

# Princes Highway Corridor Strategy

## Appendix B

### Community Engagement Comments

Summarised list of comments noted at the Community Workshop, March 2012

The following is a record of the comments made by the community at the community workshop held in March 2012. Editing has occurred to ensure succinctness and comments have been arranged under topics for clarity.

### Summary of Character discussion

- Existing open space is insufficient :
  - » Need open space that is useable.
  - » Use roof tops
  - » Height to be balanced with more open space
  - » Need open space at West Botany St and Princes Hwy.
  - » Former RTA location for Open Space / Parkland
- Height:
  - » More high rise close to station
  - » Need rationale for height
  - » 4 storey limit
  - » Height – Buffer for noise on highway
  - » Consistency
  - » Varying heights – Not a canyon
- Appearance:
  - » It's ugly
  - » Beautifying around stations
  - » Community Gardens in RTA site.
  - » Improve appearance / amenity
  - » Landscape around buildings
  - » Underground cabling – more trees
  - » Wants vitality / new development
  - » City sky view from Arncliffe
  - » Church Tower View.
- Traffic:
  - » North End of M5 is a mess.
  - » Tunnel under road – F6 Corridor
  - » Improve traffic left turns
  - » Improve amenity of roads
  - » Not enough parking – overflow on roads
- Access / Development:
  - » Good space between high rises – people to walk between.
  - » New development options
  - » Empty shops at ground level- why?
  - » Convenience stores – useful for residents
  - » Mixes uses – opportunity for ground level development.

### Summary of Change discussion

- Key Issues:
  - » Good proximity to CBD
  - » Parking Limitation and 24hr Clearway
  - » Limited access
  - » Train service and frequency
  - » No to Overdevelopment
  - » Mix of uses – Opportunities
  - » Flexibility of use
- Open Space:
  - » More open space – large and small – parklands / community gardens.
  - » Future Park on the RTA Site.
- Development:
  - » Transit Oriented Development (TOD) should apply. (Banksia to Arncliffe, Wolli Creek, mixed uses)
  - » Better connections to support mixed uses.
  - » Local supply of retail is important
  - » Move towards Public transport
  - » Don't widen Princes Hwy.
  - » Consistency approach regarding scale.
  - » Schools – moved out – Adverse Environment. Schools Needed.
  - » Retail at Wolli Creek – improvement to support Mix of Uses.
  - » Maintain character and scale.
  - » Mixed Views on the role of the car industry.
  - » More low scale commercial (2-3 stories) exists to the South.
- Safety :
  - » Better lighting and security.

### Summary of Connectivity discussion

- Traffic
  - » Princes Hwy & Wickham Street Intersection – traffic to be resolved
  - » Tunnel under Wickham & Forest Rd- F6 Extension
  - » Bridge to cross Princes Hwy at Wickham Rd
  - » Wardell St is blocked off not allowing exit
  - » Too noisy along Princes Hwy for Residential development / Pollution.
  - » Peak hour traffic
  - » Congestion from IKEA building traffic lights – Ann St.
  - » Trucks short cutting up Eden St / Implement weight restriction due to noise factor.
  - » Arncliffe Public School – without proper access
  - » Noise - No good for residents.
- Development
  - » 84 Wardell St & 213 Princes Hwy development site
  - » Concerns for traffic, school children and church tower views.
  - » Existing building on corridor is mainly low scale commercial (low height)
  - » Cannot sustain new residential development across corridor
  - » Greater infrastructure and parking around stations
  - » RTA land – Airport long term parking
  - » Not enough amenity to support units at Wolli Creek.
  - » Wickham Street Gateway Complex- would like to keep buildings low rise to right of Princes Hwy to maintain their city views
- Public Transport
  - » More train services and frequency at Arncliffe & Banksia Stations.
  - » Access for elderly / Ageing population/ lifts
  - » No station parking
  - » Free Airport and Rail bus (circulating the area).
  - » Bridge over Hwy at Banksia Station

- Safety
  - » Lighting and Safety
  - » Hattersley St – No man’s land after 6pm - safety concern.
  - » Rocksia Hotel Patrons walking to Rockdale – Litter and Damage to property
  - » Drug deals in Park.
  - » More bins for cleanliness
- Appearance
  - » Ugly
  - » Nothing to do for leisure
  - » Not enough Open Space

### Summary of Catalyst discussion

- Traffic
  - » Schools - traffic issues, lack of parking, green space, overpass between schools is servicing both i.e. parents only drop off on the western side for both schools
  - » Major redesign of intersection
  - » Underpass / overpass dangerous intersection
  - » Need to lessen truck noise (no air breaking)
- Development
  - » Move Pub (not a good location)
  - » Make landmark development / welcome to the area / include landscaping / could be quite high. It wouldn’t impact the area because of background cliffs
  - » Shopping centre – could be considered. Include cinemas. Good location.
  - » Development – take away requirement for commercial cap of 1:1. Make development completely unviable
  - » Make Church tower visible (heritage, highest point, historical considerations, main view of corridor)
  - » Give housing development proposal the same development parameters as the rest of the study area (equity)
  - » Extend study area and mixed use zoning to include this area
  - » Development potential – combined landholdings totalling 7,000 sqm – allow (greater?) residential potential
  - » Wolli Creek - needs significant retail (shopping centre)
  - » Allow higher density near train station
  - » Consider impact of development on school (9 stories with proximity to school)
  - » Need mixture of high density residential / other uses on Prices Highway
  - » Need equity in zoning / development potential.
  - » Town centres (near train stations) need greater density... mixed uses – range of uses to improve amenity / activation / safety
  - » Not enough large retail (amenity)

- Open Space
  - » Need open space / not enough play grounds
  - » Keep as parkland / facilities for school
  - » Need running tracks / bike tracks (not many around)
  - » Make accessible parkland / market garden
- Public Transport
  - » Arncliffe Station - modernisation of train station / walkway needs lighting – to Eden Street (dangerous).
  - » Banksia Train station and nearby – improvements to the station / amenities / lighting / user friendly. Safety on Hattersley is a major issue (very dangerous / break ins / car smashed). Need police station closer
  - » Provide fewer car spaces near train stations (although issue raised about residents taking street parking)
- Tenants
  - » Anti-social tenants (Council owned asset) was hall and now 10 rooms?

