

ITEM 1

WOLLONGONG HOUSING STRATEGY IMPLEMENTATION PROGRESS REPORT AND STATE HOUSING POLICY CHANGES

On 29 February 2023, Council adopted the Wollongong Housing Strategy. Over the past year, interest rates have continued to rise, and the cost-of-living pressures have increased, which is impacting a large part of the community.

This report provides an overview of the progress on the implementation of actions in the Housing Strategy.

Additionally, the report provides a summary of the recent housing policy changes announced, exhibited and commenced by the NSW Department of Planning, Housing and Infrastructure to address housing supply and affordability.

RECOMMENDATION

- 1 The implementation progress of the Wollongong Housing Strategy be noted.
- 2 The General Manger be delegated authority to finalise the draft submission on the Explanation of Intended Effect (EIE) for Changes to create Low and Mid - Rise Housing and Transport Oriented Development Program (Attachment 4).

REPORT AUTHORISATIONS

Report of: Chris Stewart, Manager City Strategy

Authorised by: Linda Davis, Director Planning + Environment - Future City + Neighbourhoods

ATTACHMENTS

- 1 Housing Strategy Action Summary
- 2 Comparison of Housing Controls
- 3 Town Centre and Station Precinct Maps
- 4 Submission: NSW Housing Policies - Explanation of Intended Effect: Changes to Create Low-and Mid-Rise Housing and Transport Oriented Development Program

BACKGROUND

The Wollongong Housing Strategy was prepared over six years and included three exhibition periods, in summary -

- During 2017, the Housing Our Community Discussion Paper was prepared and exhibited.
- On 16 March 2020, Council endorsed the draft Housing and Affordable Housing Options Paper (Options Paper) for exhibition. The draft Options Paper was available from 19 March 2020, with the formal exhibition period from 5 May 2020 to 10 July 2020.
- On 19 July 2021, Council considered a report on the outcomes of the exhibition of the draft Options Paper and resolved to use the feedback received to inform the preparation of a draft Housing Strategy.
- On 29 August 2022, Council endorsed the draft Wollongong Housing Strategy for exhibition, which occurred from 10 October to 2 December 2022 (8 weeks).
- On 29 February 2023, Council adopted the Wollongong Housing Strategy.

On 17 July 2023, the (then) Department of Planning and Environment endorsed the Wollongong Housing Strategy as a strategic document, which gives it more weight in the assessment of Planning Proposals. The Department requested as part of a future review of Medium Density Residential zoned land, that Council reconsider the continued permissibility of single dwellings.

PROPOSAL

Cost of Living Pressures

Since the adoption of the Housing Strategy the cost-of-living pressures have increased.

- The National Consumer Price Index for the September 2023 quarter was 1.2% with a 5.4% annual change (ABS Consumer Price Index – September 2023 quarter). This is a decrease from the 7.8% annual change recorded in December 2022 quarter. The most significant price rises were Automotive fuel (7.2%), Electricity (4.2%), Rents (2.2%) and new dwelling purchase by owner-occupiers (1.3%).
- On 6 December 2023, the Reserve Bank of Australia increased the cash interest rate to 4.35%, which had a flow on increase to the mortgage interest rate (RBA website).
- The median cost of a dwelling has slightly fallen from \$985,000 to \$965,000 for a house and increased slightly for a unit from \$695,000 to \$710,000 (id Housing Monitor June 2023 and December 2022). A longer-term trend shows the median house price falling from a peak in June 2021.
- The median rent in the LGA for a house has remained \$650 for a house and increased from \$480 to \$500 per week for a unit (id Housing Monitor June 2023 and December 2022). A longer-term trend shows rents continuing to increase.

The higher cost of food, fuel, interest rates etc is placing increased pressure on the household budget, housing affordability, mortgage and rent payments. Some examples of the flow on effect have been -

- In June 2023, the NSW Department of Communities and Justice released its annual State-wide survey which counted 59 people sleeping rough in the Wollongong LGA in February, up from 45 people the previous year (31% increase).
- In November 2023, the National Rental Affordability Index shows a price index for rental markets indicating rental affordability relative to household incomes. The index found that the Australian rental crisis is getting worse, spreading from capital cities to regional areas. Within the LGA the index found that only postcode area around Port Kembla (2505) was 'moderately unaffordable', with all other LGA postcode areas were categorised as either 'unaffordable' or 'severely unaffordable'.
- The media has reported increased pressure and demand on housing charities and services and food charities.

Wollongong Housing Strategy implementation

The Housing Strategy contains 44 actions linked to 68 strategies. Attachment 1 contains a list of the actions and their status. Of the actions -

- 1 action has been completed,
- 10 actions are in progress,
- 8 projects are in progress, consistent with the program.

The following provides a summary of the actions undertaken, in the key focus areas -

Housing Supply - Planning Proposals and Neighbourhood Plans

- On 19 May 2023, Wollongong LEP 2009 (Amendment No. 53) was made which rezoned the former Port Kembla Public School site to permit an estimated 110 dwellings. A development application has not yet been lodged.
- On 27 November 2023, Council resolved to finalise PP-2020/6 for Cleveland Road (Phase 1) rezoning which will permit an estimated 2,275 dwellings. The assessment of the deferred flood affected area (Phase 2) is in progress.
- On 27 November 2023, Council approved the Neighbourhood Plan for the BlueScope Holding at Kembla Grange which will enable a development application for an estimated 460 dwellings to be lodged and assessed.

- On 3 April 2023, Council endorsed the exhibition of PP-2023/3 Illawarra Escarpment Foothills Planning Proposal which proposed to update planning controls on 68 sites to reflect site constraints. Following receipt of the Gateway Determination, the Planning Proposal was exhibited from 6 September 2023 to 11 October 2023. Submissions are currently being reviewed.
- On 3 April 2023, Council endorsed the exhibition of PP-2023/2 Wilga Street block, Corrimal to increase the building height to 15m and floor space ratio to 1.5:1 and introduce an Affordable Housing clause into the LEP. Following receipt of the Gateway Determination, the Planning Proposal was exhibited from 8 November 2023 to 19 December 2023. Submissions are currently being reviewed.
- On 31 July 2023, Council endorsed the exhibition of PP-2023/5 – SP2 Infrastructure – Roads, which will remove the SP2 Infrastructure zone from 40 properties no longer required for State main roads. The removal of the restriction will improve the housing redevelopment opportunities on the lots. Following receipt of the Gateway Determination, the Planning Proposal will be exhibited from 31 January 2024 to 4 March 2024.
- Council officers have been assisting the Department of Planning, Housing and Infrastructure (Department) with its assessment of the State Assessment Planning Proposal (SAPP) application for 1,300 dwellings on the Warrawong Plaza. As detailed later in this report, while some increase in housing density in this location is consistent with our endorsed Housing Strategy, Council officers are concerned about elements of the proposal including impact on the retail centre, the proposed 75m building height, associated traffic volumes, and existing flood hazard.

Affordable Housing

- On 31 July 2023, Council resolved to allocate \$5M to Head Start Homes (Affordable Housing Tender Round 3) for the delivery of an Affordable Home Ownership Scheme. A separate report considering the proposed funding agreement is included on the agenda of this council meeting (5 February 2024).
- On 27 November 2023, Council resolved to endorse the Planning Agreement for the former Port Kembla Public School site which includes 5% Affordable rental housing provision (6 dwellings).
- On 30 October 2023, Council considered a Notice of Motion about Affordable Housing Construction delays and resolved –
 - 1 *Conduct an audit of all Development Applications, issued approvals over the last 5 years, that include an Affordable Housing component.*
 - 2 *Provide a Briefing to Councillors on results of the audit and on progress of initiatives in the endorsed Housing Strategy that relate to affordable housing outcomes, including any additional opportunities to incentivise and/or encourage the development sector to deliver housing outcomes.*

The briefing is proposed to occur in March 2024.

Assistance for support organisations

- On 28 August 2023, the Wollongong City-wide Development Contributions Plan 2023 was adopted and includes potential contribution exemptions for housing of an affordable rental, supportive or emergency nature.
- On 30 October 2023, the draft West Dapto Development Contributions Plan 2024 was endorsed for exhibition and includes a potential contribution exemption.

Other Council Programs:

- Council is in the process of selling a land holding in Stream Hill (West Dapto) to enable a developer to seek approval for subdivision, contributing to housing supply. Council is also reviewing its portfolio of land holdings to identify any additional opportunities.
- Council remains open to investigating innovative partnership opportunities as supported in the endorsed Wollongong Housing Strategy.

- Advocacy on a range of housing related matters, including for more social housing, forward funding of enabling infrastructure, biodiversity certification of West Dapto and inclusion of the Affordable Housing clause into the Standard LEP Instrument.
- Ongoing engagement and collaboration with State and Federal Ministers, State agency executives and organisations in support of positive strategic and statutory planning outcomes.
- Participated in the Faster Local Approvals Grant program which resulted in improved determination timeframes for land subdivision applications.
- Engaging with the Department to improve functionality of the State's Planning Portal.

NSW Department of Planning, Housing and Infrastructure – Housing initiatives

Under the National Housing Accord, New South Wales is required to deliver approximately 377,000 new dwellings, including approximately 15,800 social and affordable dwellings by 30 June 2029. This is an average of 75,400 new dwellings per year, over the 5 years. In 2022, NSW delivered around 48,000 homes. An increase of 27,400 dwellings per year is a significant and aspirational increase and will require a combined effort from the State, local government and the development and building sectors.

Since June 2023, the Minister for Planning and Public Spaces (Minister), and the NSW Department of Planning, Housing and Infrastructure (formerly NSW Department of Planning and Environment) have made a number of announcements and proposed policy changes to increase housing supply and address housing affordability issues.

On 5 August 2023, the Minister wrote to all NSW Councils concerning the housing crisis and meeting the goals of the National Housing Accord. The letter requests Council to prioritise the delivery of housing when assessing development applications and rezoning schemes. The letter requests Council to prioritise the opportunity to deliver homes as part of merit considerations where, on balance, dwelling numbers may warrant a scale or built form that is different to or greater than the outcome originally anticipated.

Comment:

Council is committed to working within our roles and responsibilities to support the development of new housing supply and social and affordable housing outcomes. As outlined earlier in this report, Council is progressing a range of housing related actions and projects from the endorsed Wollongong Housing Strategy.

Council has invested in system and process improvements to ensure efficiency within the development assessment and determination process. We monitor the number of Development Applications (DAs) in the system (within and exceeding 90 days) and report against our KPI's which includes median determination timeframes. Our end of December 2023 result was an impressive 39 median days for DA determinations.

Reducing determination timeframes is one aspect of our efforts in the development assessment space, however we also have a strong focus on ensuring that the quality of new development is appropriate. One concern with implementing new policy that does not adequately respond to local characteristics and circumstances is creating long term legacy issues arising from poor development outcomes.

Development controls provide clear guidance about what is expected from development proposals. Consistently and fairly applying those controls provides certainty for developers and investors. Having a balanced approach to merit-based assessment is important in achieving this goal and we should be cautious about new policies which may undermine clear and consistent application of planning rules for short term benefit.

Whilst development approvals play an important role in the housing pipeline, a review of dwelling approvals data demonstrates that other factors are equally important. Approvals are currently in place for nearly 2,000 dwellings (1,974) in the Wollongong CBD and surrounds that are yet to commence construction. In addition to policies targeted at Councils to increase dwelling densities and improve DA timeframes, it is suggested that other policies targeted at incentivising the development sector to act on approvals within a reasonable period be explored.

Over the last several years, Councils have invested in the development and implementation of Housing Strategies to address housing supply. The NSW Government has also invested in initiatives designed to prioritise housing in the right locations, for example its Priority Growth Areas and Precincts.

The release of data relating to the performance of the existing endorsed housing strategies would be an appropriate first step in the review of housing supply policies. If Councils are meeting targets, then continued implement of their strategies should be supported. If the targets are not being met, then there is the case for review and change. Council has invested significant resources preparing the Wollongong Housing Strategy and the introduction of new State policies has the potential to undermine our current initiatives and divert our resources.

While we understand and support the intent of the package of reforms, we are concerned about the potential to undermine development controls in some locations that are specifically designed to achieve certain outcomes, for example height controls that ensure sunlight on public open spaces. A one size fits all approach does not respond to the constraints, opportunities and character of each LGA and local area.

1 Affordable Housing

In June 2023, the Minister announced bonus provisions associated with delivery of affordable housing. On 14 November 2023, amendments to SEPP (Housing) 2021 were made to enact the changes, including -

- Residential development valued at more than \$30M in the Illawarra -Shoalhaven region will be eligible for a new State Significant Development (SSD) pathway, providing it includes at least 15 per cent of the total gross floor area as affordable housing.
- Amend the in-fill affordable housing provisions to introduce a new floor space bonus of 30 per cent and a height bonus of 30 per cent for residential developments with at least 15 per cent affordable housing (affordable housing gross floor area is required to be used for affordable housing purposes for a minimum period of 15 years). A minimum of 10% affordable housing is required, if a lower height and FSR bonus is sought.
- Allow State housing agencies to deliver projects more quickly:
 - A new SSD pathway will enable the Land and Housing Corporation (LAHC) and the Aboriginal Housing Office (AHO) to deliver residential developments of over 75 homes.
 - Landcom will also have an SSD pathway for developments of over 75 homes that include at least 50 per cent affordable housing.
 - LAHC and AHO will be able to self-assess social and affordable developments of up to 75 homes, including residential flat buildings of 3 or more storeys where these are permissible. At present LAHC and AHO can self-assess social and affordable developments of up to 60 homes and 2 storeys.
 - Landcom will be able to self-assess 100% affordable housing developments of up to 75 homes.
 - The minimum lot size for dual occupancies being delivered as complying development by LAHC, AHO, community housing providers (CHPs) / Aboriginal Community Housing Providers will be reduced to 400m² under the Low-Rise Housing Diversity Code, making more land available for this type of development.
 - Social and affordable housing will be exempt from State infrastructure contributions.
- SEPP 65 Design Quality of Residential Apartment Development was also repealed and the revised provisions incorporated into the Housing SEPP.
- Include provisions for Design Review Panels – “the Minister may constitute a Design Review Panel”.
- Media Release: [New reforms to create more affordable housing | NSW Government.](#)

Comment:

Engagement with Council about this initiative in early 2023 suggested a \$75M threshold for eligible housing developments to be assessed by the State under the SSD pathway. Feedback at the time indicated that few developments would trigger this threshold which would therefore not have a major impact on Council's current functions. However, we have recently learned that the threshold for Shoalhaven-Illawarra and Lower Hunter and Greater Newcastle councils has been legislated at \$30M.

