

Local Housing Strategy 2020-2036



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1. Executive Summary

The Bayside Local Housing Strategy (the Strategy) sets the strategic framework and vision for housing in the Bayside Local Government Area (LGA). It draws on existing policy and demographic trends alongside analysis of local opportunities and constraints to formulate an action plan for residential growth. The Strategy plans for housing until 2036 and includes a series of priorities needed to make housing more affordable, diverse and matched to the changing needs of the local community.

1.1 Housing overview

Over the last 10 years Bayside has experienced significant housing growth, the majority of which has been in the form of apartments. Currently Bayside's housing is characterised by pockets of high density living around centres and detached houses in other parts of the LGA. Medium density housing types make up a smaller portion of the total housing stock.

Bayside has a large proportion of 2-bedroom dwellings, with less housing available to cater to lone person households and families – household types that are predicted to experience growth over the next 20 years.

The cost of housing in Bayside has outpaced income growth, placing many households in stress. Rental housing in the LGA is typically unaffordable or very unaffordable for households with average incomes.

1.2 Housing targets and approach to growth

Bayside Council is required to meet the *Eastern City District Plan* housing target of 10,150 dwellings between 2016 and 2021, deliver a 6 to 10 year housing target, and outline its contribution to the Eastern City District's 20 year housing target. The *Eastern City District Plan* also requires all councils to develop an affordable housing contributions scheme.

To respond to the requirements, Bayside Council has developed the following housing targets for the LGA (Table 1). The evidence base behind these targets is contained within this Strategy.

Table 1 Bayside Housing Targets

2016-2021	2021-2026	2026-2036	TOTAL 2016-2036
10,150	7,720	8,151	26,021

Source: SGS 2019

Much of this supply will focus on medium density development, ensuring Bayside has a variety of dwellings able to accommodate the diverse housing needs of the existing and future community.

Short and medium term targets

Bayside is on track to meet its 2016-2021 housing target. Since 2016, there has been 8,112 dwellings built in the LGA with more development in the pipeline. Bayside has capacity for an additional 16,609 dwellings under existing planning controls. Existing development since 2016 coupled with the capacity of the current planning controls can deliver around 24,721 additional dwellings.

Long term target

As part of this Strategy, Bayside has carried out an opportunities and constraints analysis to consider areas within the LGA that may be suitable for housing growth in the long-term. The analysis has centred on four key principles:

1. Growth should occur in centres with good access to public transport and proximity to facilities and services.
2. Lower impact development will continue to occur throughout the Bayside LGA ensuring local character is maintained.
3. Preserving the development capacity of centres earmarked for long-term transport infrastructure investment until timing for delivery is available.
4. Some centres and other areas of Bayside are subject to land use limitations including poor access to public transport - inappropriate for additional development.

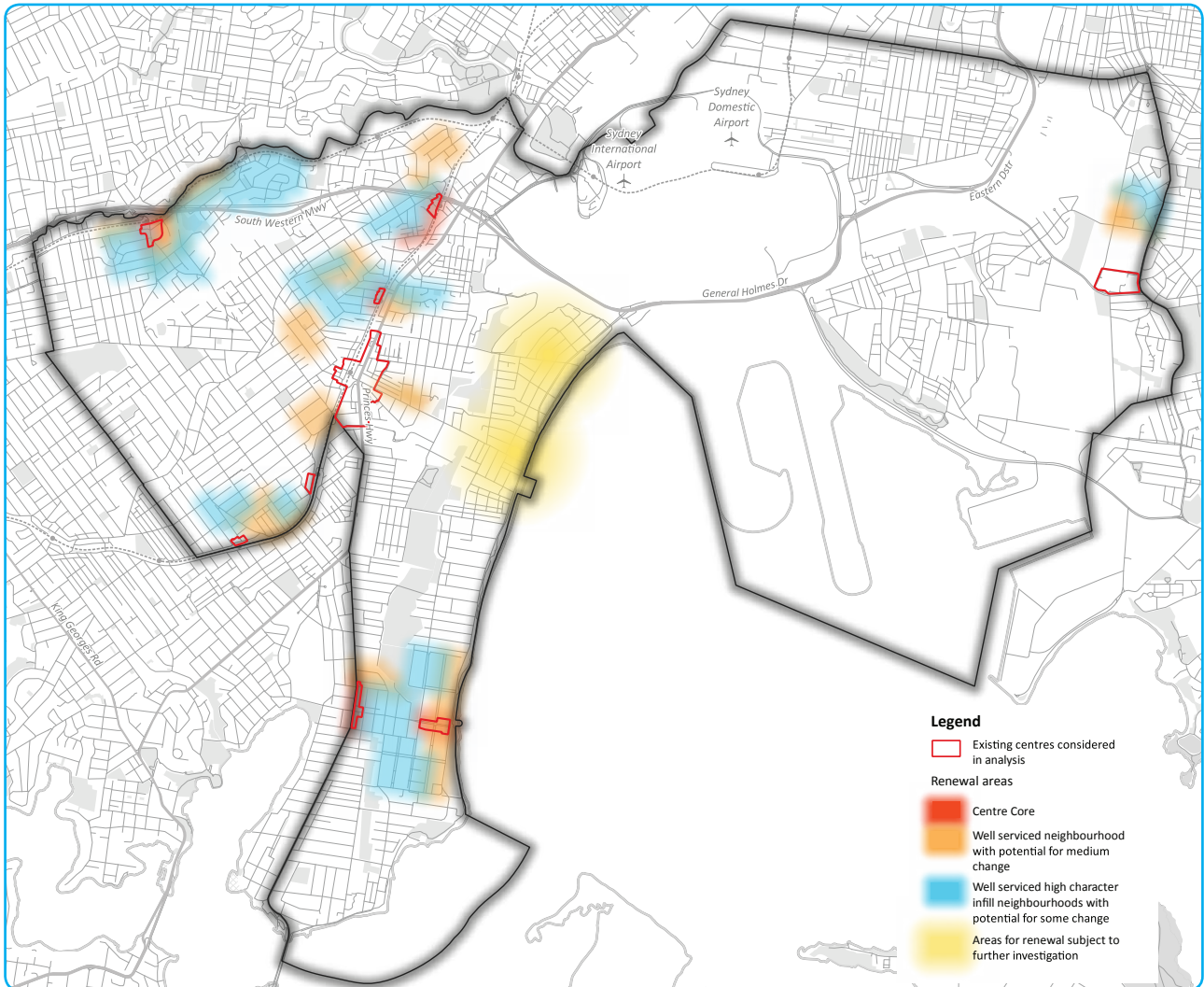
Based on these principles and detailed analysis Figure 1 outlines the centres that may be suitable for growth in the long-term, subject to detailed master planning.

Objectives

Planning for Bayside's housing future goes beyond simply encouraging supply. This is reflected in the six objectives that have been developed to guide future housing directions across the LGA. These directions reinforce the multi-faceted role Bayside plays in housing policy.

1. Planning for housing supply will establish sufficient capacity to accommodate future (20 year) housing demand while retaining the capacity to accommodate longer term demand aligned with transport infrastructure provision.
2. New housing will be located in and around existing centres with accessibility and walkability to public transport and align with the provision of transport and other infrastructure.
3. New housing will deliver greater diversity of housing choice to meet the changing needs of the local community, including housing suitable for families and older people and adaptable housing.
4. Housing affordability in Bayside would be improved, with relatively affordable housing protected and additional affordable rental housing provided.
5. Advocacy and partnerships would encourage direct investment into transport by the NSW Government and ensure a collaborative approach to housing and transport provision.
6. New housing would be of high quality, well designed, responsive to local character and meet the community's needs.

Figure 1 Spatial Plan for the Bayside LGA





2. Introduction

The purpose of the Local Housing Strategy (the Strategy) is to set the strategic framework and vision for housing in the Bayside Local Government Area (LGA) and plans for housing until 2036.

This Strategy has been prepared in accordance with the NSW Government *Local Housing Strategy Guidelines and Template (2018)* and the requirements of the *Greater Sydney Region Plan: A Metropolis of Three Cities (2018)* and its *Eastern City District Plan (2018)*.

The Strategy seeks to answer the following questions:

- ▶ What is the demand for dwellings in the LGA in terms of quantum and type?
- ▶ What is the development potential of current planning controls, considering a range of opportunities and constraints?
- ▶ What is an appropriate volume, type and locational distribution for dwelling supply in the LGA over the next 20 years?
- ▶ Is there a need for affordable housing, how will demand for affordable housing change in the future and what impacts could unaffordable housing have on the community and economy?
- ▶ What potential changes are required to the planning vision and controls as a result of the investigations?

Council engaged *SGS Economics and Planning (SGS)* to assist in the preparation of the Strategy. SGS provided the technical and background information contained within this report. This Strategy is accompanied by a background report (Appendix A), which provides the evidence base for the housing vision, objectives and actions.

2.1 Housing classifications

This Strategy discusses housing using the following classifications (Table 2). Please note this is not an exhaustive list of dwelling types.

Table 2 Dwelling classifications used in the Strategy

TYPOLGY	DESCRIPTION	EXAMPLE
Detached dwellings	Detached dwellings are separate houses generally located on their own lot of land – is considered low density.	
	In Bayside LGA, detached dwellings range from smaller houses on narrow lots in Mascot, to larger house in the south and west.	
	This dwelling type is referred to as 'dwelling houses' in statutory planning instruments.	
Attached dwellings	Attached dwellings share at least one wall with another dwelling. This includes attached dual occupancies, terraced development and most villa development (referred to as multi-dwelling housing in statutory planning instruments).	
	This dwelling type is often described as medium density and can be delivered on smaller land parcels than detached dwellings.	
	Can be Torrens, community or strata titled.	
	Referred to as 'multi-dwelling housing' 'dual occupancies' 'semi-detached dwellings' 'manor houses' and 'attached dwellings' in statutory planning instruments.	
Apartments	Apartments consist of multiple dwellings in a single building, usually with each dwelling having common horizontal and vertical walls with other dwellings.	
	Apartments come in a range of heights and densities. Lower density three-storey walk-up apartments are common in part of the LGA (e.g. Eastlakes) with higher density apartments around centres (e.g. Wolli Creek and Mascot).	
	This dwelling type can be residential only buildings or above shops – referred to as 'residential flat buildings' or 'shop-top housing' respectively in statutory planning instruments.	

Detached dwellings in Brighton Le Sands

Attached dwellings in Monterey

High density apartment development in Mascot

Other dwellings

Some dwellings fall outside the ABS's classification of detached dwellings, attached dwellings and apartments. These include:

- ▶ Caravans;
- ▶ Cabins and houseboats;
- ▶ Houses or flats which are attached to a shop; and
- ▶ Boarding houses and student accommodation.

Secondary dwellings and granny flats are also inconsistently classified by the ABS and can fall under multiple different definitions. This is also an issue for the classification of boarding houses.

The term **medium density housing** is also referred to in this Strategy. In this context, medium density refers to attached dwellings and small apartments that are less than three storeys high.

2.2 Planning and policy context

Greater Sydney's housing challenge

As of 2016, Greater Sydney was home to around 4.7 million people, with the population predicted to grow to around 6.4 million by 2036¹. This is an increase of over 1.7 million people or approximately 37 per cent on current population levels.

To accommodate population growth, new dwellings need to be built in established areas as well as at Sydney's fringes. Each part of the Greater Sydney region needs to provide for residential growth, including the Bayside LGA.

All councils in the Eastern City District, which comprises Bayside, Burwood, Canada Bay, Inner West, Randwick, Strathfield, Sydney, Waverley and Woollahra LGA need to accommodate new dwellings. To meet future demand, these nine councils are collectively required to deliver 157,500 new dwellings by 2036. Bayside, along with the other councils in the Eastern City District, all have a role to play in housing delivery.

Bayside's role in housing

While council's are responsible for creating capacity in the planning framework to enable housing supply, the role of local government in housing policy extends beyond blunt supply. Bayside Council's role in housing is multi-faceted. Bayside Council is able to influence the type, location and supply of housing in the LGA by:

- ▶ Planning for the location, quantity, type of housing through land use zoning in Council's Local Environmental Plan. This affects housing supply and choice.
- ▶ Establishing development controls and standards in the *Local Environmental Plan (LEP)* and *Development Control Plan (DCP)*.
- ▶ Aligning Bayside's land use planning with state policies, Regional and District Plans.
- ▶ Regulating local development and building including the assessment of development applications.
- ▶ Local infrastructure provision, which affects accessibility, amenity and liveability for housing.
- ▶ Establishing development contribution requirements or planning agreements that require development to contribute to the provision of local infrastructure and facilities that impact the cost of housing.
- ▶ Establishing inclusionary zoning requirements and value capture mechanisms for affordable housing that add to the housing supply for low to moderate income households.
- ▶ Potential use and development of Council property assets that may include provision of affordable housing or the provision of subsidised land as part of partnerships with community housing providers.
- ▶ Partnerships with public and private land owners and developers that may achieve public benefit relating to housing supply (including the provision of social and affordable housing).
- ▶ Establishing rates to be paid on property. The collection of council rates may impact housing costs, including rents.

This Strategy has been developed with consideration of the diverse and varied ways Council is able influence housing policy.

1. NSW Department of Planning, Industry and Environment (DPIE) projections.

2.3 LGA snapshot

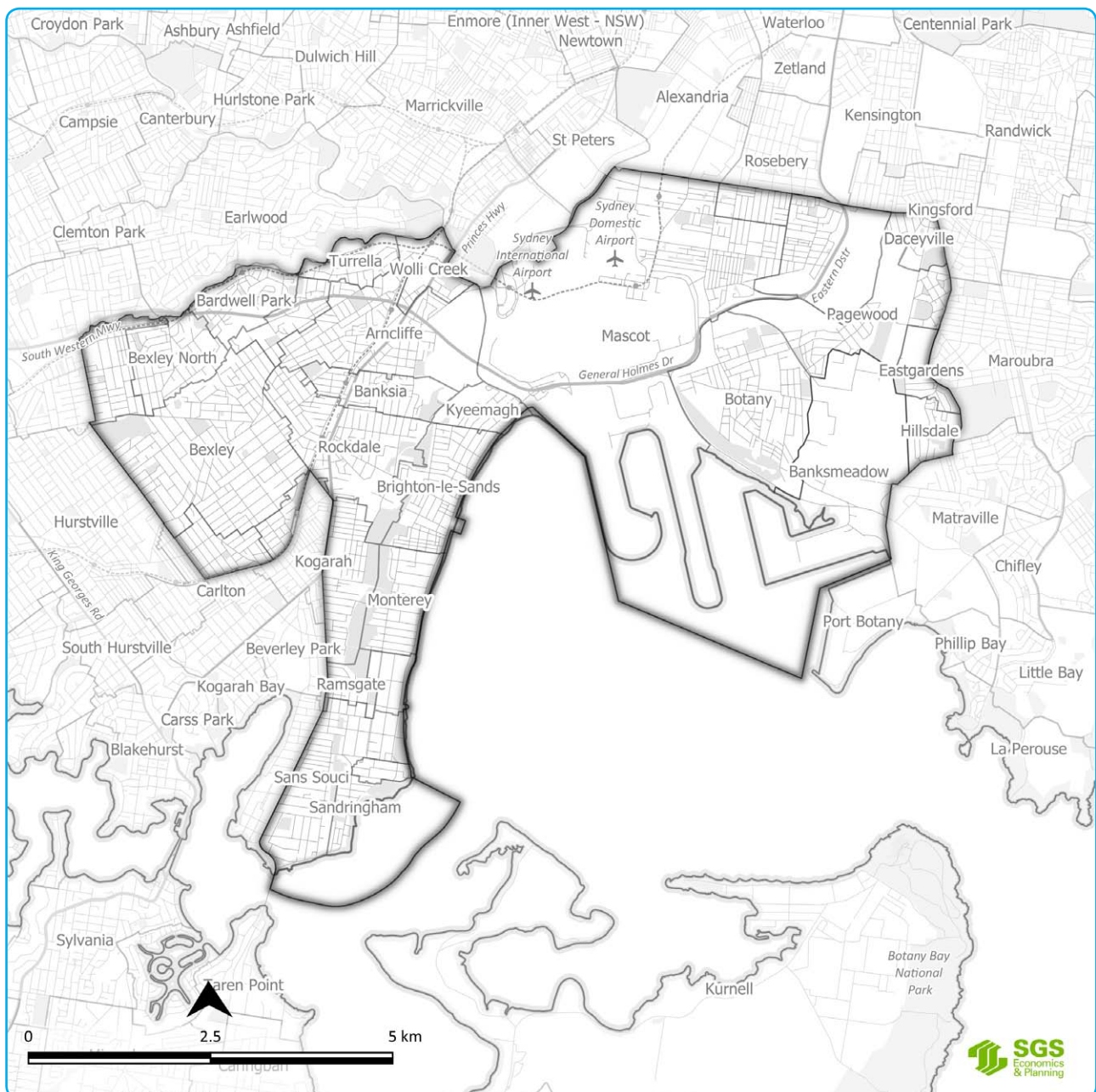
The Bayside LGA is located approximately 6 and 17 kilometres south-west of the Sydney CBD and spans the shores of Botany Bay. It includes the former LGAs of Rockdale and Botany Bay, and stretches from Eastlakes and Daceyville in the north-east to Kingsgrove and Bexley in the west and Sans Souci in the south (see Figure 2). Two train lines run through the Bayside LGA, the Illawarra Line and East Hills Line. These provide access from major centres and some of Bayside's suburbs to the Sydney CBD.

