



DRAFT HOUSING STRATEGY PART 1: THE IMPORTANCE OF HOUSING POLICY

COUNCIL REPORT No. SDC004-09

24 November 2008

REPORT IN BRIEF

Purpose

This report is the first stage in the adoption of a Housing Strategy that will guide housing supply to 2031. The report explains Council's role in determining future housing supply and the importance of its decisions in terms of future demographic, economic and social conditions. The report requires Council to adopt a dwelling target which will form a foundation of Council's new Local Environmental Plan.

Summary

A Housing Strategy is a core Council policy that sets out its commitments to facilitate future housing supply. Housing supply affects the demographic make up of the Local Government Area, which in turn affects the vitality of the local economy, ongoing commitment to local schools, housing affordability and residents ability to move within the Shire as their life stage requires differing housing forms.

Census population data shows that the population growth of Sutherland Shire has significantly slowed over the past two Census periods to the point where by 2006 it had declined. In addition occupancy rates are rapidly declining. Smaller household sizes mean that more dwellings are required to house the same population as there are less people living in each dwelling. The fact that there was an increase of 2,494 dwellings over the 5 year intercensal period yet the total population decreased by 1,015, highlights the impact of decreasing household size. It means that there will be a steady demand for more dwellings as the numbers of households grow, even if there is no population growth.

The NSW Department of Planning Sub-regional Strategy requires Sutherland Shire Council to make provision for an increase of 10,100 dwellings in Sutherland Shire by 2031, with 1732 dwellings having already been achieved since the base year of 2004. Under SSLEP2006 zoning patterns, this number of dwellings could be achieved by a combination of villas and townhouses in low density areas, redevelopment of surplus sites and medium density development in centres. However, the Strategy requires that 80% of dwelling growth occur within defined radii of identified centres. Preliminary analysis suggests that 56% of the anticipated new dwellings in Sutherland Shire in the period to 2031 will be located within centres.

This means that at a minimum Council must make provision for approximately an additional 2,700 dwellings within defined radii of centres. However, this increase in dwelling numbers will only deliver a population growth rate of 0.35% by 2031. This rate will be insufficient to offset the impact of the ageing of the population and a resultant drop in demand for goods and services, nor will it be sufficient to protect local schools from falling enrolments and possible closure.

There are positive benefits of population growth which are detailed in this report. Population growth would also allow the impact of an ageing population to be better absorbed. This report considers a range of potential growth targets. It is considered that a 5% growth target would maintain a better demographic balance and ensure continued support for the local economy and service sector.

A 5% population growth target to 2031 would require provision being made for 14,080 new dwellings within the new LEP. Given that there is capacity within existing zones to provide for 10,100 new dwellings, a 5% growth strategy would require provision to be made for further 3,980 dwellings.

Accommodating growth will require a review of the potential of each centre in Sutherland Shire, particularly those serviced by railway stations. Housing supply can be enhanced through revising floor space ratios and building heights to deliver more dwellings within existing zones, or zone boundaries can be changed to provide more opportunities for higher density development. Given that choosing appropriate strategies will raise complex and emotive issues with affected communities, it is recommended that Council initially adopt a 1% growth strategy as the basis of its new Local

Environmental Plan. This strategy can be reviewed at any time and Council could reconsider its position once it has had a chance to fully assess the potential growth strategies which will be put forward for consideration early in 2009.

REPORT IN FULL

What is a Housing Strategy and why does Council need one?

A Housing Strategy is a council's commitment as to how it will manage housing supply over time. Changes in the supply of housing require long lead times. The delivery of additional housing first depends on changes in statutory planning which then must be taken up by the development industry. Before housing is delivered, a project must proceed through design, approval and construction phases. A five year lag time can be expected between an initial decision by a council to increase housing supply in an area and any housing being delivered.

A council needs a Housing Strategy because the character, economic function and community spirit of a place is dependent on the residents that form the local population. Communities are characterised by relative concentrations of age and income groups which change over time. Changes in the demographic characteristics of a local population produce different needs and demands on community and social services, as well as different housing requirements.

The economic viability of local retail centres and businesses are largely dependent on the local community for both trade and employees. Local businesses directly benefit from population growth and a diverse community. The economic stimulus generated by local population growth is directly determined by its demographic character. Communities with a comparatively high propensity to spend contribute more to the local economy. Families tend to consume more goods and services than other household types, regardless of income levels, while individuals tend to spend less the more they age, irrespective of income levels. A mix of age groups and skill levels within a community is also beneficial because it allows a full range of services to be provided locally. It also ensures all key employment groups can be found locally providing a diverse workforce for local businesses.

The demographic characteristics of a community change over time. This influences local housing demand and the need for community services. Through a Housing Strategy a council can respond to community housing needs, have a direct influence on the local economy and influence the demand for community services.

The preparation of a Housing Strategy is a key responsibility of local government because long term plans are needed to coordinate the provision of housing and community services. A Housing Strategy forms the foundation of Council's Local Environmental Plan and allows for informed decisions to be made in relation to zoning boundaries and development standards. Ultimately a Housing Strategy determines the future supply of housing in a locality.

