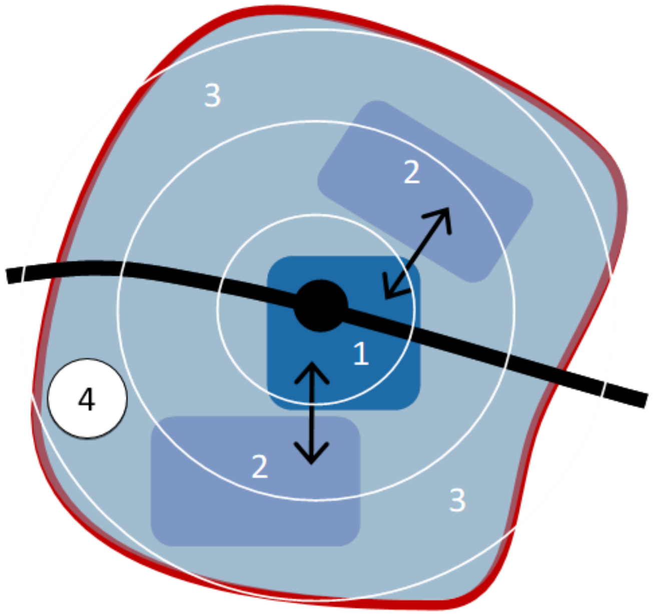
- Targeted areas within extended 800m-1km catchment where street and block layout are better suited to intensification.
- Housing typology for intermediate housing forms (e.g. medium density housing including townhouses, small-scale apartments, and forms requiring strata title) – R3.
- Promotes housing choice and transitional scale.
- Target areas with larger lot sizes (greater than 600m2), and located with access to services/facilities and higher amenity (i.e. near parkland).
- Also require some detailed design, possibly infrastructure upgrades, land assembly may be advantageous but not necessary.

3. CENTRE 'FRAME'/INFLUENCE AREA

- Remaining areas within 1-1.5km (an 'extended' walking catchment) of centres, subject to topography.
- Typology of small scale infill housing projects such as secondary dwellings, duplexes and potentially low scale medium density such as terraces on certain sites (R2), with torrens title ownership.
- Subject to character and built form controls.
- Incremental and 'salt and pepper' change: infrastructure upgrades generally not required.
- Modest infill development easy to facilitate, likely to be feasible compared to higher density forms.

4. EXCLUDED AREAS

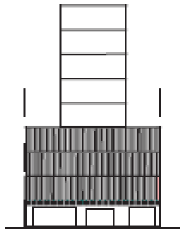
- Heritage conservation areas
- Environmental constraints
- Other (for example outside centre frame is there a min. lot size for dual occupancy)



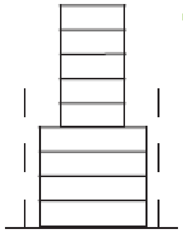
Examples of potential application for the Northern Beaches housing strategy

1. Centre core

- Areas at the core of centres within easy walking distance than 400m)
- Higher density development – mixed use/shop top housing and/or residential towers
- Potentially includes existing areas zoned as B2, B3, B4, B5, R3 and may change building density controls
- Potential to rezone some areas to R4 if adjoining the town centre
- Higher density development to be limited to key suitable sites
- Larger scale development may require infrastructure upgrades



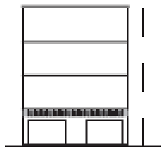
Mixed use



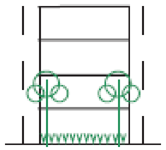
Tower atop podium

2. Mixed housing

- High amenity areas likely to be able to accommodate medium density housing, with good accessibility to centres (within the wider walkable catchment 800m-1km)
- Areas in close proximity to centre core with limited heritage or strata constraints to redevelopment
- Potentially a large contribution towards increased housing capacity/housing targets
- Includes existing R1, R2, R3, B5 zones
- Potential to rezone some existing R2 zoned areas to R3
- Areas with generally larger lot sizes 1,200sqm-4,000sqm (to reduce need for amalgamations)
- Approx. FSR 1:1
- Encourage a diversity of housing – apartments up to a maximum of 3-4 storeys, as well as terrace and townhouse attached housing typologies
- Min. street frontage of 18m for dual occupancy/terrace dwelling development
- Min. 24m street frontage for apartment dwelling development



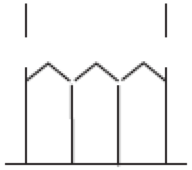
4-6 storey shop top housing



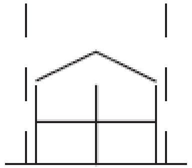
3-4 storey residential

3. Centre influence

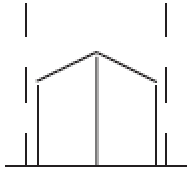
- High amenity areas less likely to accommodate medium density housing, but still within the walkable catchment
- Smaller contribution towards increasing housing capacity/targets
- Contribution towards increasing housing diversity, while respecting existing lower density neighbourhood character
- Areas generally within 1-1.5km radius of centre cores for strategic and local centres
- Largely zoned as R2 currently
- Areas with limited heritage or strata constraints
- Setbacks, height of buildings, landscaping etc. controls to reflect prevailing neighbourhood character of 2-3 storeys
- Approx. FSR 0.7:1
- Typologies including semi-detached dwellings, terraces, manor houses and low-rise multi-unit development
- Min. street frontage of 18m for dual occupancy/terrace dwelling development
- Areas with generally larger lot sizes or 600sqm or more (to reduce need for amalgamations)



Terrace



Manor house



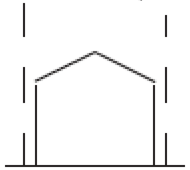
Duplex

4. Excluded residential lots

- Areas with low likelihood of amalgamation or future development – including sites with heritage or strata constraints
- Areas with environmental constraints and environmental living zone
- Focus on maintenance of existing housing character
- Areas generally further away from centre – outside of walkable catchments

5. Low density neighbourhoods

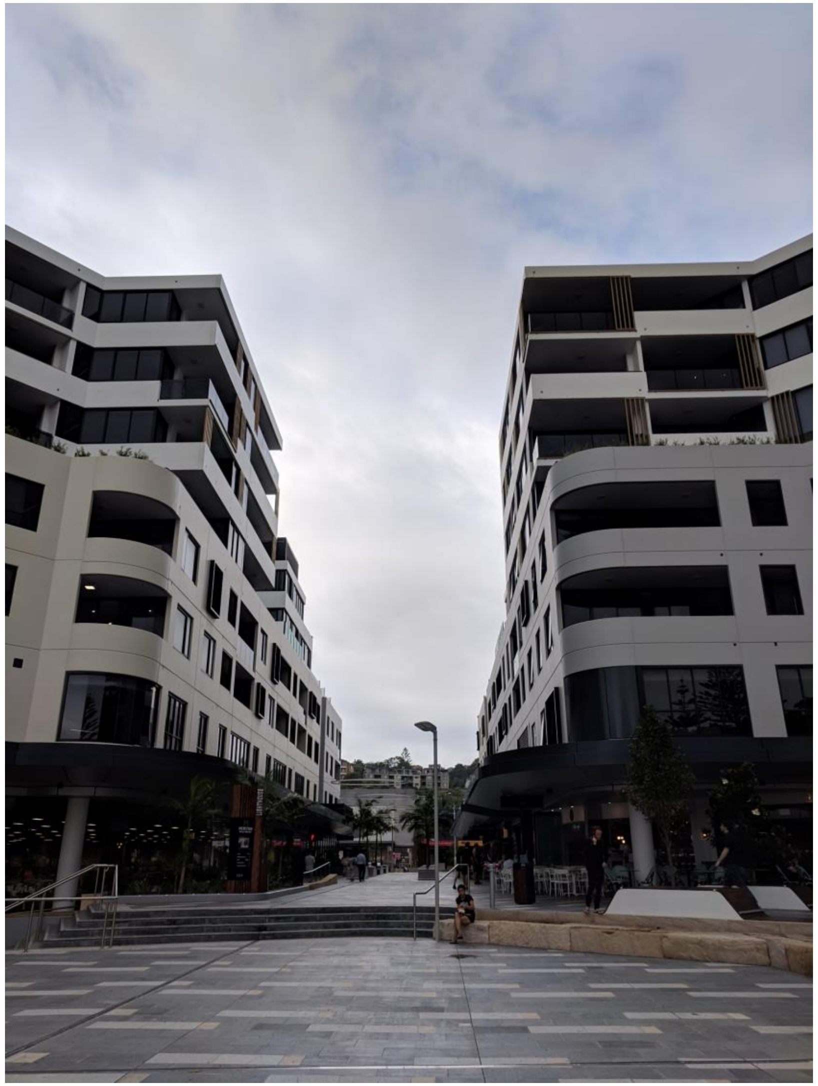
- Areas with an existing R2 zone
- Typologies primarily single detached houses, with attached and detached dual occupancies, of up to 2 storeys
- Approx. FSR 0.4:1-0.5:1
- Min. lot size and frontage of 18m for dual occupancy as well as min. deep soil planting and controls on car parking and access



Single detached

Application under the options

- The Centres Renewal Framework could be applied to strategic and other centres in the Northern Beaches LGA according to each of the options identified above.
- The centres targeted for housing growth would differ by option. The table on the following page illustrates the centres that could be considered under each.
- Note that some centres (such as strategic centres) could be targeted for renewal under all of the alternative options.