Located in the Bayside LGA are two trade gateways, Sydney Airport and Port Botany, which play a critical role in the economic functioning of NSW. It is essential to ensure residential growth doesn't inhibit the continued operation of this infrastructure.

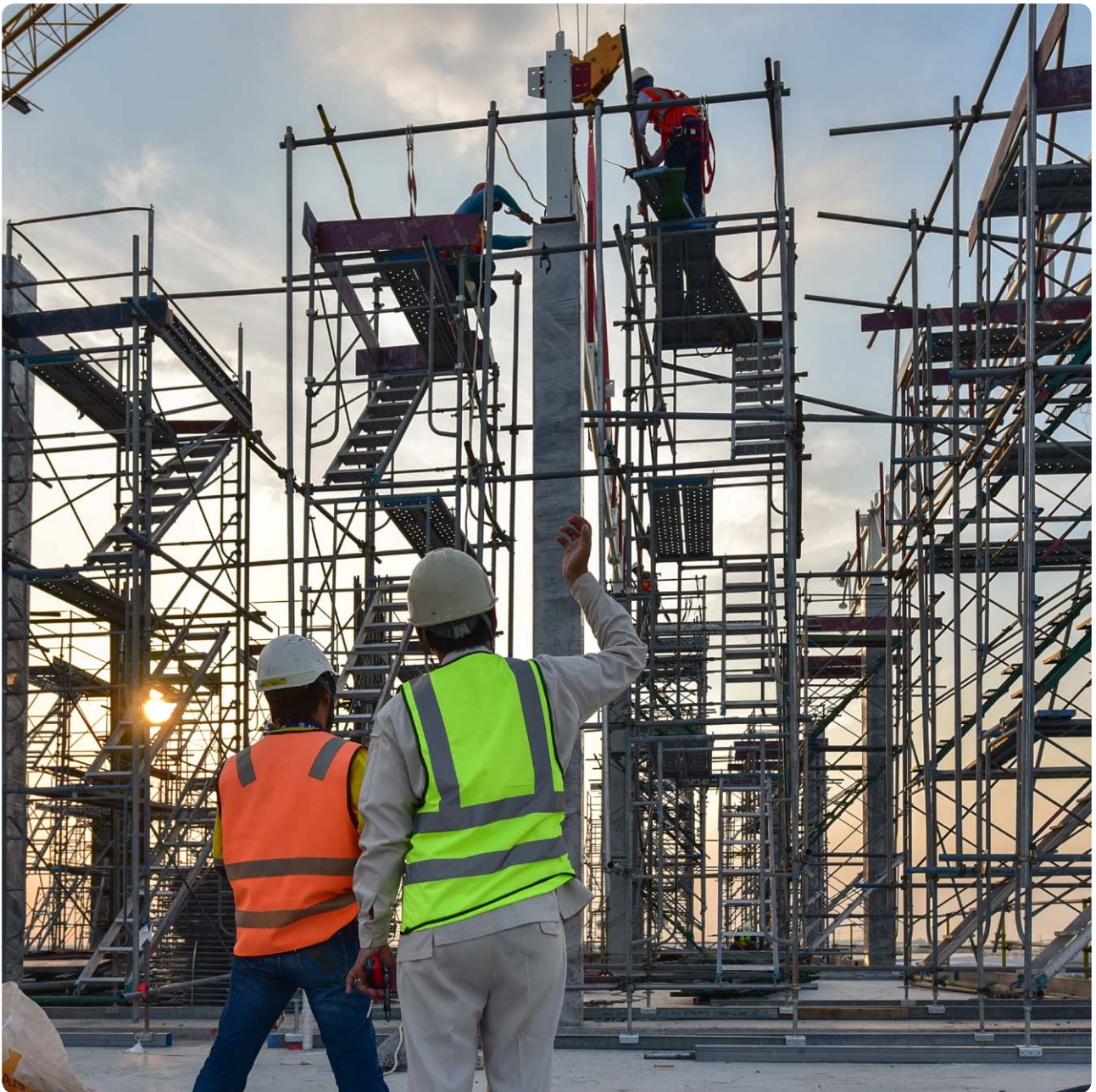
Bayside also has significant areas and precincts that may be unsuitable for residential development. This is due to the presence of various land use constraints including existing industrial areas, major infrastructure projects, historical contamination or proximity to the trade gateways.

Future opportunities for residential growth need to be considered within the context of the Bayside's economic assets and land use constraints.

Figure 2 Suburbs within the Bayside LGA



Source: SGS, 2019.



2.4 Housing vision

The vision for Bayside brings together the priorities and aspirations for housing in the LGA.

“ Vision summary

By 2036 Bayside will have transformed its housing supply to include greater housing choice and diversity as well as improved housing affordability, meeting the needs of the diverse and expanding community.

Short term development will be balanced with long term housing need with opportunities retained for higher density development in the longer term if new mass transit is delivered. Growth will be linked to the delivery of improved infrastructure and maintaining local liveability.

Bayside will maintain its status as a great place to live, with a balance of vibrant higher density centres, detached dwellings in a suburban setting and medium density and attached housing that is sympathetic to the existing housing character.





3. The Evidence

3.1 Policy context

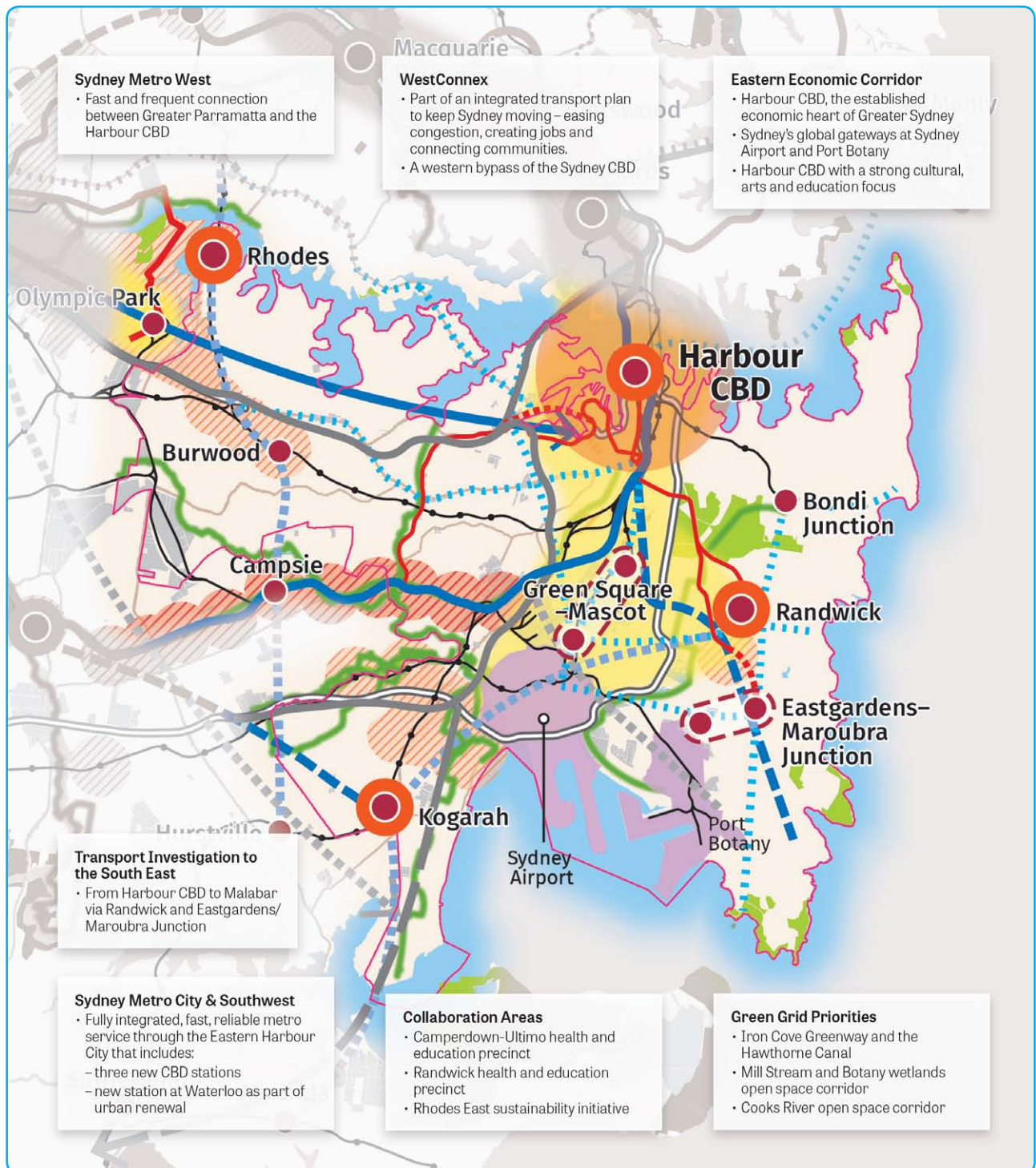
Strategic plans from the NSW Government and Bayside Council provide the context for future land use in Bayside. A review of key strategies and plans relevant to the Bayside LGA was undertaken to evaluate key directions for housing. The findings are summarised below.

NSW Government policy context

A review of the *Greater Sydney Region Plan*, *Eastern City District Plan* and *Future Transport 2056* have identified key issues for planning for the future of Bayside's housing:

- ▶ **Housing targets.** The Eastern City District Plan sets the district-wide planning framework for the Bayside LGA. It requires Bayside to provide 10,150 additional dwellings between 2016 and 2021 and develop medium and long term housing target to contribute to accommodating 157,500 additional dwellings across the Eastern City District between 2016 and 2036.
- ▶ **Greater housing diversity.** Greater housing diversity and choice is required to cater to the changing needs of the local community, allowing people to stay in the same area as their circumstances change.
- ▶ **The need for more affordable housing.** The *Eastern City District Plan* recognises the increasing unaffordability of housing and the need to provide more housing which is affordable to people on a variety of incomes.
- ▶ **The 30-minute city.** Strategic documents support the creation of a 30 minute city, which would require housing growth focused around public transport nodes as well as improved public transport to existing housing.
- ▶ **Mixed use development within existing commercial centres.** Mixed use redevelopment is encouraged, providing greater housing density close to services and generating greater activity and vibrancy within centres.
- ▶ **Infill development.** There is a need for additional urban land close to centres, jobs, public transport and infrastructure. Infill development is to be located in areas with good proximity to regional transport where more intensive urban renewal is not suitable.

Figure 3 The Eastern City District



Source: Greater Sydney Commission, 2018.

Legend

Metropolitan Centre	Industrial Land	Train Station	Light Rail Investigation
Health and Education Precinct	Transit Oriented Development	Committed Train link	Motorway
Strategic Centre	Urban Renewal Area	Train Link/Mass Transit Investigation 10-20 years	Committed Motorway
Local Centre	Urban Area	Train Link/Mass Transit Visionary	Road Investigation 0-10 years
Economic Corridor	Major Urban Parkland including National Parks and Reserved	City Serving Transport Corridor	Road Visionary
Trade Gateway	Waterways	Light Rail	District Boundary
			Green Grid Priority Corridor

Local government policy context

Bayside Council's strategic direction is provided by Bayside 2030, the Council's Community Strategic Plan (CSP) and Council's Local Strategic Planning Statement (LSPS).

Of particular relevance to planning for housing, Bayside's CSP aims to:

- ▶ Make Bayside part of a 30-minute city, with housing development focused around the public transport network.
- ▶ Activate local centres with cafes, restaurants and cultural events.
- ▶ Ensure places have their own village atmosphere and sense of identity.
- ▶ Have innovatively designed local developments, incorporating open space and catering to vertical families.
- ▶ Ensure that people who need to can access affordable housing.

The LSPS sets out a series of housing related actions that are centred on the following priorities:

- ▶ Support sustainable housing growth by concentrating high density urban growth close to centres and public transport corridors.
- ▶ Provide choice in housing to meet the needs of the community.
- ▶ Provide housing that is affordable.
- ▶ Manage and enhance the distinctive character of the LGA through good quality urban design, respect for existing character and enhancement of the public realm.



3.2 Demographic overview

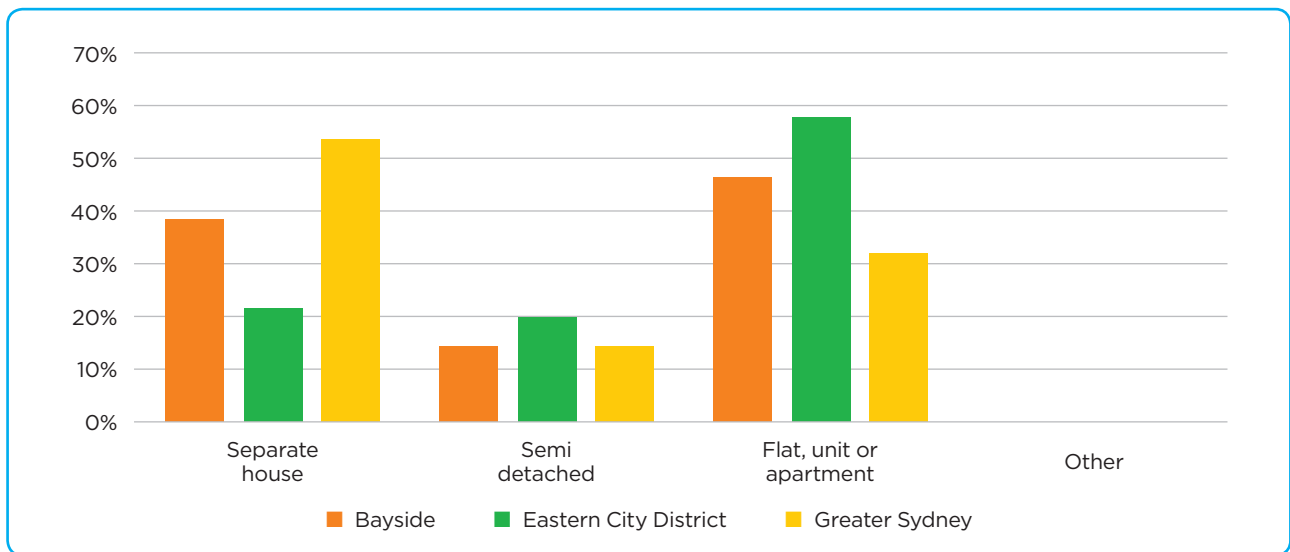
Analysis of secondary data sets provides an understanding of the existing housing situation in Bayside as well as future housing and household trends. This section provides an overview of the key takeaways from an in-depth analysis of dwellings, households and recent development growth.