Sutherland Shire Council has an adopted Housing Strategy, the lifespan of which ends in 2011. The end point of this housing strategy coincides with the timeframe for the gazettal of a new Local Environmental Plan (LEP) for Sutherland Shire. It is therefore prudent for Council to prepare and adopt a new Housing Strategy that guides the preparation of this LEP, through giving direction to the desired character, density and form of residential development in the Shire.

What are the Key Issues Affecting the Local Housing Market?

1. Population Change

Census population data shows that the population growth of Sutherland Shire has significantly slowed over the past two Census periods to the point where a declining population was recorded

between the last two census periods. In the period between the 1996 and 2001 there was a population increase of only 10,075 people (4.7%) from 203,753 to 213,828. However, between 2001 and 2006 the population experienced a decline of 1,015 people (-0.15%) to 212,813 (Estimated Resident Population). This fall in the population highlights significant demographic trends affecting the Shire.

Although it is only a small decline, the negative growth rate of 0.15% represents a population that is stagnant. The lack of growth will have long term adverse consequences for Sutherland Shire. This suggests a difficult future for retailers in the smaller centres of the Shire, particularly given that Westfield Miranda also has the capacity to expand by 25% and it is expected to pursue this potential. Without growth, the local business community will not be able to compete against the strength of the largest retailers. Loss of retail activity and services in local centres will mean that residents must be more reliant on vehicles to service their needs. It will be harder for older people to remain in their local communities if they cannot gain access to basic services. This is a key challenge for Council. Council needs to consider the bigger picture for the whole of Sutherland Shire when setting a Housing Strategy. Decisions that may serve neighbourhood concerns ultimately have an impact on housing supply, which in turn affects the viability of local centres and also has consequences for the long term viability of local schools and support services.

Between 2001 and 2006, 29.3% of Sutherland Shire residents moved at least once. Of these movements 57% occurred within the Shire. The Shire experienced net out-migration of approximately 6,085 residents during this period. This represents how many more residents moved out of the Shire to other parts of Australia, than the number of residents moving to the Shire from other parts of Australia (ABS Census 2001 and 2006). Approximately 4,723 residents migrated to the Shire from other countries (ABS Census 2001 and 2006).

These movement patterns suggests that the population of the Shire is relatively stable, although residents within the Shire are mobile, moving to upgrade/downsize etc. The statistics indicate that the Shire is generally not a net receiver of new residents. The main source of population growth is a result of natural increase (i.e. births exceeding deaths). However, an ageing population and reduced fertility rates have reduced potential growth from this source. In addition the net out migration of residents limits the potential for natural population increase.

An examination of the changes in population in different areas of the Shire provides Council with an insight into local demographic trends. An important trend to note is that for the first time the population of the suburbs west of the Woronora River are experiencing significant decline. The most obvious cause for this is the fact that the dwellings in this area were largely constructed in the early 1980's and then occupied by young families. These suburbs have a stable population base, but now the children of these families are leaving home, resulting in a steady downturn in population.

The central section of the Shire extending from Kirrawee, through Sutherland to Oyster Bay and Como is also tending to decline, although not as dramatically as localities further west. Growth around the Sutherland and Jannali centres has tended to offset the general trend to decline. This growth could be partially attributed to increased higher density residential development in the Sutherland area.

This same trend is not as evident in the eastern part of the Shire. The suburbs adjoining Port Hacking, Taren Point, Sylvania Waters, Sylvania and Cronulla have generally achieved positive growth. These localities are not as homogenous in their housing stock as the suburbs to the west of the Woronora River. The suburbs fronting Port Hacking generally have a core of older dwellings with significant amounts of infill subdivision which occurred in the 1980's. This latter development tended to consist of the subdivision of difficult to develop foreshore blocks or large remaining land parcels. Throughout the 1990's up to the present there has been some degree of medium density infill development, particularly along the ridge areas in these localities. There has also been significant reinvestment with replacement single dwellings.

These suburbs also tend to have above average property values. It is the combination of these factors which has sustained positive growth. The property values have allowed some older owners to choose to down size to a smaller dwelling, realising part of the capital inherent in their houses to assist their retirement. In turn, this has allowed more affluent younger families with children to move into these neighbourhoods. The result is a more diverse age structure with a variety of housing types to suit their needs, thus allowing local schools to maintain strong intakes and providing support for the local retail sector.