Source: SGS, 2019

	Current approach + Frenchs Forest	Concentrated urban renewal	Dispersed urban renewal	Transport centric renewal	Missing middle housing diversity
Dee Why		X	X	X	X
Brookvale		X	X	X	X
Manly		X	X	X	X
Mona Vale		X	X	X	X
Frenchs Forest	X	X	X	X	X
Forestville			X	X	X
Manly Vale			X	X	X
Balgowlah			X		X
Freshwater			X		X
Narrabeen			X	X	X
Warriewood			X	X	X
Newport			X	X	X
Avalon			X		X
Terrey Hills			X		X
Glenrose			X		X
Beacon Hill			X	X	X
Out of centre locations					X

NORTHERN BEACHES HOUSING STRATEGY

POTENTIAL LAND USE PLANNING APPROACH

Developing a land use planning approach

- As discussed earlier in this Issues Paper, there are a number of key issues related to housing facing the LGA, including:
  - A lack of affordable housing – in terms of both social housing and affordable rental housing
  - Limited housing diversity in many parts of the LGA – further contributing to housing affordability issues
  - Changing demographics in the population – creating a need for different housing types compared to what is currently available, particularly as people age
  - Potentially limited capacity for additional housing to be developed over the longer term (15+ years)
  - The need to retain the Northern Beaches' existing qualities including the natural environment, while accommodating future housing demand and projected population growth.
- When considering the range of options available to Council for the land use planning approach, an approach that focuses on increasing diversity of housing type to meet future needs, as well as providing longer term additional capacity would be appropriate.

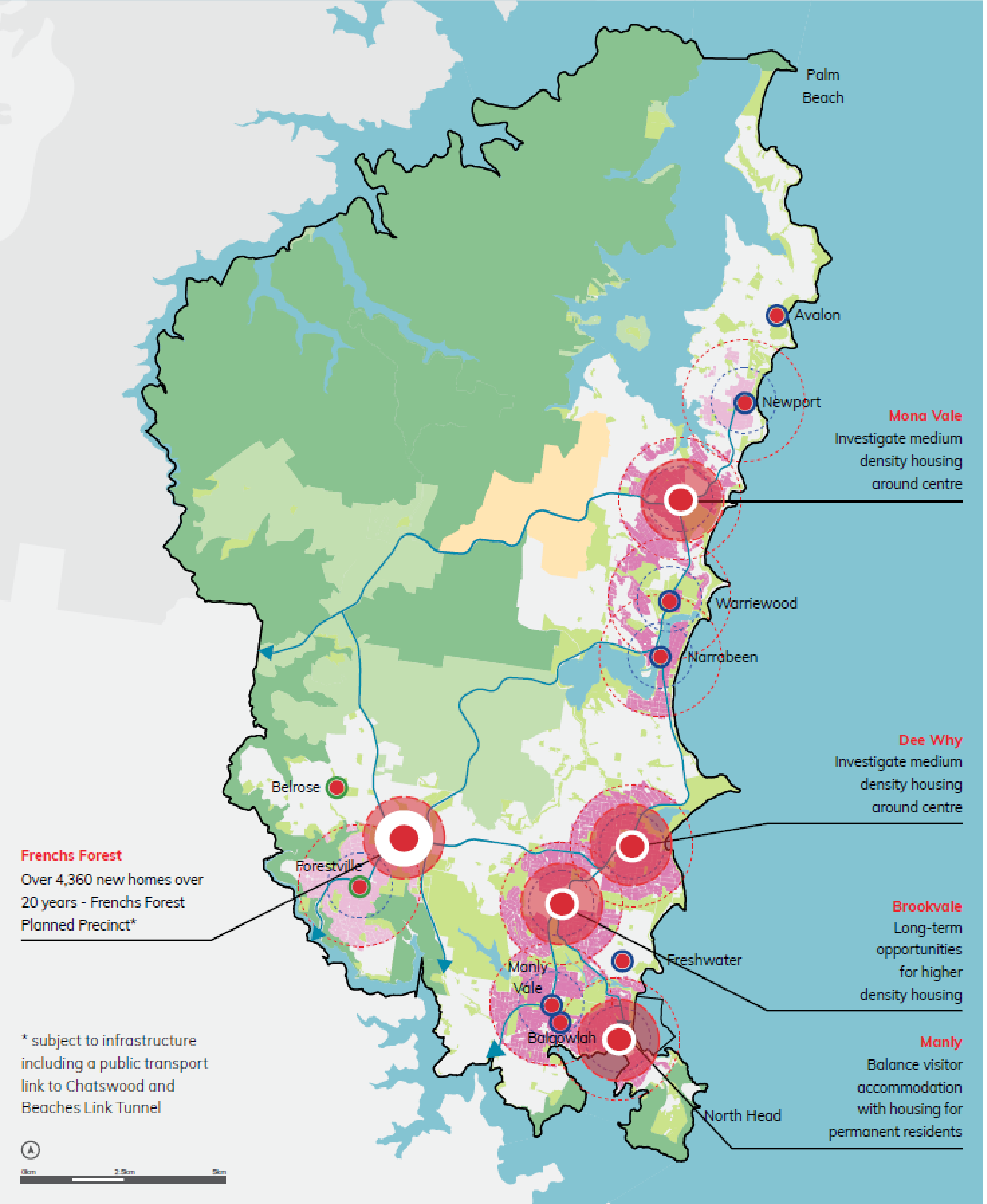
- A potential land use planning approach that would achieve the housing vision has been identified for discussion.

Potential land use planning approach

- This approach could be based on 'missing middle diversity' option, focused on addressing diversity of housing choice, affordability of housing and the longer-term capacity to accommodate growth.
- The map over the page illustrates the spatial application of this approach.
- With the elements in the table below addressing housing diversity, the strategy could implement the above and seek exemption from medium density housing code. Additional investigation of options for future development could also be used as a basis to seek exemption from the seniors housing SEPP and boarding house provisions of the affordable rental housing SEPP.

Issue	Land use planning approach
Housing diversity	• Allow attached and detached dual occupancy, into residential low-density zones city-wide, with a minimum lot size identified. • Change housing permissibility in 'centre influence' walkable catchment of centres, to allow a range of infill development within existing residential neighbourhoods (e.g. for example consider semi-detached, terraces, manor houses and low-rise apartment development in currently low-density residential zones). • Additional mixed housing (medium density) areas located around centres, with good transport accessibility, with a focus in the short-medium term on strategic and local centres on the B-Line.
Housing affordability	• Seek additional affordable rental housing supply as part of the Frenchs Forest as one of the few opportunities for additional supply in the LGA. For example, through incorporation of greater than 10% dedication of additional affordable housing units (e.g. 10% = 430 units, 20% = 860 units) as value sharing of value uplift from any up-zoning. • Establish a partnership with LAHC and Community Housing to provide additional supply of social and affordable housing.
Changing demographics and housing needs	• Review development standards for medium density housing forms to ensure that redevelopment is feasible, accessible for older persons and/or has a mix of dwelling sizes suitable for families.
Need to retain existing qualities and character	• Identify 'Environmental Living' areas city-wide, where environmental or character constraints should limit infill development. • Prepare development standards to ensure attached and multi unit housing retains deep soil zones and vegetation as a part of the character of these areas.
Capacity constraints	• Investigate further the Brookvale Strategic Centre for additional higher density apartment development to be located longer term in the centre.

Potential land use planning approach



Legend

- Urban area
- Non-urban
- Ingleside Growth Area
- Strategic centre
- Health and education precinct
- Coastal village
- Forest village
- 1.5km radius from centre
- 800m from centre
- Investigate opportunities for housing diversity
- Investigate opportunities for housing diversity, subject to public transport
- Public transport and active travel connection

Low Rise Medium Density Housing Code

- An alternate option is to not seek exemption from the Medium Density Housing Code.
- The Low-Rise Medium Density Housing Code will allow for dual occupancies, manor houses, and two-storey terraces to be carried out under a fast-tracked complying development approval process.
- To comply, proposals must meet development standards and design criteria as outlined in the Low-Rise Medium Density Design Guide.
- The Code applies in areas were residential development is already permitted under the LEP in the following zones:
  - R1 General Residential
  - R2 Low Density Residential
  - R3 Medium Density Residential, and
  - RU5 Village zones.
- The Code is intended to contribute to housing diversity and improving housing affordability by providing smaller homes on smaller lots, and to cater to a range of different households.
- A temporary deferral of the application of the Code is in place for many Councils including Northern Beaches until 31 October 2019, to allow for an independent review of the Code in these areas to be completed.

Potential building typologies

- The following pages outline the potential application of the Centres Renewal Framework in terms of building typologies that could characterize the 'mixed housing' and 'centre influence' areas.
- This is intended to give an indication of the potential character and density of these areas under an approach that focuses on increasing housing diversity with medium density concentrated around existing centres.
- Some typologies require certain conditions to be viable, such as minimum lot sizes or frontages, which means that they may not be applicable in all parts of the LGA.
- Architectus have provided inputs on the housing typology and design used in this Issues and Opportunities Paper.