Bayside's dwellings

Housing in Bayside is characterised by the following key features:

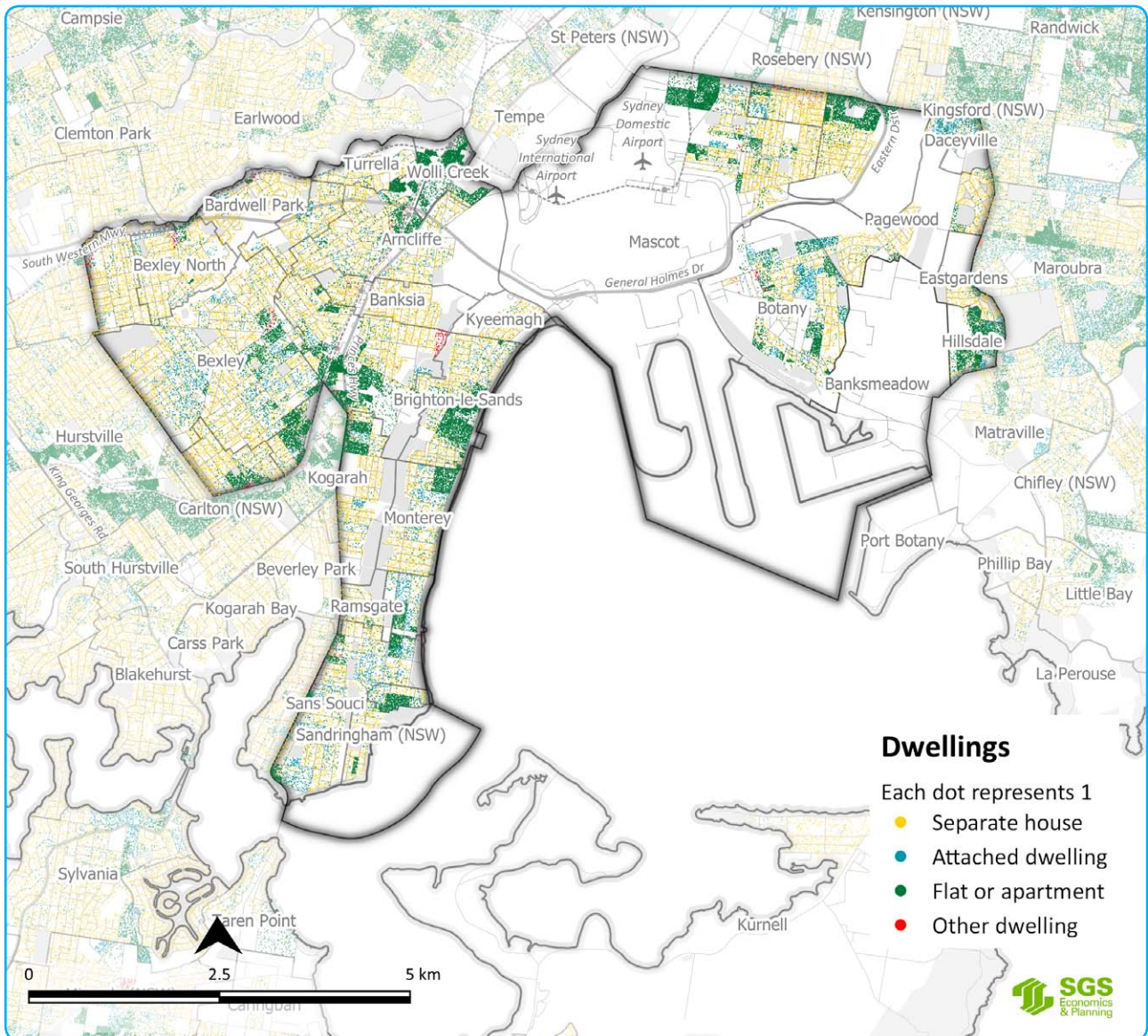
- ▶ Bayside has a larger proportion of flats and apartments (46% of all dwellings), these dwellings are concentrated around local centres and in high-density precincts (see Figure 4)
- ▶ Separate houses and attached dwellings make up just over half (52%) of all dwellings in Bayside, but occupy a much greater portion of the land area than apartments, and are spread throughout the LGA.
- ▶ Attached dwellings are relatively under-represented in Bayside compared to the Eastern City District (15% vs 19%).
- ▶ Two bedroom dwellings are overrepresented in Bayside (40% of dwellings) compared to the Eastern City District (33% of dwellings) and Greater Sydney (22% of dwellings), with most apartments in Bayside (59%) having two bedrooms.
- ▶ Most (60%) of dwellings in Bayside are owned, either outright or with a mortgage. However, most apartments (63%) are rented, and new apartment developments are generally geared towards investors.

Figure 4 Overall number of dwellings by type



Source: ABS, SGS, 2016.

Figure 5 Dot density map of housing in and around Bayside, 2016



Source: ABS, SGS 2019.

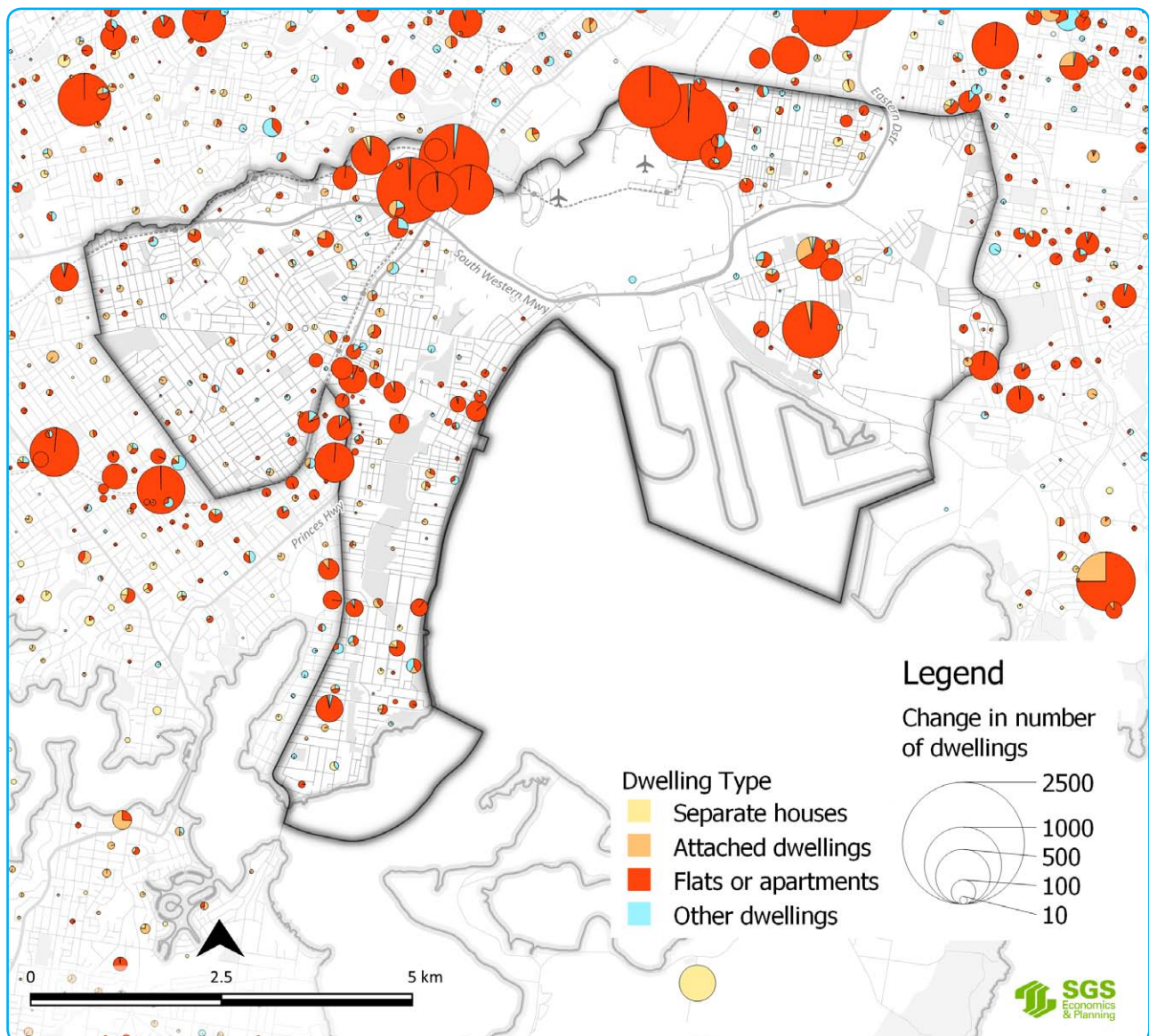
Source: SGS, 2019.

Recent housing growth

Over the last 10 years, Bayside has experienced significant housing growth. The amount, location and type of development between 2011 and 2016 is shown in Figure 6. During this time period:

- ▶ Almost all new dwellings built were apartments (80%).
- ▶ Most (63%) new apartments had two bedrooms, therefore new developments are increasing the already high proportion of two bedroom dwellings.
- ▶ Much of the recent development took place in high density development precincts of Wollri Creek, Mascot and Botany, with some development around centres like Rockdale and Brighton Le Sands
- ▶ Dwelling growth rates in Bayside have outpaced the Eastern City District and Greater Sydney. Between 2011 and 2016, the number of dwellings in Bayside grew by 14% in the Eastern City District and Greater Sydney each grew by only 10%.

Figure 6 Dwelling development between 2011-2016



Source: SGS, 2019.

Bayside's residents and households

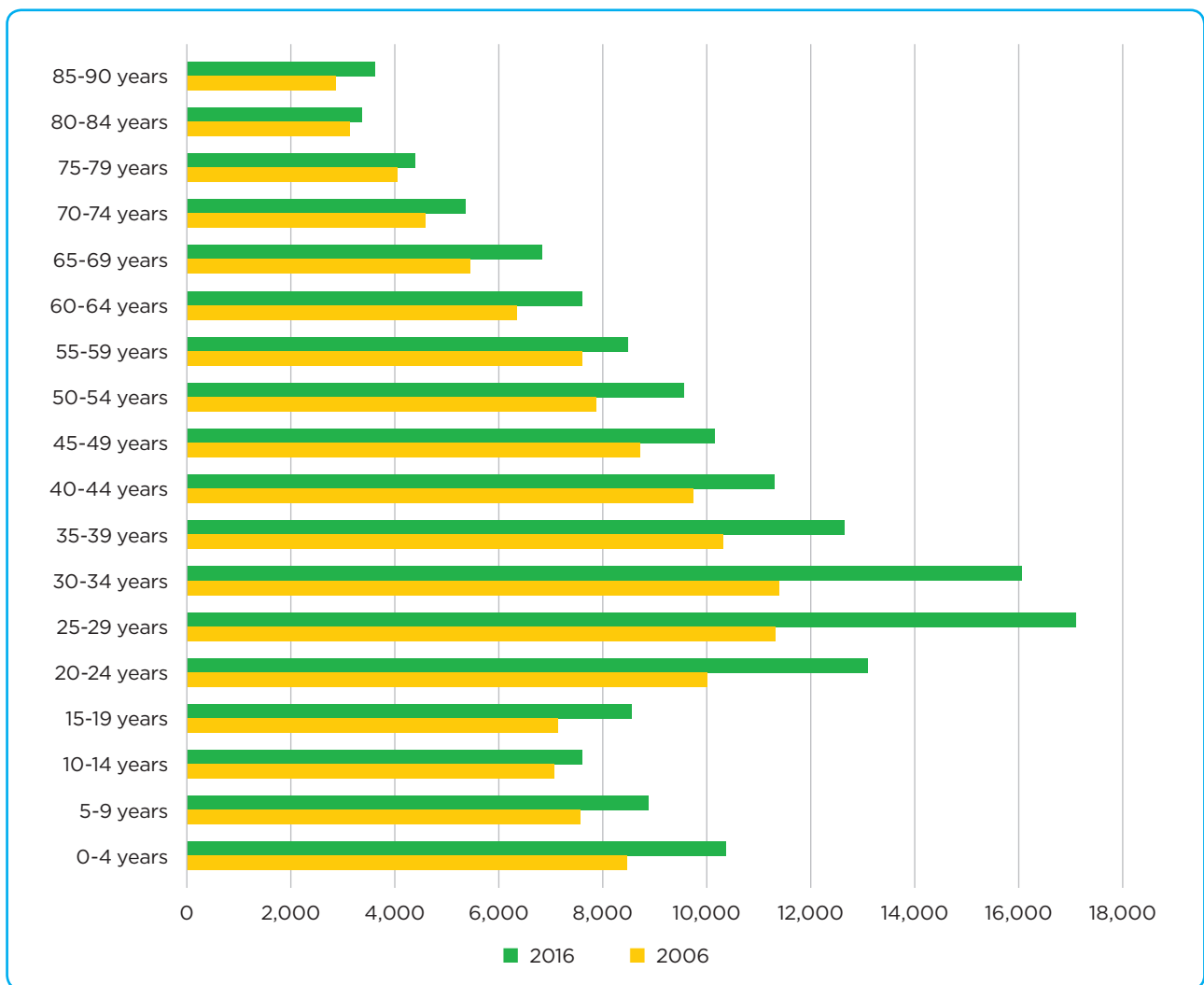
BAYSIDE'S POPULATION

Bayside has experienced significant population growth between 2006 and 2016, with the population increasing by 41,173 residents, a 31% increase on 2016 figures. While the number of people in all age groups has increased, the highest growth rates have been for people aged 20-35, which can be seen in the age distribution breakdown in Figure 7.

Rapid population growth of 20-35 year-olds is related to the rapid apartment development that occurred in Bayside between 2006 and 2016, as many people in this age group live in apartments.

Many of Bayside's residents between 20-35 years old are tertiary students concentrated in recently developed high-density apartment precincts such as Mascot Town Centre. High levels of demand from students as well as others in these areas may place inflationary pressure on rents.