# Princes Highway Corridor Strategy

## Appendix C

### **Government Agency Submissions to the preparation of this Strategy**

Roads and Maritime Services

Sydney Water

Family & Community Services - Housing NSW

**Subject:** FW: Email from NSW RMS re Princes Highway Corridor Strategy

Thanks Suzanne for the brief. Here a few points that the study team may need to consider regarding the project:

#### 1. The Enterprise Corridor Concept

Enterprise Corridors are proposed to provide low cost accommodation for a range of local and regional services, including start-up offices, light industrial, showrooms, building supplies and retail, all of which benefit from high levels of passing traffic (generally over 40,000 vehicles per day). The latter aspect is arguable convenient as it appears intended to deter residential development (in light of environmental constraints of developing residential developments on busy roads), rather than be a considered strategy that addresses issues of road safety and impediments to people carrying capacity, particularly when they apply to corridors that have evolved over time and still have direct vehicular access. One of the unspoken challenges of Enterprise Corridors will be how to preserve capacity and shift vehicular access away from the main road to side streets or rear lanes without creating unreasonable expense to new start-up businesses.

Kerbside parking on main roads should not be relied upon by businesses or for amenity improvements into the future - there is increasing pressure to impose clearway restrictions on main roads for longer periods in many locations.

The proposal to create Enterprise Corridor zones on the Highway is expected to lead to the creation of business clusters at major intersections. Before these progress too far, there is a need to preserve any land requirements for future widening, particularly at the intersection of the Highway with Subway Road, West Botany Road, and the M5 East\*.

#### 2. Road Projects of Influence

It is unlikely that the F6 will be delivered for at least 20-30 years. It should be a working assumption that it will not be a factor that will influence traffic volumes on the Highway in this planning exercise.

The M5 Motorway comprises the M5 South West Motorway - a 22 kilometre tolled road operated by Interlink Roads, with two lanes in each direction between Camden Valley Way at Prestons and King Georges Road at Beverly Hills, and the M5 East - a 10 kilometre tolled road, some in tunnel, connecting the M5 South West Motorway with General Holmes Drive and the Eastern Distributor. Earlier in 2012, the NSW Government announced the widening of the M5 South West Motorway, but not as yet the M5 East. A working assumption can be that the M5 East will be delivered within the next 10 years. The M5 East is expected to include four new lanes in tunnel next to the existing tunnel, as well as a four lane arterial road from the M5 East towards the airport, seaport and surrounding industrial lands. Early concepts can be viewed at [http://www.rta.nsw.gov.au/roadprojects/projects/building\\_sydney\\_motorways/m5/m5\\_corridor\\_expansion/documents/099\\_m5\\_transport\\_corridor\\_v5-0\\_sml.pdf](http://www.rta.nsw.gov.au/roadprojects/projects/building_sydney_motorways/m5/m5_corridor_expansion/documents/099_m5_transport_corridor_v5-0_sml.pdf) \* The increase in M5 capacity and access changes will have particular impacts on traffic distribution at the northern end of the corridor. Intersection configurations are not yet known.

The corridor is part of Strategic Bus Corridor #29 between Bondi Junction and Burwood via the Airport and Rockdale. The designation will lend itself towards intersection-based treatments to remove bottlenecks and improve reliability of more concentrated services.

Regards John

**John Hart**

Network & Corridor Planning Manager  
Transport Planning Section | Sydney Region  
Roads and Maritime Services  
27 Argyle Street Parramatta NSW 2150

**Subject:** FW: Comments from Sydney Water re Princes Highway Corridor Strategy FYI

Hi Suzanne,

Sorry for the delay in my response.

I've looked into our property owned in the study area, 18-20 Arncliffe Street, Wolli Creek, and have determined the below.

The property owned by Sydney Water in the Princes Highway Corridor Strategy area consists of an 1800mm trunk sewer main, the Western Outfall Main Sewer; a major Sydney Water heritage listed asset. This land is intended to be retained for operational purposes for the foreseeable future and we have no requests in terms of the inclusion of this site in the Corridor Strategy.

In terms of the Strategy itself, Sydney Water will assess the servicing capabilities of the existing system to service any proposed additional development once Council identifies the expected level of development as a result of the Strategy. This will enable Sydney Water to assess any works that may be required.

If you require further detailed information regarding servicing prior to this point, please advise and I will endeavour to provide existing and planned servicing information/works. Additionally, if there are to be further workshops regarding the Strategy, please advise.

Kind Regards,

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Family &  
Community Services  
Housing NSW



Ref: HOG12/15601

24 April 2012

Meredith Wallace  
General Manager  
Rockdale City Council  
PO Box 21  
Rockdale NSW 2216

Attention: Suzanne Wren,  
Urban Planner

Dear Ms Wallace,

I refer to your letter dated 14 March 2012 in which you informed Housing NSW of Rockdale City Council's intention to prepare a Princes Highway Corridor Strategy.

Council may be aware that assets vested in the NSW Land and Housing Corporation (LHC), which is a body corporate representing the Crown, were previously the responsibility of the Director-General of Housing NSW and have now been transferred to the Department of Finance and Services (DFS). Housing NSW in conjunction with DFS appreciates the invitation to comment on the Strategy and provides the following input.