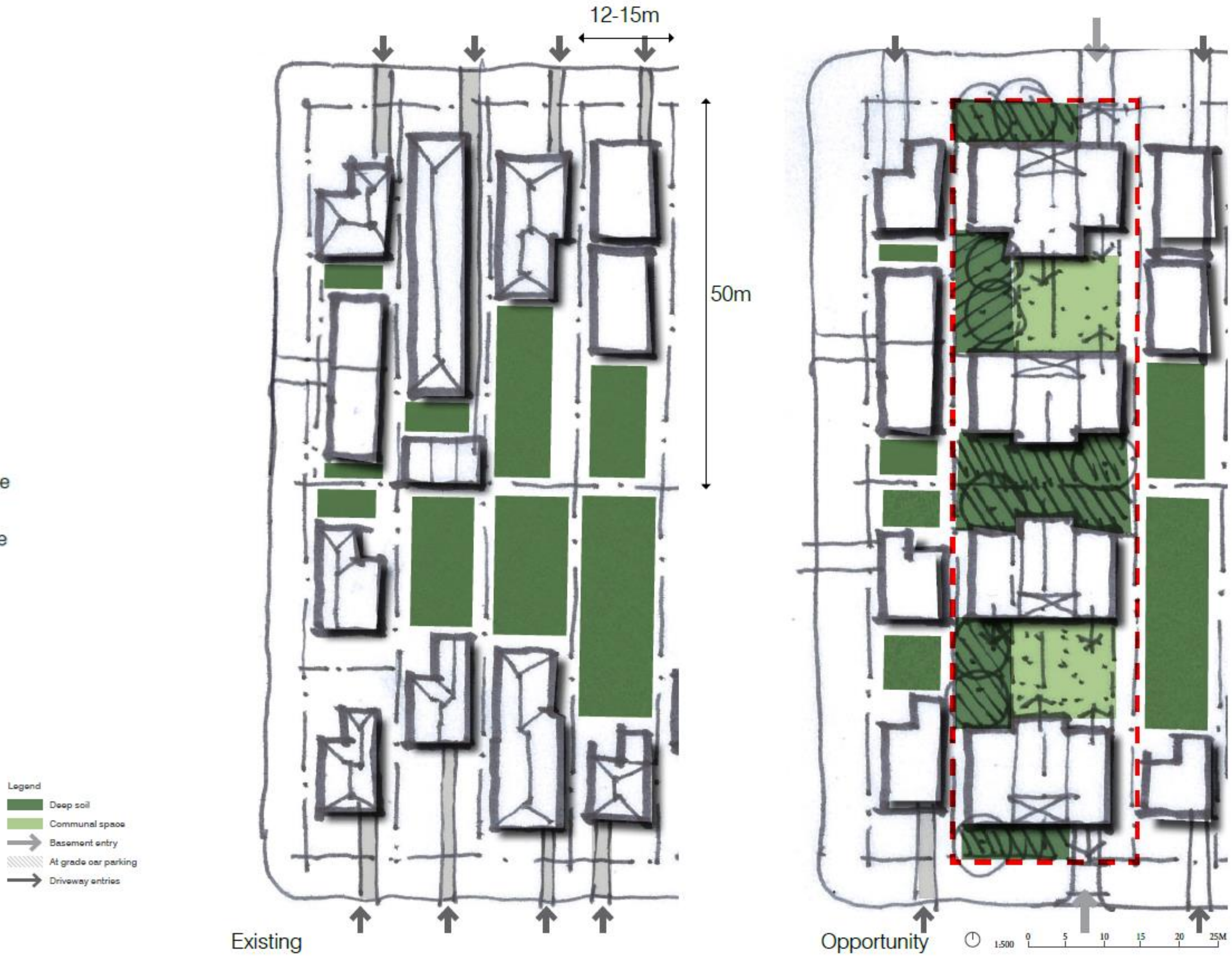
Mixed Housing

Existing condition

- Typical lot size 600 - 720sqm (require amalgamation) existing street frontage = 12m
- 12m frontage too narrow for basement parking
- Surface parking and driveways
- Loss of deep soil

Opportunities

- Amalgamate two lots to achieve a frontage of minimum 24m
- Improved privacy and amenity - wider side setback
- Opportunity for basement car parking
- Large communal open space
- Single driveway
- 3 storey typology approx. 18 dwellings
- Potential FSR increase of 0.5:1 to 1.2: 1



Mixed Housing

Precedents

Semi-detached with garages on the front elevation

Semi-detached with rear lane parking

Semi-detached with rear lane parking

Influence Area

Existing condition

- Typical lot size 900 sqm

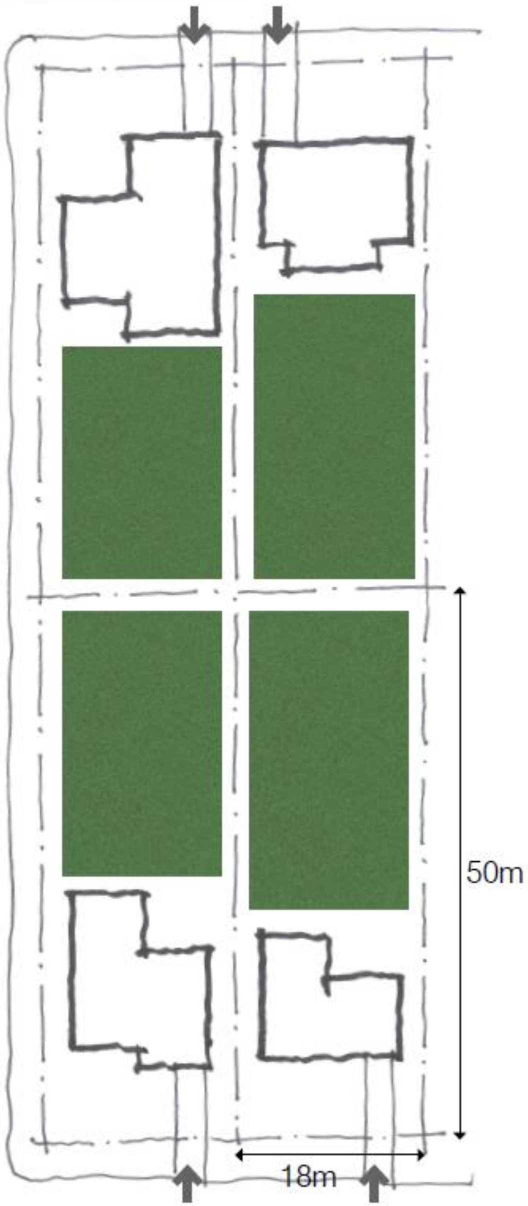
Opportunities

- Lots with frontages over 15, but preferably 18m can be subdivided for side-by side attached dual occupancy
- Potential FSR increase of 0.25:1 to 0.5: 1

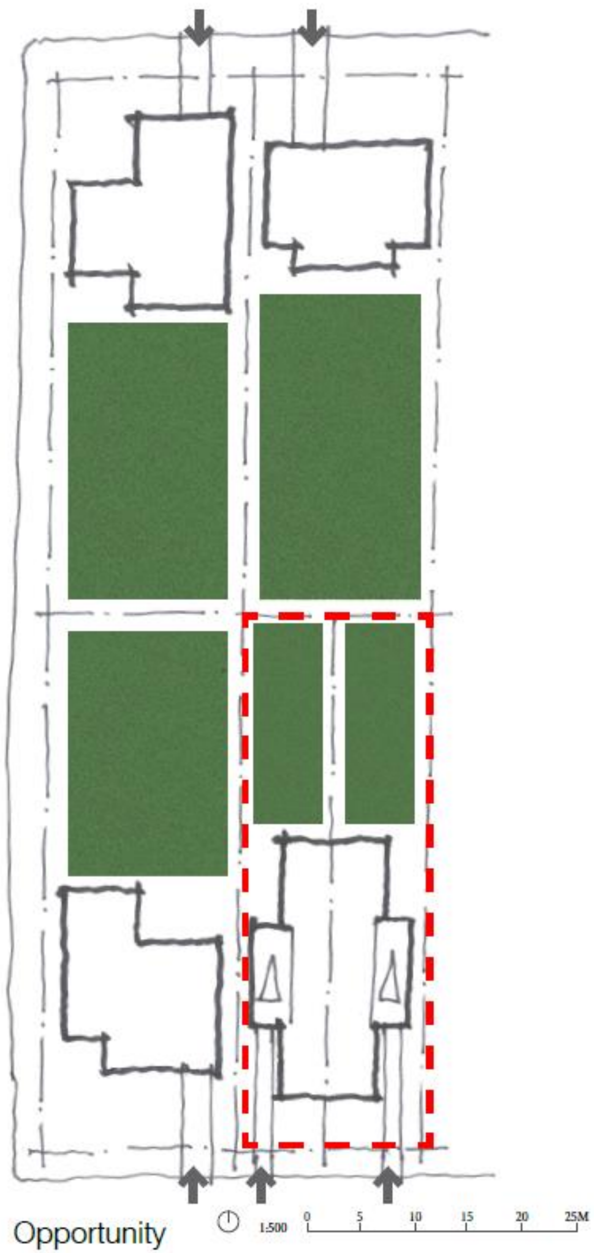
Issues

- Suits single garage only
- Streets can become dominated by garages and driveways
- Extra driveway reduces street parking

Legend
Deep soil
Driveway entries



Existing



Opportunity

Influence Area

Existing condition

- Lot size 12 x 60 (720sqm)
- Lots typically too narrow to subdivide for side-by-side dual occupancy