Figure 7 Bayside's population age distribution



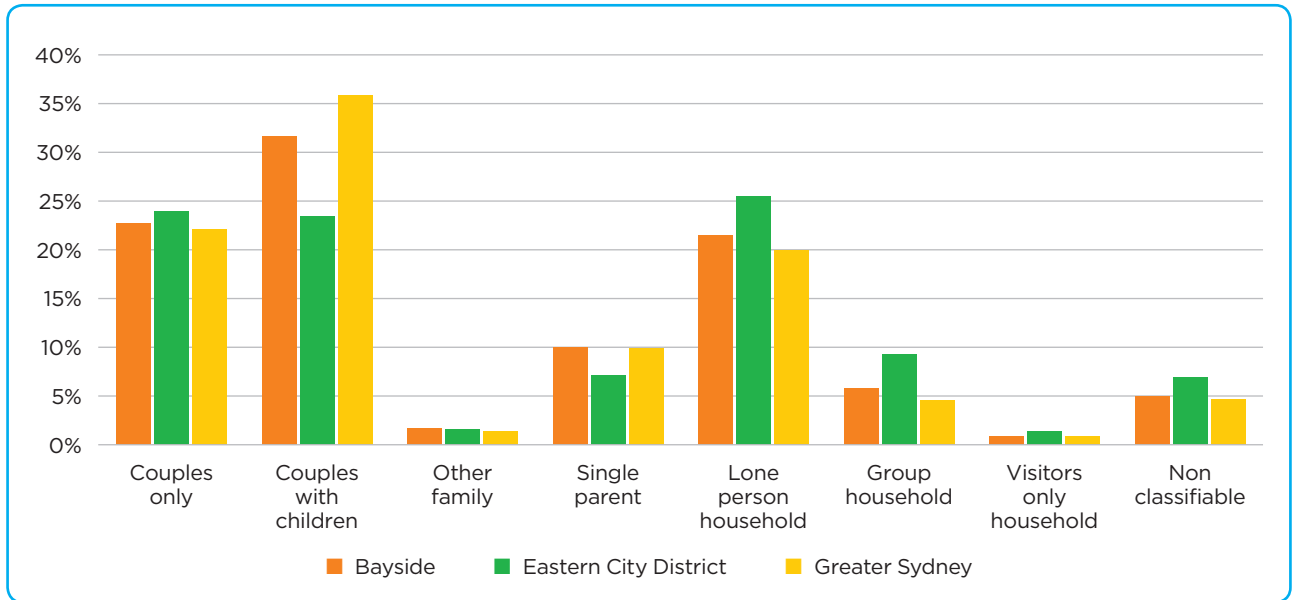
Source: ABS, SGS 2016.

BAYSIDE'S HOUSEHOLDS

Bayside has a wide variety of household types as shown in Figure 8. The household types living in Bayside are somewhat similar to the household types in the Eastern City District, with the exception of couples with children who are over represented in Bayside compared to the Eastern City District.

The diversity of households in Bayside illustrates a need to provide a diversity of housing types. Different households require dwellings with different amounts of space, number of bedrooms, and other features.

Figure 8 Overall household composition structure 2016



Source: SGS, ABS 2016.



3.3 Housing supply and demand

As outlined in the Policy Review in Section 3.1 of this Strategy, the *Eastern City District Plan* requires Bayside to:

- ▶ Demonstrate how we will deliver 10,150 dwellings between 2016 and 2021.
- ▶ Develop housing targets to guide medium term (6-10 year) development.
- ▶ Outline our capacity to contribute to accommodating some of the 157,500 additional dwellings required in the Eastern City District between 2016 and 2036.

This Strategy considers Bayside Council's ability to deliver these dwellings using analysis of demand, supply, existing capacity and land use opportunities and constraints. The Strategy also considers in what form additional dwellings should be delivered (e.g. apartments compared to medium density).

Method for calculating housing demand

NSW Department of Planning, Industry and Environment (DPIE) have used population projections to set an aspirational housing target of 28,050 dwellings for the Bayside LGA between 2016 and 2036.

SGS used this target as a baseline, but relied upon their Housing Demand Model to carrying out more in-depth demand analysis that takes into account local demographic trends. Use of SGS's Housing Demand Model was in response to the following factors:

- ▶ DPIE's population projections are based off 2011 Census data. This dataset did not anticipate the recent growth in the number of young people in Bayside between 2011 and 2016. DPIE's population projections estimates that the number of 25-29 year olds in 2036 is lower than the actual number of 25-29 years that were living in the LGA in 2016. As a result, reliance on DPIE population projections may understate the demand for housing types typically occupied by young people, such as attached dwellings and apartments.
- ▶ Similarly, DPIE's population projections predicted that household size would decrease when it actually increased between 2011 and 2016. Underestimating household size can result in projections overstating the number of dwellings needed to meet demand.
- ▶ Extrapolating recent development trends to inform population projections can overstate demand. If the recent rate of development were used to calculate demand, demand for around 40,000 additional dwelling by 2036 would be predicted. This would require the creation of four new high density apartment development precincts of the size of the Mascot Station Precinct, which is not a feasible or realistic rate of growth.

DPIE's population projections act as the starting point for the SGS Housing Demand Model, this ensures that Bayside's housing demand is aligned with broader population projections and the corresponding NSW Government housing targets.

Housing demand

Based on SGS's Housing Demand Model, Bayside will need 26,021 additional dwellings between 2016 and 2036 (see Table 3). The greatest housing demand will be in the short term, between 2016 and 2021.

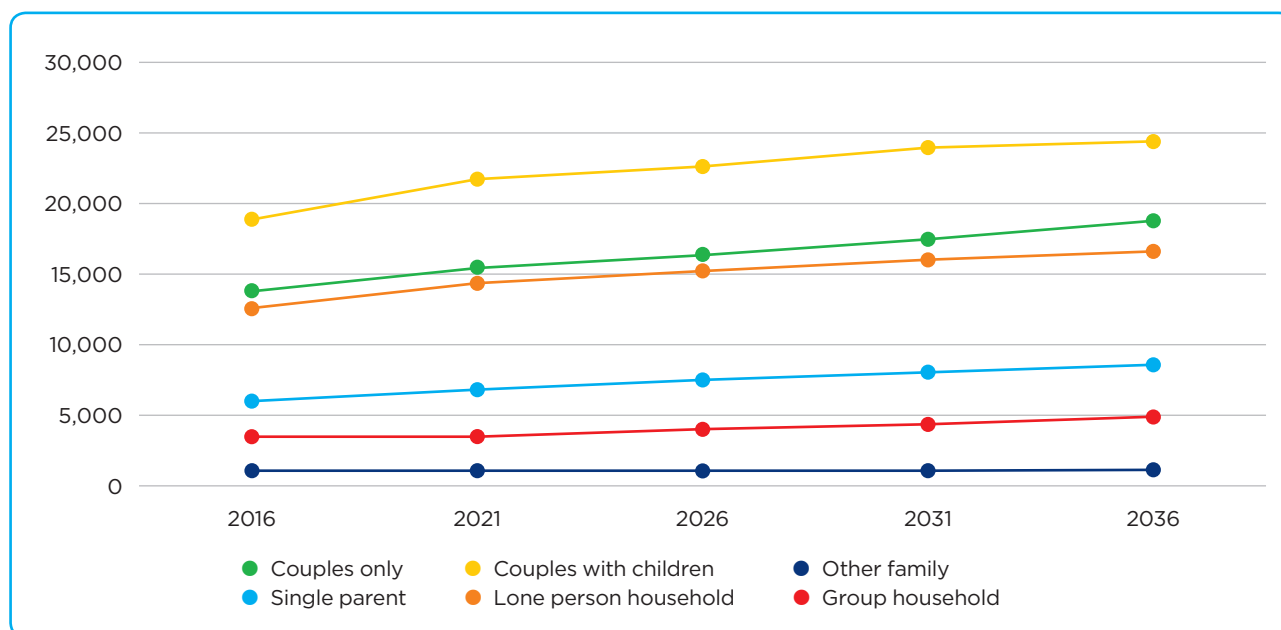
Table 3 Dwelling requirements by five-year increments in the Bayside LGA

FORECAST METHOD	2016-2021	2021-2026	2026-2031	2031-2036	TOTAL CHANGE
DPIE forecasts with SGS model	9,119	5,806	5,716	5,379	26,021

Source: SGS 2019, DPIE 2016.

Housing demand is due to a growth in different household types. All household types except other families are expected to increase substantially in number between 2016 and 2036 (see Figure 9). The largest increases are expected in couples with children and couples without children, with smaller increases in lone person households, one parent families and group households.

Figure 9 Projected households in Bayside between 2016 and 2036



Source: SGS 2019, DPIE Projections 2016.

The projected growth of different household types shape the demand for different dwelling forms. Table 4 shows the demand for different dwelling types based on the projected households.

Table 4 Housing Demand Results

DWELLING TYPE	2016	2021	2026	2031	2036	CHANGE 2016-36
Separate house	24,670	27,768	28,711	29,404	29,829	5,159
Attached dwelling	8,831	10,387	11,410	12,430	13,423	4,592
Flat, unit or apartment	29,286	34,078	37,920	41,885	45,811	16,525
Other dwelling	888	561	559	597	633	-254
Total Private Dwellings	63,675	72,794	78,601	84,317	89,695	26,021

Source: SGS, 2019

Under this scenario, there would be a need for an additional 5,169 separate houses between 2016 and 2036, partly in order to accommodate an increased number of couple with children. As Bayside LGA is already fully developed, there is no capacity for additional separate houses.

To accommodate this demand, dwelling preferences would need to shift. As medium-density dwellings are more akin to separate houses than apartments, much of this demand could translate to additional demand for medium density dwellings.

Consultation with estate agents in Bayside suggested that there is a latent unmet demand for attached dwellings. This is supported by the analysis that showed attached dwellings are relatively under-represented in the LGA compared to the Eastern City District. Attached dwellings are generally larger than apartments, providing a dwelling size option between separate houses and apartments.

An alternative demand scenario was created to show the impact of a shift towards medium density housing (Table 5).

Table 5 Forecast number of dwellings by housing type, 2016-2036, adjusted scenario

DWELLING TYPE	2016	2021	2026	2031	2036	CHANGE 2016-36
Separate house	24,670	26,293	26,263	25,874	25,103	433
Attached dwelling	8,831	11,724	14,387	17,292	20,390	11,559
Flat, unit or apartment	29,286	33,938	37,243	40,608	43,855	14,569
Other dwelling	888	839	707	543	347	-541
Total Private Dwellings	63,675	72,794	78,601	84,317	89,695	26,021

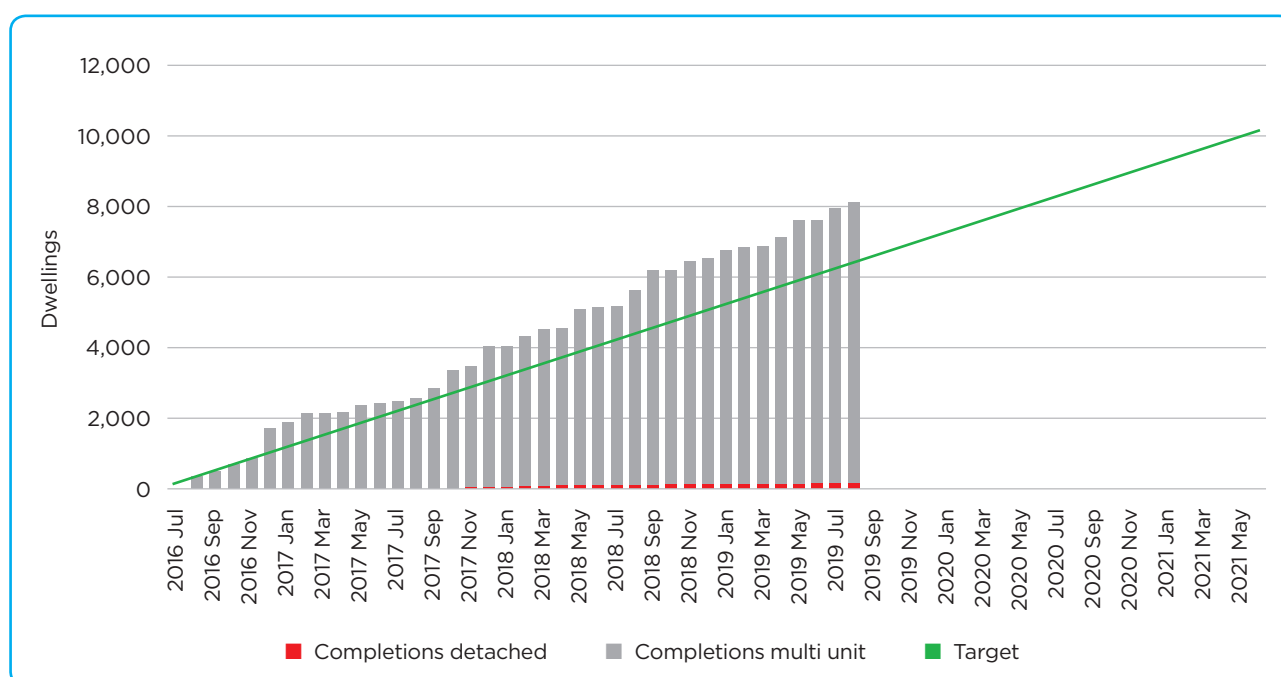
Source: SGS, 2019

Development to date

Bayside’s progress towards meeting its 2016 to 2021 dwelling target of 10,150 dwellings is shown in Figure 10.

From July 2016 – August 2019², 8,112 dwellings have been completed in the LGA with an average of 213 dwellings per month³. This is 78% of the target of 10,150 additional dwellings in only 63% of the target’s time period. To meet its housing target, Bayside needs an average of only 93 dwelling completions per month between September 2019 and July 2021, significantly less than recent rates of development. If recent rates of dwelling development continue, the LGA may meet the target ahead of time, even with fluctuations in the housing market.

Figure 10 Progress towards meeting 2016-2021 dwelling target in Bayside LGA



Source: SGS 2019, DPIE 2019, Metropolitan Housing Monitor.

2. The most recent data that is available.

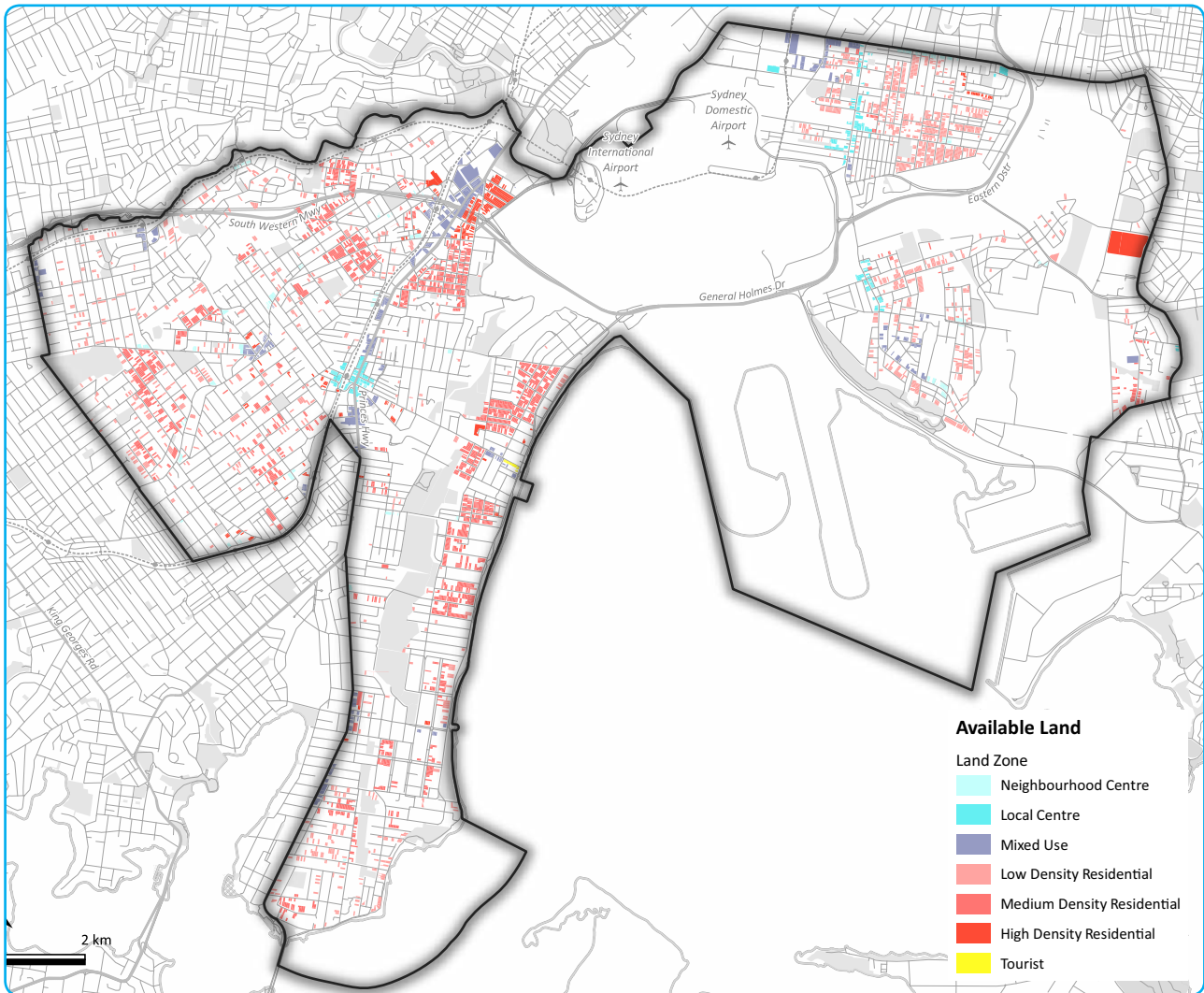
3. Department of Planning, Industry and Environment (formerly Department of Planning and Environment), 2019, *Metropolitan Housing Monitor*.