LHC & Housing NSW offer general support for the Council's development of the Princes Highway Corridor Strategy. Land in the Princes Highway Corridor is of high strategic value, being close to transport and services. It is also evident that many properties in the corridor are underutilised and do not exhibit the standard of urban design that would be sought for a major gateway to the LGA.

LHC owns a large number of properties in the corridor. As most of these properties are reaching an age where they may become appropriate for redevelopment, LHC & Housing NSW is interested in utilising the draft Corridor Strategy to provide long term opportunities for redevelopment of its stock to better meet the housing needs of the LGA. Accordingly, the Strategy should include measures that will ensure that viable and sustainable redevelopment can take place.

As the Council will be aware, LHC and Housing NSW provide housing to low income households unable to obtain affordable and appropriate housing in the private sector. LHC and Housing NSW are concerned with maintaining the availability of affordable housing through ensuring there is a diverse range of housing types and sizes. In preparing the Corridor Strategy, it is therefore important that the Council consider housing affordability as part of the vision and implement flexible strategies to encourage the development of more affordable housing in the subject area.

Information on the housing market and key housing issues in the Rockdale LGA is provided at **Attachment 1** to assist the Council in developing the strategy. It includes information on housing affordability and housing needs, dwelling characteristics and market trends and options to encourage housing diversity and to support affordable housing provisions. One key

finding of this analysis is that there is a lack of affordable housing for low and moderate income earners, particularly rental accommodation for older residents. Rockdale LGA requires more housing diversity in particular more one bedroom, studio and boarding house style accommodation.

A fact sheet has also been provided to help the Council develop strategies for affordable housing within the LGA (**Attachment 2**). The Council may also wish to consider utilising Housing NSW's Centre for Affordable Housing. The Centre is a business unit within Housing NSW whose purpose is to facilitate increased affordable housing opportunities across the state. The Centre has expertise in affordable housing and can assist in exploring and identifying potential opportunities for developing affordable housing in this area. Renee Wirth, the Centre's Senior Project and Policy Officer can be contacted on 8753 8188.

LHC and Housing NSW look forward to continuing to work with the Council in developing the Corridor Strategy, and any other relevant strategic planning projects. Should you have any further enquiries, please do not hesitate to contact Greg Baker, Director Resource Planning on 9268 3449 or Jessica Dominguez, Acting Senior Planner, Portfolio Strategy and Urban Planning on 8753 8483.

Yours sincerely,

**Paul O'Reilly**  
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## ATTACHMENT 3

### LOCAL GOVERNMENT AND AFFORDABLE HOUSING

There are three key options local government can consider for developing affordable housing:

1. Planning incentives;
2. Planning agreements; and
3. Joint projects with other organisations.

This section describes each of these options and provides examples of where they have been implemented.

#### PLANNING INCENTIVES

The major planning incentive used to encourage affordable housing is an increase in density, although other incentives are possible, such as rate or parking concessions. Density increases can be delivered in two ways:

1. Incentive based development – This approach provides developers with the option to develop land at the current permissible rate or higher levels. If higher levels are chosen it is acknowledged that there will be a need for higher infrastructure provision, which could include affordable housing. South Sydney City Council proposes to use this option for the development of the Green Square Town Centre and North Sydney Council has used it to assist in the redevelopment of the North Sydney railway station. A developer can take up this approach voluntarily as a result; councils would not require coverage under SEPP 70 or a similar SEPP to adopt this approach.
2. Density bonus programs – Density bonuses can be used to target small or large redevelopment sites, but only where the increased density has no unacceptable environmental impact on the surrounding development. It is important that density bonus schemes operate within a rigorous framework so that decision making is transparent. Waverley Council uses this mechanism as the basis of its Affordable Housing Program.

The benefits of these arrangements are that there is no net cost increase to developers in that the additional development capacity offsets the costs incurred in providing affordable housing. There are also no environmental or social costs to community.

#### Green Square Town Centre – Incentive based development

The *Draft South Sydney Local Environmental Plan 1998 – Green Square Town Centre Scheme* provides the framework for this mechanism. The draft scheme does not rezone land from its current industrial use, but instead allows developers to elect to take up additional development potential. Should developers choose to take up the additional development potential, they are to provide essential infrastructure, such as drainage and embellishment of open space, and certain land for public space and roads. The implementation guidelines for the scheme are currently being developed, but it is proposed that an agreement to provide this essential

infrastructure would have to be signed before a development application would be considered by Council.

While Council has not required provision of affordable housing in this case, it would be possible to do so.

#### North Sydney Centre – Incentive based development

The *North Sydney Local Environmental Plan 2001* includes a division for the North Sydney Centre that allows developers a choice between developing land in the area at its current capacity or increasing the allowable floor space area they can develop. If they choose to increase the developable area the Director General of the Housing NSW of Infrastructure, Planning and Natural Resources must be satisfied that adequate provision has been made for railway infrastructure due to the extra demand generated by the development. This would have to be certified by the Director General before consent was granted.

Again, Council has not required provision of affordable housing in this case, but it would be possible to use this mechanism for that purpose.

#### Waverley Council – Density bonuses

Waverley Council's Affordable Housing Program offers density bonuses to private developers in exchange for providing affordable housing in private residential developments. The aim of Council's Affordable Housing Program is to provide affordable housing for local households on low to moderate incomes and to deliver affordable housing within private residential developments to maintain the socio-economic mix of the community.