A review of DAs over recent years indicates that a \$30M mid-rise housing project is not uncommon and there is potential for many applications to be determined under the SSD pathway. An increase in the number of SSD matters will impact on Council resourcing during the pre-lodgement phase (e.g. SEARs preparation, early consultation and meeting requirements) and post lodgement when formulating Council submissions as well as reviewing applicant's responses to submissions. There is currently no mechanism under the SSD pathway for Council to recover cost for the assessment required in preparing submissions. The increase in residential projects able to be assessed by the Department of Planning, Housing and Infrastructure also undermines Council's autonomy in assessing local development with the benefit of our local knowledge and expertise.

Anecdotally, some developers have indicated that they will delay commencement of approved projects to explore the development opportunities available through the bonus scheme. This will unfortunately result in a delay in new housing coming to market.

As mentioned above, increased height may result in overshadowing of parks where the current controls have been based on solar access provision. The Wollongong LEP 2009 contains a range of maximum building height standards.

The following table provides an indication of how many additional stories may be possible with a 30% height bonus. In the R2 Low Density Residential zone the increase is 2.7m, which depending on the building design may result in one extra storey. Whereas, in the City Centre where there are 120m height limits, the 30% bonus could result in 156m building heights, an additional 12 stories.

	Example Building Heights (m)								
Current height control (m)	9	12	15	20	40	60	80	100	120
Revised height with 30% (m)	11.7	15.6	19.5	26	52	78	104	130	156
Difference (m)	2.7	3.6	4.5	6	12	18	24	30	36
Extra No, stories (at 3m)	0.9	1.2	1.5	2	4	6	8	10	12

Council officers support the requirement for Affordable Housing to be incorporated into developments that take advantage of the bonus provisions, however consideration should be given to such Affordable Housing being provided in perpetuity, rather than for a 15-year period.

Council has a Collaboration Agreement with NSW Land and Housing Corporation (L&HC) that provides the framework for an open and constructive working relationship. L&HC owns over 7,000 sites across the LGA and a large number of these contain a single ageing dwelling house of 3-4 bedrooms that are not well suited to client needs. Council is engaging with L&HC on some urban renewal opportunities and the Corporation is moving forward with its program of replacing existing dwellings with multi dwelling housing on suitable sites.

From a funding perspective, Council has advocated for a change to the L&HC self-funding model to encourage the State to invest in the provision of new social housing. We are encouraged by indications from the government that changes are being made to the funding model.

Landcom is currently seeking approval to redevelop the former Bulli Hospital site on Hospital Road, Bulli. Development Application DA-2023/895 currently proposes a subdivision into 16 super lots, for further housing development applications. It is understood that the proposed development will include affordable housing (10%), diverse housing (15%) and universal housing (\$30%) subject to further DAs.

2 Low Rise Medium Density and Residential Flat Buildings

On 31 October 2023, the Minister wrote to all Councils raising concerns about permissibility of dual occupancies and residential flat buildings. On 28 November 2023 the Minister issued a media release which raised concerns about Residential zones not permitting dual occupancies and medium density zones not permitting residential flat buildings.

On 28 November 2023, a letter was sent to the Minister noting that the Wollongong LEP 2009 does permit dual occupancies in the R2 Low Density Residential and R3 Medium Density Residential Zones. Residential Flat Buildings are also permitted in the R2 Low Density Residential and R3 Medium Density Residential Zones. However, the Wollongong Housing Strategy proposes to remove Residential Flat Buildings as permissible development in the R2 Low Density Residential zone as they do not reflect a development type that is consistent with the objectives of the zone to provide housing in a low-density residential environment.

On 16 December 2023, the (then) Department of Planning and Environment released an Explanation of Intended Effect (EIE) for proposed changes to stimulate Low and Mid-rise housing supply. The EIE is on exhibition until 23/2/24. Exhibition Webpage: [Explanation of Intended Effect: Changes to create low and mid-rise housing | Planning Portal - Department of Planning and Environment \(nsw.gov.au\)](https://www.dpe.nsw.gov.au/exhibition/explanation-of-intended-effect-changes-to-create-low-and-mid-rise-housing-planning-portal)

The document proposes (in summary) -

- Dual Occupancies will be permitted in all R2 zones, with a maximum building height of 9.5m and FSR of 0.65:1.
- Manor Homes will be permitted in R2 zones within station and town centre precincts, with a maximum building height of 9.5m and FSR of 0.8:1.
- Terrace houses will be permitted in R2 zones within station and town centre precincts, with a maximum building height of 9.5m and FSR of 0.7:1.
- Multi-dwelling housing (3 or more dwellings) will be permitted in R2 zones within station and town centre precincts, with a maximum building height of 9.5m and FSR of 0.7:1.
- Residential Flat Buildings permitted in R3 zones within station and town centre precincts -
 - 0-400m inner area with a maximum height of 21m and FSR of 3:1.
 - 400m-800m outer area is maximum height of 16m and FSR of 2:1.
- Station and town Centre precincts are described as -
 - 800m walking distance to rail station (doesn't mention the frequency of service).
 - 800m walking distance of E2 Commercial Centre zone.
 - 800m walking distance of E1 Local Centre zone or MU1 Mixed Use zone if the zone contains a wide range of frequently needed goods and services, such as a full line supermarket, shops and restaurants.
- Shop-top housing developments will be allowed to have the same controls as Residential Flat Buildings (i.e., 21m with an FSR of 3:1, or 16m with an FSR of 2:1) wherever they are permitted excluding the R2 Low Density Residential zone.

The Department has not published draft legislation to accompany the EIE, so many aspects of the proposal are unclear as to how they will be implemented.

Some Town Centres have the train station within or adjoining the centre, for example Thirroul, Bulli, Unanderra, Dapto. In these locations the controls could overlap. Whereas in other suburbs, the station and town centre are largely separated, for example Corrimal, Port Kembla.

Wollongong, Warrawong and Dapto have E2 zoned land. The EIE provisions will apply to land within the 800m walking catchment of these major regional centres. As suggested above, the EIE provisions only apply to E1 and MU1 zones which provide a wide range of frequently needed goods and service. The Department has consulted with Councils in this regard. The advice provided to the Department is consistent with the centres hierarchy adopted in the Retail and Business Centres Strategy (March 2023). The higher order town centres of Corrimal, Fairy Meadow and Figtree provide the level of service

referred to in the EIE. It is unknown whether the Department will also seek to include lower order town centres (previously zoned B1 Neighbourhood Centre). Attachment 3 illustrates the extent of the EIE provisions if the Department decides to include all lower order town centres in our LGA.

Development proposals which include an affordable housing component could also utilise the bonus provisions under the affordable housing changes, as discussed previously.

Comment:

Attachment 2 provides a comparison of existing and proposed controls for the different forms of development. The following discussion provides some analysis of the proposals.

Dual Occupancy

The Wollongong LEP 2009 currently permits dual occupancy (attached and detached) in the R1, R2, R3 and R4 zones.

Since 2018, SEPP (Exempt and Complying Development) 2008 has permitted side by side dual occupancy (where both dwelling front a road) as complying development, which can be assessed by a certifier or Council. Council has received many Complying Development Certificates for dual occupancy developments, assessed and approved by Certifiers. Council also assesses Development Applications for dual occupancy.

The EIE proposal to allow dual occupancy in all R2 zones, represents no change in the Wollongong LGA. However, the proposed development standards are higher than those permitted in the LEP or currently by the SEPP. Also, it appears that the proposed controls will equally apply to battle axe detached dual occupancies, as well as side by side.

The proposed changes appear to enable all forms of dual occupancy (attached or detached, side by side or battle axe) at a higher density (floor space ratio) and a lower car parking requirement than currently permitted. It is not specified whether the standards will be for local development (Council assessed) or complying development (Council or certifier assessed).

It is anticipated that more dual occupancy developments will be proposed as a result of the more generous controls proposed under the reforms.

Manor Homes

Manor homes is not included in the Standard LEP Instrument as a land use and is not listed in the Wollongong LEP 2009.

Since 2018, SEPP (Exempt and Complying Development) 2008 has permitted manor homes as complying development in zones where multi dwelling housing and/or residential flat buildings are permitted. Consequently, they are permitted in the R1, R2, R3, R4 and MU1 zones.

As complying development, an application is required to meet all the specified standards. To date, no Complying Development Certificates have been lodged with Council.

As the use is not included in the Wollongong LEP 2009, a Development Application cannot be lodged for a proposal that does not fully comply with the requirements of the SEPP.

The EIE proposes to slightly increase the height and FSR in the town centre and station precincts.

It is not expected that the proposed changes will result in many applications, as a large site is still required, and the buildings must be class 2 construction under the National Construction Code.

If the State Government wants to encourage more manor homes, it should amend the Standard LEP Instrument and include the use in all LEPs as local development. The assessment of an application by Council as local development provides a more flexible merit assessment if the complying development standards cannot be met.

Multi Dwelling Housing - Terraces

Multi dwelling housing - terraces are not included in the Standard LEP Instrument as a land use and is not listed in the Wollongong LEP 2009.

Since 2018, SEPP (Exempt and Complying Development) 2008 has permitted multi dwelling housing - terraces in zones where multi dwelling housing and/or residential flat buildings are permitted, with a height of 9m and a gross floor area of 60% of the lot size in the R2 zone and 80% of the lot size in the R3 zone. Consequently, they are permitted in the R1, R2, R3, R4 and MU1 zones. To date, there has been one Complying Development Certificate for a terrace housing development containing 10 dwellings.

The EIE proposes to slightly increase the height and FSR in the town centre and station precincts, and to decrease the minimum lot size from 600m² to 500m² and parking requirement from 1 space per dwelling to 0.5 spaces per dwelling.

It is not expected that the proposed changes will result in many applications, as a large wide site (21m) is still required, and more dwellings can be achieved through dual occupancy or multi dwelling housing. Similar to the suggestion for manor homes above, the Standard LEP Instrument could be amended to include the use as local development. The proposed reduction in car parking is not supported as a blanket requirement, as public transport services vary across the LGA and is not available in Wollongong at the same level of service as it is in the Sydney Metropolitan area.

Multi Dwelling Housing

The Wollongong LEP 2009 currently permits multi dwelling housing in the R1, R2, R3, R4 and MU1 zones, with the height and FSR controlled under the LEP. Within the R2 Low Density Residential zone the height limit is 9m and the floor space ratio 0.5:1.

The EIE proposes to increase the height and FSR in the town centre and station precincts. The main changes are the proposed increase in FSR to 0.7:1, to reduce the minimum lot width from 18m to 12m and reduce the car parking requirement to 1 space per dwelling.

Council assesses many applications for multi dwelling housing, and typically receives objections from the surrounding community. The proposal will enable bulkier development on smaller lots.

The proposed floor space increase to 0.7:1 on a 1000m² lot represents an extra 200m² in floor space. The proposed reduction in minimum lot width to 12m will make more lots available for multi dwelling housing and prevent the need to acquire 2 adjoining lots. It would also result in more gun barrel developments and driveway crossings, each lot containing a driveway serving 3 or more dwellings.

The proposed reduction in car parking is not supported as a blanket requirement, as public transport services vary across the LGA and is not as available in Wollongong as it is in the Sydney Metropolitan area.

It is unclear whether the proposal will be local development or complying development.

Residential Flat Buildings

The Wollongong LEP 2009 currently permits residential flat buildings in the R1, R2, R3, R4, and MU1 zones, with the height and FSR controlled under the LEP. The Wollongong Housing Strategy proposed that residential flat building no longer be permitted in the R2 Low Density Residential zone as they are not consistent with the R2 zone objectives. They are unlikely to occur in the R2 zone, given the 9m building height limit and 0.5:1 FSR.

The R3 Medium Density Residential zone applies to 10 precincts in the LGA and typically has a FSR of 0.75:1 and building height of 13m or 15m.

The Wollongong Housing Strategy proposed a review of the controls that apply to the R3 Medium Density Residential to encourage more medium density development. As the Housing Strategy is implemented, appropriate controls will be tested.

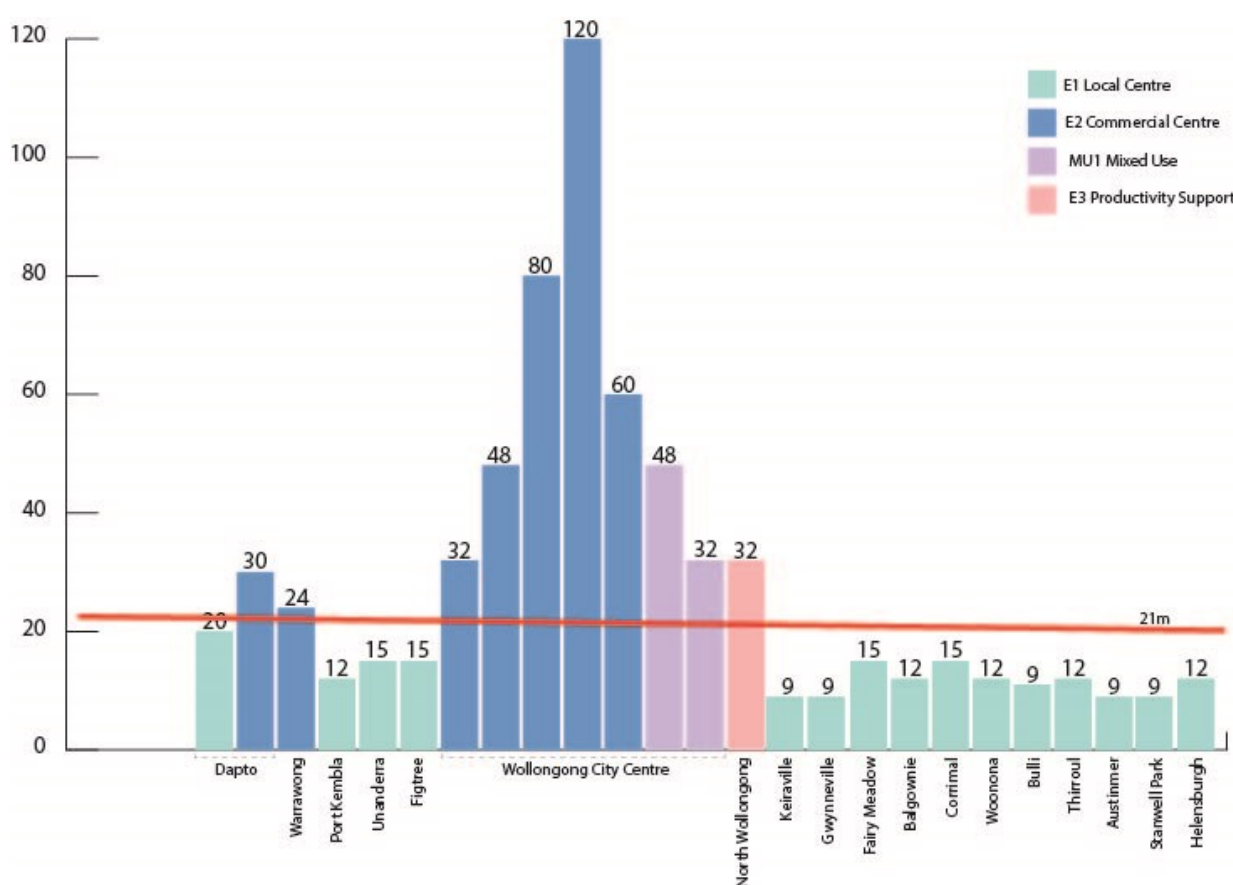
The EIE proposal to allow within the R3 Medium Density Residential zone -

- Within 0-400m of a station or town centre precinct, 21m height (6 storey) and FSR of 3:1.
- Within 400-800m of a station or town centre precinct, 16m height (4 storey) and FSR of 2:1.