Housing capacity

This section analyses the capacity for housing in the LGA under current planning controls. The capacity study considers land use opportunities and constraints in the LGA, including small lots, existing development and the presence of strata developed lots. Further details about the capacity methodology can be found in the background report (Appendix A).

Figure 11 shows sites within the LGA with capacity for development. This analysis reflects high level assumptions. Actual development yields may be different due to site specific factors and local variations in development assumptions.

Figure 11 Land with development capacity in the Bayside LGA



Source: SGS, 2019.

Capacity numbers

Table 6 includes figures for the overall theoretical and projected development capacity. Overall theoretical capacity assumes that 100% of sites will be developed in the LGA. This is an unrealistic scenario as unknown constraints such as feasibility of redevelopment and landowner preferences means that not all sites will be re-developed. For this reason, a more realistic capacity rate has been determined – this is referred to as projected capacity. Projected capacity starts with the overall theoretical capacity figure and assumes that 75% of sites zoned for high density development would be developed and 50% of sites zoned for medium and low density development would be re-developed.

Table 6 Housing capacity under existing planning controls

	INFILL DEVELOPMENT	RESIDENTIAL FLAT BUILDINGS AND SHOP-TOP HOUSING	TOTAL
Overall theoretical capacity	4,126	19,748	23,873
Projected capacity	2,063	14,811	16,609

Source: SGS, 2019.

The projected capacity of 16,609 dwellings was carried out in late 2019, as a result it can be considered in addition to the dwelling completion that have occurred between 2016 and 2019. The rate of development that has occurred since 2016 coupled with capacity under existing planning controls means that Bayside can make a significant contribution to housing in the Eastern City District without the need for rezoning.

Gap analysis

By comparing, recent development rates and the capacity for new dwellings in the Bayside LGA it is possible to determine at a high level whether there is enough housing capacity to accommodate future demand.

Table 7 below shows the gap between supply and demand in a projected capacity scenario. Between July 2016 and August 2019, the DPIE's Metropolitan Housing Monitor recorded completions of 7,946 additional multi-unit dwellings. Assuming that 83 per cent of these dwellings are apartments, Bayside has completed 6,630 apartments and 1,316 attached dwellings. These figures have been subtracted from the 2016-2036 housing demand.

Table 7 Capacity and demand gap for projected capacity (May 2019 – 2036)

	APARTMENTS	ATTACHED DWELLINGS, SEPARATE HOUSES AND LOW-RISE APARTMENTS	TOTAL
Capacity	14,454	2,155	16,609
Demand	9,894	8,181	18,075
Demand - Adjusted	7,939	10,136	18,075
Gap	4,560	-6,025	-1,465
Gap - Adjusted demand	6,515	-7,980	-1,465

Source: SGS, 2019.

Note: Negative numbers indicate that demand is greater than capacity, while a positive gap indicates that capacity is greater than demand.

Within the Bayside LGA there is a shortfall in capacity for attached dwellings, separate houses and low-rise apartments. With this in mind, actions in this Strategy associated with dwelling supply have focused on increasing the capacity of medium density dwelling forms.

3.4 Land use opportunities and constraints

In order to meet the dwelling demand implied by population projections, additional housing capacity needs to be created in the LGA. As directed by planning policy, this capacity should be in accessible locations with high levels of amenity and serviceability.

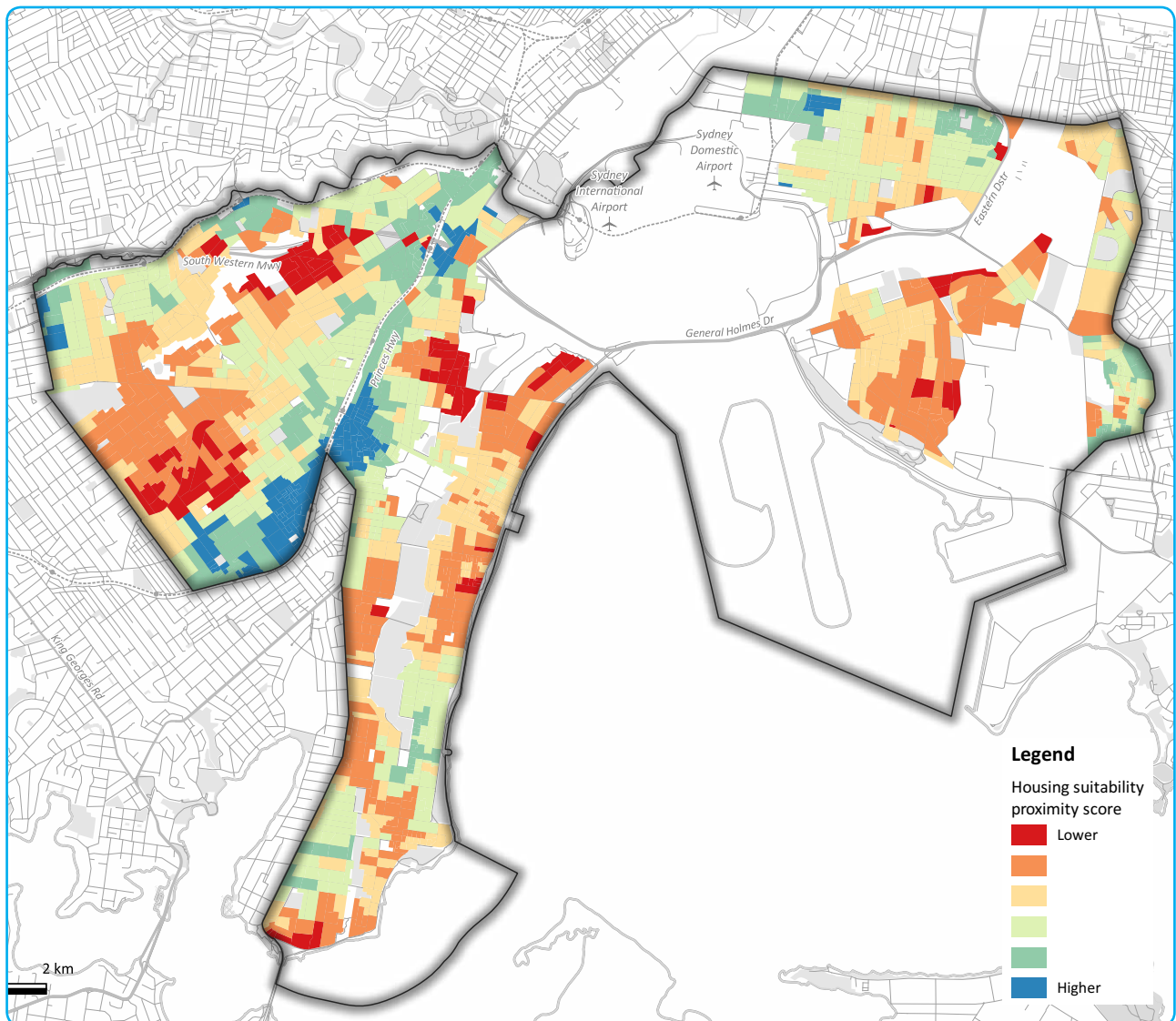
Opportunities

Proximity analysis has been undertaken to determine the parts of the Bayside LGA that are most suited to accommodating additional housing. Figure 12 depicts a composite score measuring proximity to:

- ▶ Railway stations
- ▶ Other public transport stops with a service running at least every 20 minutes
- ▶ Supermarkets
- ▶ Schools
- ▶ Open space
- ▶ Community facilities.

High proximity to these places and services is required to make an area suitable for housing intensification, however development constraints also need to be considered when assessing the suitability of an area.

Figure 12 Overall proximity score in Bayside



Source: SGS, 2019.

Constraints

The location of future development in Bayside must also consider constraints that may limit the suitability of some places for housing intensification. Constraints that are particularly relevant for housing intensification include:

- ▶ Large parts of the Bayside LGA are subject to aircraft noise under which housing intensification or new housing developments is not typically allowed.
- ▶ The National Airport Safeguarding Framework sets height limits for development called the Obstacle Limitation Surface (OLS) and Procedure for Air Navigation Services – Operations (PANS-OPS). Development may intrude into the OLS surface with Sydney Airport’s consent, but may not permanently intrude into the PANS-OPS surface.
- ▶ Heavy vehicle routes run through the LGA. These are particularly relevant in Botany and Mascot which are proximate to Port Botany and to Sydney Airport. Traffic noise in these areas reduces their suitability for housing, while new housing development could create additional traffic on roads.
- ▶ Dangerous goods routes run along Denison Road, Wentworth Avenue and other roads in the Botany and Eastgardens Area. Increased traffic along these roads as a result of residential development could create risks associated with these dangerous goods.
- ▶ The Botany Industrial Park contains chemical manufacturing facilities. Residential intensification near this area increases societal risk in the case of an industrial incident.
- ▶ There are industrial precincts situated throughout the LGA that are associated with the operation of Port Botany and to a lesser degree with Sydney Airport. Residential intensification near these precincts could increase land use conflict, which may reduce the future viability of industrial businesses operating.
- ▶ Parts of the LGA which are low lying or situated along water courses such as the Wolli Creek, Bardwell Creek and Botany Wetlands are subject to flooding. This limits their potential for residential intensification unless the flooding can be mitigated.
- ▶ There is steep topography in parts of the LGA including parts of Bexley North, Bardwell Park, Bardwell Valley, Turrella, Arncliffe and Banksia. This would discourage people from walking and could heighten the visual impact of large-scale redevelopment if it occurs in a visually prominent position.
- ▶ There are multiple gas pipelines which run through the Bayside LGA. A high-pressure ethane pipeline owned by APA runs along the East Hills line, and the safety implications of this pipeline would need to be considered in determining whether high density development is appropriate nearby.
- ▶ Redevelopment potential is constrained by small lots. Infill development typically requires lots to be of a certain size, with site amalgamations adding to development costs and impacting on the feasibility of development.
- ▶ Redevelopment potential is constrained by strata subdivision. The distributed ownership structure of strata subdivided properties makes redevelopment less likely, as agreement of 70 per cent or more of owners is required for the whole site to be sold. In addition, strata sites are generally much more expensive than un-subdivided sites for a developer to acquire. Very high densities are necessary to make development viable.

Many of these land use constraints are concentrated in Botany, Mascot and surrounds, and this limits the potential of these areas for residential intensification. The western part of the LGA is less impacted by land use limitations, although any redevelopment proposals would still need to consider environmental and infrastructure constraints.

Analysis of the evidence-base

Based on the opportunities and constraints analysis, the redevelopment prospects around Bayside's centres are shown in Table 8. Small neighbourhood centres that do not provide a wide range of services or retail (for example Turrella) are not shown. Based upon these findings, the most appropriate centres in the LGA for additional housing intensification are:

- ▶ Rockdale
- ▶ Kogarah
- ▶ Centres between Kingsgrove and Bardwell Park (pending investigation concerning risk associated with the Moomba to Sydney Ethane Pipeline)
- ▶ Arncliffe
- ▶ Banksia
- ▶ Carlton, although there is limited available land immediately around the train station.

Centres which are less suitable but which may have some opportunities for redevelopment, particularly if public transport was improved, include:

- ▶ Ramsgate Beach
- ▶ Sans Souci
- ▶ The part of Eastgardens north of Heffron Street around Jellicoe Park
- ▶ Brighton Le Sands and surrounds
- ▶ Bexley.



Table 8 Opportunities and constraints for housing intensification around Bayside's centres

CENTRE	PROXIMITY SCORE	MASS TRANSIT AVAILABILITY	LAND USE CONSTRAINTS	AVAILABLE LAND FOR REDEVELOPMENT
Wolli Creek	Good	Train line	-	No
Arncliffe	Excellent	Train line	Some topography constraints	Yes
Banksia	Good	Train line	Constrained by aircraft noise, some topography constraints	Yes
Rockdale	Excellent	Train line	Constrained by aircraft noise, some topography constraints	Yes, west of the train line
Kogarah	Excellent	Train line	Some topography constraints	Yes, west of the train line although strata development surrounds the train station
Carlton	Excellent	Train line	-	Some, although strata development surrounds the train station
Kingsgrove	Good	Train line	Constrained by the Moomba to Sydney Ethane Pipeline	Yes
Bexley North	Good	Train line	Some topography constraints and The Moomba to Sydney Ethane Pipeline	Yes
Bardwell Park	Good	Train line	Significantly topography constraints	Yes
Mascot Station	Good	Train line	Some land use limitations, including aircraft noise and heavy goods routes.	No
Mascot	Fair	No	Some land use limitations, including aircraft noise	Most surrounding lots are too small
Eastlakes	Good	No	Some land use limitations, including hazard contours for the Botany Industrial Park and proximity to dangerous goods routes.	Most surrounding lots are too small
Botany	Poor	No	Significantly land use limitations, including proximity to industrial land, port and heavy vehicle traffic and aircraft noise	Most surrounding lots are too small
Eastgardens	Poor, fair around Jellico Park	No	Constrained on the southern side of the Centre, including from proximity to heavy industry and hazardous goods traffic	Surrounding lots south of the centre are too small
Southpoint / Hillsdale	Good	No	Significantly constrained, including from proximity to Botany Industrial Park	Many lots are strata subdivided
Daceyville (Kingsford centre)	Fair	Light rail	-	No, surrounding lots are heritage listed
Brighton Le Sands	Fair	No	-	Most surrounding lots are strata subdivided
Bexley	Fair	No	-	Yes
Ramsgate Beach	Good	No	-	Yes
Ramsgate	Poor	No	-	Yes
Sans Souci	Good	No	-	Yes

Source: SGS, 2019

3.5 Housing affordability

This section discusses the issue of housing affordability in the Bayside LGA. It summaries the extent of housing affordability issues in Bayside, the potential impacts of high housing cost and the role of local government in responding to housing affordability issues.

