

REPORT CM/7.2/20.06



Subject: Waverley Local Housing Strategy - Adoption

TRIM No: A19/0332

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RECOMMENDATION:

That Council:

1. Adopts the Waverley Local Housing Strategy attached to this report.
2. Forwards the Waverley Local Housing Strategy to the Department of Planning, Industry and Environment for assurance.

1. Executive Summary

The purpose of this report is for Council to adopt the Waverley Local Housing Strategy. This strategy forms part of the environmental strategies that will inform the preparation of the *Comprehensive Waverley Local Environment Plan Review 2021* project (the Comprehensive LEP Review). The four phases of the Comprehensive LEP Review are:

- Phase 1 of the Comprehensive LEP Review - 'The Health Check' (complete)
- Phase 2 of the Comprehensive LEP Review - 'Prepare Draft Waverley Local Strategic Planning Statement' (complete)
- Phase 3 of the Comprehensive LEP Review - 'Finalise Waverley Local Strategic Planning Statement' (current)
- **Phase 4 of the Comprehensive LEP Review - 'Prepare the LEP Planning Proposal' (current)**
 - To inform the preparation of the comprehensive LEP and DCP, several environmental strategies have been prepared, including the *Waverley Local Housing Strategy* (LHS), Draft Waverley Village Centres Strategy, a draft Open Space and Recreation Strategy, a draft Heritage Review, a review of Bondi Junction Strategic Centre, and draft Local Character Statements. The preparation of both the LSPS and LHS is required by the NSW Government.

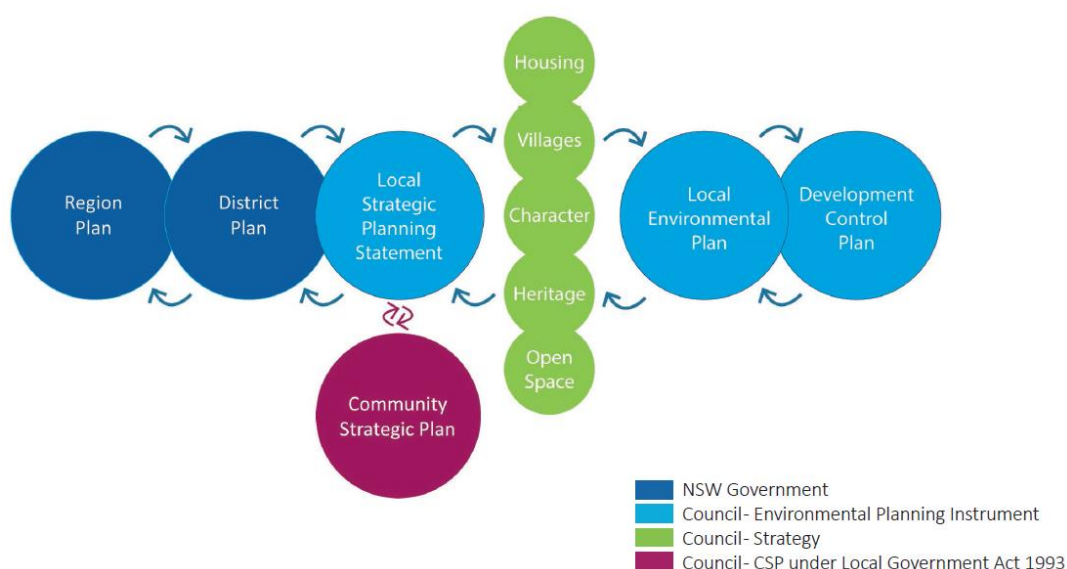


Figure 1. Planning framework.

2. Introduction/Background

Under sections 3.8(3) and (4) of the *Environmental Planning and Assessment Act 1979* (EP&A Act), all Councils are required to undertake a comprehensive review of their local environmental plans (LEPs) to implement the Region Plan (A Metropolis of Three Cities) and District Plan (Eastern City District Plan) recently prepared by the NSW Government. Council currently has one comprehensive LEP, the *Waverley Local Environmental Plan 2012* (WLEP), which applies to the entire local government area (LGA). The Review is a key step in the implementation of the District Plan in the Waverley LGA. The requirement to undertake a comprehensive review of the WLEP and Waverley Development Control Plan (WDCP) is welcome as it will allow Council to revise and clarify a strategic vision for planning in the area through the LSPS, and to review the current plans and policies that guide development.

Council undertakes a housekeeping review of the WLEP on a regular basis; however, the last comprehensive review was undertaken in 2012, when a combined LEP was prepared for all of Waverley that aligned with the Standard Instrument released in 2007 by the NSW Government.

As part of the Review process, the NSW Government requires that all Councils must undertake housing strategies to inform the comprehensive review. In 2019 the *Local Housing Discussion Paper* was prepared in line with guidelines released by the Department of Planning, Industry and Environment (DPIE). The discussion paper was placed on public exhibition with the draft LSPS. Feedback from this consultation and further work informed the preparation of the draft *Local Housing Strategy* which was endorsed by Council for exhibition over 6 weeks during April – May 2020. The Strategy has now been finalised.