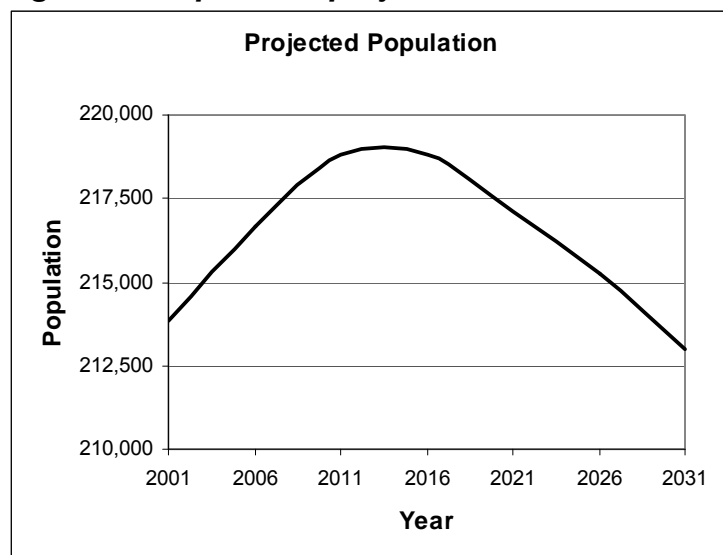
It is significant to note the four suburbs that have experienced the greatest growth between 2001 and 2006 are the primary centres within the Shire. The population in Caringbah increased by 916 residents (8.9%), Sutherland by 427 residents (5%), Miranda by 398 residents (2.8%) and Cronulla by 247 residents (1.5%). Each of these centres has had a number of new residential flat buildings occupied in the last five years and continue to attract residents due to their location and proximity to services and public transport. However, it is also significant that very few large scale residential flat buildings have been approved in Caringbah, Sutherland or Miranda in recent times. This decline in dwelling approvals will result in slowed growth in these centres. Based on current approvals, the 2006 growth rates will not be repeated.

The suburbs which experienced the most significant reduction in population over the past 5 years were Illawong, which recorded 457 fewer residents in 2006 representing a decline of -6.1%, Engadine-Yarrawarra, which lost 392 residents (a 2% decline) and Alford's Point which lost 260 residents (a -7.8% decline). In these areas the decline has resulted from changing family composition, a general ageing of the population and very little infill development.

The population projections shown in the graph below, prepared by the NSW Department of Planning, are based on information from ABS data released in 2005. These figures were calculated prior to the release of 2006 ABS Census data, therefore are inconsistent with the actual growth rates between 2001 and 2006. Updated projections have been requested, but due to budget restrictions at the ABS this work has been postponed. Other options to acquire population forecasts will be explored.

Figure 1 shows that the projected population was expected to decline after 2016. However, the actual 2006 ABS Census data indicates this trend has occurred far earlier than expected. These long term projections for the Shire suggested a population of 212,974 persons in 2031, of which 19% were anticipated to be aged 65 years and older. This represents a 0.1% population growth over the 25 year period from 2006 from a predicted peak of 218,830 residents in 2016, followed by a decline in population to 2031.

Figure 1 - Population projections to 2031



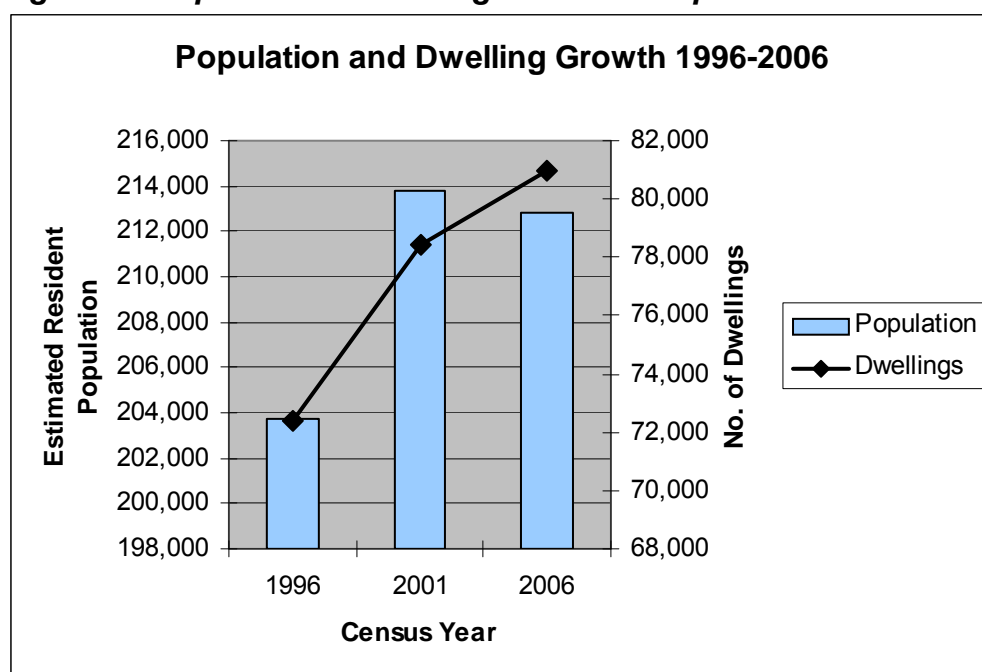
Source: Transport and Population Data Centre, NSW SLA Population Projections, 2001 to 2031, 2005 Release.

The predicted population growth rate for Sutherland Shire was significantly lower than the average population increase of 3.6% over the 25 year period predicted for the Sydney South Sub-region (which Sutherland Shire forms part). It was the lowest population increase of the five local government areas forming the sub-region. The fact that these projections over estimated growth to 2006, highlights the vulnerability of Sutherland Shire to a declining population base.