Key definitions relevant to this section are provided below:



Definition:
Housing Affordability

Housing affordability refers to the relationship between housing costs (including prices, mortgages, payments and rents) and household incomes.

If housing costs rise more quickly than income, housing affordability decreases.

Definition:
Affordable Housing

Affordable housing is different to the concept of housing affordability. Under the *Environmental Planning and Assessment Act 1979*, affordable housing means housing that is affordable and targeted to people on very low, low or moderate incomes (in total less than 120 per cent of Greater Sydney’s median household income). It is generally subsidised or offered at below market rents.

Definition:
Social Housing

Social Housing is rental housing for people on low incomes with housing needs. Social Housing includes public housing, community housing and Aboriginal housing. The NSW Department of Communities and Justice is responsible for the resourcing of public housing in New South Wales. Non-Government Organisations also work with FACS to fund and to manage public housing. estates across NSW.

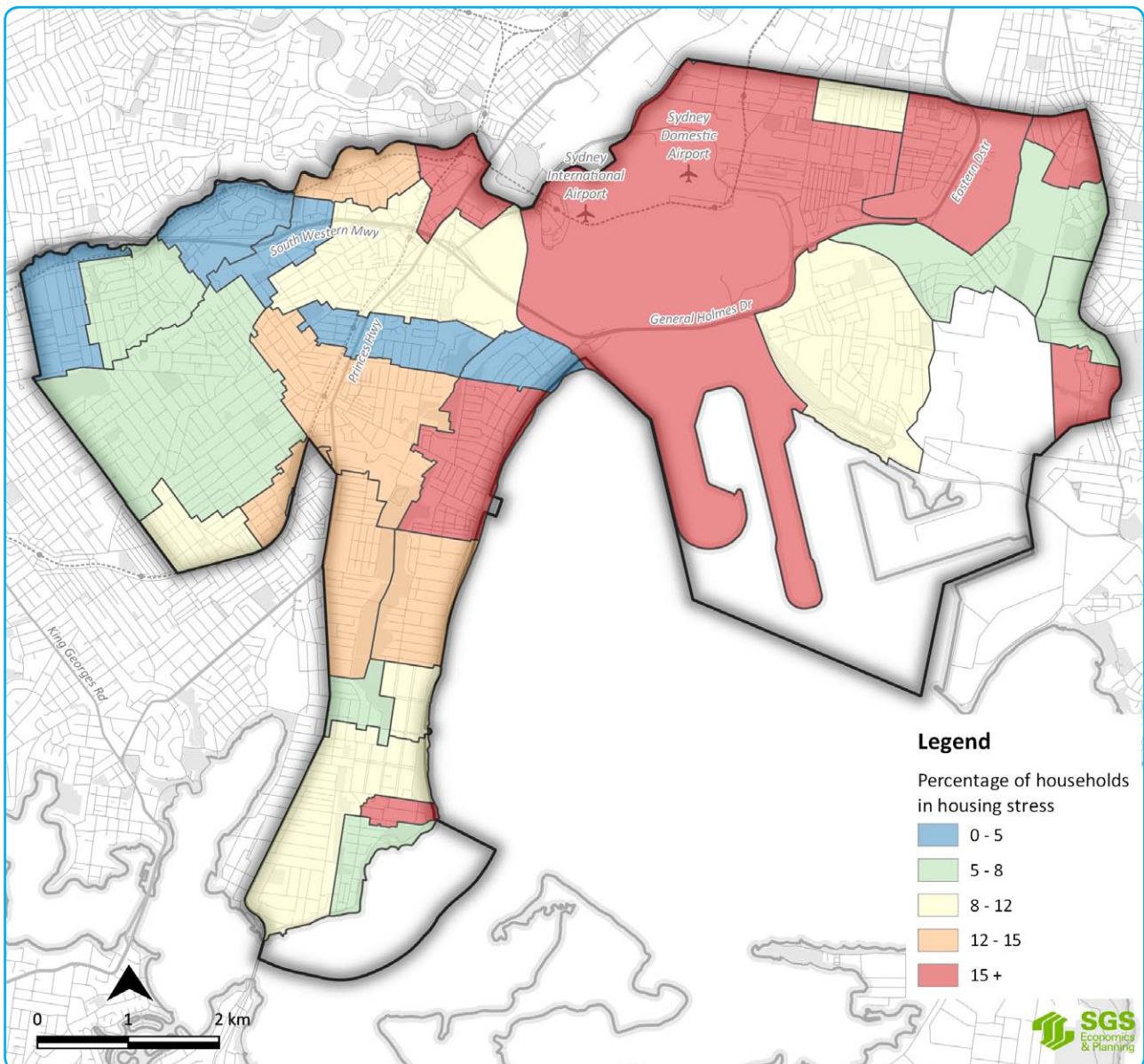
Affordable housing trends

An analysis of housing prices and rents in Bayside has revealed the following key trends:

- ▶ House prices and rents in the Bayside LGA have grown significantly in the last ten years, outpacing income growth and making housing less affordable (see Figure 13).
- ▶ Around 27% of households in the Bayside LGA are in housing stress, more than in the Eastern City District (26%) or Greater Sydney (23%).
- ▶ Housing stress is highest in suburbs with large amounts of rental housing.

When a household is in housing stress it means they are in the bottom 40 per cent of Australia's income distribution and spend more than 30 per cent of their income on housing. This impacts the household's ability to pay for their other basic needs such as food and utilities.

Figure 13 Levels of housing stress in the Bayside LGA, 2016



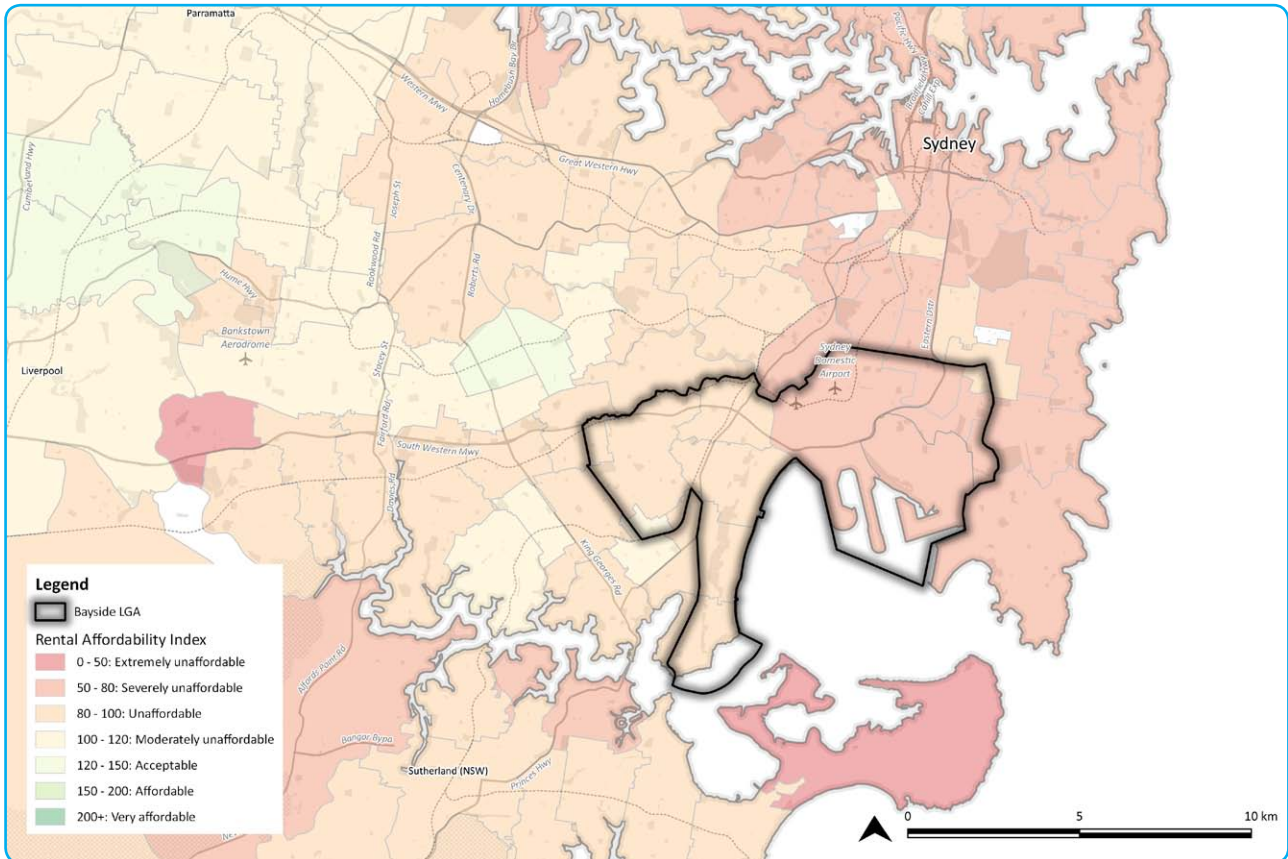
Source: SGS, based on ABS Census 2016.

Rental affordability

As outlined in Figure 14, housing affordability for renters is a problem in much of the LGA. Renters are more impacted by rises in housing costs compared to home owners. When house prices rise, renters are faced with increased housing cost, unlike homeowners who experience an increase in the value of their dwelling.

Rental housing in the Bayside LGA is on average unaffordable or very unaffordable for households with average incomes, with the situation even worse for single income households and retirees.

Figure 14 SGS Rental affordability index



Source: SGS, 2019.

Why housing affordability is an issue?

Many employers in Bayside depend on people who earn low to moderate incomes. Decreasing affordability means lower paid workers may no longer be able to afford to live in the Bayside LGA and will have no choice but to move to more affordable locations within Sydney. Lower paid workers may take up employment opportunities closer to their new homes to reduce commute times. This reduces the pool of lower skilled labour available to local businesses, limiting their ability to grow and provide services in the LGA.

Housing unaffordability can also have social implications, if residents move out of the LGA in response to high housing cost, it can disrupt existing community ties and result in social isolation.

The negative social and economic consequences of high housing cost can be exacerbated by rapid rates of development. On average, areas with a higher proportion of new apartments have higher rents. For this reason, the redevelopment of relatively affordable walk-up apartments would increase rents and decrease housing affordability, potentially displacing residents to other areas. This is particularly an issue in certain precincts in the Bayside LGA with a large proportion of relatively low-cost rental housing in the form of older apartments such as Eastlakes, Hillsdale, Brighton Le Sands, Kogarah and Bexley.

Council's role in the provision of affordable housing

While the NSW Government plans and provides for social housing, local government has a role in promoting increases in housing affordability. This role has been identified in The Metropolis of Three Cities, which requires councils to develop an affordable rental target between 5-10% of new residential floor space subject to viability.

There are five ways Bayside Council can promote increased housing affordability:

- ▶ Increase the supply of affordable and social housing through development contributions, including through value sharing contributions mechanisms.
- ▶ Advocacy & partnerships with both NSW Land & Housing Corporation and Community Housing Providers. This would recognise the limited role that local government can play in direct affordable housing provision, while considering the use of Council land resources in partnership projects with community housing providers.
- ▶ Limiting redevelopment to protect parts of the LGA which contain concentrations of relatively affordable housing and limit displacement of existing residents.
- ▶ Ensuring that there is sufficient supply of housing by the private sector by maintaining enough housing capacity. A constraint on development supply would be likely to decrease affordability, but sufficient supply is not enough by itself to ensure that housing is affordable.
- ▶ Facilitating a diverse range of housing supply, including medium density housing opportunities within walkable distance of local centres with good public transport accessibility. This will provide a broader range of housing choices at different price points, with medium density housing providing a more affordable Torrens-titled alternative to detached housing.

Affordable housing demand

In order to respond to the impacts of housing affordability, the first step is to understand demand for low cost housing in the LGA. SGS has modelled demand for social and affordable housing (SAH) in the LGA to address local housing need. The model assumed that people are classified as in need of SAH if they are:

- ▶ In severe or moderate rental stress (spending more than 50% or 30% of household income respectively on housing and having a low income)
- ▶ People living in social housing currently, and
- ▶ People recorded as homeless in the 2016 Census.

The modelling shows a substantial increase in the demand for SAH between 2016 and 2036. During the time period 5,405 additional households will required SAH.

While this Strategy contains actions to increase the supply of affordable housing in the Bayside LGA, completely closing the gap would require substantial investment by the NSW Government and cannot be achieved by Bayside Council alone.

Table 9 Affordable housing demand in bayside, 2016-2036

HOUSEHOLD TYPE	2016	2021	2026	2031	2036	CHANGE
Couple family with children	2,387	2,737	2,956	3,130	3,263	875
Couple family with no children	2,249	2,520	2,686	2,894	3,149	900
Couples (sub-total)	4,636	5,258	5,642	6,025	6,412	1,776
Group household	760	832	875	904	961	201
Lone person household	4,504	5,150	5,705	6,336	6,997	2,493
One parent family	1,732	2,012	2,228	2,432	2,610	879
Other family	260	271	283	294	316	57
Total	11,892	13,523	14,733	15,990	17,297	5,405

Source: SGS, 2019.

Note that these figures have been rounded and so in some cases the total is greater than the sum of each row.



4. The Priorities

4.1 Local housing strategy objectives

The objectives of the Strategy have been informed by evidence based research outlined in Section 2. The objectives centre on the need for greater housing diversity, promoting choice and catering to the diverse and growing population, including the need for housing at different price points.