The actions from the implementation and delivery plan of the strategy will go on to inform changes to the LEP and DCP.

3. Relevant Council Resolutions

Meeting and date	Minute No.	Decision
Strategic Planning and Development Committee 3 March 2020	PD/5.1/20.03	That Council: 1. That Council publicly exhibits the draft Local Housing Strategy and draft Village Centres Strategy attached to this report for 28 days.

<p>Strategic Planning and Development Committee 4 June 2019</p>	<p>PD/5.1/19.06</p>	<p>That Council:</p> <ol style="list-style-type: none"> 1. Endorses the Draft Waverley Local Strategic Planning Statement (Attachment 1) and Draft Waverley Local Strategic Planning Statement Summary (Attachment 2) for public exhibition for a period of no less than 28 days, subject to the following amendments: <ol style="list-style-type: none"> (a) Provide indicative timing for short-, medium- and long-term indicators in the 'Key to actions' table (page 5). (b) Amend 'About the plan' (page 4) to clarify that the scope of the LSPS addresses broader economic, social and environmental issues, as well as land use planning issues. (c) Amend the list of 'Key Issues' (page 9) as follows: <ol style="list-style-type: none"> (i) Change 'A holistic approach encompassing how climate change, biodiversity, and green space are managed' to 'A holistic approach to the management of biodiversity, green space, and adaptation and resilience to climate change.' (ii) Change 'A diverse economy that is less reliant on tourism' to 'A diverse and thriving local economy that is less reliant on tourism.' (iii) Add as a Challenge 'There are community concerns about how tourism is managed.' (iv) Change 'Additional public schools in Waverley, particularly a secondary school' to 'Additional public schools in the Eastern Suburbs, particularly a secondary school.' (v) Change 'More space in the Mill Hill Community Centre' and 'Improve use of Bondi Pavilion, including more events and activities at night' to 'Provide more space for community uses and events.' 2. Endorses the Waverley Local Housing Discussion Paper (Attachment 3) for public exhibition at the same time.
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4. Discussion

The NSW State Government requires that all Councils undertake a Local Housing Strategy. The purpose of the local housing strategy is to tie Council's vision for housing with State Government led strategic plans. The DPIE released guidelines for the content of the Strategy. The Strategy in Attachment 1 has an evidence base including the current and future demographic profile to understand who we are planning for, supply and demand for housing, and housing targets. It also includes recommendations for policy and legislation, advocacy and collaboration opportunities to guide the future of housing delivery in Waverley.

The Waverley LGA is an established area with residential development starting in the 1800s. Due to periods of housing booms, Waverley is now the second densest LGA in Australia, with an estimated 80 people per hectare. Apartments make up 66% of Waverley's current dwelling stock and the availability of detached housing continues to diminish. Given Waverley's location between CBD and beaches, Waverley is a desirable place to live and gentrification continues to threaten the displacement of older people and lower income households.

DPIE's dwelling projection for Greater Sydney is that it will grow by 2% per annum to 2036. The proposed housing target for Waverley reflects a growth rate of 0.4% per annum to 2036. Comparatively, in the last five years, Waverley's most significant housing growth was at 0.7% per annum reflecting the growth of Bondi Junction with the completion of several residential apartment buildings. Prior to the significant growth of Bondi Junction, Waverley was growing at a rate of 0.3% per annum which has been primarily by infill development. Whilst we have developed this target, it should be noted that ultimately the take up of the housing target will be left to the market and no changes to existing planning controls are proposed at this time as the targets can be accommodated within the latent capacity provided by existing controls.

The housing targets are outlined below:

- 0–5 year target = 1,250 dwellings (2.7% of the Eastern District target).
- 6–10 year target = 760 dwellings.
- 11–20 year target = 1,450 dwellings (2.2% of the Eastern District target).
- Overall housing target of 3,400 dwellings to 2036.

The future of housing in Waverley needs to be diverse and affordable to accommodate the changing needs of our community. This will be shaped by the following priorities:

- H1 Encourage a range of housing options to support and retain a diverse community.
- H2 Manage housing growth sustainably and in the right locations.
- H3 Increase amount of affordable rental housing and social housing.
- H4 Improve liveability, sustainability and accessibility through high quality residential design.
- H5 Ensure new development is consistent with desired future character.

5. Financial impact statement/Time frame/Consultation

Time frame

DPIE has set a time frame of three years for Waverley Council to complete the Comprehensive LEP Review, beginning in June 2018 and culminating in June 2021. Recommendations for the LHS to the comprehensive review will be included in a draft planning proposal which is proposed to be completed by late 2020.

Community engagement

Below is a summary of all direct consultation that informed the preparation of the Waverley Local Housing Strategy. Attachment 2 is a detailed list of all the comments received with Council officer's response and

whether the report was updated as a result of the comment. Attachment 3 is a summary of the changes made to the final Strategy as a result of the consultation process.