2. Dwelling Numbers

Between 1996 and 2006, Census figures indicate the number of dwellings increased from 72,365 to 80,948, an increase of 1.1% p.a. or 11.9% over 10 years. However, in the 5 year period between 2001 and 2006, the rate of growth in the number of dwellings being produced substantially slowed. Figure 2 compares the rate of growth in population over this 10 year period with the growth in the number of dwellings. This figure clearly shows that the number of dwellings is growing far faster than the population.

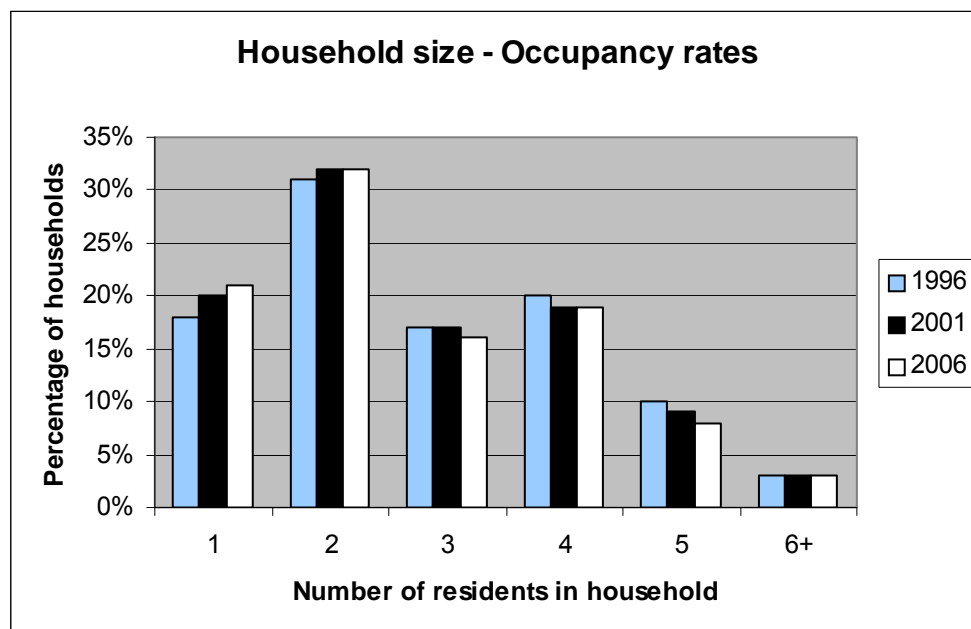
Figure 2 - Population & Dwelling Growth Comparisons



3. Increase in single person and two person households.

The increase in the number of dwellings occurred faster than the increase in population between 1996 and 2006. This greater increase in dwellings reflects a decline in the household occupancy rates from 2.82 persons per household in 1996 to 2.65 persons per household in 2006. Figure 3 shows the decline in dwelling occupancy rates for Sutherland Shire between 1996 and 2006.

Figure 3 - Dwelling Occupancy Rates

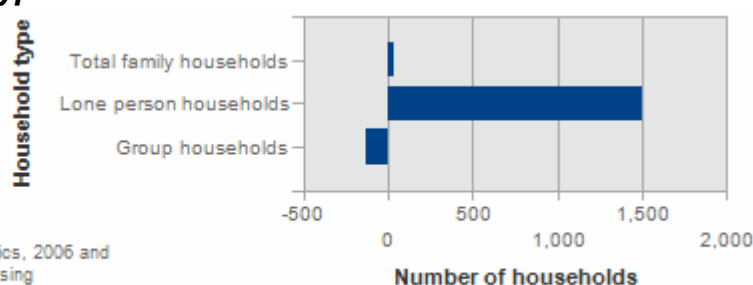


Source: ABS Census 1996, 2001 and 2006

As occupancy rates have been declining, the number of single and two person households continues to increase. Single person households saw the greatest increase to 21% followed by two person households which accounted for 32% of all households in Sutherland Shire in 2006. This means that one and two person households make up 53% of the Shire's households, illustrating how the established character of the Shire is changing. Traditional nuclear families with two parents and children at home are no longer the most common household type in Sutherland Shire. The number of dwellings with 3 or more occupants has continued to steadily decline in recent years, collectively accounting for the remaining 46% of all households.

Figure 4 shows the changes in household type between the 2001 and 2006 census periods. The growth in lone person households is dramatic. This is reflective of both an ageing population and social changes affecting living patterns. It is the sheer growth in lone person households that explains why Sutherland Shire requires more dwellings simply to meet the needs of its existing residents.