Shop top Housing

The Wollongong LEP 2009 currently permits shop top housing in the R1, R2, R3, R4, E1, E2, and MU1 zones, with the height and FSR controlled under the LEP. A 2-storey Shop top development (dwelling above a shop) has been an appropriate form of development in villages and smaller centres. The larger 10+ storey shop top housing developments have been appropriate in the Wollongong City Centre. The following graph illustrates the current height limits in selected centres (not all centres shown), and the proposed 21m building height limit.

The EIE proposes increased height and FSR for shop top housing wherever that type of development is permitted (excluding the R2 zone). This potentially means all R1, R3, R4, E1, and E2 zones within the 400m/800m station and town centre precincts. This proposal is not supported and will change the character and amenity of villages and smaller towns. Clarification is being sought from the Department as to whether they intent the provisions to apply to all zones, or just the commercial centres (E1 and E2 zones), or just the nominated centres.



Town Centre and Station Precincts

A number of the proposals relate to 400m/800m accessible distances around town centre and station precincts.

Within the LGA there are -

- 1 Regional City (Wollongong City Centre), 2 Major Regional Centres (Dapto and Warrawong), 3 Major Towns (Corrimal, Fairy Meadow and Figtree), 10 Towns, and numerous villages and small villages (Chapter B4 Wollongong DCP 2009).
- 25 rail stations.

Attachment 3 is a set of maps showing 400m/800m radius around the town centres and stations. Council officers consider the proposed controls are inappropriate for the smaller town centres, villages and small villages. The maps in Attachment 3 show all the town centres in our adopted retail hierarchy, to highlight the potential application of the policy.

The Department's Employment Zone Reforms (2023) collapsed the number of Retail and Industrial zones. The merger of the former B1 Neighbourhood Centre and B2 Local Centre zones into the E1 Local Centre zone has reduced the option to distinguish a centre's position in the hierarchy by the zone name. The land uses permitted in the E1 zone are also more extensive than those permitted in the former B1 zone, which was designed for villages and neighbourhood centres.

The EIE proposal appears to indicate that the shop top housing provisions apply equally to all centres.

Similarly, the 25 stations have a varying level of service and train frequency, yet the policy treats them as equals. The stations have a lower level of service than the stations in the Sydney Metropolitan network. Additionally, not all the stations provide full accessibility.

- According to the timetable, Wollongong is the most utilised station with 57 services north bound and 55 services south bound each weekday.
- Most stations north of Wollongong generally only have an hourly service, with between 22-26 services north bound and 24-29 services south bound each weekday.
- North Wollongong, Thirroul and Helensburgh stations have a higher level of service, where the express trains also stop.
- South of Wollongong, the Port Kembla line generally has an hourly service in each direction, resulting in 22 northbound and 24 southbound services each weekday.
- South of Wollongong, the Dapto-Kiama line generally has an hourly service in each direction, resulting in 30 northbound and 31 southbound services each weekday.
- A train from Dapto to Helensburgh takes 49 minutes (stopping north of Wollongong at North Wollongong, Thirroul and Helensburgh), and then another 50 minutes to Central Station.
- A train from Port Kembla to Helensburgh takes 65 minutes (stopping at all stations north of Wollongong) and terminates at Waterfall.

The principle of increased development around rail stations is supported in Council's adopted Housing Strategy which notes that there is opportunity for additional development around some town centres and stations. However, other stations are in constrained locations with irregular train services where additional development is not appropriate.

The proposals will have significant implications for the northern villages (Stanwell Park, Coalcliff, Clifton, Scarborough, Wombarra, Coledale, Austinmer). The steep terrain creates construction challenges and Lawrence Hargrave Drive is at capacity. In addition, Stanwell Park and Coalcliff are served by a pressurised sewerage system, which Sydney Water has advised has limited capacity. The northern park of Scarborough and Clifton are unsewered.

It appears that the Department may not have considered flood constraints or bushfire hazards in its proposals for town centres and station precincts.

Affordable Housing

The EIE does not propose an affordable housing delivery or contribution requirement. The EIE proposes significant uplift in town centres and station precincts, and surrounds, without capturing any of the uplift value which could be used for the provision of affordable housing.

A development application under the EIE could also seek a 30% increase in height an FSR, if proposing 15% affordable housing under the Housing SEPP. A proposal for a 21m Shop top housing development, could be increased to 27.3m comprising an extra 2 stories.

Any affordable housing provided should be in perpetuity.

3 Transport Oriented Development

On 7 December 2023, the Minister announced the Transport Oriented Development (TOD) program. Tier 1 of the proposal applies to land around 8 stations in Sydney, where the Department is rezoning land 1,200m around the stations. Tier 2 of the proposal applies to 31 stations, including Corrimal, North Wollongong and Dapto Rail Stations, where the Department is preparing a draft TOD SEPP to make the proposed changes to permit -

- Residential flat buildings in all residential zones (R1, R2, R3 and R4) within 400m of the three stations.
- Residential flat buildings and shop top housing in local and commercial centres (E1 and E2) within 400m of the three stations.
- The floor space ratio is proposed to increase to 3:1; the building height increased to 21m (6 storeys); no minimum lot width or lot size; maximum parking rates; minimum active street frontage controls in the E1 and E2 zones; and a minimum 2% affordable housing contribution is proposed.

The Department advised that it is only undertaking targeted consultation with affected Councils and required submissions by 31 January 2024. Council officers have forwarded a copy of this report, including the draft submission as an interim response, and advised that a formal submission will be provided following Council's endorsement. The Department has advised that it does not intend to exhibit a draft SEPP and is aiming for the TOD SEPP to commence on 1 April 2024.

The Program document indicates that the SEPP planning controls will remain in place until Council has completed and delivered a new strategic vision for these areas, that consider -

- Housing uplift, equal to or exceeding the SEPP controls,
- Use of planning controls and zones that reflect medium-high density potential,
- Residential supply pipeline into the future,
- Long-term affordable housing provisions in perpetuity,
- Amenity outcomes, including open space provisions.

Comment:

Council officers were not involved in the selection of the three stations. At this stage the Department has not provided detailed information on the criteria or analysis supporting the selection.

Council has prepared planning strategies for the Dapto Town Centre and Corrimal Town Centre, which has then led to a review of planning controls (i.e., Corrimal Coke Works site). Council has not prepared a planning study for North Wollongong, although a review of the E3 Productivity Support zone (former B6 Enterprise Corridor zone) along Flinders Street has been proposed as an action in the Retail and Business Centres Strategy endorsed by Council in March 2023.

The Department's approach is to uplift the controls then require Council to complete a planning strategy that reflects or exceeds these controls. Council does not support this approach as it will require the diversion of resources away from implementing our endorsed Housing Strategy and predetermines the development outcomes that may be recommended through a strategic review that would consider matters such as increased demand for infrastructure and services.

Corrimal

Within a 400m radius, Corrimal Station is surrounded by approximately 95 properties zoned R2 Low Density Residential (including East Corrimal Public School), 438 properties zoned R3 Medium Density Residential and 3 lots zoned E1 Local Centre (Railway Street, East Corrimal shops). The station is also adjoining the former Corrimal Coke Works site.

Council and the community spent a number of years preparing and assessing a Planning Proposal for the former Coke Works site which is now partially State Heritage Listed. The LEP amendment was finalised in 2022. Council also adopted a Development Control Plan chapter and Planning Agreement. The site has a range of height limits (11m, 13m, 15m) and floor space ratios (0.75:1,

1.2:1, 1.5:1). The development has been scaled due to heritage, visual amenity, access and transport constraints. Council is currently assessing development applications for the site.

The TOD proposal would allow the height of residential flat buildings to increase to 21m with a maximum floor space ratio of 3:1. In addition, the developer could seek to utilise the affordable housing bonus provisions (up to 30% height and floor space ratio increase) if additional affordable housing is provided. It is unclear how an increase in residential development on the site, would relate to the Development Control Plan chapter and Planning Agreement. A significant increase could result in the need to revisit intersection arrangements, and the level crossing. It would be a concern if there was no mechanism to require the developer to re-negotiate the Planning Agreement in response to significant uplift of the development potential of the site.

Corrimal Station is disconnected to the Corrimal Town Centre and it is served by trains once every hour in each direction depending on the time of day. The level of service being significantly lower than that of a Sydney Metropolitan station.

The western part of the precinct is impacted by flood constraints associated with the Towradgi Creek catchment.

North Wollongong

Within a 400m radius, North Wollongong Station is surrounded by approximately 286 properties zoned R2 Low Density Residential and 262 properties zoned R1 General Residential. A large portion of the radius is zoned E3 Productivity Support (previously B6 Enterprise Corridor) along Flinders Street, which has a 32m height limit and 1.5:1 floor space ratio. The station serves the University of Wollongong and Wollongong TAFE precinct.

The North Wollongong Station precinct has significant flood constraints, associated with Fairy Creek. Additionally, North Wollongong does not have a commercial centre. While all trains stop at North Wollongong including the express service, it does not appear that the constraints of the precinct have been considered in its nomination as a TOD precinct. Council would welcome the opportunity to explore if another station may be a more appropriate initial candidate should the program proceed.

Dapto

Dapto Station is located on the western side of Dapto Town Centre. Within a 400m radius, Dapto Station is surrounded by approximately 67 properties zoned R3 Medium Density Residential and 28 properties zoned MU1 Mixed Use. In 2010 the height and floor space ratio controls were significantly uplifted in and around the centre to 20m in the E1 and 30m in the E2 zones. The R3 zone has a height limit of 11m and a floor space ratio of 1.2:1.

More than 50% of the Dapto precinct contains significant flood constraints associated with the Mullet Creek catchment.

Dapto Station is served by trains once every hour in each direction depending on the time of day. The level of service being significantly lower than that of a Sydney Metropolitan station.

At Corrimal and Dapto, the provisions overlap with EIE Station proposals, which also propose to permit residential flat buildings in an R3 zone within 400m of all 25 stations with a 3:1 floor space ratio and 21m height. The TOD program does indicate a 2% Affordable Housing Contribution, and it is likely that projects will also be able to utilise the affordable housing height and floor space bonus provisions. Council officers have requested clarification on the functional relationship between the two sets of controls.

Further detail would assist in understanding the implications of the policy, including:

- The maximum parking rates, and whether there will be a different rate for Sydney and the regions.
- The minimum active frontage requirements.
- How the Affordable Housing Contribution will be collected and managed, and by whom (Council or the State Government).

Permitting residential flat buildings in the E1 and E2 commercial centres is not supported as it has the potential to impact on the retail and employment function of the centres, by replacing of shops and services with residential flat buildings. While residents living in town centres add to the vitality of the centre, it should not be at the expense of the retail and employment role. The Wollongong LEP 2009 permits shop top housing in the E1 and E2 zones which enables ground floor retail (with active frontages), offices and residential use above.

4 State Assessed Planning Proposals (SAPP) – Warrawong Plaza

Separately, the Department is still assessing the Warrawong Plaza rezoning proposal. The revised proposal proposes 1,300 dwellings with 10% Affordable Housing above a redeveloped Warrawong retail plaza. The Warrawong Plaza is the major retail centre in the Town Centre and covers a site of 7.05 hectares and has 62,575m² of retail floor space. The Warrawong Plaza site is the centre of commercial activity and currently accounts 76.64% of the total business activity in buildings within the Warrawong Town Centre (E2 and MU1 zones).

While increasing housing and development potential in and around the Warrawong town centre is supported, Council officers have expressed concern to the Department about elements of the proposal including:

- Site specific and proponent lead spot rezonings are not consistent with strategic planning processes.
- The inconsistency of the proposal with Council's adopted Retail and Business Centres Strategy, the Housing Strategy, and the Illawarra Shoalhaven Regional Strategy.
- The initial proposal to rezone the site from E2 Commercial Centre to MU1 Mixed Use, which would enable residential flat buildings to be constructed without a retail centre, removing the retail function of the site.
- The proposed 75m building height limit (20 stories above 2 retail stories), which is significantly above the existing 24m building height limit. The existing centre has a height of approximately 14.3m. If affordable housing was proposed, the height could be increased under the bonus provisions by up to 30% to 97.5m, resulting in an extra 7 stories.
- The resulting traffic generation and impact on the local road network. The site already contains over 1000 parking spaces for the retail development. The proposed residential development could require 1300-2600 additional parking spaces.
- The site's flood constraints.
- The proposed 10% of floor space affordable housing seems low given the proposed value uplift, and the SAPP's purpose of providing public benefit through social and affordable housing. A 20% requirement for in perpetuity affordable housing should be required.

Implications on housing supply and Housing Strategy

Council is committed to increasing the amount of housing that is available in the right locations and we are investing significant time and resources into progressing a range of initiatives to improve housing supply and affordability.

While attempting to increase housing supply, the various announcements and reforms proposed by the State appear to be creating uncertainty for developers. Anecdotally, developers have told Council officers that they are delaying projects to see what the changes will mean for them and whether they can modify proposals to achieve the additional dwelling yields envisaged under the reforms.

The announcements and proposed changes have implications for the Housing Strategy and the future of our communities. It appears that some of the strategies Council endorsed through the Housing Strategy may not be able to be achieved and may need review. For example, the Housing Strategy proposed reducing the development potential in the northern villages and Illawarra Escarpment foothills due to constraints. These strategies would be overridden by the State's blanket approach to increase housing density around all stations and nominated town centres.

The package of reforms would benefit from improved integration to avoid further complexity and uncertainty in the planning system.

CONSULTATION AND COMMUNICATION

The Department's announcements in November and December 2023 and exhibition of the Explanation of Intended Effect over the Christmas - New Year holiday period have provided little opportunity for meaningful consultation.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 Goal 1 We value and protect our environment.

It specifically delivers on core business activities as detailed in the Land Use Planning Service.