Opportunities

- Detached dual occupancy on battle-axe
- FSR increase from 0.3 to 0.5 :1
- Single driveway
- Garages away from street on mid-boundary

Issues

- Front setbacks may be inconsistent with prevailing DCP
- Privacy to front dwelling is compromised
- Shared driveway complicates title

Influence Area

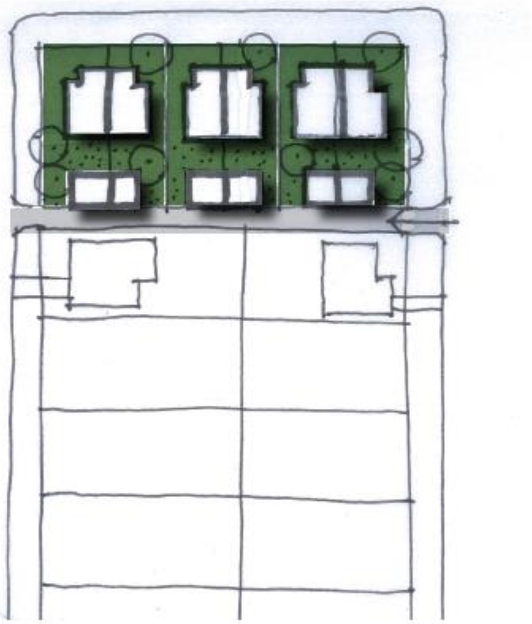
Existing

- Typical lot size 576 sqm
- Typical street frontage 18m

Opportunities

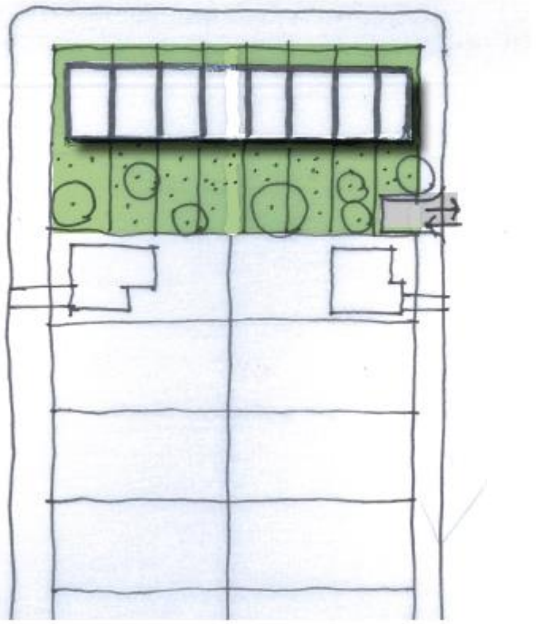
- Corner lots present unique opportunities for a number of typologies, increasing the diversity of housing and adding to local character
- Depending on character semi-detached or terrace houses are achievable
- FSR increase from 0.6:1 up to 075. :1

Existing



Opportunity - Semi's

- 11m wide lots
- Rear lane
- Rear garage
- No driveways
- 4 dwellings replaced with 6



Opportunity - Terraces

- 8m wide lots
- Basement parking
- 4 dwellings replaced with 8
- Improved open space, but reduced deep soil
- Cost of basement impacts feasibility

Legend

- Deep soil
- Communal space
- Basement entry
- At grade car parking
- Driveway entries

Influence area

Precedents

Terraces with rear lane parking

Terraces with rear lane parking

Terraces with basement parking

Terraces with basement parking fronting a park

NORTHERN BEACHES HOUSING STRATEGY

HOUSING OPPORTUNITIES

SGS
Economics
& Planning

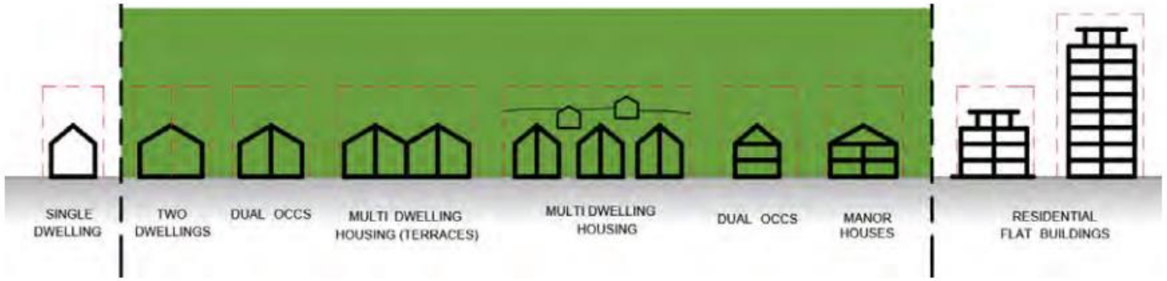
Housing opportunities

- Other housing opportunities relate to the policy areas for local government housing strategy. These broadly include:
  - Planning for a diversity of housing types
  - Planning for the location of new housing
  - Setting development standards
  - Affordable housing supply
  - Advocacy and partnerships.

Source: SGS, 2019

Opportunities – diverse housing choices

- Achieving greater housing diversity will be an important objective of a local housing strategy, in response to changing housing demand.
- This section further explores a range of housing types that could be considered in Northern Beaches from the NSW Government's Medium Density Design Guide.
- This also includes examples of mixed use and higher density housing forms.
- In addition, boarding houses, seniors living, and secondary dwellings can also add to the diversity of housing options available.



Source: Low Rise Medium Density Design Guide

Housing typologies

- As noted previously, not all housing types will be able to be accommodated in all areas. The size and orientation of existing lots is an important consideration in the potential for the development of different housing types across the LGA.
- The matrix below illustrates the typical lot size needed to accommodate different housing forms. The following pages show examples of different typologies that follow.

	Lot Size					
Dwelling type	**450**	**600**	**800**	**1200**	**2500**	**5000+**
Dual occupancies	✓	✓				
Manor homes		✓				
Terrace housing		✓	✓	✓		
Low-mid infill apartments (4-6 storey)				✓	✓	
Low-mid infill shop top (4-6 storey)	✓	✓	✓	✓		
Mid rise mixed use on large lot (6+storey)					✓	✓
High density mixed use						✓
Seniors housing				✓	✓	✓
Affordable rental (eg secondary dwellings & boarding houses)			✓	✓		

Housing typologies

- **Detached dual occupancies**
- Potential in suburban areas with 450-650 sqm lots
- This typology works best on corner allotments, though can be achieved in side-by-side forms on larger sites.

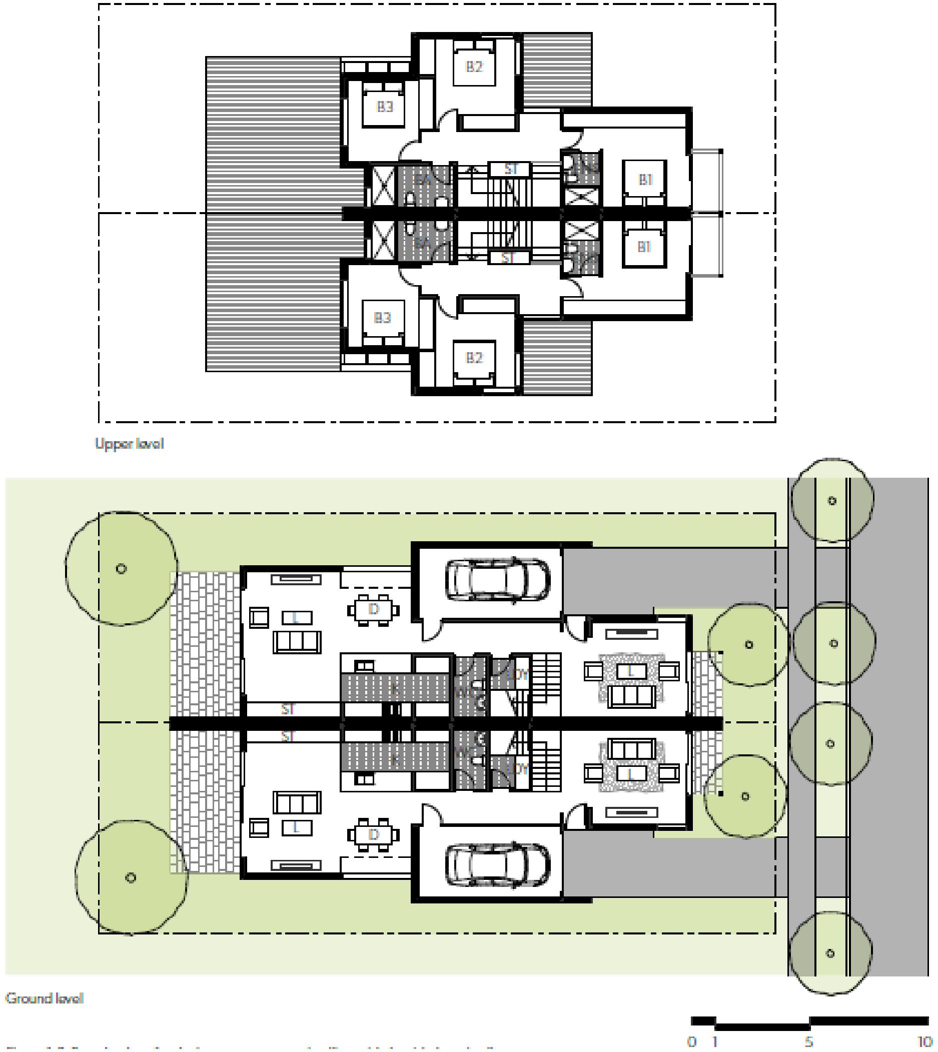
Source: Low Rise Medium Density Design Guide

Source: Low Rise Medium Density Design Guide

Housing typologies

- **Attached dual occupancies**
- Potential in suburban areas with 450-650 sqm lots
- Similar to detached dual occupancies, these work best on corner sites, however, can be achieved side-by-side with suitable lot widths.