Figure 4 - Household Type



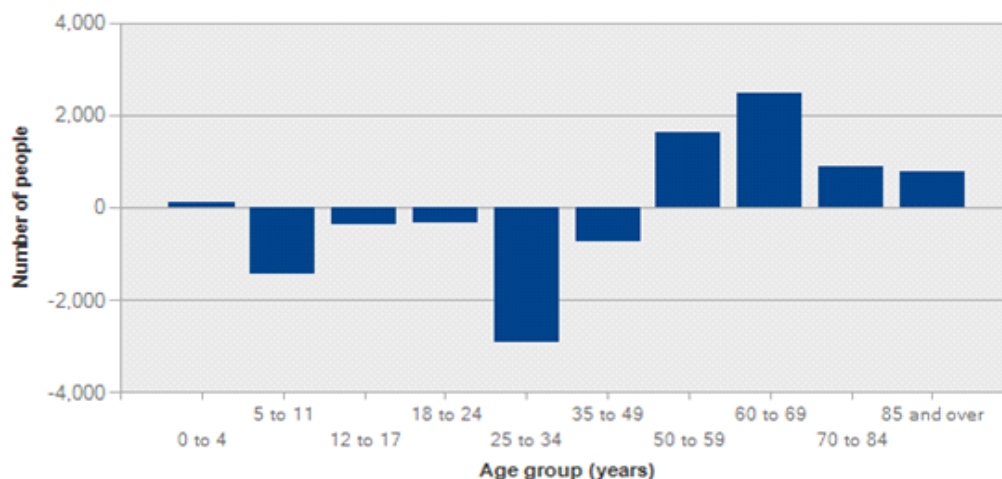
Source: Australian Bureau of Statistics, 2006 and 2001 Census of Population and Housing (Enumerated)

Figure 5 shows the change in age structure over this same period. The clear and worrying trend shown here is that the most dramatic group decrease in any age group is in the 25 to 34 age group, followed by children in the 5 to 11 year age group and then the 35 to 49 year age group. Between 2001 and 2006, the total number of school aged children in the Shire declined by 1,806 from 36,975 in 2001 (18.3%) to 35,169 in 2006 (17.4%). This included a significant loss of -1,444 children aged 5 to 11 years and -362 children aged 12 to 17 years.

This shows that Sutherland Shire is facing the loss of its workforce and its families, yet both groups are critical to the strength of the local economy, local schools and the vitality of the community. Failure to deliver growth in housing and population will lead to the further exacerbation of this trend.

Figure 5

Change in age structure of Sutherland Shire, 2001 to 2006 (Enumerated data)



Source: Australian Bureau of Statistics, 2006 and 2001 Census of Population and Housing (Enumerated)

Occupancy rates are important as they indicate how intensively the existing housing stock is being utilised. Smaller household sizes mean that more dwellings are required to house the same population as there are less people living in each dwelling. The fact that there was an increase of 2,494 dwellings over the 5 year period yet the total population decreased by 1,015, highlights the impact of decreasing household size. The ABS projects that the average size of households will continue to decline in the future. This means that there will be a steady demand for more dwellings as the number of households grows, even if there is no population growth.

There are a range of factors which may account for the continuing decline in occupancy rates. Social factors such as increasing rates of divorce, an increase in older aged people living alone, families having fewer children, people marrying later in life and people choosing to remain single all account for declining household size. It should also be acknowledged that this is a trend being experienced elsewhere in Australia and in many other developed countries. These trends are consistent with an ageing population. This trend will strengthen over time.

Lower household size has implications for Council's housing policy. Some single or two person households desire smaller dwellings, with less living space and fewer bedrooms. The housing mix within different localities should provide residents with options in terms of the size of dwellings available. This facilitates residents being able to tailor their housing needs without jeopardising community connections. There are also benefits for small and single person households being located with good access to public transport linkages, as there is less opportunity to share a car or be dropped off to public transport.