FINANCIAL IMPLICATIONS

An increase in the number of SSD matters for mid-rise housing projects greater than \$30M is likely to impact on development assessment resources, noting there is no mechanism for cost recovery for the assessment required in preparing submissions for SSD applications.

CONCLUSION

On 29 February 2023 Council adopted the Wollongong Housing Strategy and implementation of the actions, strategies and projects has commenced.

Aspects of the implementation of the Strategy are at risk due to changes to State housing policies being proposed by the Department of Planning, Housing and Infrastructure. Council's balanced approach of the right housing in the right location, based on constraints and opportunities, will potentially be overridden by the one size fits all policies. Additionally, Wollongong is being treated similarly to the Sydney Metropolitan Area, and not recognised for its individual character and constraints.

Wollongong Housing Strategy 2023

Implementation status update – February 2024

Key:

	Action commenced, underway
	Action completed

a. Planning Studies

No.	Action	Strategy	Status
S1	Wollongong City Centre surrounding precincts – review planning controls	L6	7/12/20 - Deferred by Council Waiting on City Centre Access and Movement study
S2	South Wollongong Planning Review	L8	Wollongong City Flood Plain Risk Management Study and plan in preparation South Wollongong Review scheduled to commence in 2024-25 FY
S3	Review of Council owned public reserves – a number of public reserves are zoned R2 Low Density Residential and could be rezoned to RE1 Public Recreation, or a Conservation zone depending on constraints. This amendment would clarify that the public reserves are not available for housing developments and identify any land that may be available for housing or other opportunities. A Planning Proposal may be required to reclassify land.	H5, AH5, ARH6	31/10/22 – Supported by WLPP Consultation with P&R occurring
S3	Review of SP2 Infrastructure - Road corridors – a number of privately owned properties are still affected by historical road reserves, where the road project has been completed and the adjoining land is no longer required. The land could be rezoned to the adjoining R2 or R3 zone to	L5	31/10/22 – Review supported by WLPP 1/12/22 - Consultation with TfNSW – amendments made

	remove the reservation constraint and would enable development to occur. This amendment would remove the restriction and enable the lots to be developed for housing.		31/7/23 Council resolved to prepare Planning Proposal 2/10/23 Gateway issued 31/1/24 – 4/3/24 exhibition
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b. **Wollongong LEP 2009 amendments**

• **Land Use tables:**

No.	Action	Strategy	Status
LUT1	Amend the R2 Low Density Residential zone to remove Residential Flat Buildings as a permissible land use which is not an appropriate built form in the low density zone, and is not achievable with a 0.5:1 FSR and 9m height limit	D4	

• **Clauses:**

No.	Action	Strategy	Status
C1	New clause 4.4B R3 Medium Density Residential zone Floor Space ratio – introduce an increased FSR on amalgamated sites / larger sites greater than 1100m ² with a minimum frontage width of 24m of 1:1 (base FSR would remain 0.75:1 on FSR map)	D5	
C2	New clause - Introduce development controls for Villas – 3 single storey small dwellings with an FSR of 0.3:1, single garage, common driveway, strata titled, minimum lot width of 14m	D2	
C3	New clause – Minimum site areas: <ul style="list-style-type: none"> Introduce a Minimum site area per dwelling standard for the purpose of calculating the number of dwellings in dual occupancy and multi dwelling housing developments (does not apply to detached dwelling houses, secondary dwellings and side by side dual occupancies) of: 	D5	

	<ul style="list-style-type: none"> ○ 300m2 in the R2 Low Density Residential zone in the coastal areas, ○ 400m2 in the R2 Low Density Residential zone in the Escarpment Foothills ○ 200m2 in the R3 Medium Density Residential zone • Introduce a dual occupancy (battle axe style development) minimum site area of: <ul style="list-style-type: none"> ○ 600m2 in the R2 Low Density Residential zone coastal plain area with a floor space ratio of 0.4:1, ○ 800m2 in the R2 Low Density Residential zone in the Escarpment Foothills with a floor space ratio of 0.4:1 and ○ 400m2 in the R3 Medium Density Residential zone with a floor space ratio of 0.5:1 ○ Note - attached side-by-side dual occupancy would remain permissible under the Code SEPP on 400m2 lots. • Introduce a Multi dwelling housing minimum site area standard of: <ul style="list-style-type: none"> ○ 900m2 in the R2 Low Density Residential zone coastal plain area for 3 single storey small dwellings (villas) with an FSR of 0.3:1 ○ 1000m2 in the R2 Low Density Residential zone coastal plain area with a floor space ratio of 0.4:1, ○ 1200m2 in the R2 Low Density Residential zone in the Escarpment Foothills with a floor space ratio of 0.4:1 and ○ 600m2 in the R3 Medium Density Residential zone with a floor space ratio of 1:1 (3 or more dwellings), • Introduce a Residential Flat Building minimum site area of 1000m2 in the R3 Medium Density Residential and R4 High Density Residential zones 		
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C4	New clause – Introduce Rear building height limit for single storey dwellings, to encourage smaller dwellings and to reduce overlooking, overshadowing and amenity issues	D6	
C5	New clause – introduce the Affordable Housing clause to enable the collection of development contributions to contribute to the provision of affordable rental housing.	AH4, AH5	
C6	Clause 7.14 – Maintain the minimum lot width requirement for multi dwelling housing (18m) (excluding 3 villas) and residential flat buildings (24m) developments.	D5	

• **Zoning Map:**

No.	Action	Strategy	Status
LZN1	Windang – review residential development potential in high and medium flood risk precincts and subject to coastal inundation	L3	
LZN2	Fairy Meadow - review residential development potential in high and medium flood risk precincts	L4	
LZN3	Review R1 General Residential zone which surrounds the Wollongong City Centre – rezone to a mix of R2, R3 and R4	L7	
LZN4	Expand R3 Medium Density Residential zone in some locations	L5	
LZN5	Review the zoning of town centres which could result in changes to both the Business and Residential zones	CW10, L10, L11, L13	
LZN6	Review the rezoning of large lots in the Illawarra Escarpment foothills to reduce development potential (review commenced)	L1	31/10/22 – Supported by WLPP 3/4/23 – Council resolved to prepare draft Planning Proposal to review development potential 17/8/23 Gateway determination issued 6/9/23 – 11/10/23 Exhibition Post exhibition report in preparation
LZN7	Review the SP1 Hospital zone at Wollongong – consider rezoning to R3 Medium Density Residential and R4 High Density Residential zones (following the completion of the Department of Planning and Environment / NSW Health master plan)	L9	15/12/23 - 2/24 DPE exhibition of “Shaping the Wollongong Health Precinct, A discussion paper to guide a place-based approach for the future Wollongong Health Precinct”

LZN8	Review the zoning of 6-8 Grandview Parade, Lake Heights from R2 Low Density Residential to RE1 Public Recreation	SH3	
LZN9	Flinders Street, North Wollongong – review parts of the B6 Enterprise Corridor which have a residential function	L12	Reviewed also by Retail and Business Centres Strategy and draft Industrial Lands Study

• **Floor Space Ratio (FSR) Map:**

No.	Action	Strategy	Status
FSR1	Review FSR for the R3 Medium Density Residential zone - increase from 0.75:1 to 1:1 or 1.2:1 in appropriate locations for larger sites	D5	
FSR2	Review the FSR in town centres to encourage additional residential development, without reducing retail and employment opportunities	CW10, L10, L11, L13	
FSR3	Review the FSR in small isolated B1 Neighbourhood Centres to be consistent with surrounding residential development	CW10	
FSR4	Consequential amendments from zoning changes above		

• **Minimum Lot Size Map:**

No.	Action	Strategy	Status
MLS1	Review minimum lot size for subdivision in the Illawarra Escarpment foothills – increase from 449m2 to 800m2 per lot	L1	
MLS2	Review minimum lot size for subdivision in the Northern Villages (north of Thirroul to Stanwell Tops) – increase from 449m2 to 800m2 per lot	L2	
MLS3	Consequential amendments from zoning changes above		

• **Height of Buildings Map:**

No.	Action	Strategy	Status
HOB1	Review the building heights in R3 Medium Density Residential zone and increase where appropriate	D5	

HOB2	Review the building height in town centres to encourage additional development	CW10, L10, L11, L13	
HOB3	Review the building heights in small isolated B1 Neighbourhood Centres to be consistent with surrounding residential development	CW10	
HOB4	Consequential amendments from zoning changes above		

c. **Review and update DCP controls**

No.	Action	Strategy	Status
DCP1	DCP chapter B2 Subdivision – update to include the new subdivision standards for dual occupancy, multi dwelling housing, Illawarra Escarpment foothills and Northern Villages	L1, L2	
DCP2	<p>DCP chapter B1 Residential development Review and update</p> <ul style="list-style-type: none"> ○ Dual Occupancy <ul style="list-style-type: none"> ▪ indicate rear dwellings to be single story (consistent with LEP amendment) ○ Multi dwelling housing <ul style="list-style-type: none"> ▪ Clause 5.13 – specify a minimum dwelling size mix, of 10% 1 bedroom, 30% 2 bedroom, to encourage more smaller dwellings, with the remaining 60% unspecified ▪ Clause 5.14 – maintain the 10% adaptable housing requirement. ○ Residential Flat Buildings and Shop top housing <ul style="list-style-type: none"> ▪ To reflect the NSW Apartment Design Guide (2015) ▪ Clause 6.15 - Increase proportion of adaptable dwellings from 10% to 20% in developments containing 60 or more dwellings ▪ Clause 6.17 - Increase proportion of single bedroom / studio dwellings from 10% to 20% in developments containing more than 20 dwellings ▪ Require EV charging spaces in larger developments ○ Introduce development controls for Villas 	<p>D5</p> <p>AH4</p> <p>D1</p>	

	<ul style="list-style-type: none"> ○ Introduce development controls for Fonzie Flats ○ Update controls to increase the sustainability and energy efficiency of dwellings 	D2 D3 CW11	
DCP3	DCP chapter D1 Character Statements - Review and update the character statements for each suburb, including where required statements for precincts within each suburb. Scheduled to occur following the completion of the Housing Strategy and Retail and Business Centres Strategy. Staged approach. Commence with Gwynneville and Keiraville	D7	
DCP4	DCP Chapter E3 Car parking, Access, Servicing / Loading facilities and Traffic Management <ul style="list-style-type: none"> ○ Introduce car parking requirement for villa developments – 1 space per <100m² unit ○ Introduce car parking requirement for Fonzie flat – 1 space per dwelling ○ Reduce the car parking requirement for small units (<70m²) within Residential Flat Buildings and Shop top housing developments located within the Wollongong City Centre or 400m of a railway station (footpath distance) from 0.75 spaces per dwelling to 0.5 spaces per dwelling ○ Require EV charging spaces in larger developments 		
DCP5	Consider application of best practice sustainability controls across relevant DCP chapters.	CW11	

d. **Review and update Development Contribution Plans**

No.	Action	Strategy	Status
CP1	Wollongong City-wide Development Contributions Plan 2022 – to exclude the payment of development contributions for emergency housing, accessible housing and affordable rental housing by registered providers	H2, AH2, ARH2	29/5/23 Council resolved to exhibit the draft Wollongong City Wide Development Contributions Plan which included a deferral clause 7/6/23 - 7/7/23 Exhibition

			28/8/23 post exhibition report - adopted
CP2	West Dapto Development Contributions Plan 2020 – to exclude the payment of development contributions for emergency housing, accessible housing and affordable rental housing by registered providers	H2, AH2, ARH2	30/10/23 Draft Contribution Plan endorsed by Council for exhibition 6/11/23 – 4/12/23 Exhibition Post exhibition report in preparation
CP3	A new draft Affordable Housing Development Contributions Plan will be required to be prepared, exhibited and adopted to support the introduction of an Affordable Housing Contributions Scheme.	ARH4, ARH5	

e. **Review and update Fees and Charges**

No.	Action	Strategy	Status
FC1	Waive the payment of development application fees for emergency housing, accessible housing and affordable rental housing by registered providers (or part thereof for mixed use developments)	H1, AH1, ARH1	Discussions with DAC and Finance commenced, for inclusion in 2024-25 Fees and Charges

f. **Program**

Priority	Project (Implementation Action number)	Indicative Timing	Status
1	Assessment of existing Planning Proposals	On-going	Former Port Kembla Public School Site: <ul style="list-style-type: none"> 27/2/23 Council resolved to finalise Planning Proposal for Former Port Kembla School– 100 dwellings. 19/5/23 – LEP amendment made rezoning Former Port Kembla School Cleveland Rd 27/11/23 Council resolved to finalise phase 1 – 2265 lots
2	Review of large R2 lots in the Illawarra Escarpment foothills and preparation of a Planning Proposal (LZN6)	Commenced 2022-24	31/10/22 – Supported by WLPP 3/4/23 – Council resolved to prepare draft Planning Proposal to review development potential

			17/8/23 Gateway determination issued 6/9/23 – 11/10/23 Exhibition Post exhibition report in preparation
3	Amend Fees and Charges Policy to waive the payment of development application fees for emergency housing, accessible housing and affordable rental housing by registered providers (FC1)	2023-24	Discussions with DAC and Finance commenced, for inclusion in 2024-25 Fees and Charges
4	Amend the City-Wide and West Dapto Development Contribution Plans to waive the payment of development contributions for emergency housing, accessible housing and affordable rental housing by registered providers (CP1, CP2)	2022-24 – as part of scheduled reviews	28/8/23 Wollongong City-wide Development Contribution Plan 2023 adopted incorporating the amendment. 30/10/23 – Council resolved to exhibit West Dapto Development Contribution Plan incorporating the amendment.
5	Review of Transport Corridors to tidy up the zoning of private land zoned SP2 Infrastructure – Road Corridors and preparation of a Planning Proposal (Housekeeping amendment) (S3)	Commenced 2022-24	31/10/22 – Review supported by WLPP 1/12/22 - Consultation with TfNSW – amendments made 31/7/23 Council resolved to prepare Planning Proposal 2/10/23 Gateway issued 31/1/24 – 4/3/24 exhibition
6	Review of Council owned public reserves currently zoned R2 Low Density Residential and preparation of a draft Planning Proposal (Housekeeping amendment) (S4)	Commenced 2022-24	31/10/22 – Supported by WLPP Consultation with P&R
7	Preparation of a draft Planning Proposal for amendments to the Minimum Lot Size standards in the Illawarra Escarpment foothills and the Northern Villages (north of Thirroul to Stanwell Tops) (C3)	2023-24	
8	Preparation of a draft Affordable Housing Policy and draft Affordable Housing Development Contributions Scheme (CP3)	2023-24	In preparation
9	Preparation of a draft DCP amendments to Chapter B1 Residential Development	2023-24	
10	Preparation of updated suburb Character Statements to include in DCP Chapter D1 Character Statements (DCP3) – Staged approach. Commence with Gwynneville and Keiraville	Commencing 2023-24 3-5 years	

11	Preparation of a Planning Proposal for changes to the general housing controls, including review medium density controls and the R3 precincts	TBD	
12	Preparation of a Planning Proposal for areas proposed to be rezoned to permit additional residential development	TBD	
13	Preparation of a draft DCP amendments to Chapter B1 Subdivision	TBD	
14	Preparation of a draft DCP amendments to Chapter E3 Car Parking	TBD	
15	Preparation of a Planning Proposal for medium and high flood hazard risk precincts	TBD	

g. **Monitoring**

Council will monitor the implementation of the Housing Strategy actions, through:

Priority	Project	Indicative Timing	Status
	The progression of the program and completion of implementation projects	Annual status report	This report is the first status report
	The NSW Department of Planning and Environment's Illawarra Shoalhaven Urban Development Program dashboard (updated annually)		On-going – Dashboard updated Oct 2023
	The Housing Monitor (updated every 6 months) http://housing.id.com.au/wollongong		Funded for 2023-24
	ABS census data (undertaken every 5 years)		Next census 2026 – results available 2027
	Council's Development Application approval data – for key locations and housing types		On-going monitoring for West Dapto and City Centre

Housing Strategies

h. Housing vision

The draft Housing and Affordable Housing Options Paper has shown that there is a need to:

- Provide more diverse housing to address housing demand, household size and affordability.
- Provide more housing in places that have high amenity and access to shops, jobs, transport. This means that some places will experience growth and changing character over time – this may be challenging but necessary.
- Provide less housing in locations with environmental or infrastructure constraints.