Source: Low Rise Medium Density Design Guide



Source: Low Rise Medium Density Design Guide

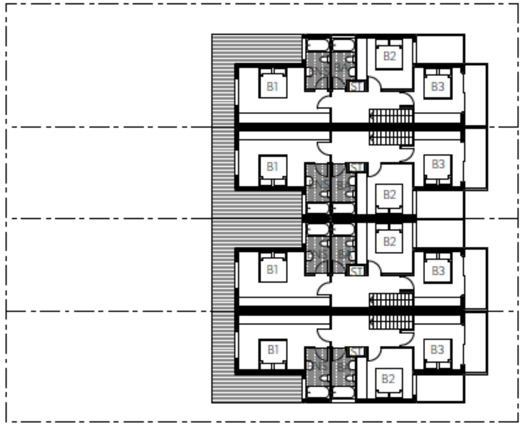
Housing typologies

- **Terrace houses**
- Potential in suburban areas with good access to public transport, on 600sqm+ sqm lots
- Generally requires a rear lane for better streetscape outcomes.

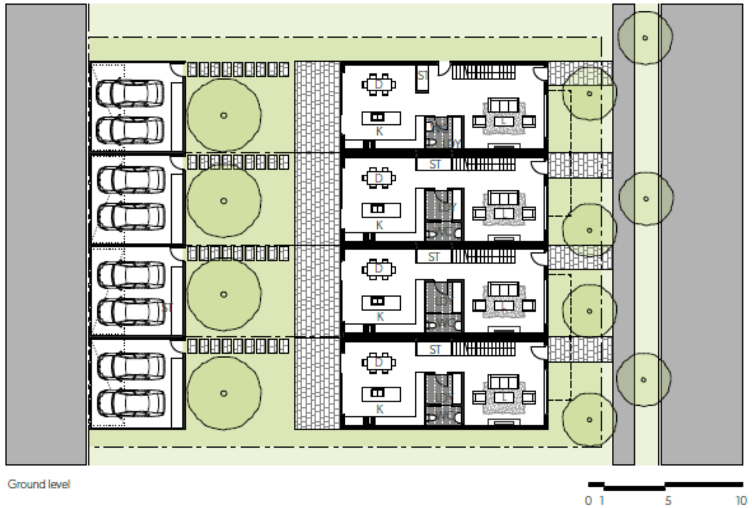
Streetscape can become dominated by garages and driveways. Ermington

Rear lane parking is a better outcome. Portman Street, Zetland

Source: Low Rise Medium Density Design Guide



Upper level



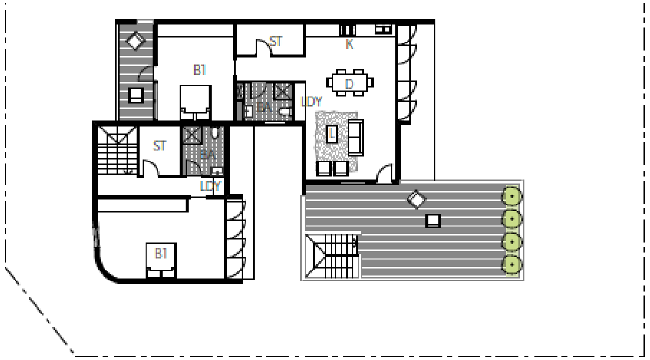
Ground level

Source: Low Rise Medium Density Design Guide

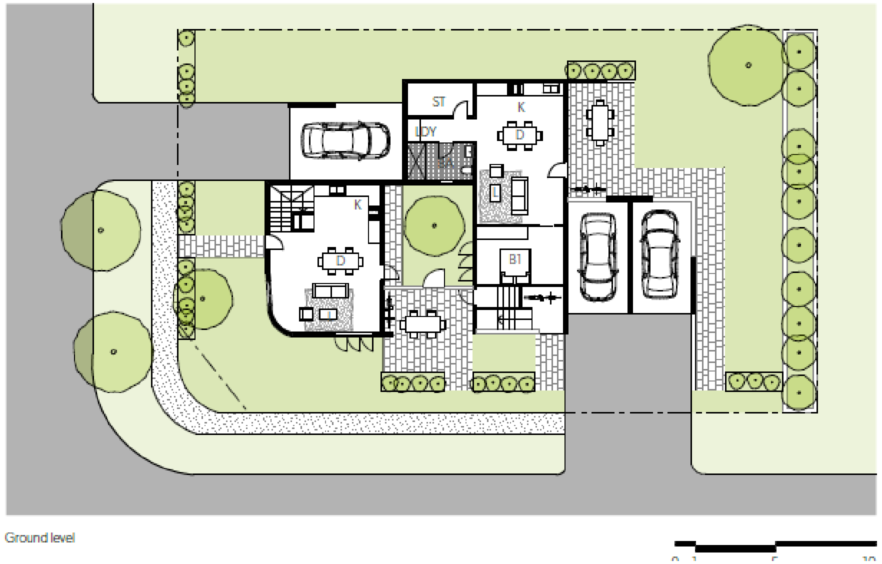
Housing typologies

- **Manor homes**
- Potential in suburban areas with good access to public transport, on 600sqm+ sqm lots
- This typology can be achieved on non-corner allotments, though this can present challenges for the design of parking and the streetscape.

Source: Low Rise Medium Density Design Guide



Upper level



Ground level

Source: Low Rise Medium Density Design Guide

Housing typologies

- **Low-medium infill**
- 3-5 storeys, with 4 storeys less common due to feasibility and building code requirements.

Source: Stanisic Architects, Waterloo, NSW

Source: Smart Design Studio, Potts Point, NSW

Housing typologies

- **Low-mid rise infill apartments**
- 4-6 storeys, potential near public transport

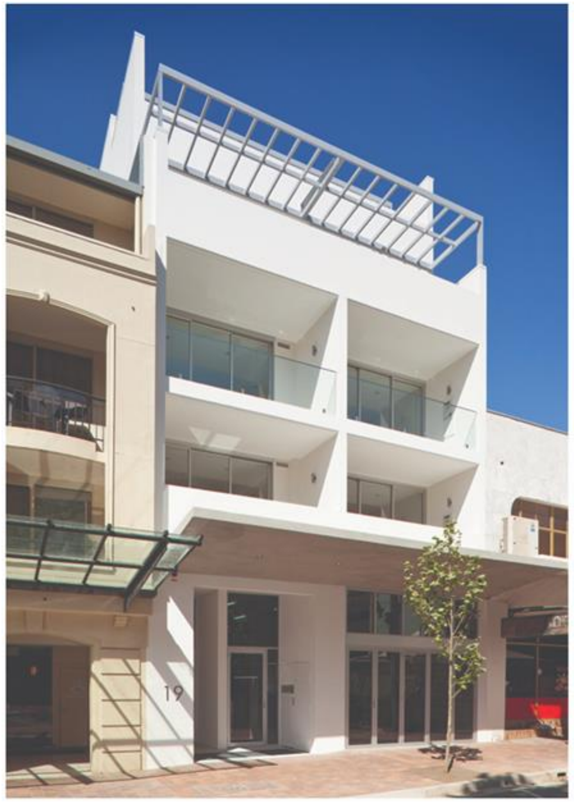
Source: Smart Design Studio, Forest Lodge, NSW

Source: Stanisic Architects, Alexandria, NSW

Source: Smart Design Studio, Forest Lodge, NSW

Housing typologies

- **Low-mid rise infill shop-top housing**
- Up to 4-6 storeys, potential in local and strategic centres