Stage 1 – Local Housing Discussion Paper

The Local Housing Discussion Paper was the evidence base document that provided recommendations for further investigation. The recommendations fell into three themes: future supply opportunities, diversity and range of housing supply and housing affordability. A survey was designed to collect the community's feedback on these themes to be further fleshed out into priorities and actions in the draft Strategy.

The discussion paper was on public exhibition from 28th June to 4th August 2019.

Communication methods:

- Presented to the combined Precinct convenors meeting
- Presented to Councillor workshop
- Advertising campaign in the Wentworth Courier and the Local East magazine
- Have Your Say website
 - Discussion paper available for perusal
 - Local Housing Survey
- Weekly Waverley Council newsletter
- Social media campaign

Summary of Have Your Say exhibition:

- 13 survey responses
- 440 downloads of the Local Housing Discussion Paper
- 42 submissions to the draft LSPS. The LSPS was on exhibition at the same time. There were 75 comments directly related to housing and are listed with Council's response at Part 2 below.

Stage 2 – draft Waverley Local Housing Strategy

The discussion paper evolved to become the draft Waverley Local Housing Strategy that was placed on public exhibition in early 2020. Existing sections in the discussion paper were updated including *6.3 Demand* and *6.4 Supply*, *6.5 Housing targets* and the *7 Housing affordability* sections. New sections were added including a discussion on *6.4.5 Sustainable housing*, *6.4.6 Land use opportunities and constraints*, and *8. Future housing*. The feedback from Stage 1 consultation described above was utilised to prepare the draft Strategy.

The draft Strategy was on public exhibition from 25th March to 10th May 2020.

Communication methods:

- Notification e-mail sent to the precincts
- Presented to Councillor workshop
- Public notice in the Wentworth Courier

- Have Your Say website
- Weekly Waverley Council newsletter
- Social media campaign

Summary of Have Your Say exhibition:

- 9 submissions
- 81 downloads of the draft Waverley Local Housing Strategy
- 47 downloads of the draft Implementation and Delivery Plan

Summary of submissions made to the draft LHS

In total there were 9 submissions received to the draft LHS, made by the people/organisations: Bondi Beach Precinct, Bronte Beach Precinct, Property Council of Australia, Bridge Housing, Bondi Beach Cottage, Knight Frank/Whitten Family, Paul Singer on behalf of the FEWS block (Francis, Edward, Wellington and Simpson Streets), Anonymous (Have Your Say) and Council's Environment Team (internal).

Attachment 2 Part 3 includes a detailed list of the comments and Council's response. This is summarised below.

Priority H1 - Manage housing growth sustainably and in the right locations: Strong encouragement from the Property Council to work with landowners to identify strategic opportunities for rezoning and uplift where possible. The Bondi Beach precinct note that Bondi Beach is not the right location to continue developing with buildings that increase the density and compromise the natural environment and also question if social sustainability had been considered.

Priority H2 – Encourage a range of housing options to support and retain a diverse community: there was general support for this action. The Bondi Beach precinct raised concerns around the provision of backpacker accommodation.

Priority H3 – Increase amount of affordable rental housing and social housing: there was support from this action from Property Council, Bridge Housing and Bondi Beach Cottage. The Actions were updated to include suggestions about increasing the provision of social housing and working with the Land and Housing Corporation to achieve this. Property Council did not support pursuing individual contributions scheme outside of the scope established by the GSC.

Priority H4 – Improve liveability, sustainability and accessibility through high quality residential design: there was general support for this action. Internal feedback from the Environment team was used to update the issues discussion and corresponding Actions under this priority.

Priority H5 – Ensure new development is consistent with desired future character: there was support for this action. Clarification was sought about Council's plans for outlining desired future character. This will be identified in the Local Character Discussion Paper.

Suggestions for considering uplift were made by proponents for the following sites: Robin Hood Hotel, 94 Carrington Rd, 203-209 and 223-227 Bronte Rd (currently a planning proposal with Council) and the 'FEWS' Block (Francis, Edward, Wellington and Simpson Streets). The LHS does not propose any changes to the LEP Zonings in support of any uplift as the current zonings enable Council to meet its designated housing targets. Council is completing a new LEP for exhibition towards the end of 2020 and the proponents should

make a submission while this document is on exhibition. A Planning Proposal would be considered against the LSPS, and any other relevant environmental studies.

Financial impact statement

There are no financial implications. The work is programmed within Council's work program and budget.

6. Conclusion

Under sections 3.8(3) and (4) of the EP&A Act, all Councils are required to undertake a comprehensive review of their local environmental plans (LEPs) to implement the Region Plan (A Metropolis of Three Cities) and District Plan (Eastern City District Plan) recently prepared by the NSW Government.

Council has now finalised the Local Housing Strategy, and a number of supporting draft environmental strategies to inform the comprehensive review of the LEP and DCP. This report recommends the adoption of this strategy to proceed with the comprehensive review.

7. Attachments

1. Waverley Local Housing Strategy [↓](#)
2. Submissions summary [↓](#)
3. Changes made to the final Waverley Local Housing Strategy [↓](#) .