Based on the feedback from the draft Housing Options Paper and draft Housing Strategy, the following vision for Housing in the LGA is adopted:

- *Housing will respond to Wollongong's unique environmental setting and heritage.*
- *New housing will continue to diversify supply and provide choice for residents. Diversity will be provided through a variety of housing types, sizes, configurations, and features, to cater for a wide range of residential needs and price-points. Focus for diversity will be on affordable, smaller, and/or adaptable housing located throughout the Wollongong LGA to cater for a range of incomes and abilities.*
- *Wollongong City Centre will deliver a range of higher density housing options in appropriate locations having regard to retail and commercial outcomes. It will be a thriving and unique regional city, delivering a diverse economy and offering a high quality lifestyle. It will be liveable and a place where people will want to live, learn, work and play.*
- *Urban Release Areas such as West Dapto, will deliver the largest proportion of new housing supply and will be adequately serviced with essential infrastructure.*
- *Town and village centres, and land zoned for medium density residential development will promote their distinctive character, whilst planning for and facilitating growth and high quality design in desired locations.*
- *Wollongong will strive to increase affordability in the housing market, and to ensure housing provides for a wide range of incomes, people with a disability and for our ageing population.*

i. Overall City-wide strategies

- CW1. Enable housing of the appropriate type in appropriate locations, with suitable landform, access to public transport, town centres and supporting infrastructure that is planned, costed and programmed within an achievable timeline.

- CW2. Provide sufficient zoned land and housing approvals to meet the 5 year (+7000 dwellings), 10 year (+14,000 dwellings) and 20 year (+28,000 dwellings) overall targets that will be required by Greater Cities Commission based on the Department of Planning and Environment's projections
- CW3. Provide predominantly detached dwelling houses in Urban Release Areas, supplemented by increased densities and housing mix around planned town centres - West Dapto Release Area, Tallawarra and Calderwood (the part within the Wollongong LGA)
- CW4. Encourage land owners and developers of zoned and serviced land in the release areas to release land for housing development to increase supply
- CW5. Provide residential units in the Wollongong City Centre, appropriately designed and located, having regard to other functions of the City Centre
- CW6. Retain Industrial zoned land for employment opportunities, and not for residential outcomes
- CW7. Retain the Illawarra Escarpment as a conservation area, with very limited opportunity for additional dwellings
- CW8. Retain the Sydney Drinking Water Catchment area as a conservation area, with no additional housing opportunities
- CW9. Protect the Illawarra Escarpment, Hacking River catchment, significant bushland and ecological areas, floodplains, coast line and other sensitive locations from inappropriate housing development
- CW10. Review the opportunity to provide of additional housing in key Town Centres, to be undertaken following the completion of the Retail and Business Centres Strategy
- CW11. Review development controls to increase the sustainability and energy efficiency of dwellings. Council has recently exhibited the Climate Friendly Planning Framework Discussion Paper and is considering feedback received.

j. **Housing Needs strategies – helping people find a home**

i. **Homelessness and Emergency housing**

- H1. The Fees and Charges Policy be amended to waive Development Application fees for emergency and temporary housing dwellings within a development, on development applications lodged by registered providers of emergency housing, on sites owned by the provider and where the dwellings are available for emergency housing for a minimum period of 15 years.
- H2. The Wollongong City-wide Development Contributions Plan 2023 and West Dapto Development Contributions Plan 2024 be amended to waive development contributions for future development applications lodged by registered providers of emergency housing for emergency and temporary housing dwellings projects, on sites owned by the provider and where the dwellings are available for emergency housing for a minimum period of 15 years.
- H3. Council will advocate for additional State funding to be directed to the emergency housing sector.
- H4. Council will continue to support the use of the nominated 2 sites for Meanwhile Use and Temporary Accommodation, and will consider whether any other sites are suitable
- H5. Landowners and developers to consider whether their vacant sites and buildings can be used for Meanwhile Use and Temporary Accommodation

H6. Council will consider whether any Council operational land parcels are suitable to be leased for the provision of emergency or temporary housing.

ii. Social housing

- SH1. Council will advocate for the number of social housing dwellings to be increased so that the 7.5% proportion of housing stock is at least maintained in line with overall growth
- SH2. Consistent with the Collaboration Agreement, Council will continue to work with NSW Land and Housing Corporation to renew and increase the social housing stock in the LGA
- SH3. Council will advocate for additional State funding to be directed to NSW Land and Housing Corporation for the construction of new social housing dwellings.

iii. Seniors Housing

The Housing Strategy does not propose any new specific strategies for seniors housing.

iv. Accessible Housing

- AH1. The Fees and Charges Policy be amended to waive Development Application fees for accessible housing dwellings within a development for supported accommodation housing projects, on sites owned by the Provider and where the dwellings are available for accessible housing for a minimum period of 15 years. (Note - excludes the 20% Accessible dwellings in Residential Flat Buildings and Shop top housing required under strategy AH4)
- AH2. The Wollongong City-wide Development Contributions Plan 2023 and West Dapto Development Contributions Plan 2024 be amended to waive development contributions for future development applications lodged by registered providers of accessible housing for supportive accommodation housing projects, on sites owned by the Provider and where the dwellings are available for accessible housing for a minimum period of 15 years.
- AH3. Council will lobby for additional State funding to be directed the accessible housing sector.
- AH4. The Wollongong DCP 2009 Chapter B2 Residential Development be amended to increase the proportion of accessible dwellings in larger residential flat building or shop top housing developments, from 10% to 20% in developments containing more than 60 units.
- AH5. Council will consider whether any Council operational land parcels are suitable to be leased for the provision of accessible housing.

v. Affordable Rental Housing

- ARH1. The Fees and Charges Policy be amended to waive Development Application fees for Affordable Housing dwellings within a development lodged by registered Tier 1 or Tier 2 Community Housing Providers for Affordable Rental Housing Projects, on sites owned by the Provider and where the dwellings are available for affordable rental housing for a minimum period of 15 years.

ARH2. The Wollongong City-wide Development Contributions Plan 2023 and West Dapto Development Contributions Plan 2024 be amended to waive development contributions for future development applications lodged by registered Tier 1 or Tier 2 Community Housing Providers for Affordable Rental Housing Projects, on sites owned by the Provider and where the dwellings are available for affordable rental housing for a minimum period of 15 years.

ARH3. Council will lobby for additional State funding to be directed the Affordable housing sector.

ARH4. As part of submitted Planning Proposals requests seeking to permit residential development or increase the residential density, a minimum of 5% of the Gross Floor Area of proposed residential developments will be required to be provided as Affordable Rental Housing. A Financial Feasibility study will be required to accompany the draft Planning Proposal to determine the appropriate development contribution based on the uplift value being sought. Developers may choose to pay the equivalent value which will be collected and transferred to a not-for-profit Tier 1 or Tier 2 Community Housing Provider for the provision of affordable housing (mechanism to be determined). This will also apply to the West Dapto Urban Release Area where draft Planning Proposals propose residential development in a medium density zone or with a minimum lot size less than 300m2 is proposed. Excludes Planning Proposals from NSW Land and Housing Commission for social housing.

ARH5. An Affordable Housing Development Contribution Scheme will be introduced and the Wollongong LEP 2009 amended, for precincts proposed to be rezoned to permit increase the residential density or significant residential development, a minimum of 5% of the Gross Floor Area of proposed residential developments will be required to be provided as Affordable Rental Housing. Developers may choose to pay the equivalent value which will be collected and transferred to a not-for-profit Tier 1 or Tier 2 Community Housing Provider for the provision of affordable housing. This will also apply to the West Dapto Urban Release Area where draft Planning Proposals propose residential development in a medium density zone or with a minimum lot size less than 300m2 is proposed.

ARH6. As part of the proposed Affordable Housing Development Contribution Scheme, commencing in 3 years (1/1/2026), residential developments containing more than 20 dwellings will be required to have a minimum of 3% Floor Space as Affordable Rental dwellings to be managed by a Tier 1 or Tier 2 Community Housing provider, or equivalent funding provided. The size of the dwellings is to be proportional to the overall dwelling mix in the development. The percentage rate will increase by 1% each year (on 1 January) to be 10% on 1/1/2033. The scheme will not apply to dwellings provided under SH1, ARH4 and ARH5.

ARH7. Council will consider whether any Council operational land parcels are suitable to be leased for the provision of affordable housing.

ARH8. An Affordable Housing target will be guided by the Greater Cities Commission City Plan.

ARH9. Continue to request the NSW Department of Planning and Environment to amend the Standard LEP Instrument to include Affordable Housing clause, so that it is available to all NSW Councils.

ARH10. Council remains open to investigating and considering innovative partnership opportunities.

Key Workers

- KW1 Proponents of developments that rely on Key Workers are encouraged to consider options to provide housing for their Key Workers on low incomes.
- KW2 Major infrastructure projects proponents are encouraged to consider options to provide temporary housing (if required) for skilled workers as part of significant construction projects.

k. Housing diversity, mix and choice strategies - housing product changes

- D1. the mix of dwellings sizes in residential flat buildings and shop top housing developments be amended to increase the proportion of single bedroom / studio dwellings from 10% to 20% in developments containing more than 20 dwellings
- D2. Villas (a form of Multi Dwelling Housing) – three small single storey dwellings on a lot, with a floor space ratio of 0.3:1
- D3. Fonzie flats (a form of secondary dwelling) – a second dwelling on a lot located above the garage with rear lane access or secondary frontage
- D4. Amend the R2 Low Density Residential zone to remove Residential Flat Buildings as a permissible land use which is not an appropriate built form in the low density zone, and is not achievable with a 0.5:1 FSR and 9m height limit
- D5. Review the planning controls for dual occupancy and multi-unit housing development, including FSR, building height, site area and site width in the R2 and R3 zones
- D6. A building height limit on rear dual occupancy dwellings in the R2 Low Density Residential zone to be single storey
- D7. Review and updating the suburb character statements contained in Wollongong DCP 2009 Chapter D1 Character Statements.

l. Key location changes – Housing growth in the right locations

- L1. Illawarra Escarpment Foothills (Farmborough Heights to Stanwell Park) – decrease residential development potential due to environmental constraints. An ancillary review of large residential lots in the escarpment foothills is in preparation.
- L2. Northern Villages (north of Thirroul to Stanwell Tops) – decrease residential development potential due to environmental and infrastructure constraints
- L3. Windang – decrease residential development potential in high and medium flood risk precincts, and subject to coastal and lake inundation, as identified in the Lake Illawarra Floodplain Management Study and Plan 2012, and Lake Illawarra Coastal Management Program 2020
- L4. Fairy Meadow - decrease residential development potential in high and medium flood risk precincts, as identified in the Fairy and Cabbage Tree Creek Floodplain Management Study and Plan 2010 (currently being revised based on the 2020 Flood Study).
- L5. Existing R3 Medium Density Residential zones – review the floor space ratio and height controls and whether the precincts should be expanded
- L6. Wollongong – increase development potential in some locations surrounding the existing Wollongong City Centre. The boundaries are to be defined.

- L7. Review the R1 General Residential zone which surrounds the Wollongong City Centre – rezone to a mix of R2, R3 and R4
- L8. South Wollongong – a review of the planning controls for the South Wollongong precinct is scheduled to occur following the completion of the Wollongong City Floodplain Management Study and Plan. Noting that this precinct is also important for light industrial and employment uses.
- L9. Review the SP1 Hospital zone at Wollongong – consider rezoning to R3 Medium Density Residential and R4 High Density Residential zones (following the completion of the Department of Planning and Environment / NSW Health master plan)
- L10. Warrawong – increase development potential around the town centre. The boundaries are to be defined.
- L11. Corrimal – increase development potential around the town centre (excluding Illawarra Escarpment Foothills and constrained locations). The boundaries are to be defined.
- L12. Flinders Street, North Wollongong precinct – rezone parts of B6 Enterprise Corridor zone along Bourke Street, Edward Street and Gipps Street to a residential or mixed-use zone. The boundaries are to be defined.
- L13. Town Centres – review the floor space ratio and building height limits to increase the opportunity for shop top housing. The floor space ratio and building height will need to be defined for each centre. Centres with adequate public transport will be a higher priority for review.
- L14. As part of the finalisation of the Tourism Accommodation Review, review the permissibility of Short-term Rental Accommodation and options to reduce the impact on the rental market.

m. Site specific changes

Council is currently assessing and processing draft Planning Proposal requests for locations that will provide additional housing, including:

- PP-2016/3 - Former Port Kembla School site – estimated 110 dwellings, incorporating 5% Affordable Rental Housing via a draft Planning Agreement
- PP-2019/8 - West Dapto Urban Release Area – stage 3 – Cleveland West – estimated 700 lots
- PP-2020/4 - West Dapto Urban Release Area – Stage 1 Bluescope holdings minor review – estimated additional 50 dwellings
- PP-2020/6 - West Dapto Urban Release Area – Stage 3 Cleveland Road precinct – estimated 3000 lots.

The assessment of these draft Planning Proposals will continue.