The major resources for Waverley's Affordable Housing Program are its:

- Planning instruments – the *Waverley Local Environmental Plan 1996* and the *Waverley Development Control Plan for Multi-Unit Housing* define the density bonus mechanism. In return for the provision of affordable housing (either in perpetuity or for a specified duration, rent-capped at a level below market rent), developers may increase the floor space ratio of their development, develop a larger building envelope or do a combination of the two.
- Affordable housing calculator – the calculator determines the land value increase due to the density bonus and apportions this increase between the developer and Council. Council aims to achieve a 50% share of the land value increase if the affordable housing is provided on the site or a 75% share if the developer makes a cash contribution.

These instruments ensure consistency and transparency in the way that density bonuses are applied.

Waverley has generated 21 affordable housing units<sup>1</sup> through its Affordable Housing Program (10 owned by Council and 11 on fixed term rental agreements with developers for periods from 1 to 25 years). All of these units are managed by a community housing provider. Council aims to deliver 15 units a year through this mechanism.

<sup>1</sup> Fifteen of these units are completed and six are under construction.



## PLANNING AGREEMENTS

A planning agreement is a legally binding agreement between a planning authority and a developer. Planning agreements can be used as a way of negotiating affordable housing contributions with developers. They may involve councils offering incentives, such as density bonuses or car parking incentives, in return for affordable housing contributions, but in some development circumstances it may be possible to negotiate contributions through other means.

In its report to the former Minister for Urban Affairs and Planning on the review of the developer contributions system<sup>2</sup>, the Section 94 Review Committee noted that planning agreements are appropriate for large sites or where development is staged and as a result it may be difficult to determine Section 94 contributions. Planning agreements allow greater flexibility to negotiate appropriate solutions in these cases. They tend to work best when the consent authority is negotiating with one party, rather than a number of landholders.

The Review Committee recommended that the *Environmental Planning and Assessment Act 1979* be amended to formally recognise planning agreements as another way of negotiating development contributions. On 18 May 2005 the Environmental Planning and Assessment Amendment (Development Contributions) Act 2005 No 19 was assented to. The Act provides a framework for the use of planning agreements. It authorises planning authorities to obtain development contributions for any public purpose through voluntary planning agreements with developers. The requirements permit planning agreements to be utilised when a change is sought to an environmental planning instrument (rezoning) or at the development application stage.

The Act allows dedication and contribution toward a public benefit, which specifically includes the provision of and the funding of recurrent expenditure relating to the provision of affordable housing. Additionally, any public authority approved by the Minister is entitled to be an additional party to a planning agreement and to receive a benefit under the agreement on behalf of the State.

### The ADI site

The NSW Government entered into a planning agreement with Blacktown City Council, Penrith City Council, ComLand and Delfin Lend Lease for the Australian Defence Industries site at St Mary's, which will be developed over 11 years from 2004. One of the objectives in developing the site was to ensure that it provided a range of housing options, including affordable housing.

The NSW Government was able to negotiate that if consent for residential development was obtained, the developer would provide a range of infrastructure to support the development, including setting aside 3% of all residential lots as affordable housing.

This will result in 150 lots distributed throughout the site that can be used for affordable housing.

<sup>2</sup> Section 94 Review Committee, 2000, *Review of the Developer Contributions System – Report to the Minister for Urban Affairs and Planning*, Housing NSW of Urban Affairs and Planning, Sydney.

## JOINT PROJECTS

Joint projects are possible where local government has access to land suitable for redevelopment, cash or other resources that it can use to develop affordable housing. A number of different projects are possible, including:

- Joint ventures with private developers. A partnership with a private developer can achieve affordable housing at reduced cost and risk to councils.
- Self-build projects where 10 to 15 households work together to build houses. The value of each person's labour gives them equity, which assists them to secure financing to buy their own homes.
- Debt equity projects where community housing providers use their own funds and debt finance plus resources from the Centre for Affordable Housing and other potential partners, such as local councils, to develop affordable housing. Debt Equity is a recently established program and as a result there are no current project examples.

### Joint Ventures – the Inkerman Oasis project

The Inkerman Oasis project was a joint venture between the City of Port Phillip Council and Inkerman Development Pty Ltd to redevelop surplus Council land into a mixed income residential project. The aims of the project were to deliver a mix of private and affordable housing that meets the diverse needs of the community and to reduce Council's costs and risks by working with a private developer.

The inputs to the project were:

- Site planning and preparation – Council developed a master plan for the site and paid for its remediation;
- Land – Council contributed the land for the project; and
- Private finance – Inkerman secured finance for the construction costs of the project.

The project produced:

- 28 units of affordable housing and repayment of master planning and site remediation costs for Council – Council has taken ownership of 15 units so far and another 13 units will come into its possession at the completion of stage 2 in 2005;
- 208 units of housing for Inkerman Development;
- Integrated art and two public access walkways; and
- A range of ecologically sustainable design features, including recycling grey and storm water for irrigation and toilet flushing, that has led to a number of awards.

In return for the contribution of land valued at \$5.2 million prior to the remediation work, Council has received units valued at \$5.845 million and reimbursement of \$1.7 million for remediation costs. This is a net asset value benefit of close to \$2.5 million.

The affordable housing provided to Council at the end of the project is now managed by a not for profit community housing association.

### **SEPP (Affordable Rental Housing) 2009**

State Environmental Planning Policy (Affordable Rental Housing) 2009 commenced on Friday 31<sup>st</sup> July 2009.