Key objectives of the housing strategy are:

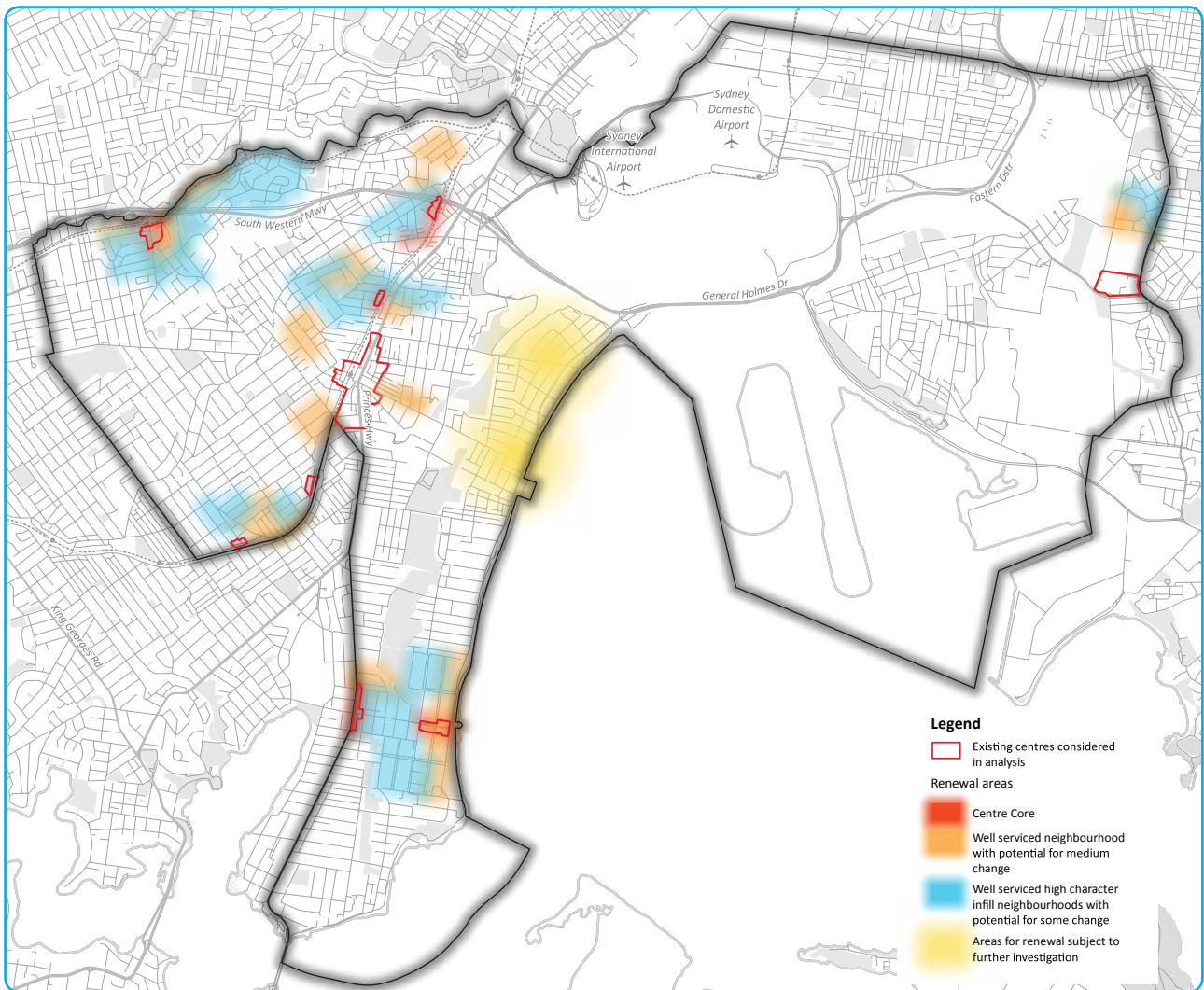
1. Planning for housing supply will establish sufficient capacity to accommodate future (20 year) housing demand while retaining the capacity to accommodate longer term demand aligned with transport infrastructure provision.
2. New housing will be located in and around existing centres with good public transport accessibility and walkability and align with the provision of transport and other infrastructure.
3. New housing will deliver greater diversity of housing choice to meet the changing needs of the local community, including housing suitable for families and older people and adaptable housing.
4. Housing affordability in Bayside will be improved, with relatively affordable housing protected and additional affordable rental housing provided.
5. Advocacy and partnerships will encourage direct investment into transport by the NSW Government and ensure a collaborative approach to housing and transport provision.
6. New housing will be of high quality, well designed, responsive to local character and meet the community's needs.

4.2 Land use planning approach

The Spatial Plan visualises the results from the opportunities and constraints analysis in Section 3.4 and aligns with the housing objectives. The Spatial Plan is characterised by the following elements:

- ▶ Medium and high density infill housing opportunities around local centres with good accessibility and moderate lot sizes in the surrounding suburbs.
- ▶ Lower-impact medium density development throughout the LGA but carefully managed to minimise its impact and conform with local character.
- ▶ Preserving the long-term development capacity in centres earmarked for long-term transport infrastructure investment until timing for delivery is available.

The spatial plan recognises that some centres are inappropriate for development due to constraints. In these cases, no additional development is intended around these centres.



Urban form and local character study

Potential urban form for additional housing development around each centre outlined in the Spatial Plan has been identified using a centres renewal framework.

The Centres Renewal Framework provides insight into the future character, approach to zoning and housing types around centres and transport infrastructure. The framework identifies constraints such as:

- ▶ Existing land use zoning
- ▶ Heritage (national, state and local)
- ▶ Lots outside of a 200m catchment from public open space
- ▶ Existing built form, lot size and strata-title development
- ▶ Airport restrictions
- ▶ Topography
- ▶ Flooding.

Based on this analysis, the following urban typologies have been identified within an 800m catchment of each centre where redevelopment is anticipated. These urban typologies provide indicative character and expected change. Specific densities and typologies would vary from area to area and be subject to more detailed analysis.

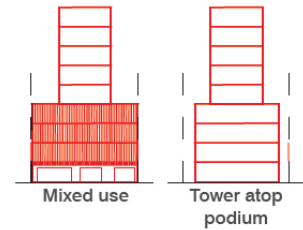
Well serviced centres

DEFINITION

Well serviced centres have the highest density of the four urban typologies and make the highest contribution to housing capacity. This typology allows intensive forms of housing, including mixed use development and apartment buildings.

This typology has the following requirements:

- ▶ Within 400m walking distance of a train station and strategic centres.
- ▶ Within 200m of public open space.
- ▶ Either zoned B1, B2, B4 or R4, or extending this zoning to adjacent areas.



CHARACTER

This typology will have one or more of the following characteristics:

- ▶ Located close to public transport.
- ▶ Multiple street frontages.
- ▶ Basement car parking to ensure good streetscape outcomes.
- ▶ Setback above nominated street wall heights to maintain character and minimise visual impact from street level.
- ▶ Requires detailed design studies given the potential scale of uplift.
- ▶ Infrastructure upgrades would be required, and opportunities for value sharing could be created due to the scale of development.

Figure 15 Example of dwelling forms of well services centres



Source: Architectus, SGS 2019.

Well serviced neighbourhoods with potential for medium change

DEFINITION

This typology focuses on higher scale medium density and would increase housing diversity in the LGA. It is situated in well serviced neighbourhoods with potential for medium change and allows terraces (potentially 3-4 storeys), manor houses, townhouses and multi-dwelling housing and 3-4 storey apartments requiring strata title.

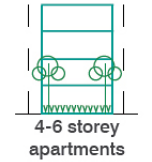
This typology has the following requirements:

- ▶ Within 800m walking distance to a train station (or the core of a local centre).
- ▶ Within 200m of public open space.
- ▶ A high percentage of lots in block are larger than 600sqm, creating opportunities for medium density development with only minimal amalgamation.
- ▶ No heritage constraints.
- ▶ No strata constraints.
- ▶ Not significant slope constraints.

CHARACTER

This typology will have one or more of the following characteristics:

- ▶ Make a contribution to both housing capacity and housing diversity.
- ▶ Infrastructure upgrades may be required, but there are likely to be less opportunities for value sharing following rezoning.
- ▶ Basement car parking and single driveways.
- ▶ Large communal open space.
- ▶ Set back upper levels to mitigate height transition with adjacent context.
- ▶ In local and strategic centres.



Source: Architectus, SGS 2019.



Figure 16 Example of dwelling forms of well serviced neighbourhoods with potential for medium change

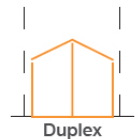
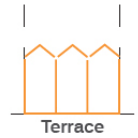
Well serviced, high character infill neighbourhoods with potential for some change

DEFINITION

This typology is lower scale medium density in areas with high serviceability but with less opportunities to deliver multiple dwellings on a single lot. This typology allows lower scale terraces, multi-dwelling housing and dual occupancies on smaller lots than would be permitted in other parts of the LGA. These areas predominately comprise of R2 zoned land.

This typology has the following requirements:

- ▶ Within 800m walking distance to a train station (or the core of a local centre).
- ▶ Within 200m of public open space.
- ▶ High percentage of lots in block are smaller than 600sqm but greater than 450sqm (site amalgamation may be required for redevelopment to occur, but some infill development may be possible without amalgamation).
- ▶ No heritage constraint.
- ▶ No strata constraint.
- ▶ No slope constraint.



CHARACTER

This typology will have one or more of the following characteristics:

- ▶ Typology fits visually with a neighbourhood of detached houses.
- ▶ Ensure privacy between dwellings can be achieved.
- ▶ Each dwelling to have separate open space.
- ▶ Additional driveways reduce street car parking.
- ▶ Redevelopment would occur slowly, creating a salt and pepper approach.

Figure 17 Example of dwelling forms of well serviced, high character infill neighbourhoods with potential for some change



Source: Architectus, SGS 2019.

Excluded residential lots

DEFINITION

Areas with lower amenity or few opportunities for transition to medium density. This typology will maintain existing character.

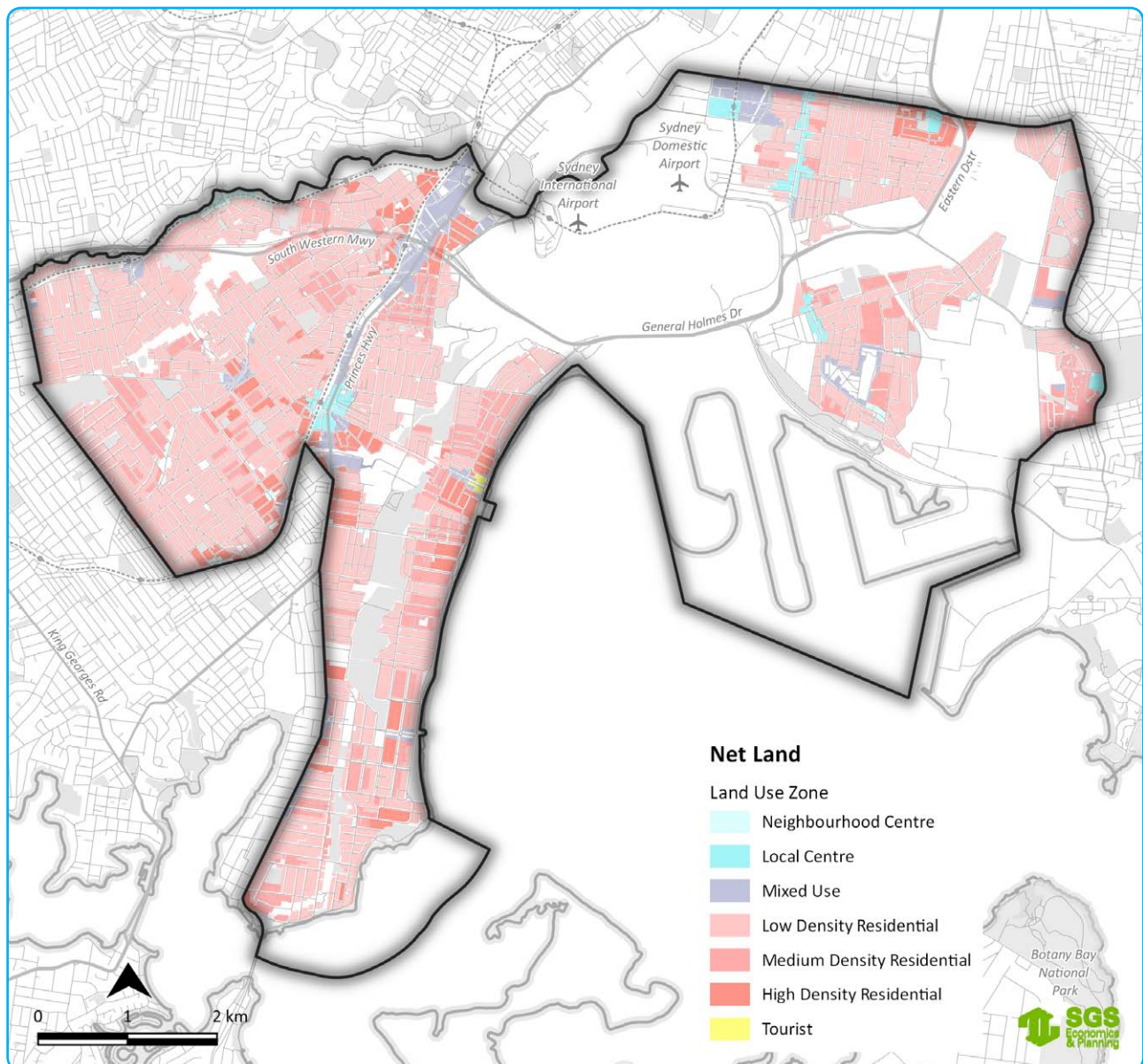
This typology has the following requirements:

- ▶ Outside of 800m walking distance to a train station or centre.
- ▶ Outside of 200m walking distance from public open space.
- ▶ Heritage constraints.
- ▶ Strata constraints.
- ▶ Small lot sizes (generally less than 450sqm).

Investigation areas

The investigation areas are indicative only, and would be subject to further investigation and revision following detailed master planning.

Figure 18 Total land where residential development is permitted



INVESTIGATION AREA: BANKSIA

- ▶ Aircraft noise limits suitability for high density development.
- ▶ Relatively small lot sizes and existing strata development mean that only limited intensification is appropriate for most of this area.
- ▶ There are high levels of amenity around parks and larger lots provide opportunities for apartment development.
- ▶ There are opportunities for more change to the north and east of Gardiner Park, while outside the 800m walking catchment from Banksia station is in close proximity to major bus route along Forest Road.

INVESTIGATION AREA: ARNCLIFFE

- ▶ Rezoning for high density development has already occurred east of the railway line as part of the Bayside West Planned Precinct.
- ▶ There is the potential for some additional apartment development in the centre.
- ▶ Low scale apartment typologies north of Arncliffe Railway Station would improve the interface between the existing R3 and R4 zones.
- ▶ The topography west of Arncliffe Station limits the suitability for high levels of intensification.

INVESTIGATION AREA: ROCKDALE

- ▶ The majority of the centre is currently zoned for high density development.
- ▶ Aircraft noise limits suitability for high density development or intensification north of the town centre.
- ▶ Moderate change would be appropriate in pockets surrounding the centre to the west where lots are larger and in close proximity to open space.

INVESTIGATION AREA: KOGARAH AND CARLTON

- ▶ There are a large number of strata subdivided lots immediately around Kogarah, so no renewal areas have been identified but detailed master-planning could identify some opportunities for increased density to support the operation of Kogarah Health and Education Precinct.
- ▶ Flooding issues impact the area north of the Train Station.
- ▶ There are opportunities for development between Carlton and Kogarah due to the larger lot sizes.

INVESTIGATION AREA: BEXLEY NORTH

- ▶ Redevelopment of this centre would be subject to confirmation with gas pipeline operators that it would not pose excessive risk.
- ▶ High densities could be achieved in the centre, subject to further investigation and master planning.
- ▶ There are opportunities for moderate change immediately adjacent to the centre and adjacent to the Railway Line where there are relatively large lot sizes.
- ▶ Lower-scale infill development, which is sympathetic to the existing character, would be appropriate elsewhere.

INVESTIGATION AREA: BARDWELL PARK

- ▶ Redevelopment of this centre would be subject to confirmation with gas pipeline operators that it would not pose excessive risk.
- ▶ The character and topography of this area limit the appropriateness for apartments and larger medium density dwellings that would be expected with moderate change.
- ▶ Proximity to the Bardwell Park Railway Station and local centre make this area appropriate for some infill development.

Future Investigation Areas (subject to improved public transport)

INVESTIGATION AREA: BRIGHTON LE SANDS

- ▶ Bayside Council is completing a separate masterplan process for additional development at Brighton Le Sands, with the intent of reinforcing its place identity as a seaside destination. This process commenced in 2013 and has been the subject of a number of Council resolutions.
- ▶ Redevelopment of later stages identified in the Brighton Le Sands masterplan would be subject to improvements in public transport.

INVESTIGATION AREA: EASTGARDENS

- ▶ Significant development would be subject to improved public transport accessibility and improved access into the Eastgardens Shopping Centre.
- ▶ Relatively large lots and good access to open space creates opportunities for medium density development in this area.
- ▶ A master plan and redevelopment on the land between Heffron Road and Jellico Park would create a density transition from higher density development to the south.
- ▶ Redevelopment of public housing may be appropriate in collaboration with the NSW Government but would be subject to further investigation.