Source: Melocco & Moore, Neutral Bay, NSW

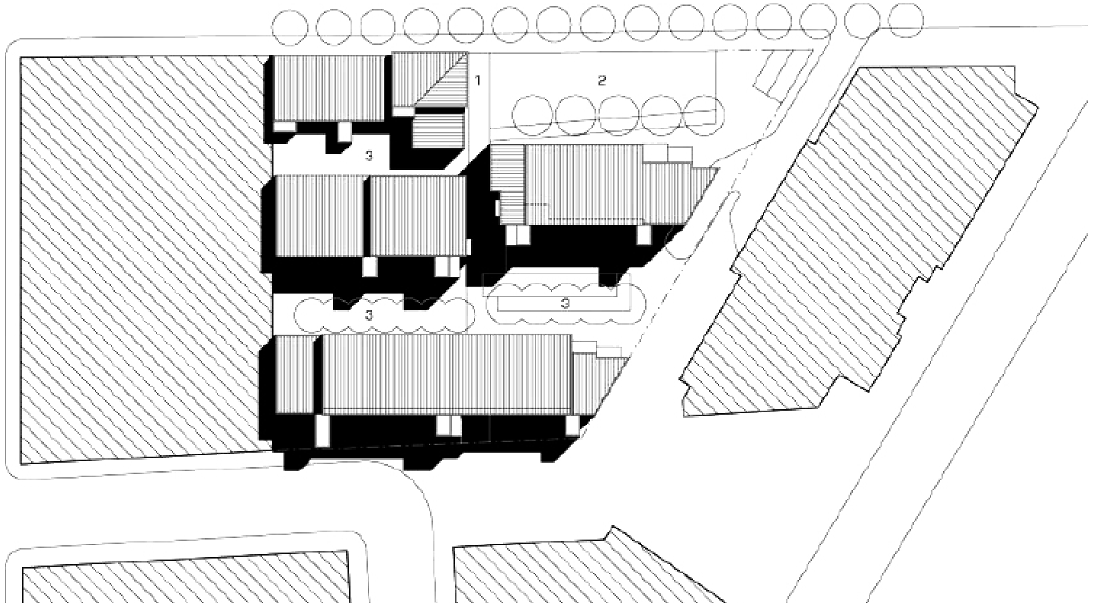
Source: CHROFI, Manly, NSW

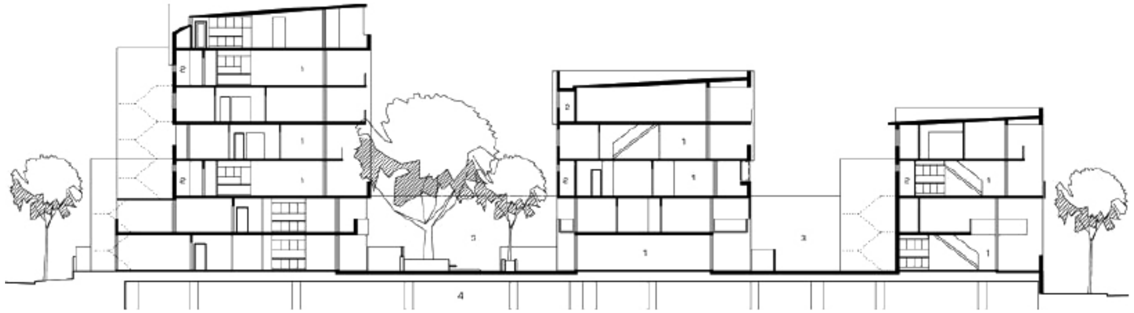
Source: Allen Jack + Cottier, Balgowlah, NSW

Housing typologies

- **Low-mid rise infill shop-top housing**
- 4-6 storeys, potential in local and strategic centres

Source: Stanisic Architects, Waterloo, NSW



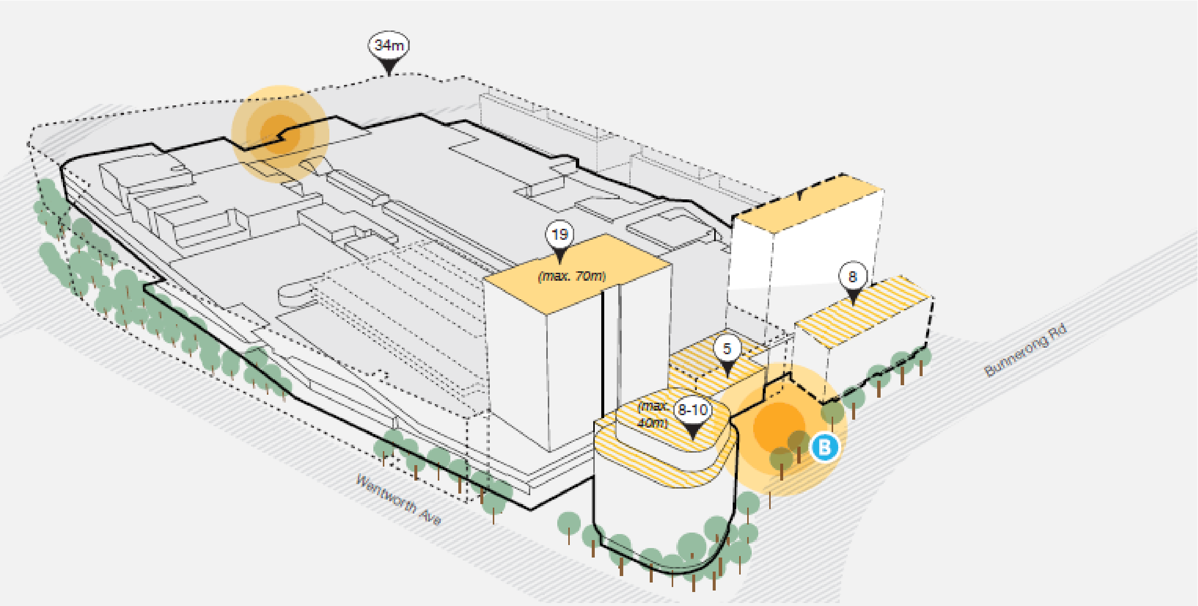


Source: Stanisic Architects, Waterloo, NSW

Housing typologies

- **High density mixed use**
- Potential on large regional shopping centre sites

Source: Architectus



Source: Architectus

Affordable and diverse housing types – SEPPs

- Another consideration for the provision of affordable housing is the application of NSW State Environmental Planning Policies (SEPPs) and controls around where secondary dwellings can be located.
- Secondary dwellings are self contained dwellings that are established in conjunction with another (principal) dwelling, on the same lot of land, and attached or separate from a principal dwelling.
- SEPPs that related to affordable housing supply include:
  - State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004, and
  - State Environmental Planning Policy (Affordable Rental Housing) 2009.
- The regulation of the development of secondary dwellings differs between the Northern Beaches' former LGAs.
- The current application of these SEPPs and controls across the LGA are illustrated in the following pages.

Source: SGS, 2019

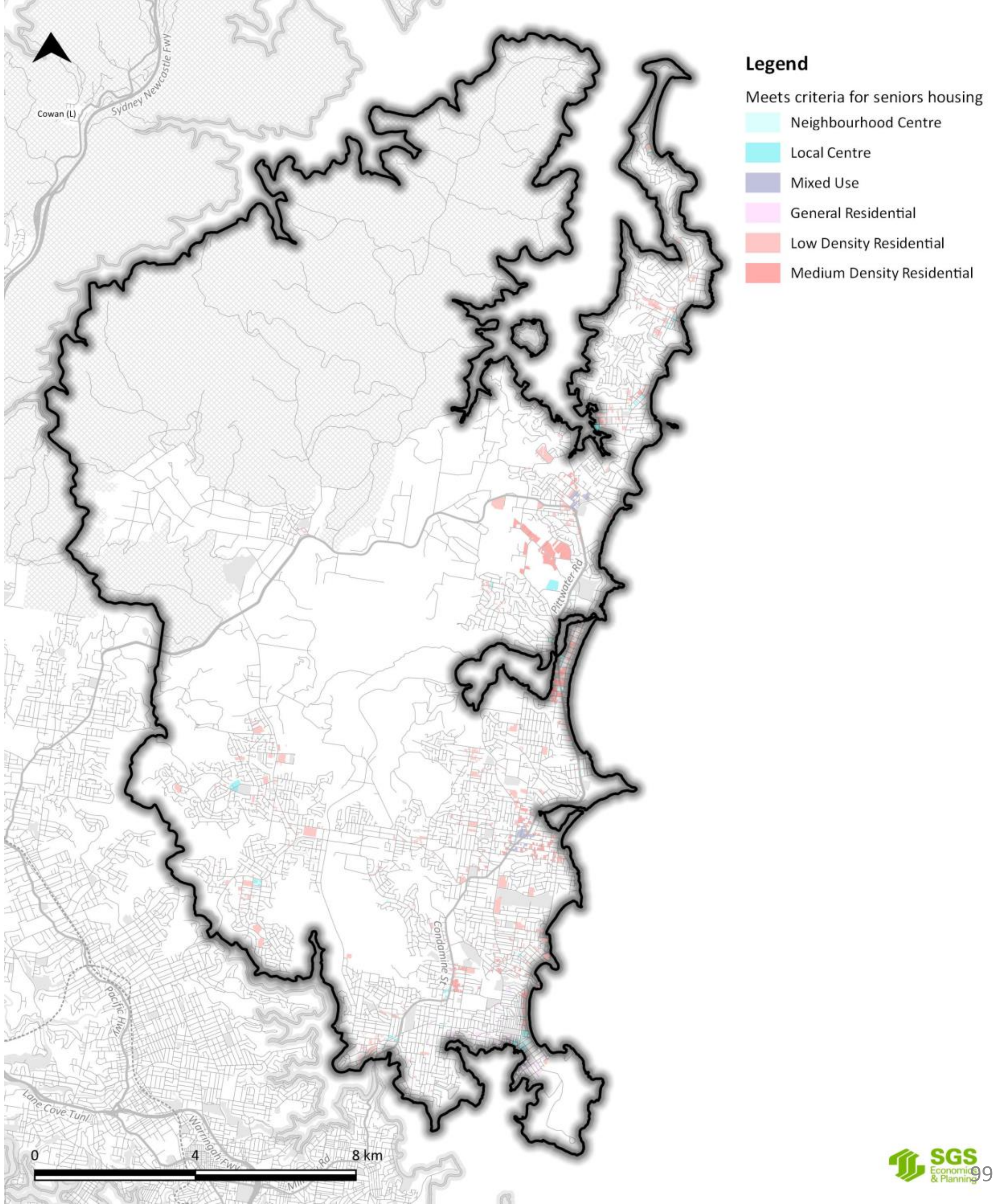
Secondary dwellings

- The treatment of secondary dwellings varies between the current LEPs that apply in the Northern Beaches.
- The zones where secondary dwellings are permitted varies between the former LGAs, as does the permitted size of secondary dwellings in relation to the primary residence on a site.
- Secondary dwellings can be used to increase the diversity and density of existing areas.