The SEPP:

- supports new housing projects which contain a mix of both market-priced and affordable dwellings, allowing such projects to be integrated into existing suburbs.
- allows low-rise developments up to 8.5m (generally two-storeys) in height, such as villas and townhouses, to be proposed in all urban residential zones in the Sydney region as long as the proposal is close to public transport and contains 50 per cent or more affordable housing for a period of ten years. In the Sydney region, this form of development can only be proposed if it is within 800m of a railway station, or within 400m of a Sydney Ferries wharf, light rail station, or bus stop used regularly between 6am and 9pm. Outside the Sydney region, the proposal can be made in all urban residential zones – as long as the 50 per cent affordable housing test is met.
- provides a short-term additional building floor space incentive for low-rise proposals lodged before June 2011 to encourage home building during the current weaker economic conditions.
- allows developers to apply for a floor space bonus provided at least 20 per cent of the flats are affordable rental housing, in areas where residential flats are already permissible under local or other State instruments.
- enables private sector developers who have entered into a joint venture partnership with Housing NSW to apply to the Department of Planning for a site compatibility certificate. This allows Housing NSW to propose a residential flat building close to Sydney train stations and 32 nominated major NSW regional cities and towns without the need for a rezoning.
- allows non-government social housing projects to utilise the provisions, subject to the same affordable housing conditions as apply to the infill affordable housing in the SEPP (50 per cent of units to be managed by a community housing provider as affordable rental for 10 years).

The affordable housing within these developments must be managed by a registered community housing provider for least 10 years to ensure the units are let at affordable rents to genuine low and moderate income households. The fact the dwellings are affordable housing must also be registered on the relevant land title so that anyone buying the units is aware of this. Other units within the development can be sold immediately at market value to help subsidise the percentage that must be affordably rented for 10 years.

In addition the SEPP

- specifically supports granny flats or secondary dwellings by making them permissible in all residential zones across the State. Granny Flats are not allowed to be subdivided from the main block but can provide accommodation for family members or be sub-let to tenants.
- encourages new investment in new generation more self contained boarding houses from large and small investors by making this kind of boarding house development permissible in all residential and appropriate business zones and providing a floor space bonus to encourage boarding houses in areas zoned for flats which would otherwise be uneconomic to develop.

- enables support services (such as counselling and life skills development) to be provided within existing flat buildings and boarding houses so that these buildings can be operated by not-for-profit organisations and charities as long-term housing for homeless people.
- streamlines the development of group homes by public and private social housing providers. Under the SEPP, the Department of Ageing, Disability and Home Care and other public authorities can self-approve group homes of up to 10 bedrooms.

The new SEPP will incorporate the core existing provisions of SEPP 10 (which will now be repealed) and also makes some improvements.

Further, under changes introduced earlier in 2009, Housing NSW became the consent authority for its own small-scale public housing developments of 20 or fewer units and up to two-storeys (8.5m high).

A copy of the SEPP, guidelines and information about new generation boarding houses, group homes, granny flats and floor space incentives is available at the Department of Planning's website at:

<http://www.planning.nsw.gov.au/PlansforAction/Supportingaffordablerentalhousingpolicy/tabid/313/Default.aspx>



## Information on Rockdale Housing Market

### INTRODUCTION

This information on Rockdale Housing Market examines the affordability, adequacy and appropriateness of housing to meet the needs of the local community, with a particular focus on low and moderate income earners who may be in housing need. The term 'affordable housing' applies to housing that is appropriate to the needs of a household and within their means to pay for it.

Data for this housing market analysis has been drawn from the Australian Bureau of Statistics 2006 and 2001 Census, Centrelink, Rental Bond Board, Valuer General and the Housing NSW Rent and Sales Report and asset database. For analysis purposes, Housing NSW groups the Rockdale LGA as part of the St George Sutherland market together with Kogarah, Hurstville and Sutherland. These market groups have been identified largely on the basis of shared geographical, demographic, and socio-economic characteristics.

Attached to this analysis are a number of explanatory notes and fact sheets that elaborate on the information included in the housing market analysis. The explanatory notes discuss housing stress, adequacy of affordable housing stock, broad trends in the housing market across Sydney and NSW, housing diversity as well as what can be done about these issues. The fact sheets provide information on boarding house accommodation and residents, caravan park accommodation and residents, the housing needs of older people, homelessness and indigenous housing, with some ideas on what can be done about these issues at a local level.

### HOUSING MARKET

#### A Glance at the Market

At the 2006 Census, Rockdale had a population of 92,126 (up by 4.1% from 88,523 in 2001). Rockdale had a total of 35,232 occupied dwellings at the 2006 Census (up by 6.1% from 33,220 in 2001), giving an average occupancy rate of 2.61 persons per dwelling (down from 2.66 in 2001). This occupancy rate is below the average for the GMR of 2.69 persons per household and is towards the lower end of the range of LGA's in this housing market, with Hurstville and Sutherland 2.71 persons per dwelling and Kogarah 2.74. Inner ring local government areas (for example Marrickville 2.33 and Leichhardt 2.22 persons per dwelling) tend to have lower average occupancy rates than middle (for example Holroyd 2.77 and Warringah 2.65) or outer ring local government areas in the GMR (for example Blacktown 3.05 and Baulkham Hills 3.12).

#### Indigenous Population

In line with the picture in New South Wales and Australia, the indigenous population in Rockdale increased between 2001 and 2006 by 12.4% from 402 to 452 (compared with the rate of growth of the total population over the same period of 4.1%). Indigenous people represent 0.5% of the total population in Rockdale local government area, compared with 1.2% in the Greater Metropolitan Region and 4.7% in non-metropolitan NSW at June 2006. Across Australia the indigenous population is growing at three

times the national average. Between 2001 and 2006 across Australia the indigenous population grew by 11%<sup>1</sup>.