The Housing Strategy has not identified the need for significant additional greenfield or brownfield residential release areas, beyond those already identified. There is sufficient land already identified to meet the future housing needs without the rezoning of more sensitive and constrained locations.

Should Council receive other draft Planning Proposal requests, they will need to demonstrate consistency with:

- the draft Wollongong Housing Strategy
- the Illawarra Shoalhaven Regional Plan 2041 (and future City Plan)
- the Wollongong Local Strategic Planning Statement
- Council's Planning Proposal Policy
- other adopted strategies, such as Town and Village Plans, the Illawarra Escarpment Strategic Management Plan, West Dapto Vision, Wollongong City Centre Urban Design Framework.

n. **Partnerships and Advocacy**

- P1. Work with the NSW Land and Housing Commission (L&HC) to renew and increase social housing and maintain at least the 7.5% proportion of social housing in the LGA.
- P2. Work with Illawarra Local Aboriginal Land Council (ILALC) and Illawarra Housing Corporation (IHC) to develop and conserve their lands, as determined by their boards and members
- P3. Remains open to investigating innovative partnership opportunities
- P4. Work with the Greater Cities Commission to define housing targets for the City, which would be identified through the proposed City Plan.
- P5. Advocate to the State Government and infrastructure agencies to forward fund the provision of infrastructure to service the West Dapto Release Area
- P6. Continue to request the NSW Department of Planning and Environment to amend the Standard LEP Instrument to include Affordable Housing clause, so that it is available to all NSW Councils.
- P7. Lobby the State Government, including local Members of Parliament, for the allocation of funds to:
 - The Emergency Housing sector to increase emergency and temporary accommodation
 - NSW Land and Housing Corporation to increase the provision of new social housing dwellings
 - The Disability or Supportive Accommodation sector to increase the provision of supportive accommodation
 - The Community Housing sector to increase the provision of affordable rental housing
- P8. Lobby the Federal Government, including local Members of Parliament, for the allocation of funds to the State Government, or direct to Local Government for the increased provision of emergency, social, accessible and affordable rental housing.
- P9. Work with peak development organisations, such as the Property Council of Australia (NSW), Urban Development Institute of Australia (NSW) on the implementation of the draft Housing Strategy.

O. **Education**

Council has a role to educate the community on the local housing needs and issues. Council can provide clarity about future housing outcomes to manage expectations around development decisions. This can be undertaken through the exhibition of the draft Housing Strategy and on-going social media and other communication.

Council has subscribed to Informed Decisions (id) Housing Monitor to provide independent and on-going data on housing and affordable housing issues
<http://housing.id.com.au/wollongong>

Comparison of Housing Controls

EIE: Low and Mid-Rise Housing

	Wollongong LEP 2009 and DCP	SEPP Exempt & Complying – Part 3B Low Rise Housing Diversity Code	EIE proposal
Dual Occupancy – Attached side by side (R2 zone)	Permissible development (also permitted in R1, R3 and R4 zones)	Permitted	Permitted
• Max Building Height	9m	8.5m	9.5m
• Max FSR	0.5:1	Formula – 25% site area + 300m ² (eg 1:1 on 400m ² , 0.85:1 on 500m ²)	0.65:1
• Min Site area	400m ²	400m ²	450m ²
• Min lot width	15m (DCP)	15m	12m
• Min car parking – space per dwelling	2 (DCP)	1	1
Dual Occupancy – Detached corner sites (R2 zone)	Permissible development (also permitted in R1, R3 and R4 zones)	Permitted	Permitted
• Max Building Height	9m	8.5m	9.5m
• Max FSR	0.5:1	Formula – 25% site area + 300m ² (eg 1:1 on 400m ² , 0.85:1 on 500m ²)	0.65:1
• Min Site area	400m ²	400m ²	450m ²
• Min lot width	15m for primary access and 12m for secondary street access (DCP)	15m	12m
• Min car parking – space per dwelling	2 (DCP)	1	1
Dual Occupancy – Detached Battle axe (R2 zone)	Permissible development (also	Development type not included in Planning Instrument	Permitted

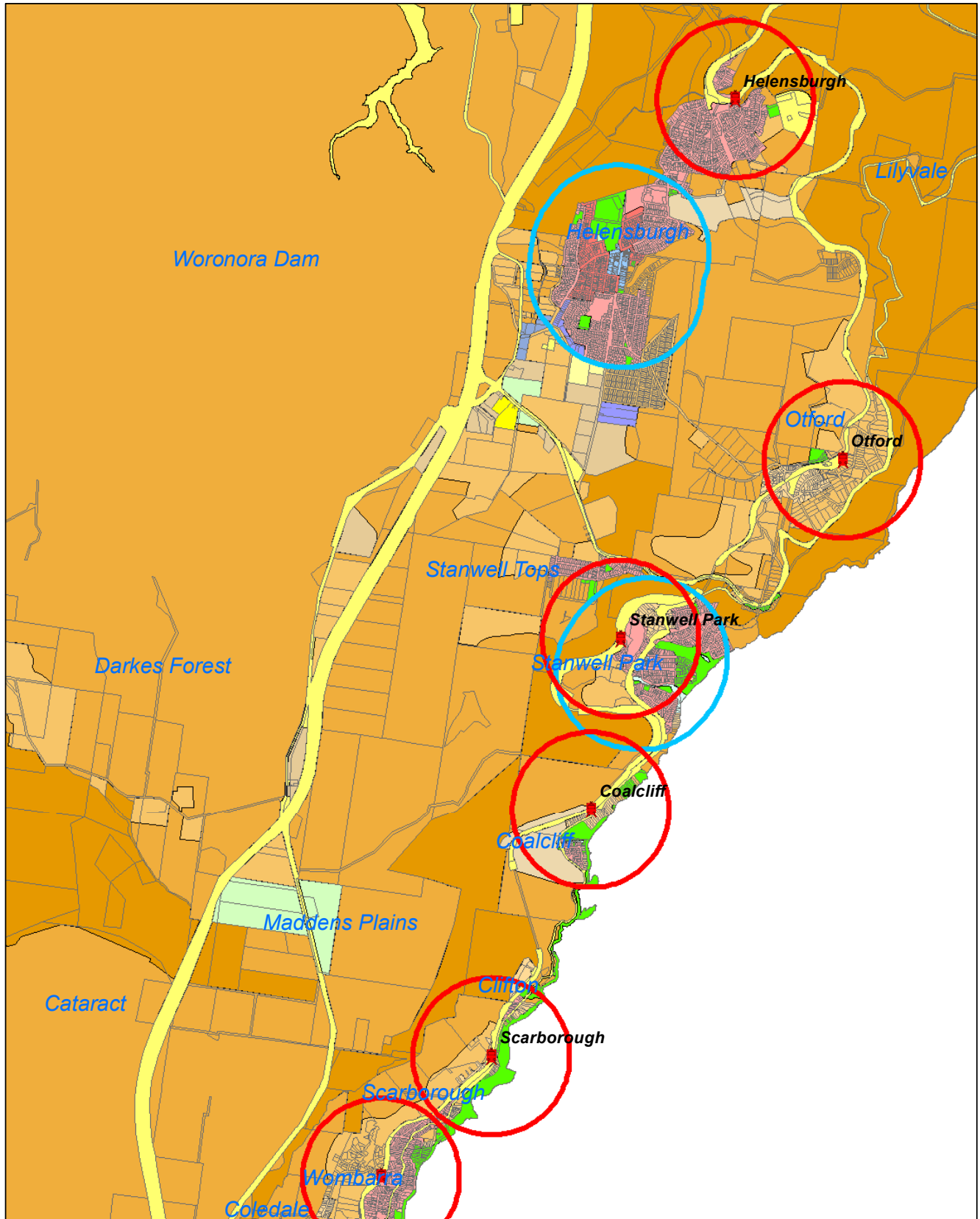
	Wollongong LEP 2009 and DCP	SEPP Exempt & Complying – Part 3B Low Rise Housing Diversity Code	EIE proposal
	permitted in R1, R3 and R4 zones)		
• Max Building Height	9m	NA	9.5m
• Max FSR	0.5:1	NA	0.65:1
• Min Site area	400m ² + battle axe driveway	NA	450m ²
• Min lot width	15m (DCP)	NA	12m
• Min car parking – space per dwelling	2 (DCP)	NA	1
Manor Homes (R2 zone)	Development type not included in Standard LEP	Permitted where multi dwelling housing or residential flat buildings are permitted by LEP (R1, R2, R3, R4 and MU1 zones)	Permitted within Station and Town Centre precincts
• Max Building Height	NA	8.5m	9.5m
• Max FSR	NA		0.8:1
• Min Site area	NA	600m ²	500m ²
• Min lot width	NA	15m	12m
• Min car parking – space per dwelling	NA		0.5
Multi-dwelling housing (terraces) (R2 zone)	Development type not included in Standard LEP	Permitted	Permitted within Station and Town Centre precincts
• Max Building Height	NA	9m	9.5m
• Max FSR	NA	0.6:1	0.7:1
• Min Site area	NA	600m	500m ²
• Min lot width	NA	18m (plus side setbacks)	18m
• Min car parking – space per dwelling	NA	1	0.5

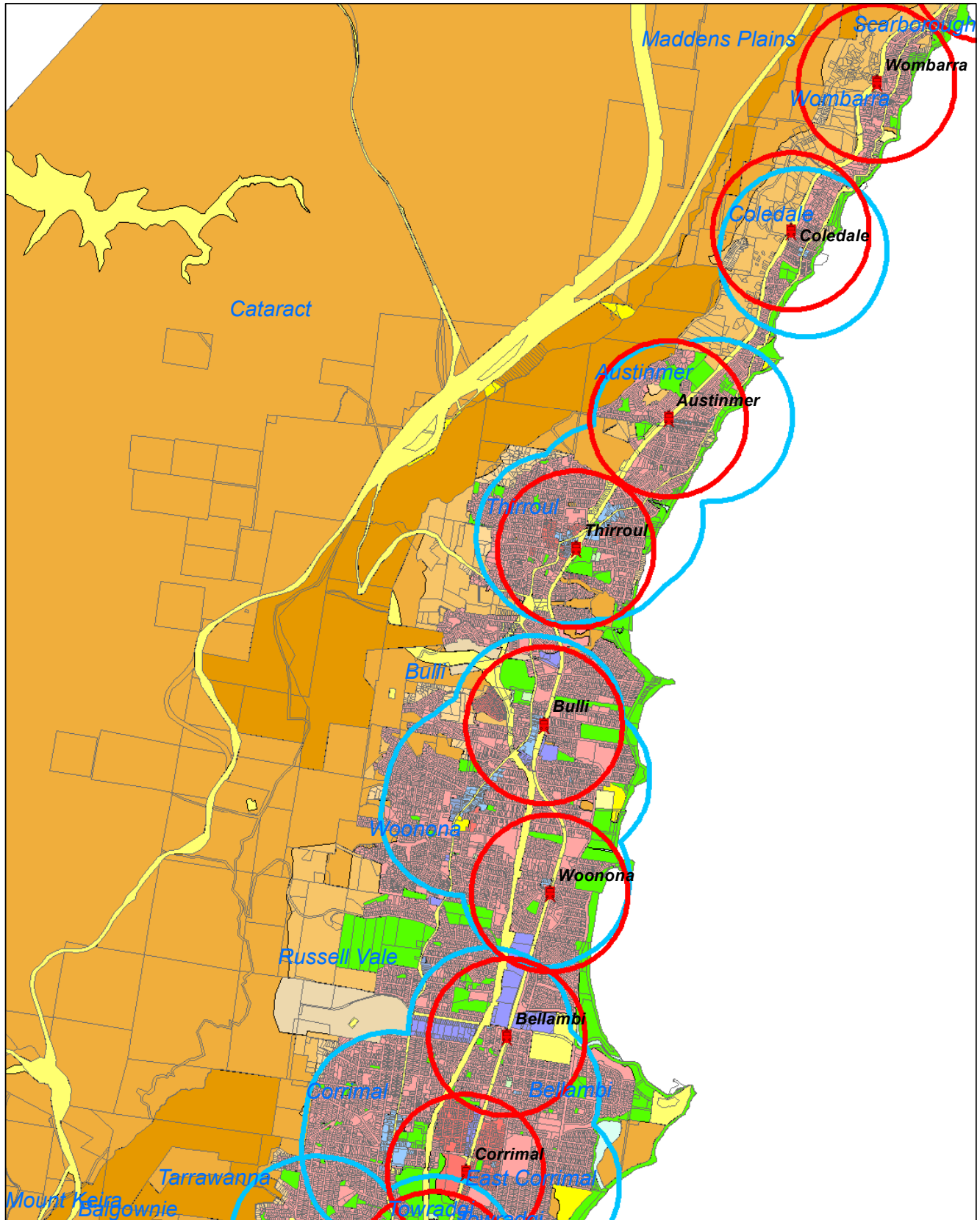
	Wollongong LEP 2009 and DCP	SEPP Exempt & Complying – Part 3B Low Rise Housing Diversity Code	EIE proposal
Multi-dwelling housing (R2 zone)	Permissible development (also permissible in R1, R3 and R4 zones)	Development type not included in Planning Instrument	Permitted within Station and Town Centre precincts
• Max Building Height	9m	NA	9.5m
• Max FSR	0.5:1	NA	0.7:1
• Min Site area	NA	NA	600m ²
• Min lot width	18m	NA	12m
• Min car parking – space per dwelling	2 (DCP)	NA	1
Residential Flat Buildings (R3 zones) (0-400m)	Permissible development (also permissible in R1, R2, R4 and MU1 zones)	Development type not included in Planning Instrument	Permitted within Station and Town Centre precincts (0-400m)
• Max Building Height	11m, 13m, 15m	NA	21m
• Max FSR	0.75:1 2:1 Dapto 0.5:1 Helensburgh	NA	3:1
• Min Site area	NA	NA	NA
• Min lot width	24m	NA	NA
• Min car parking – space per dwelling	2 (DCP)	NA	NA
Residential Flat Buildings (R3 zones) (400-800m)	Permissible development (also permissible in R1, R2, R4 and MU1 zones)	Development type not included in Planning Instrument	Permitted within Station and Town Centre precincts (400-800m)
• Max Building Height	13m, 15m	NA	16m
• Max FSR	0.75:1 2:1 Dapto	NA	2:1
• Min Site area	NA	NA	NA