	Manly 2013	**Pittwater 2014**	**Warringah 2011**
Permitted use in zones	R1, R2, R3, E3, E4	R2, R3, R5, E4, RU2	R2, R3
Additional provisions for secondary dwellings	Floor area must not exceed whichever is greater of 60sqm or 30% of principal dwelling	Floor area must not exceed whichever is greater of 60sqm or 25% of principal dwelling	Floor area must not exceed whichever is greater of 60sqm or 11% of principal dwelling
	Allowed if total floor area <75sqm and located within existing principal dwelling	Allowed if total floor area <75sqm and located within existing principal dwelling	Allowed if total floor area <75sqm and located within existing principal dwelling

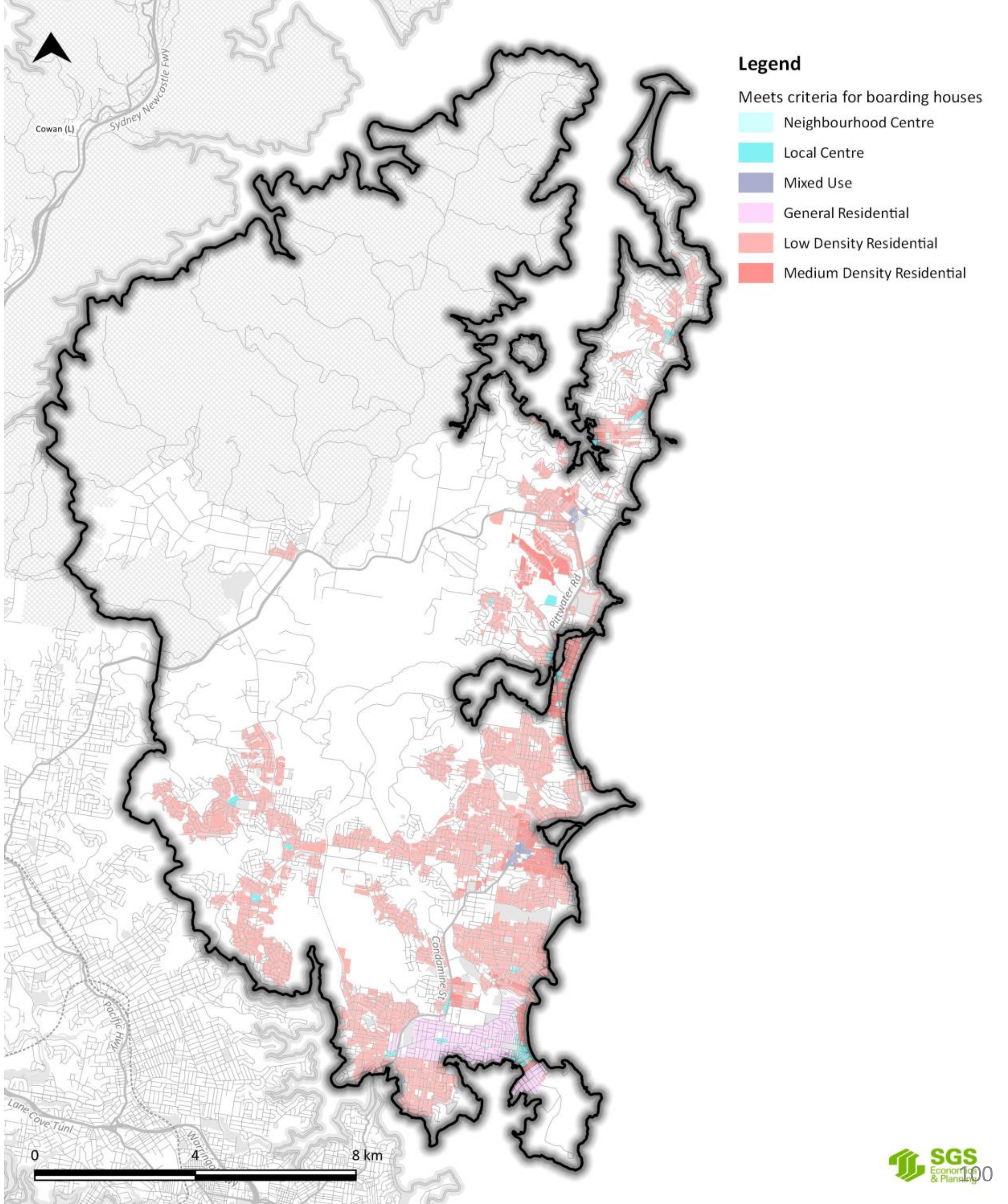
Housing for seniors and people with a disability

- Suitable sites under the SEPP must meet the following requirements, of being:
  - Within 400 metres of public transport that is available both to and from the proposed development at least once between 8am and 12pm per day and at least once between 12pm and 6pm each day from Monday to Friday (both days inclusive). This public transport service needs to have a stop within 400 meters of a centre.
  - Not within bush fire prone land.
  - Minimum lot size of 1,000 square metres, and minimum site frontage or 20 metres.
- A high level analysis has been completed to understand the potential location of this housing form for the housing strategy (and should not be used for identifying sites as part of a DA process). Suitable sites are dispersed across the LGA, and concentrated in particular areas.
- There are a limited number of sites identified in the more rural parts of the LGA, where it is also not as accessible.



Boarding houses

- Suitable sites for boarding houses under the SEPP are generally concentrated around existing transport corridors.
- The requirements for boarding houses include:
  - Permitted in R1, R2, R3, R4, B1, B2 and B4 zones
  - In the R2 zone, the site must be accessible, in terms of being within:
    - 800 metres walking distance of a public entrance to a railway station or a wharf from which a Sydney Ferries ferry service operates, or
    - 400 metres walking distance of a public entrance to a light rail station or, in the case of a light rail station with no entrance, 400 metres walking distance of a platform of the light rail station, or
    - 400 metres walking distance of a bus stop used by a regular bus service (within the meaning of the Passenger Transport Act 1990) that has at least one bus per hour servicing the bus stop between 06.00 and 21.00 each day from Monday to Friday (both days inclusive) and between 08.00 and 18.00 on each Saturday and Sunday.



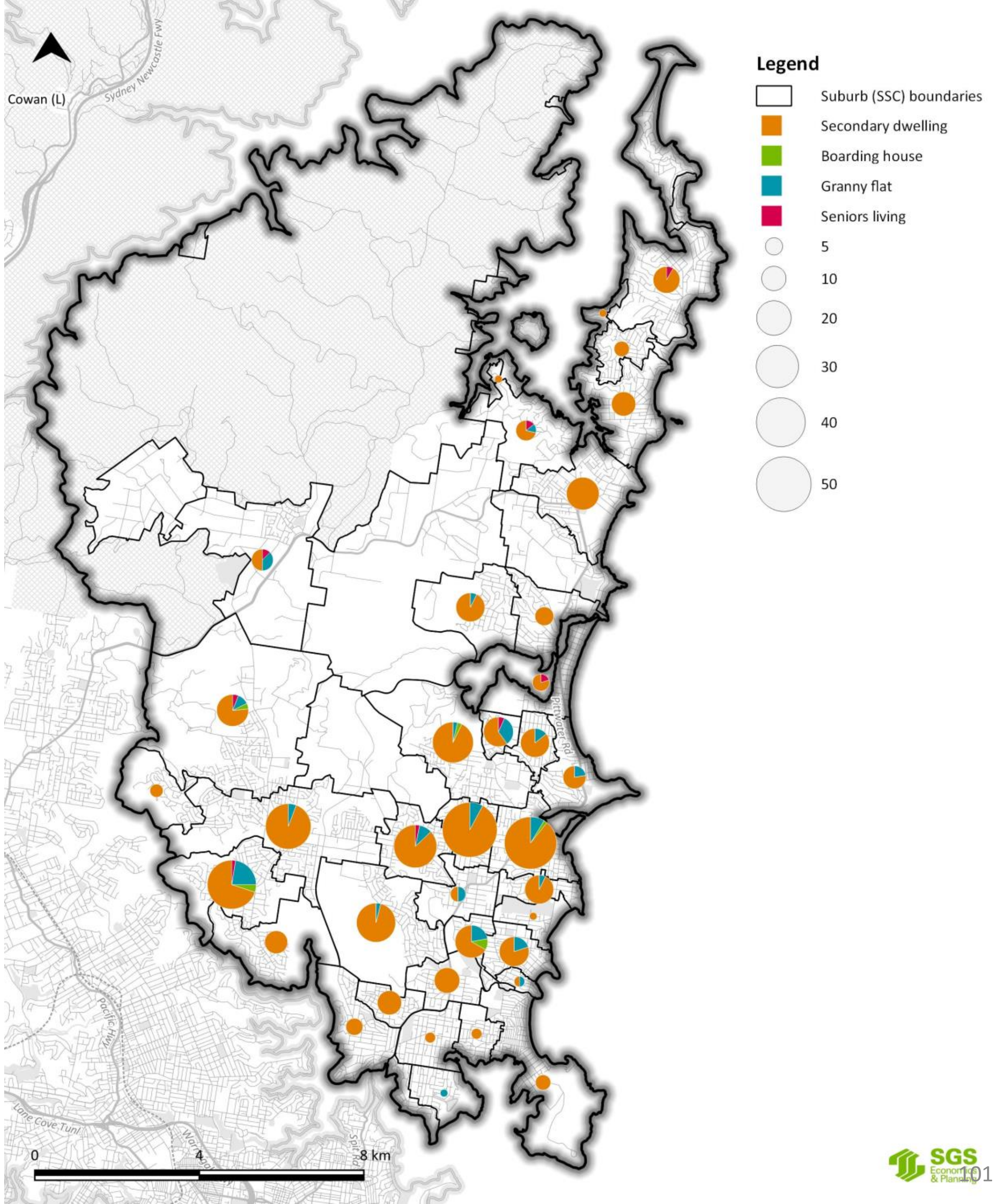
Recent development of these dwelling types