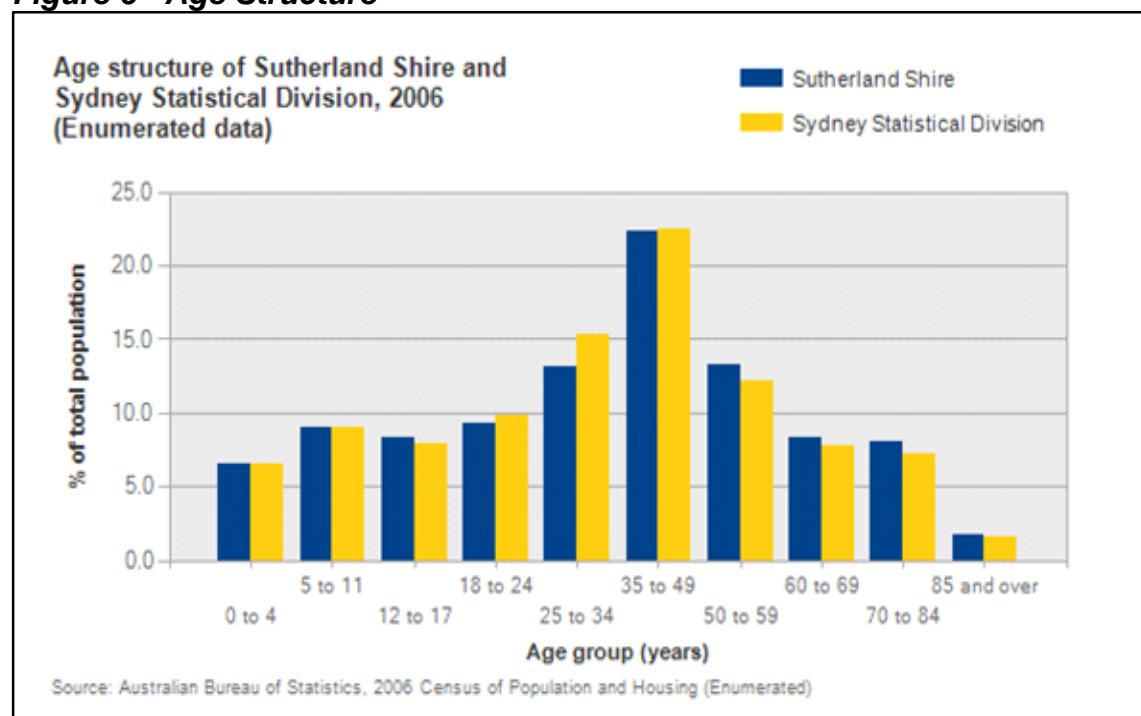
4. Ageing of the Population

The most significant demographic shift facing Australia is the ageing of the population. There are a number of implications of an ageing population, and Sutherland Shire Council through its Ageing Strategy *Ageing Well in Sutherland Shire* is addressing the issues of an ageing community (Mayoral Minute No. 3/07-08 [Notes Link](#)). One element that has been identified by Council for further consideration is how to address the issue of housing as experienced by aged persons and the possibilities of facilitating more designated Aged Persons Housing (MOT 027-07 [Notes Link](#)).

Figure 6 provides an indication of the age structure of the Shire as recorded in the 2006 Census and highlights how it is ageing. Census data indicates that between 2001 and 2006, the median age of residents of the Shire increased from 35 years to 37 years. This means that currently more than half

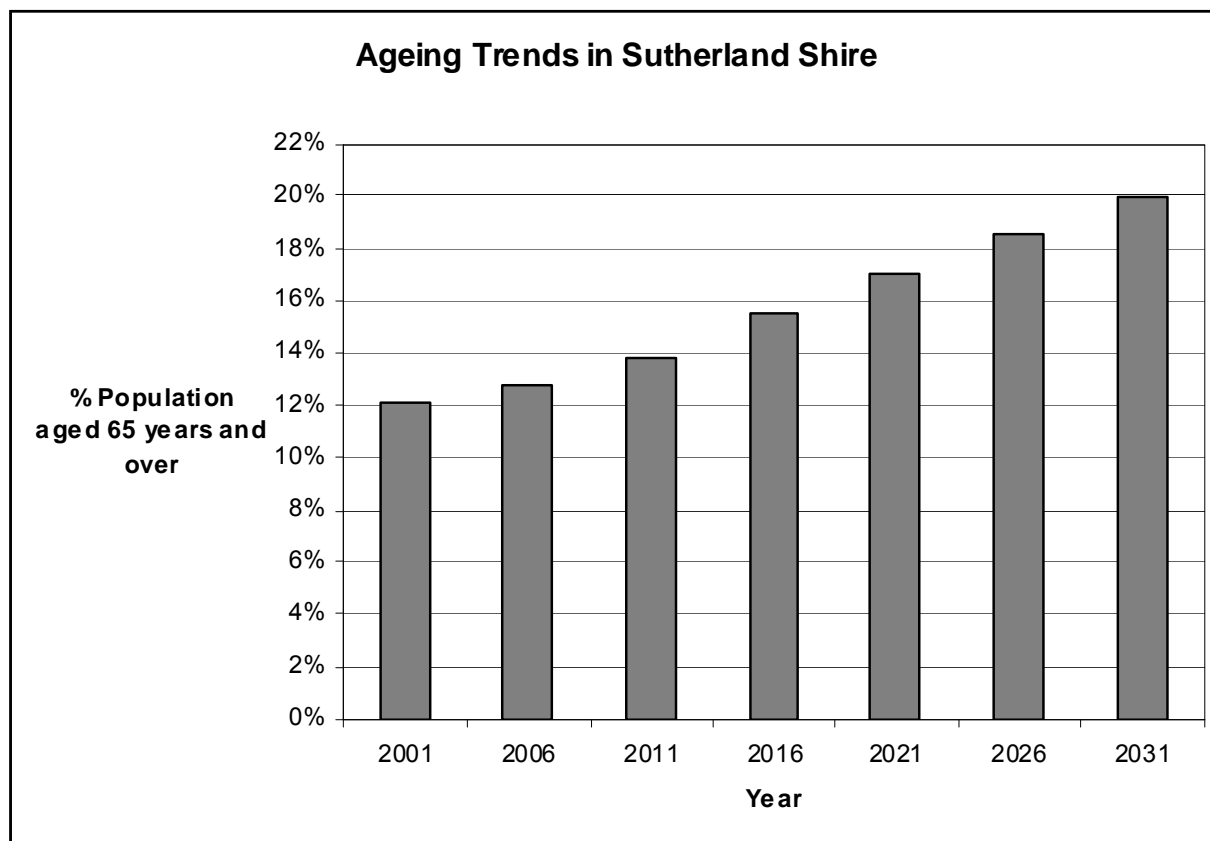
of all Shire residents are aged 37 years or more. The graph in Figure 6 also highlights the proportion of the population that is currently aged between 35 and 49 years of age and 50 to 59 years of age. This group will become the aged population within the next 30 years. Council's Housing Strategy must aim to influence housing supply to 2031.