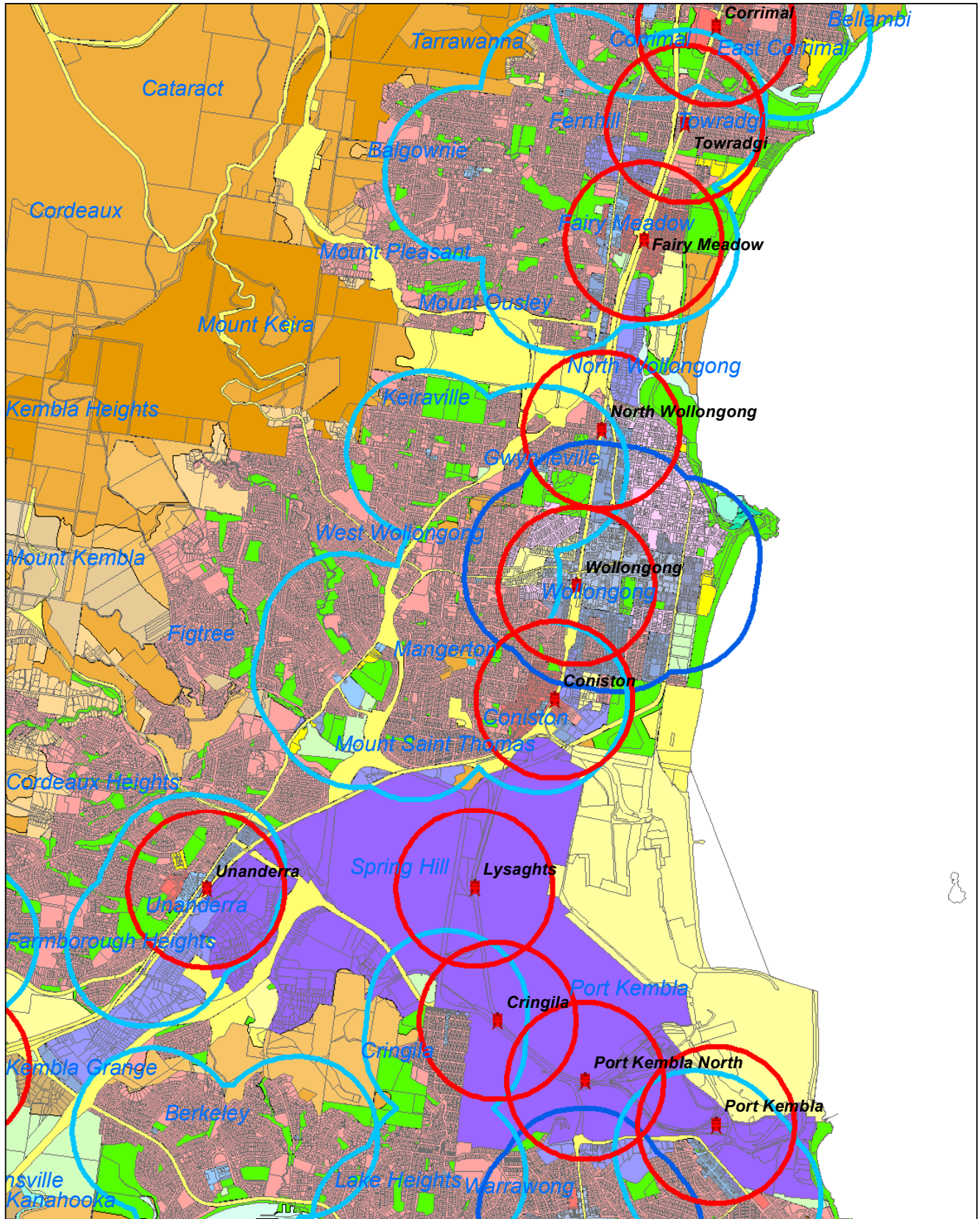
	Wollongong LEP 2009 and DCP	SEPP Exempt & Complying – Part 3B Low Rise Housing Diversity Code	EIE proposal
• Min lot width	24m	NA	NA
• Min car parking – space per dwelling	2 (DCP)	NA	NA
Residential Flat Buildings (Town Centres)	Not permitted. Active ground floor required (i.e. Shop- top housing)	Development type not included in Planning Instrument	Not permitted
• Max Building Height	NA	NA	NA
• Max FSR	NA	NA	NA
Shop Top housing (Town Centres)	Permitted in E1 and E2 zones (also permitted in R1, R2, R3 and R4 zones)	Development type not included in Planning Instrument	Permissible development wherever Shop to housing is permitted by LEP (except R2 zones)
• Max Building Height	Wollongong City Centre 80-120m Dapto 30m Warrawong 24m Corrimal 15m Fairy Meadow 15m Figtree 15m Towns 12m Villages 9m	NA	Within 0-400m radius the max height is 21m Between 400-800m radius the max height is 16m
• Max FSR	Wollongong City Centre base 1.5:1 max 3.5:1-6:1 Dapto 2.5:1 Warrawong 2.5:1 Corrimal 1.5:1 Fairy Meadow 1.5:1 Figtree 1.5:1 Towns 1.5:1 Villages 0.75:1	NA	Within 0-400m radius the max FSR is 3:1 Between 400-800m radius the max FSR is 2:1

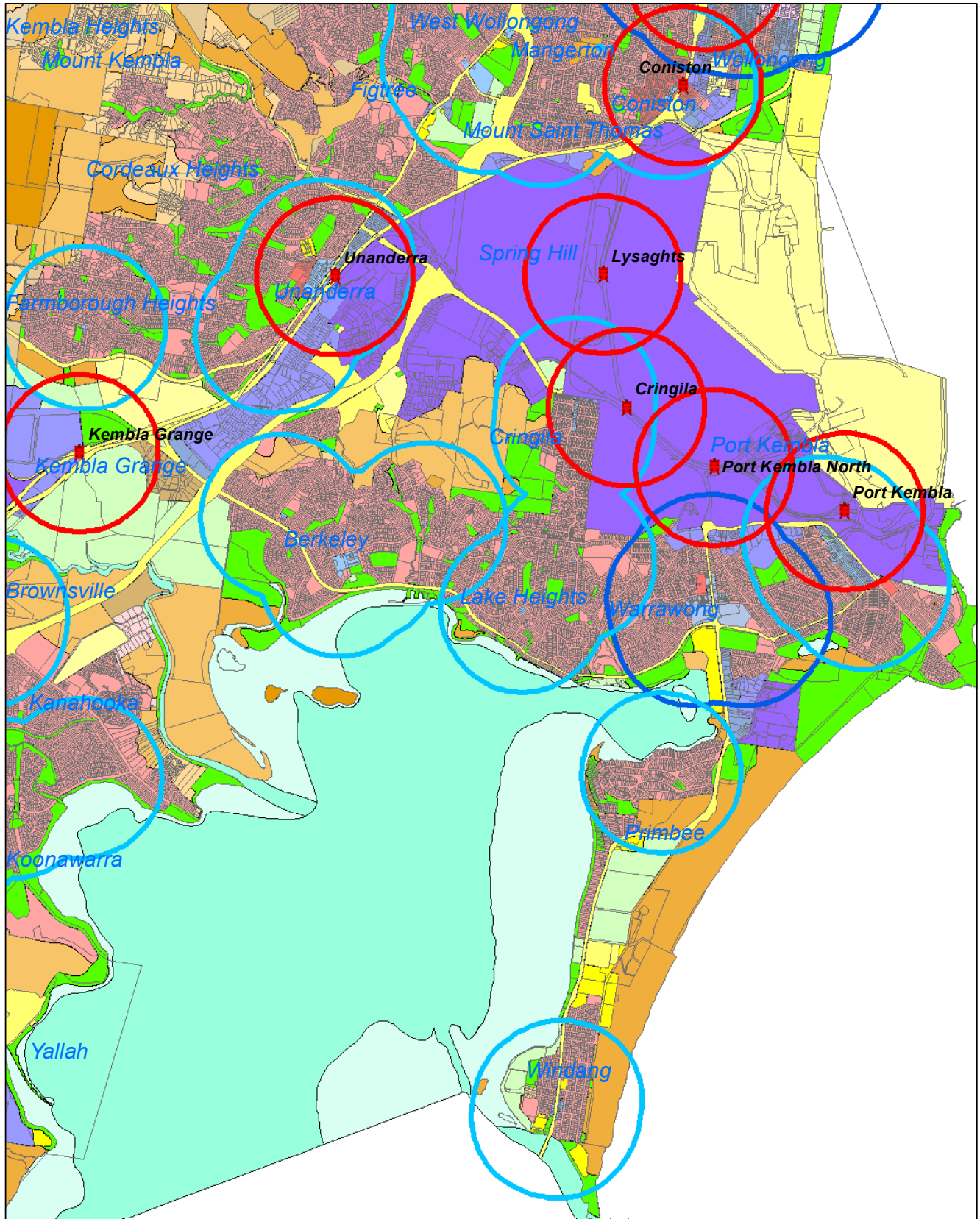
Transit Oriented Development

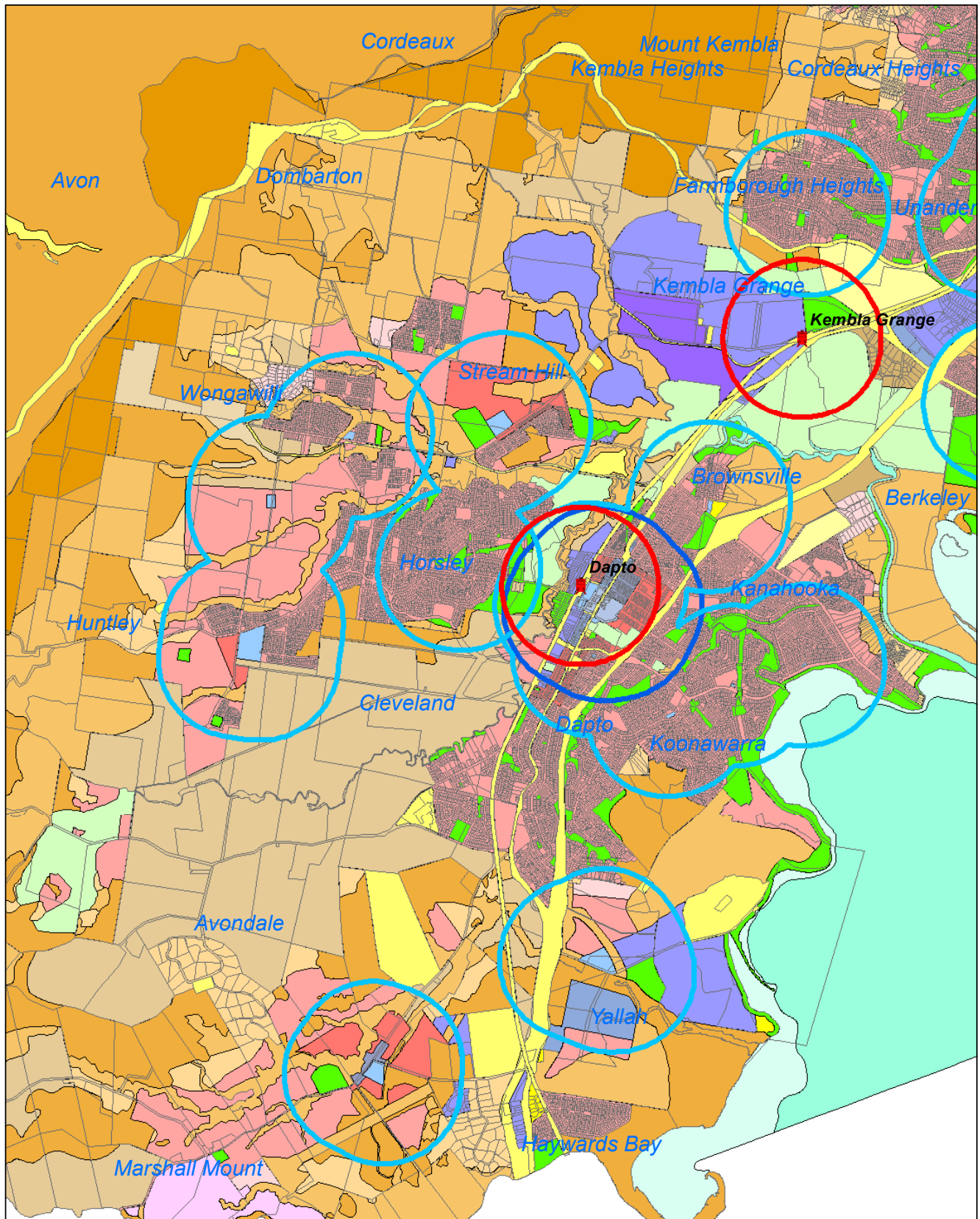
	Wollongong LEP 2009 and DCP	TOD proposal
Residential Flat Buildings	Permissible development in R1, R2, R3, R4 and MU1 zones	Permissible development in all residential zones plus E1 and E2 zones within 400m of the three nominated stations
<ul style="list-style-type: none"> Max Building Height 	<p>For R1 zone-16m (Nth Wollongong)</p> <p>For R2 zone- 9m (Corrimal and Nth Wollongong)</p> <p>For R3 zone- 11 to 15m (Corrimal and Dapto)</p> <p>For E1 zone- 9m (Corrimal) and 20m (Dapto)</p> <p>For E2 zone- 30m (Dapto)</p>	Max 21m height
<ul style="list-style-type: none"> Max FSR 	<p>For R1 zone- 1.5:1 (Nth Wollongong)</p> <p>For R2 zone- 0.5:1 (Corrimal and Nth Wollongong)</p> <p>For R3 zone- 0.75:1 to 2:1 (Corrimal) and 1.2:1 (Dapto)</p> <p>For E1 zone- .075:1 (Corrimal) and 2.5:1 (Dapto)</p> <p>For E2 zone- 2.5:1 (Dapto)</p>	Max 3:1 FSR
Shop Top housing	Permitted in R1, R2, R3, R4, E1 and E2 zones	Permissible development in E1 and E2 zones within 400m of the three nominated stations
<ul style="list-style-type: none"> Max Building Height 	<p>For E1 zone- 9m (Corrimal) and 20m (Dapto)</p> <p>For E2 zone- 30m (Dapto)</p>	Max 21m height
<ul style="list-style-type: none"> Max FSR 	<p>For E1 zone- 0.75:1 (Corrimal) and 2.5:1 (Dapto)</p> <p>For E2 zone- 2.5:1 (Dapto)</p>	Max 3:1 FSR













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NSW Department of Planning, Housing and Infrastructure
Locked Bag 5022
PARRAMATTA NSW 2124

Our Ref:
Date:

Document Set ID
XX February 2024

Dear Sir/Madam

SUBMISSION: NSW HOUSING POLICIES - EXPLANATION OF INTENDED EFFECT: CHANGES TO CREATE LOW- AND MID-RISE HOUSING AND TRANSPORT ORIENTED DEVELOPMENT PROGRAM

Thank you for the opportunity to comment on the Explanation of Intended Effect: Changes to create low-and mid-rise housing (EIE) and the Transport Oriented Development Program.