### Private Rental Market

#### General

The private rental market represents 26.26% of all occupied private dwellings in Rockdale (up from 25.5% in 2001). This compares to 22.5% private rental stock on average for the GMR. The proportion of private rental stock in Rockdale is the highest in the St George Sutherland housing market, with 21.80% in Hurstville, 23.16% in Kogarah and 17.15% in Sutherland. Within the Greater Metropolitan Region, inner ring local government areas tend to have the highest proportion of private rental accommodation (for example Mosman has 32.30%, Marrickville 36.97%), followed by middle ring local government areas (Canterbury has 26.41%, Parramatta 26.63%), with outer ring LGAs tending to have the lowest proportion of private rental stock (for example Hornsby 17.64% and Campbelltown 17.10%).

#### People in Housing Stress

Using Centrelink data Housing NSW has calculated what proportion of people on low incomes in the private housing market and in receipt of Commonwealth Rent Assistance are paying more than 30% of their income on housing costs, as an indicator of housing stress (the attached explanatory note provides more information on housing stress). There are over 4,657 residents in receipt of Commonwealth Rent Assistance (CRA) in Rockdale, with 55% in housing stress. Single person households form the majority of all households in housing stress in Rockdale (48.5%), followed by single parent households (18.2%) and couples with children (21.5%). This is impacting on older residents as well, with 16.7% of those in stress being in receipt of the Aged Pension, at a time when it is important for them to remain close to social and support networks, as well as a range of services. This data indicates that the private rental market in Rockdale is not catering well to the needs of smaller lower income households in particular.

From the 2006 Census, 60.6% of all low and moderate income households renting in Rockdale were in housing stress. This is comparable to the average of 60.4% across the GMR and compares with 59.9% in Hurstville, 63.9% in Kogarah and 60.6% in Sutherland. A significant proportion of low and moderate income earners in Rockdale who are in the process of purchasing housing are in housing stress. From the 2006 Census 66.1% of all low and moderate income households who are purchasing housing are in housing stress, which is up from 50.5% in 2001 and is above the GMR average of 53.5%.

#### Caravan Parks

According to ABS data from the 2001 Census, there are around 60 people living permanently in caravan park accommodation in Rockdale. Of these 75.0% of residents own their home and rent the site and the remaining 25.0% of residents rent both the van and the site. According to Centrelink data at the time of the 2001 Census 38.3% of caravan park residents in Rockdale were in receipt of a pension or benefit.

There has been a change to the way ABS collects data and now all residents living in caravans (for example in back yards, at road sides, on vacant lots) are included, so it is not possible to compare 2001 and 2006 data on the number of persons living in caravan parks. Centrelink data from 2006 indicates the number of residents in Rockdale living in a caravan park and in receipt of a pension or benefit is up 11.5%

<sup>1</sup> <http://www.smh.com.au/news/national/caught-out-by-an-ruban-time-bomb/2008/03/10/120...>



from 2001. The fact that there are a number of people living in caravans indicates that there is insufficient affordable rental accommodation available for lower income earners in Rockdale. Additional information about caravan park accommodation and residents is included in the attached fact sheet.

#### Boarding Houses

According to a 1995 report by the former Office of Housing Policy, Rockdale had 16 boarding houses with a total of 197 rooms.

A study in 1998 of boarding houses in four inner Sydney LGA's (North Sydney, South Sydney, Leichhardt and Burwood) indicated that boarding house accommodation was declining at the rate of 7 – 8% per annum. This is a trend that is being experienced in other states of Australia. It is therefore highly unlikely that Rockdale still has 16 boarding houses.

Boarding or rooming house accommodation has traditionally provided affordable private rental housing predominantly to single people on low incomes. There are a range of models but essentially boarding houses provide individual bedrooms and some shared facilities. More recent boarding house style developments tend to be more self-contained accommodation, with fewer shared facilities. Providing more self contained accommodation makes boarding houses a more viable long term housing option and reduces the potential for tension and conflict in communal areas.

Additional information about boarding house accommodation and residents is included in the attached fact sheet. New boarding house development would assist in meeting some of the housing needs of single people on lower incomes currently struggling in the private rental market in Rockdale. Increasingly students and key workers are utilising boarding house style accommodation, largely due to the comparatively affordable rentals.

#### Housing Diversity

It is noted that at the 2006 Census, 5.0% of all dwellings in Rockdale had no bedrooms (bedsitters) or one bedroom (compared with 2.9% in Kogarah, 4.5% in Sutherland and 4.5% in Hurstville) and 41.0% had two bedrooms, giving a total of 46.0% with two bedrooms or less. Rockdale had 36.0% of all dwellings as three bedroom dwellings (this compares to 38.4% in Kogarah, 39.0% in Sutherland and 40.1% in Hurstville). Middle and inner ring local government areas tend to have more one and two bedroom stock and less three bedroom stock than outer ring local government areas (for example at the 2006 Census 77.8% of all dwellings in Hornsby had three or more bedrooms, 86.8% in Ku-ring-gai and 91.7% in Baulkham Hills). While Rockdale already has a relatively high proportion of two bedroom stock, it has a relatively low proportion of one bedroom stock. Greater housing diversity is required to meet the likely future needs of the community in Rockdale - specifically there is a need for more one bedroom dwellings. The fact that Rockdale has a lower average occupancy rate also suggests more smaller households are living in the community than is the case for the GMR as a whole. Some more information about what councils are doing to encourage housing diversity is included in the attached explanatory notes.

#### Rental Affordability

The proportion of properties in the private rental market in Rockdale that is theoretically affordable<sup>2</sup> to households on the 40<sup>th</sup> percentile of median income<sup>3</sup> was 14.2% at December 2009, well down from 29.3% at December 2007. At December 2009 the average proportion of affordable rental housing in the GMR was 24.4%, so Rockdale is

<sup>2</sup> Based on 30% of income

<sup>3</sup> Median income for metropolitan residents

below the average for the GMR. In neighbouring LGA's in the same market, Hurstville had 15.4% affordable rental at December 2009 (down from 38.2% in December 2007), Kogarah had 10.3% (down from 25.7% in December 2007) and Sutherland had 16.7% (down from 31.5% in December 2007). As you can see, rental housing has become considerably less affordable in the St George & Sutherland housing market recently (which is also shown in the graph below), which puts a significant amount of pressure on low and moderate income earners. Furthermore, not all affordable private rental housing is actually occupied by lower and moderate income earners, as the attached explanatory notes and fact sheets explain. The explanatory notes also give more detailed information about rental housing affordability.