Figure 6 - Age Structure



The proportion of residents aged over 65 years was 13% of the population in 2006. Population estimates for 2031 suggest that this proportion will increase to 20% of the population. Figure 7 below highlights this trend.

Figure 7 - Population forecasts to 2031 (65 years and over)



Older people have particular housing needs. As aged persons make up a greater proportion of the Shire's population the housing stock needs be able to meet their needs. This will only occur through careful long term planning.

There are a number of forms of housing that meet the needs of people as they age which can broadly be divided into two categories:

- Housing designated specifically for older members of the community. This includes residential aged care facilities (hostels, nursing homes), retirement villages and Seniors Housing developments. These forms of development generally include some form of care or assistance, or facilitate the efficient provision of services to residents by external suppliers.
- Housing which is not specifically designated for older members of the community, but which accommodates their needs. This can include dwelling houses, dual occupancy development, villas, townhouses and residential flat buildings. These forms of development are generally more suitable for older residents who are still independent, although support may be provided through service providers, family or others enabling people to remain independent longer. Minor design elements can greatly assist resident's ability to remain in such independent housing as they age, such as minimal changes in level within the building and the site, bedrooms and living areas at entry level, lift access, and low maintenance building materials and gardens.

A Council survey of aged persons (over 64 years) was conducted in 2007 to obtain information about housing choice for ageing persons. 70% of respondents live in two and three bedroom homes and 80% of respondents said their current housing size was "About Right". The highest levels of feeling that their current house was "too big" was among respondents aged less than 75 years; this group of respondents also showed the highest levels of 4+ bedroom home ownership. While a shift away from larger homes was evident with increasing age, even for the over 80's homes with 3 or more

bedrooms still predominate. Nevertheless there are suggestions of generational change with an increasing number of older residents being willing to consider a change in housing.

Overall 86% of respondents rated their current home as being suitable for them. The perceived suitability of their current housing generally increased with increasing age, although the under 70's were an exception, indicating relatively lower suitability ratings. However, 80% of the under 70's still rated their current home as suitable. Difficulties with home maintenance affected one in five respondents while difficulties with garden maintenance affected one in four respondents, making these significant issues. In relative terms, the 70 to 74 year age group reported relatively higher levels of difficulty with both home and garden maintenance, while the over 85's recorded very high levels of difficulties with both these aspects.

With respect to older people's future intentions toward moving house, and the type of house potentially chosen when and if they moved, a significant proportion (one third) of respondents have not considered the issue of moving. For a further 40% of respondents, moving home will potentially not occur for them for at least another decade. The primary housing types sought when moving were villas and retirement villages, especially for those intending to move within the next 10 years.

The under 70s showed the highest likelihood of moving, with that move occurring in the short term (within 5 years). In addition to a preference for villas and retirement villages, the under 70's also demonstrated a stronger demand for houses and townhouses.

A higher demand for hostel accommodation was found among the over 80's. In respect of the preferred location for future housing, no clear preference emerged between neighbourhoods, local centres or major centres.

More than three quarters of respondents felt that there was neither sufficient supply nor diversity of housing for older people.

The survey findings that many older persons have not considered, or are not anticipating, moving for a considerable time period are consistent with the trends anticipated by other external commentators. Bernard Salt, KPMG demographer, predicts that 'inertia' will ensure that the majority of the 'baby boomers' will remain in the home that they raised their families in, due to the high costs of relocating and the strong geographic bonds to their community. It has also been suggested that many will not downsize as they will expand to fit the space available in their home, for example the empty bedroom could become the office.

Another commentator (Quirk, 2008) has suggested that the ability of some older households currently living in detached dwellings to move to new, low maintenance, well located, smaller dwellings may be constrained by:

- The difficulties in supplying such dwellings in already developed and established areas,
- High transaction costs associated with moving, including real estate agents commissions, legal fees and stamp duty which increase the cost of land and houses,
- Small price differentials between the older detached dwelling and the new dwelling due to higher construction costs associated with multi-unit dwellings.

BIS Shrapnel has identified that if baby boomers do not move in significant numbers over the next decade, real estate volumes will drop dramatically. It has also identified that empty-nesters and retirees will make up the bulk of the residential housing market over the next five years, as affordability constrains the activities of first-time homebuyers and up graders.

These trends have the following implications for Sutherland Shire:

- The increasing numbers of aged persons, and suggested shortage of appropriate housing for this group suggests a need for greater provision of appropriate housing (in form, size and design) for this demographic group.
- The expressed preference for villas and retirement villages among those considering a move highlights the need for more dwellings to take this form of housing.
- Although older people have not identified preferred locations, they have expressed a desire to remain within their personal networks. Permitting appropriate development in and close to their existing residential areas can achieve this.
- A large proportion of residents will want to remain in their family dwelling as they age. For high wealth individuals this will remain an option because the costs of maintenance and support services can be met.
- Older people looking to downsize their property to make independent living easier should be able to source alternative housing forms in their local community.