Council acknowledges the need for the provision of additional housing opportunities to address the National Housing Accord, housing supply and housing affordability issues.

Council is progressing with implementation of the Wollongong Housing Strategy (2023) actions, and we have recently commenced or completed a range of initiatives, including:

- Rezoned the former Port Kembla Public School site to permit an estimated 110 dwellings
- Resolved to rezone land at Cleveland Road (West Dapto) to permit an estimated 2,275 dwellings
- Approved a Neighbourhood Plan at Kembla Grange (West Dapto) to enable a DA for an estimated 460 dwellings to be lodged and assessed
- Exhibited a Planning Proposal for the Wilga Street block (Corrimal) to increase building heights and FSR
- Introduced potential development contributions exemptions for affordable housing developments.
- Allocation of funding under the Affordable Home Ownership Scheme

Council is also leaning in to support a range of State planning initiatives, including:

- Assisting the Department with the assessment of the State Assessed Planning Proposal (SAPP) application for 1,300 dwellings in Warrawong
- Working constructively with Land and Housing Corporation to identify urban renewal opportunities
- Participated in the Faster Local Approvals Grant program which resulted in improved determination timeframes for land subdivision applications
- Engaging with the Department to improve functionality of the State's Planning Portal

Other initiatives that Council is investing in include:

- Council is in the process of selling a land holding in Stream Hill (West Dapto) to enable a developer to seek approval for subdivision, contributing to housing supply. Council is also reviewing its portfolio of land holdings to identify any additional opportunities.
- Council remains open to investigating innovative partnership opportunities as supported in the endorsed Wollongong Housing Strategy.
- Advocacy on a range of housing related matters, including for more social housing, forward funding of enabling infrastructure, biodiversity certification of West Dapto and inclusion of the Affordable Housing clause into the Standard LEP Instrument.

- Ongoing engagement and collaboration with State and Federal Ministers, State agency executives and organisations in support of positive strategic and statutory planning outcomes.

On 27 February 2023, Council adopted the Wollongong Housing Strategy which was endorsed by the Department in July 2023 as a Strategic document to guide future housing supply. The Strategy recognises that not all areas in the LGA have the same characteristics and proposes a series of actions to increase housing supply in areas with no or limited constraints and decrease housing opportunities in constrained locations. The Strategy will enable Council to meet the housing targets currently provided in the Illawarra Shoalhaven Regional Plan 2041 released in May 2021.

Whilst the current reforms are largely directed at land use planning controls, the Housing Strategy and the Department's housing dashboard indicate that within Wollongong over the last 5 years on average 1,260 dwellings were approved annually, however, on average only 860 dwellings are constructed. While there are a variety of reasons for developers not progressing with an approval, such as seeking new approvals, land banking, lack of finance, waiting on favourable market conditions, it would suggest that the planning controls and development assessment processes are not the constraint to development. There are currently nearly 2,000 approved dwellings in and around the Wollongong CBD that are yet to commence construction.

EIE: Changes to Create Low- and Mid-Rise Housing

In acknowledging the principles and intent of the reform to increase development in proximity to centres and stations, a blanket set of controls for land around rail stations and town centres across the Six Cities Region, including the Wollongong LGA is not supported.

- The Wollongong LGA contains 25 rail stations. However, they have different levels of service within the LGA and lower levels of service to stations in the Sydney Metropolitan Area. While a station in Sydney may be served by a train or metro service every 10 minutes, in the Wollongong LGA trains may come every hour. Not all stations provide accessible access.
- The northern coastal villages of Wollongong are not appropriate locations for medium density housing. The villages are constrained by the coastal processes, the Illawarra Escarpment, other environmental constraints (eg flooding, steep slopes, bush fire, Geotech hazards), limited infrastructure (ie Lawrence Hargrave Drive, sewerage) and limited retail services.

The villages of Stanwell Park, Coalcliff and Otford are serviced by a pressure wastewater network system which we understand has limited capacity for expansion. The villages of Clifton and northern part of Scarborough are not connected to the Sydney Water network. The Department is encouraged to consult with Sydney Water on the servicing constraints.

The proposed changes detailed in the EIE will result in more housing in locations with infrastructure and environmental constraints, contrary to the Housing Strategy adopted by Council and endorsed by the Department. The EIE is also contrary to the Department's Local Character and Place Guidelines.

The EIE does not contain sufficient detail about the specifics of the proposed changes to planning controls and how they will be implemented. For instance, will the proposed changes be incorporated into the Housing SEPP or the Codes SEPP, or the Standard LEP Instrument or a combination? If through the Codes SEPP, will clauses 1.19 and 1.19A, and similar clauses to 3B.5, 3B.6 apply? The provision of a draft amending legal instrument as part of the exhibition package would have enabled a more thorough assessment to be undertaken.

The EIE contains a number of factual errors:

- pages 13 and 14 Infrastructure funding – only mentions local contributions and fails to mention the State's Housing and Productivity Contribution (HPC) of \$8,000 per dwelling lot and \$6,000 for residential strata lots and high-density. Although the HPC is mentioned in section 4.4.
- page 22 Manor homes – are prohibited in all LEPs, because they are not listed or defined as a land use in the Department's Standard LEP Instrument. The use is only permissible in certain zones via the Housing SEPP.
- Page 22 Manor homes – the explanation fails to mention that they are class 2 buildings and require higher fire ratings and different builder certification requirements.
- page 23 Dual Occupancies – the EIE simplifies dual occupancies to be attached side by side dwellings. Whereas dual occupancies can also be detached side by side, or front and rear dwellings (Battle axe). The

Housing SEPP already contains controls for attached side by side dwellings to be assessed as complying development.

- pages 29 and 34 – The Housing SEPP Infill affordable housing contributions do not apply to residential zones.
- pages 38 – Multi-dwelling housing terraces need a minimum site width of 21m (not 18m). The Housing SEPP requires 6m width for each of the 3 dwellings plus a 1.5m setback on each side.

Flooding

The Wollongong coastal plain has significant flash flood constraints. The majority of town centres were originally established adjacent to watercourses, which flood. The EIE contains no information on how flood impacts and flood hazard risks will be assessed. Council officers are aware of dual occupancy developments that are located in floodways that were privately certified and wish to avoid this scenario in the future. Consideration of flood impacts would enable risk and insurance issues to be factored into the new policy.

Bushfire

A large part of the Wollongong LGA is also affected by bushfire hazard, as shown on the Bush Fire Prone Lands Map certified by the RFS. Additional development within the bushland interface (within the 800m accessible areas) has potential to increase risk to residents and their property and should be considered in the finalisation of the policy.

Town Centre nominations

On 20 March 2023, Council adopted the Wollongong Retail and Business Centres Strategy, which was endorsed in August 2023 by the Department as a Strategic document to guide future rezoning decisions.

The Wollongong LGA contains a Regional City, 2 major regional centres, 3 major towns, and various towns, villages and small villages. Consistent with the adopted retail hierarchy it is proposed that the EIE controls apply to the higher order centres and not to smaller towns, villages, neighbourhood centres and corner stores.

The nominated centres for the Wollongong LGA are - Wollongong, Dapto, Warrawong, Corrimal, Fairy Meadow and Figtree. All these centres have full-line supermarkets and more than 21,000m² of retail floor space. The centres all have E1 and / or E2 zones for the retail centre. The use of the MU1 zone to define a town centre is not considered appropriate.

Recommendations:

- To encourage the construction of more Manor Homes and Multi-dwelling housing (terraces), amend the Standard LEP Instrument to include these housing types as a form of Residential accommodation, which would make the uses available for Council's to include in LEPs. This would introduce an alternative merit based local development planning pathway for developments that are not fully compliant with the complying development standards in the Housing SEPP.
- Consider Dual Occupancies being a mandated permitted use in the R1 General Residential zone.
- Consider Manor Homes being a mandated permitted use in the R3 Medium Density Residential zone.
- Increase the car parking standards for locations that do not have access to sufficient public transport service.
- Incorporate Inclusionary Affordable Housing Contribution requirements now, rather than later in 2024. The EIE is proposing an uplift in residential density and even if a \$1000 - \$2000 per dwelling contribution was added to the Housing and Productivity Contribution, collectively it could fund additional social and affordable housing.
- Amend the Standard LEP Instrument to include the Affordable housing clause in all LEPs. Councils could then prepare Planning Proposals to apply the clause in nominated precincts subject to housing uplift. Council has previously advocated for the Affordable Housing provisions to be made available for Council to use, without the need to except through a convoluted justification process which is currently required.
- The town centre precinct controls apply to the following town centres of Wollongong, Dapto, Warrawong, Corrimal, Fairy Meadow and Figtree.
- Only apply the shop-top housing controls to the nominated town centre precincts, and not to all E1, E2, MU1, R1, R2, R3, R4 zones where shop-top housing may be currently permitted. The EIE suggests that the 21m

/ 3:1 FSR standard will apply in all locations where shop-top housing is permitted. This would include all villages where currently 2 storey shop-top housing is permitted in an E1 Local Centre (formerly B1 Neighbourhood Centre zone) such as Austinmer, Coledale and Stanwell Park.

- Clarify how the 400m/800m distance around stations is measured – from the entrance points, centre of the station platform, either end of the station platform (which can be 160m-300m long). It is assumed that the accessible area definition recently amended in the Housing SEPP will be used, namely 800m walking distance of a public entrance.

Transport Oriented Development Program

Wollongong contains 3 stations identified in the Tier 2 category, namely Corrimal, North Wollongong and Dapto. It is unclear how the stations were chosen, and it is disappointing that Council officers were not involved in the decision process as we could have advised on local issues, constraints and opportunities. It does not appear that land constraints, such as flood risk have been considered.

The 3 stations also form part of the EIE for low- and mid- rise housing exhibited by the Department. It is unclear to Council which planning policy should be applied to the 400m radius around the stations, and what affordable housing contribution should be required.

It is unclear why a separate SEPP is required, rather than an integrated housing approach.

It is unclear why the TOD SEPP is proposing a 400m radius and the other housing policy initiatives refer to a 400m/800m accessible distance (rather than a radius). Different definitions and standards add to confusion and the complexity of the NSW Planning System.

It is unclear why the three stations were chosen.

- The Dapto and North Wollongong station precincts have significant flood constraints
- North Wollongong does not have a commercial centre
- Corrimal Station is disconnected to the Corrimal Town Centre, although is adjacent to the Corrimal Coke Works site, and has a surrounding R3 Medium Density precinct
- Corrimal and Dapto stations are served by trains once every hour in each direction depending on the time of day. The level of service being significant lower than a Sydney Metropolitan station.

Council would welcome the opportunity to work with the Department to explore if an alternative station to North Wollongong may be a more appropriate initial candidate should the program proceed.

Additional detail is required to fully understand the impact of the program, including:

- The maximum parking rates, and whether there will be a different rate for Sydney and the regions. Council officers are concerned that a low parking rate, in locations poorly served by public transport will result in more on-street parking.
- The minimum active frontage requirements
- How the Affordable Housing Contribution will be collected and managed, and by whom (Council or the State). Sufficient time and resources will be required should councils be expected to introduce governance arrangements and procedures to manage the collection and distribution of Affordable Housing contributions.

Council officers do not support residential flat buildings being a permissible land use in the E1 and E2. The Wollongong LEP 2009 permits shop top housing in these zones, which enable retail at ground floor (active frontages, shops and services), possible offices above, and residential development on higher floors. Standalone residential flat buildings could undermine the retail offering and employment opportunities in the centres.

Council and the community spent a number of years preparing and assessing a Planning Proposal for the former heritage listed Coke Works site, which adjoins Corrimal Station. The LEP amendment was finalised in 2022 and Council also adopted a Development Control Plan chapter and Planning Agreement. The site has a range of height limits (11m, 13m, 15m) and floor space ratios (0.75:1, 1.2:1, 1.5:1). The development has been scaled due to heritage, visual amenity, access and transport constraints. Council is currently assessing development applications.

The proposed TOD SEPP would allow for an increase in height, density and dwelling numbers. The increase in dwellings could have an impact on the local road network, and the capacity of the State's rail level crossing. The proposed SEPP should have regard to recently approved LEPs, DCPs and Planning Agreements and establish a process to review site specific controls and a mechanism to require developers to re-negotiate Planning Agreements in response to the uplift of development potential of sites.

Affordable Housing Bonus Provisions

Council wishes to take the opportunity to express concern about the recently introduced Affordable Housing bonus provisions.

Engagement with Council about this initiative in early 2023 indicated a \$75M threshold for eligible housing developments to be assessed by the State under the State Significant Development (SSD) pathway. Feedback at the time indicated that few developments would trigger this threshold which would therefore not have a major impact on Council's current functions. However, we have recently learned that the threshold for Shoalhaven-Illawarra and Lower Hunter and Greater Newcastle councils was legislated at \$30M.

A review of DAs over recent years indicates that a \$30M mid-rise housing project is not uncommon and there is potential for many applications to be determined under the SSD pathway. An increase in the number of SSD matters will impact on Council resourcing during the pre-lodgement phase (eg SEARs preparation, early consultation and meeting requirements) and post lodgement when formulating Council submissions as well as reviewing applicant's responses to submissions. There is currently no mechanism under the SSD pathway for Council to recover cost for the assessment required in preparing submissions. The increase in residential projects able to be assessed by the Department of Planning, Housing and Infrastructure also undermines Council's autonomy in assessing local development with the benefit of our local knowledge and expertise.

The change to the legislated value threshold for SSD without engagement with Council is not appropriate and has created uncertainty and wasted valuable pre-lodgement resources from both Council and the proponent. A case in point is a communication from a developer on 16 January 2024 as follows:

As you know from recent discussions and correspondence, we are well progressed with the preparation of a development application that seeks the approval for a shoptop housing development.

In a late change, the capital investment value threshold for an SSD in Wollongong was reduced from \$75million (as communicated in the version of the draft SEPP) to \$30million.

As a result, our proposal can no longer be submitted to Council and has now fallen into the category of a State Significant Development (SSD).

We are now working through the requisite requirements for the submission to the DoP.

We are ensuring that the communication and long running discussions that we have had with Council are carried through in our EIS and submission documents.

Council requests that the threshold for SSD for the Wollongong LGA be amended to the original \$75M threshold.

Council supports the requirement for Affordable Housing to be incorporated into developments that take advantage of the bonus provisions, however we suggest that consideration be given to such Affordable Housing to be provided in perpetuity rather than for 15 years.

As suggested above, Council is committed to working with the Department and State Government to deliver additional housing and would welcome an opportunity to discuss our submission in detail.

Please feel free to contact Council's Director of Planning and Environment, Ms Linda Davis on 4227 7111 should you require further information.

Yours faithfully

Greg Doyle

General Manager

Wollongong City Council

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