The chart below shows the difference in median rental levels between Rockdale LGA and its neighbouring LGAs in the St George Sutherland housing market - Kogarah, Hurstville and Sutherland - over the period from September 2006 to September 2011. In all four local government areas rents have increased steadily over this period.



At December 2011, the median rent in Rockdale for one bedroom dwellings was \$410 per week (24% increase in the last 12 months); median rents for two bedroom dwellings was \$420 (5% increase in the last 12 months); median rents for three bedroom dwellings was \$550 per week (6% increase in the last 12 months); and median rents for four or more bedroom dwellings was \$700 per week (3% increase in the last 12 months). Given tight vacancy rates and rising rents generally across Sydney, it is not surprising that median rental levels increased so significantly over the past six years. Apart from the significant rent increase for one bedroom dwellings in Rockdale, the shorts of rental increases experienced in Rockdale in the last 12 months are generally comparable to those experienced in the other local government areas in this housing market.

Median Rents for all dwellings (houses and units) for LGAs within the St George Sutherland housing market at December 2011. The annual change in median is in brackets.

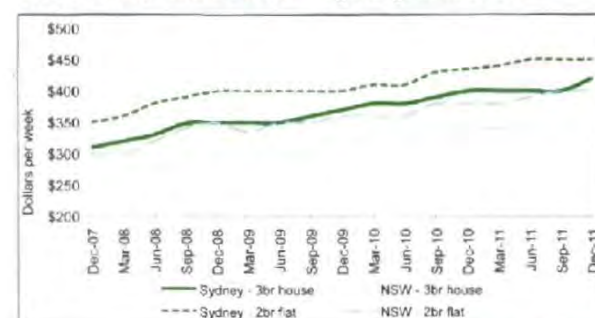
LGA	One bedroom	Two bedroom	Three bedroom	Four + bedroom



	dwelling			
Hurstville	\$330* (-6%)	\$390 (4%)	\$520 (8%)	\$620* (3%)
Kogarah	\$300 (10%)	\$420 (6%)	\$530 (6%)	\$650* (2%)
Rockdale	\$410 (24%)	\$420 (5%)	\$550 (6%)	\$700 (3%)
Sutherland	\$310 (7%)	\$420 (5%)	\$560 (5%)	\$700 (3%)
Metropolitan Sydney	\$410 (5%)	\$450 (5%)	\$460 (5%)	\$570 (4%)

Note: (\*) indicates that the median rents are indicative only and may not be accurate due to the small sample sizes.

#### Trends in Median Rents – Sydney and NSW



Source: Rent and Sales Report No. 98 December Quarter 2011

According to the Real Estate Institute of NSW, vacancy rates for middle ring local government areas of Sydney for September 2010 were just 2.0% and for outer ring were 1.4%. Vacancy rates have been tight across Sydney for some time. This is a key factor in the recent significant increase in median rental levels.

#### Private Purchase

At December 2009 in Rockdale, the proportion of dwellings affordable for purchase to households at 80% percent of median income<sup>4</sup> was 0.1% and has been between 0.0% and 0.2% for a number of years now. This compares to 3.8% affordable purchase on average in the GMR at December 2009, 0.0% in Hurstville, 0.1% in Sutherland and 0.1% in Kogarah. Clearly it is extremely difficult for lower income households to purchase housing in Rockdale (and the St George Sutherland housing market generally) and it has been this way for some years. The explanatory notes provide more detail about housing purchase affordability issues.

From the 2006 Census, the proportion of low and moderate income households in Rockdale who are purchasing and are in housing stress is 71%. This is an increase of 15.3% from the 2001 Census and is well above the average of 61% for the GMR (at 2006). All the LGA's in the St George Sutherland housing market have above GMR average proportion of low and moderate income purchasers in housing stress (Hurstville 67%, Kogarah 70% and Sutherland 65%), with Rockdale having the highest proportion in this market. However, it is worth reiterating that there are significantly more low and moderate income renters in stress than purchasers in Rockdale and in Australia generally.

<sup>4</sup> Based on 30% of income

The chart below shows the median purchase price for Rockdale and its neighbouring St George Sutherland LGAs of Kogarah, Hurstville and Sutherland over the period from September 2006 to September 2011. Sales prices has increased strongly since June 2009 in all four local government areas (particularly in the December quarter of 2009).



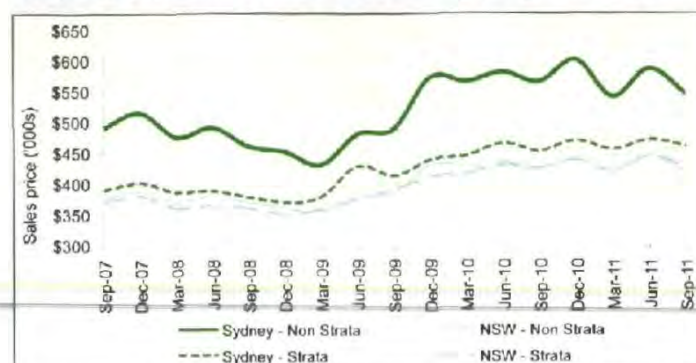
Overall, the median purchase price in Rockdale increased by 27.2% between September 2006 and September 2011, from \$400,000 to \$509,000 at an average rate of 5.5% per annum. The median purchase price for Rockdale is well above the metropolitan Sydney average of \$495,000, but below the Middle Ring LGA average of \$540,000. Increases in median purchase price in Rockdale over the period are on par with the trend for Middle Ring LGAs, which increased at an average rate of 4.7% per annum, but are increasing at a higher rate than that of metropolitan Sydney, which increased at an average rate of 3.6% per annum.