INVESTIGATION AREA: RAMSGATE

- ▶ Development in this area would be subject to provision of improved public transport and additional infrastructure.
- ▶ Ramsgate Beach is a high amenity centres with good access to open space and the beach, creating opportunities for some redevelopment.
- ▶ The presence of the adjacent Ramsgate local centre creates opportunities for infill development between the two centres.
- ▶ Moderate levels of intensification along the waterfront would frame the foreshore and public domain.
- ▶ Large street widths back from the waterfront provide high levels of amenity and could support an increase in density.

4.3 Mechanisms to Deliver the Options

The different policy roles can be grouped into the following policy domains of action, which form the basis for Bayside's housing action plan.

Planning for housing supply and delivery

Bayside Council's housing targets are shown in Table 10. These targets ensure that sufficient capacity is provided to meet expected demand between 2016 and 2036.

Table 10 Dwelling targets

	2016-2021	2021-2026	2026-2036	TOTAL 2016-2036
Overall dwelling target	10,150	7,720	8,151	26,021

Source: SGS, 2019.

These targets do not line up completely with demand modelling because recent development rates and the 2016-2021 housing target of 10,150 dwellings set in the Eastern City District Plan exceeds population projections. As a result, a gradual reduction in construction rates from recent peaks has been assumed.

Bayside is on track to meet its 2016-2021 housing target even if dwelling completion rates decline slightly. Medium term housing targets are also likely to be met, based on the capacity of existing planning controls.

The proposed investigation areas in the Bayside LGA that would create capacity for additional dwellings. With the investigation areas, Bayside is likely to exceed its projected housing demand (Bayside Council's 2016-2036 housing target) as well as the NSW Government aspiration housing target of 28,050 dwellings.

Actions:

1. Plan for housing targets of 10,150 additional dwellings between 2016-2021, 7,720 additional dwellings between 2021-2026 and 8,151 additional dwellings between 2026-2036.
2. Review development capacity and take-up rates every five years to ensure sufficient capacity remains.

Planning for the location of new housing

The Spatial Plan provides the overall framework for the future location of new housing. At a more detailed level, opportunities for additional housing development around each centre have been identified using a centres renewal framework.

These investigation areas are indicative and show potential housing development opportunities that would be subject to revision following detailed master planning. Changes to the zoning framework and housing redevelopment in each centre would be phased over time to gradually increase housing capacity, particularly medium density capacity.

1. Investigate and plan for the investigation areas outlined in this Strategy (Arncliffe, Banksia, Rockdale, Kogarah, Carlton, Bexley North and Bardwell Park) including the preparation of an implementation plan.

Planning for a diversity of housing types

DIVERSITY IN APARTMENTS

Apartments in Bayside house a diverse range of household types including families with children and single person households. Recent development trends indicate that majority of apartments being developed in Bayside have 2-bedrooms.

Increasing the diversity of dwelling sizes and number of bedrooms provided by apartments will be an important part of providing greater housing diversity, particularly given the high feasibility of apartment development. Both larger and smaller apartments need to be encouraged to ensure apartments accommodate the needs of all household types. Figure 19 provides examples of ground floor terrace apartments.

Actions:

1. Develop planning controls requiring a percentage of all new apartments to have three bedrooms.
2. Review Part 4C.5.2 Family Friendly Apartment Buildings of the Botany Bay Development Control Plan 2013 and adopt similar provision in the forthcoming Bayside Development Control Plan.
3. Develop planning controls requiring a percentage of all new apartments to be studios in selected precincts close to train stations.
4. Develop planning controls requiring the delivery of ground floor terraced dwellings in apartment building where retail premises do not need to be delivered.

Figure 19 Examples of ground floor terrace apartments



Source: SGS, 2019.

DIVERSITY IN ATTACHED DWELLINGS

Bayside LGA has an aging population, with the highest population growth rates forecast for people aged 70 and over. Providing adaptable dwellings encourages downsizing and may free up larger housing stock.

Consultation with real estate agents confirm that there is a high level of demand for single storey attached dwellings from older people in Bayside, as they provide level access.

It will be important to provide single storey detached dwellings in Bayside. Single storey dwellings should be adaptable to ensure they are suited to the needs of the aging population.

Actions:

1. Investigate the need for planning controls that require a percentage of all new dwellings in larger multi-dwelling housing and attached dwelling developments to be single storey and adaptable.

DUAL OCCUPANCIES

As identified in Section 2 there is a shortfall of medium density housing stock in the LGA, including dual occupancies. Dual occupancies are not currently permitted under the Botany Bay LEP 2013. While semi-detached dwellings are permitted, relatively restrictive planning controls limit their development.

Minimum site frontage and area requirements would be required to ensure that appropriate design outcomes are achieved and amenity impacts are minimised. Setting these requirements in the Local Environmental Plan would mean that they are not overridden by the NSW Government's Medium Density Code.

Actions:

1. Permit dual occupancies throughout the Bayside LGA with minimum site frontage and area provisions set out in the LEP (except in identified heritage conservation areas or potential local character areas).

Promoting housing affordability

AFFORDABLE HOUSING STRATEGY FRAMEWORK

As identified in Section 3.5, there is a need to address the issue of housing affordability in the Bayside LGA. There are five ways for Bayside Council to promote increased housing affordability:

- ▶ Increase the supply of affordable and social housing through development contributions, including through value sharing contributions mechanisms.
- ▶ Advocacy & partnerships with both NSW Land & Housing Corporation (LAHC) and Community Housing Providers. This would recognise the limited role that local government can play in direct affordable housing provision, while considering the use of Council land resources in partnership projects with community housing providers.
- ▶ Limiting redevelopment to protect parts of the LGA which contain concentrations of relatively affordable housing and limit displacement of existing residents.
- ▶ Ensuring that there is an efficient supply of housing by the private sector by maintaining enough housing capacity. A constraint on development supply would be likely to decrease affordability, but sufficient supply is not enough by itself to ensure that housing is affordable.
- ▶ Facilitating a diverse range of housing supply, including medium density housing opportunities within walkable distance of local centres with good public transport accessibility. This will provide a broader range of housing choices at different price points, with medium density housing providing a more affordable Torrens-titled alternative to detached housing.

Council's needs to formalise its role and approach to addressing housing unaffordability through the preparation of an affordable housing strategy.

Actions:

1. Develop an affordable housing strategy that meets the requirements of the Eastern City District Plan.

DEVELOPMENT CONTRIBUTIONS FOR ADDITIONAL AFFORDABLE HOUSING SUPPLY

The delivery of affordable housing can occur through the planning system in instances where uplift of land value is created. A portion of the uplift created can be levied for the purpose of providing affordable housing. In Bayside, this approach could be applied either through a SEPP 70 scheme, which would apply a development contribution following rezoning. Planning agreements (VPAs) could also be used, with affordable housing contributions identified as a requirement in a VPA policy.

Bayside will consider both approaches in tandem to address unmet demand for affordable housing. This will involve investigation of a SEPP 70 contribution and a VPA policy.

Actions:

1. Develop an affordable housing contributions scheme that sets out how, where and at what rate development contributions can be collected by Council for affordable housing.
2. Develop a voluntary planning agreement (VPA) policy to facilitate VPAs in instances where an affordable housing contributions scheme does not apply.

ADVOCACY AND PARTNERSHIPS FOR AFFORDABLE HOUSING

Key to the promotion of affordable housing in the Bayside LGA, is collaboration with other agencies. Opportunities for advocacy and partnerships to deliver additional social and affordable housing include:

- ▶ Advocacy and collaboration with NSW Land and Housing Corporation on the renewal and expansion of publicly managed social housing, including the creation of planning controls, social and other infrastructure requirements and the renewal of existing infrastructure assets.
- ▶ Partnership with Community Housing Providers where Council will consider the use of Council land as part of community housing developments.
- ▶ Revising local contributions plans for exemption of social and affordable housing by social and community housing providers (non-profit) from development related contributions

Actions:

1. Continue to engage with NSW Land and Housing Corporation regarding the retention, upgrade and potential expansion of publicly owned social housing in Bayside.
2. Investigate potential partnerships with community housing providers to facilitate affordable housing provision.

PROTECTING RELATIVELY AFFORDABLE HOUSING

There are large clusters of older walk-up apartments around local centres in the LGA, including Brighton Le Sands, Rockdale, Eastlakes, Hillside and Carlton, these areas provide low rents compare to other areas within the LGA and surrounds.

Redevelopment in these areas would reduce overall housing affordability and risk displacing existing communities from Bayside. These areas must be protected from redevelopment, and if redevelopment does occur additional affordable housing need to be provided.

Actions:

1. Protect clusters of walk-up apartments from redevelopment to maintain the existing supply of rental housing that is relatively affordable.

Encouraging infrastructure delivery through advocacy and partnerships

Transport accessibility and the provision of other infrastructure is a key consideration in where and when housing densities should be increased. Bayside Council will work with the NSW Government to understand the timing of infrastructure delivery, implications for housing development, and to advocate for improved infrastructure and services for the local community. Major transport infrastructure investments are proposed in Future Transport 2056 with indicative staging.

There are also opportunities to plan for housing to support the Eastgardens-Maroubra Junction Strategic Centre, which is shared with Randwick Council. Some redevelopment in Bayside's portion of this Centre is proposed in this Strategy, but further collaboration with Randwick Council could identify additional opportunities.

Actions:

1. Work with the NSW Government on improved transport connections to Brighton Le Sands and Ramsgate prior to further land use change, including long-term mass transit as identified in Future Transport 2056 and more immediate service improvements.
2. Work with the Greater Sydney Commission and Randwick Council on planning for the strategic centre of Eastgardens-Maroubra Junction, including timing for improved transport accessibility to support current and future development of the strategic centre.
3. Work with NSW Government to understand the staging of long-term transport infrastructure investment, with the intention of preserving long-term development capacity around future mass transit stations between Kingsgrove and Kogarah (including Bexley) until timing for delivery is available.
4. Liaise with pipeline operators prior to change in land use or density regarding risk management.

Encouraging good design and the preservation of local character through planning controls

As identified in this Strategy, there is a need for greater housing diversity in Bayside to cater to the needs of the diverse and growing community. Reviewing development controls and contributions will ensure that the controls and contributions do not unnecessarily hamper the delivery of medium density housing. Reviewing the allowable development density and other principal planning controls may also increase feasibility.

Actions:

1. Review development controls including the use of minimum lot size and frontages controls to ensure that effective design can be achieved in infill development situations.
2. Review principal planning controls using a development feasibility model to ensure Bayside is able to accommodate demand for medium density housing.
3. Revise development contribution plans as part of any proposed precinct level residential rezoning to ensure that social infrastructure provision is aligned with growth.
4. Complete a review of heritage conservation areas where dual occupancy development would be restricted.
5. Complete a review of potential local character areas where dual occupancy development would be restricted.

Evaluation of the options

The mechanisms sets out in Section 3.3 are the most appropriate means of achieving the objectives of this Strategy. Section 5 outlines the implementation plan for the objectives by allocating timeframes to objectives ensures their delivery.

5. Actions

5.1 Implementation and delivery plan

The objectives of the Strategy will be implemented through a series of action outlined in Table 11.

Table 11 Bayside Housing Strategy Action Plan

ACTION		SHORT (0-2 YEARS)	MEDIUM (3-5 YEARS)	ONGOING (10+ YEARS)
1. Plan for housing supply and delivery				
1.1	Plan for housing targets of 10,150 additional dwellings between 2016 and 2021, 7,720 additional dwellings between 2021 and 2026 and 8,151 additional dwellings between 2026 and 2036.	✓	✓	✓
1.2	Review development capacity and take-up rates every five years to ensure sufficient capacity remains.		✓	✓
2. Plan for the location of new housing				
2.1	Investigate and plan for the investigation areas outlined in this Strategy (Arncliffe, Banksia, Rockdale, Kogarah, Carlton, Bexley North and Bardwell Park) including the preparation of an implementation plan.	✓		
3. Plan for diversity in housing types				
3.1	Develop planning controls requiring a percentage of all new apartments to have three bedrooms.		✓	
3.2	Review Part 4C.5.2 Family Friendly Apartment Buildings of the <i>Botany Bay Development Control Plan 2013</i> and adopt similar provision in the forthcoming <i>Bayside Development Control Plan</i> .	✓		
3.3	Develop planning controls requiring a percentage of all new apartments to be studios in selected precincts close to train stations.		✓	
3.4	Develop planning controls requiring the delivery of ground floor terraced dwellings in apartment building where retail premises do not need to be delivered.		✓	
3.5	Investigate the need for planning controls that require a percentage of all new dwellings in larger multi-dwelling housing and attached dwelling developments to be single storey and adaptable.		✓	
3.6	Permit dual occupancies throughout the Bayside LGA with minimum site frontage and area provisions set out in the LEP (except in identified heritage conservation areas or potential local character areas).	✓		



ACTION	SHORT (0-2 YEARS)	MEDIUM (3-5 YEARS)	ONGOING (10+ YEARS)
4. Promote housing affordability			
4.1 Develop an affordable housing strategy that meets the requirements of the <i>Eastern City District Plan</i> .	✓		
4.2 Develop an affordable housing contributions scheme that sets out how, where and at what rate development contributions can be collected by Council for affordable housing.	✓		
4.3 Develop a voluntary planning agreement (VPA) policy to facilitate VPAs in instances where an affordable housing contributions scheme does not apply.	✓		
4.4 Continue to engage with NSW Land and Housing Corporation regarding the retention, upgrade and potential expansion of publicly owned social housing in Bayside.	✓	✓	✓
4.5 Investigate potential partnerships with community housing providers to facilitate affordable housing provision.		✓	✓
4.6 Protect clusters of walk-up apartments from redevelopment to maintain the existing supply of rental housing that is relatively affordable.	✓	✓	✓
5. Encourage infrastructure delivery through advocacy and partnerships			
5.1 Work with the NSW Government on improved transport connections to Brighton Le Sands and Ramsgate prior to further land use change, including long-term mass transit as identified in Future Transport 2056 and more immediate service improvements.		✓	✓
5.2 Work with the Greater Sydney Commission and Randwick Council on planning for the strategic centre of Eastgardens-Maroubra Junction, including timing for improved transport accessibility to support current and future development of the strategic centre.	✓		
5.3 Work with NSW Government to understand the staging of long-term transport infrastructure investment, with the intention of preserving long-term development capacity around future mass transit stations between Kingsgrove and Kogarah (including Bexley) until timing for delivery is available.		✓	✓
5.4 Liaise with pipeline operators prior to change in land use or density regarding risk management.			✓
6. Encourage good design and the preservation of local character through planning controls			
6.1 Review development controls including the use of minimum lot size and frontages controls to ensure that effective design can be achieved in infill development situations.	✓		
6.2 Review principal planning controls using a development feasibility model to ensure Bayside is able to accommodate demand for medium density housing.	✓	✓	
6.3 Revise development contribution plans as part of any proposed precinct level residential rezoning to ensure that social infrastructure provision is aligned with growth.		✓	✓
6.4 Complete a review of heritage conservation areas where dual occupancy development would be restricted.	✓	✓	
6.5 Complete a review of potential local character areas where dual occupancy development would be restricted.	✓	✓	



Bayside Council

Serving Our Community

Bayside Customer Service Centres

Rockdale Library, 444-446 Princes Highway, Rockdale
Westfield Eastgardens, 152 Bunnerong Road, Eastgardens
Monday to Friday 8:30am - 4:30pm, Saturday 9am - 1pm

Phone **1300 581 299 | 9562 1666**

Email **council@bayside.nsw.gov.au**

Web **www.bayside.nsw.gov.au**