- Secondary dwellings, granny flats, boarding houses and seniors living sites developed since 2016 have been generally dispersed across the Northern Beaches, but with higher numbers in the southern half of the LGA.
- These types of dwellings have been most concentrated in suburbs including Narraweena, Dee Why, Forestville and Frenchs Forest.
- Secondary dwellings were the most common type of these dwellings developed since 2016, with relatively few of the other types, as illustrated by the pie charts in the map.

Developments since 2016 by type

Type	Developments constructed since 2016
Secondary dwellings	440
Boarding house	7
Granny flat	52
Seniors living	8
TOTAL	507

Source: Northern Beaches Council data

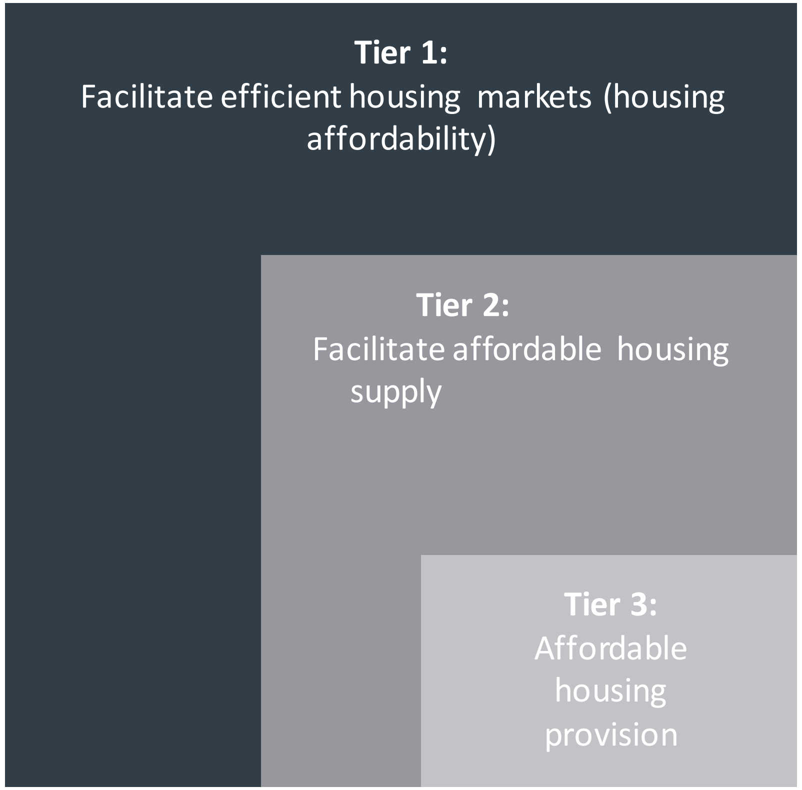


Opportunities – development standards for housing

- Development standards for housing will affect the design and quality of new housing.
- Opportunities exist to look at controls relating to the provision of carparking to support housing, and ways to either reduce the impact and/or improving feasibility of different housing development types.
- A key issue with the increasing of development density in detached housing areas, is to ensure that there is provision of deep soil zones and also the retention and establishment of vegetation, including tree canopy.
- Other key controls are the use of minimum allotment size to ensure that effective design can be achieved.
- Review of development standards using a development feasibility model, that looks at how the controls will either encourage or discourage the housing types, and whether the strategic intent to provide additional housing diversity will be achieved.
- For example, this could include car parking innovations, to both reduce costs and create better built form outcomes, such as:
  - Modified parking rates in appropriate locations/close to centres
  - Pooled parking on site
  - At-grade parking instead of basement parking.
- This Issues Paper is not a detailed review of development controls, other than relating to general housing type.

Opportunities – affordable housing supply

- Typically, 'affordable housing' is understood as meaning housing available to buy or rent for people in the bottom two quintiles of the income distribution, at 30% of average household income.
- There are a number of roles for local government that would provide greater affordable housing supply. The most important role is strategic planning and regulation for private sector housing.
  1. **Tier 1.** The private housing market deliver well over 90% of all housing. Key instruments include housing strategy (and land use planning) and planning directions
  2. **Tier 2.** Facilitating sufficient supply of affordable housing. Key instruments include planning mechanisms for affordable housing as part of development (i.e. inclusionary zoning).
  3. **Tier 3.** Investing in provision and/or management of affordable housing. Key instruments include public housing provision, investing in community housing sector, incentives and partnerships.
- Local government traditionally have a role in the Tier 1 and Tier 2 approaches, however as a property and asset owner may be able to have a greater role in Tier 3.



Northern Beaches affordable housing policy

- Northern Beaches Council's **Affordable Housing Policy** commits to increasing the range and supply of affordable housing. This is needed to meet growth demand and the changing needs of the community, including key workers. The key principles of the Policy are:
  - Establishing clear targets for the provision of affordable housing in the Northern Beaches.
  - Leading change by example.
  - Embedding affordable housing in Council's strategies, plans and policies.
  - Partnering with the State and Commonwealth Government, other local councils, industry experts, the private sector, stakeholders and community housing providers to deliver affordable rental housing.
  - Advocating for change to support affordable housing in the Northern Beaches.
- Policy statements to guide Council's actions include:
  - A 10 percent affordable rental housing target for all strategic plans and planning proposals for urban renewal and greenfield development, with higher rates sought where feasible. Targets in other areas will be established through feasibility analysis and the LHS.
  - Investigation of mechanisms to deliver affordable market-based and private housing.
  - Development of relationships and agreements with community housing providers, including identifying models for delivery.
  - Prioritisation of key workers, people with a disability, long term residents, and people with social or economic associations with the area when selecting tenants.
- The NSW **SEPP 70 Affordable Housing (Revised Schemes)** allows for Councils to amend their LEPs to include an affordable rental housing contribution scheme.
- Contribution schemes are expected to be developed using an evidence base, estimates of demand, and consider areas identified for rezoning as part of the LHS process.
- Contributions rates are required to be developed and tested to ensure that the rate is viable and will not impact on development feasibility, and therefore on overall supply.

Opportunities – linking housing to infrastructure provision

- Another opportunity that can be developed through the LHS is to ensure the housing development is accompanied by appropriate social, transport and community infrastructure. This is being considered by the LSPS and other studies which are currently underway.
- Opportunities include:
  - Requirements for local infrastructure within development controls plans (DCPs).
  - Council to play an advocacy role with the State Government to achieve upgrade to State-level social and transport infrastructure.
  - Implementation of climate change mitigation infrastructure
  - Potential to expand the existing urban tree canopy as part of housing development.

Source: Northern Beaches Council

Source: Health Infrastructure NSW

Opportunities – in general

- Across the LGA there are a number of broad areas of opportunity that could help to provide more housing, increase housing diversity, and improve the quality of built form.
- These include:
  - Investigate the redevelopment of current Council-owned sites (such as at-grade carparks) to include affordable housing
  - Establish partnerships with LAHC and community housing providers to deliver social and affordable housing.

Source: Bridge Housing Design Guidelines

NORTHERN BEACHES HOUSING STRATEGY

NEXT STEPS

SGS Economics & Planning

Recap of key issues for the housing strategy

- Key issues for the housing strategy to consider will include:
  - Accommodating the housing needs of changing demographics – including for the ageing of the population and preferences towards smaller dwelling types and increasing housing diversity
  - Addressing existing and projected future demand for social and affordable housing and the need to improve housing affordability
  - Planning for opportunities to accommodate expected longer-term demand for housing, as the existing capacity for housing may be exhausted in the next 10 to 15 years
  - Identifying where to locate new housing
  - The role of local government in facilitating and delivering new and affordable housing
  - Responding to the Medium Density Housing Code, and its application across the LGA in a form suitable for the character of the Northern Beaches
  - Aligning growth with infrastructure provision.

Source: SGS, 2019

Next steps

- Council is seeking comments and feedback on this Issues and Opportunities Paper.
- The feedback received from the community in the consultation process will be used to inform the preparation of the draft Northern Beaches Local Housing Strategy (LHS).
- This draft will be made available to the public for consultation, with comments being incorporated into the final LHS.

Source: SGS, 2019

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