There have been strong increases in the purchase price for strata properties from late 2008 across the St George Sutherland housing market. The median purchase price for strata properties in Rockdale increased by 29% over the past five years between September 2006 and September 2011, however the rate of increase has steadily been slowing. The median dwelling prices for the St George Sutherland housing market at September 2011 are in the table below.

LGA	Median House Price	Annual Change	Median Strata Price	Annual Change
Hurstville	\$725,000	3%	\$420,000	2%
Kogarah	\$877,000	-3%	\$480,000	7%
Rockdale	\$711,000	-1%	\$437,000	5%
Sutherland	\$722,000	2%	\$450,000	0%
Middle Ring LGAs	\$717,000	-4%	\$450,000	2%
Metropolitan Sydney	\$545,000	-5%	\$460,000	0%



### Trends in Median Sales Price – Sydney and NSW



Source: Rent and Sales Report No. 98 September Quarter 2011

### Key Workers

The 3<sup>rd</sup> Key Worker Housing Affordability Report released by Bankwest in 2011 provides information on housing affordability for key workers (nurses, teachers, police officers, fire-fighters and ambulance officers) across the 543 Local Government Areas across Australia. An area is classified as unaffordable if its house price/key worker earnings ratio is above 5.0 times for all key worker groups, that is, if median house prices are more than five times a key worker's annual earnings.

As of March 2010, Sydney was found to be the least affordable city in Australia with 84% of all LGAs in Sydney being unaffordable for key workers and the median house price to earnings ratio for a key worker in Sydney being 8.3. Rockdale has a house price to earnings ratio of 9.5 which has increased 1.2 since 2009. Although the ratio increased during this time, it has increased at a lower rate than the Sydney average (which decreased 0.6 from 8.3 in 2010 to 7.7 in 2009).

### Social Housing

There are currently around 1,007 social housing dwellings in Rockdale, with 856 public housing dwellings, 4 Aboriginal Housing Office dwelling, and 147 community housing properties. Public housing represents 2.2% of all housing in Rockdale which is below the average of 4.8% for the GMR.

At December 2009, 59.1% of public housing tenants were aged over 55 in Rockdale (compared to 52.8% on average across public housing in the GMR), 60.0% were single person households (compared to 51.8% on average across the GMR) and 34.6% are Aged Pensioners (compared to 28.5% on average in the GMR).

### Key Issues

In Rockdale key housing issues for the community include:

- There are significantly more low and moderate income earners who are renting and in housing stress than low and moderate income earners who are purchasing and in housing stress in Rockdale, in line with the trend nationally. Vacancy rates are very low and tightening, rents are rising strongly, demand is increasing and more people are in housing stress. There is a need to increase the supply of

rental accommodation and in particular to increase the supply of affordable rental housing.

- The need for more affordable housing for rental is evident on examining the proportion of people in the private rental market in receipt of CRA and in housing stress and the proportion of low and moderate income renters in housing stress in Rockdale. In addition, the proportion of rental accommodation that is theoretically affordable for lower income earners in Rockdale is lower than the average for the GMR. There is insufficient affordable private rental accommodation to meet the needs of the local community, particularly lower income earners.
- There is a need for more one bedroom, studio and boarding house style accommodation to assist in meeting the needs of the community through different stages of the housing life cycle and particularly for young people and elderly people on lower incomes. Boarding house style accommodation is increasingly occupied by students and key workers and new stock could assist in meeting some local need. A key issue, as the attached fact sheet points out, is ensuring boarding house development is economically viable through appropriate zoning and permissible floor space ratios. Existing boarding house accommodation is generally old and not suited to the needs of most potential residents. New more self contained boarding house style accommodation allows residents more privacy, improves tenancy management and is more sustainable as a long term housing option.
- There are a number of people living permanently in caravan accommodation who are at risk of losing their housing if there is any move from long term to short term sites or redevelopment of the caravan parks. That residents are living in caravans provides further evidence that there is insufficient affordable housing to meet local needs. The explanatory notes provide information on what other councils, such as Gosford and Wyong are doing to protect existing accommodation in caravan parks and manufactured home estates. It is important to protect this form of accommodation as it provides a housing option to people with limited housing choice, a stepping stone into the local rental market and affordable purchase.
- Around 34.6% of CRA recipients in housing stress are in receipt of the Aged Pension in Rockdale, indicating there is insufficient affordable accommodation for older residents – particularly rental accommodation. Housing for older people needs to be well located in relation to services, facilities and transport as well as accessible for those with mobility problems. More purpose built aged housing, or greater housing diversity, including accessory dwellings or granny flats, is required to meet the housing needs of older lower income Rockdale residents.
- The lack of affordable housing for purchase for low and moderate income earners. While purchase affordability is tight across the whole of Sydney, it is impossible for lower income earners to afford housing in Rockdale and there is a significant (above GMR average) proportion of low and moderate income purchasers in housing stress in Rockdale. This may in part be addressed by encouraging more housing diversity and ensuring a mix of configurations (more one and two bedroom stock) in new developments. The attached explanatory notes give examples of what other councils have done to ensure bedroom mix in new developments, as well as a mix of dwelling types.



(More information on what can be done about these issues is included in the attached explanatory notes and fact sheets.)

Housing NSW