5. *Inability to cater for natural population growth.*

Council will need to ensure that there is opportunity for sufficient increase in dwelling numbers over time to support the natural increase of households in the Shire to provide housing for young people moving out of home and young families trying to establish themselves in the Shire.

Between 2001 and 2006, the following statistics indicate the migration patterns of the Sutherland Shire residents:

- 120,391 residents did not move at all (58.6%)
- 35,886 residents moved within the Shire (17.5%)
- 18,469 residents moved from other parts of NSW (9.0%)
- 2,706 residents moved from other parts of Australia (1.3%)
- 4,723 residents moved from overseas (2.3%)
- 463 residents moved from a not-stated area (0.2%)
- The remaining 11.1% was not stated or was not applicable.

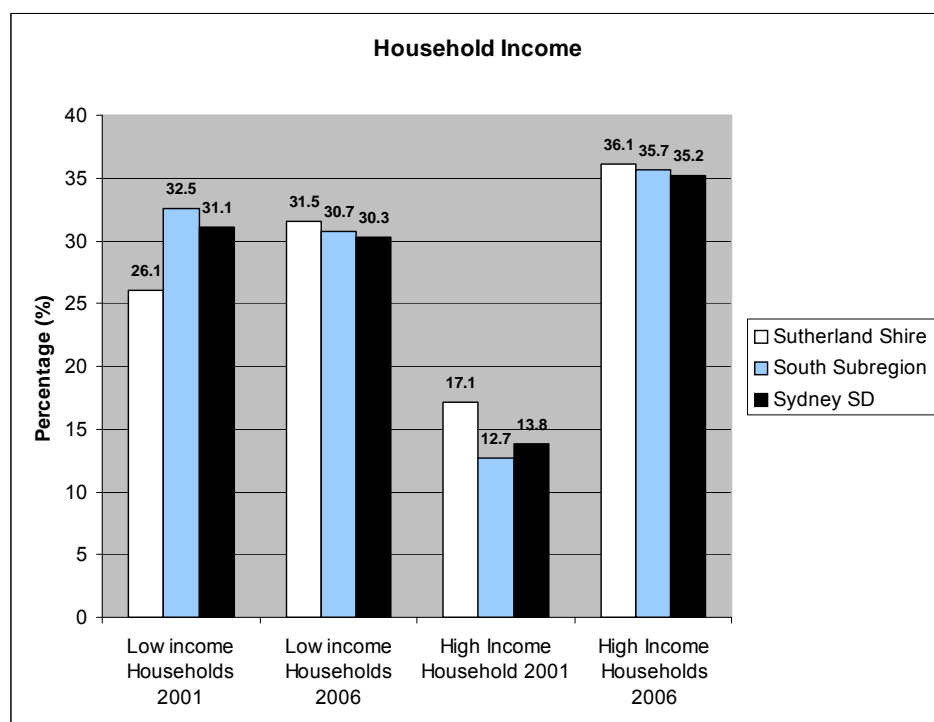
These figures suggest that in-migration is not a particularly dominant trend throughout the Sutherland Shire. 76.1% of the population either did not move during this period, or only moved within the Shire. This trend reinforces the relatively stationary nature of the overall Shire population. Although 30.3% of the population moved between 2001 and 2006, a large majority of this movement was internal, with only 12.8% of residents relocating to the Shire from an outside area. However, a significant trend was that between 2001 and 2006, 27,260 residents left the Shire to live elsewhere in Australia while only 21,175 people moved into the Shire from elsewhere in Australia. This is a net loss of 6,085 residents. This is a significant trend because it may in part reflect poor housing opportunities in Sutherland Shire, particularly in terms of affordable housing options for young people and families.

6. *Housing Affordability*

Household income is the most relevant indicator of the ability of a household to afford to pay for housing. Median household income has increased over the period 1996 to 2006, from \$903 per week in 1996 to \$1151 per week in 2001 (5.0% p.a.) to \$1373 per week in 2006 (3.6% p.a.). In 2006 median household income levels in the Sutherland Shire were 20% higher than the median household income level in the Sydney Statistical Division.

The number of households classified as high income and low income provides a more informative view of household income over time. This comparison is presented in Figure 8.

Figure 8 - High and Low Household Incomes



¹ In 2001, a low income household had a weekly household income of \$699 or less and a high income household had a weekly household income of \$2000 or more. In 2006, a low income household had a weekly household income of \$799 or less and a high income household had a weekly household income of \$1500 or more (Department of Housing database).

In 2001, 26.1% of households in Sutherland Shire were categorised as low income households. By 2006, this proportion had increased to 31.5% of households.

As a comparison, in 2001 31.1% of households in the Sydney Statistical Region were categorised as low income households, while in 2006 this proportion had reduced slightly to 30.3% of households.

It should be noted that for high income households the data does not allow a direct comparison because the criteria changed with the income level decreasing.

In 2001, 17.1% of households in Sutherland Shire were categorised as high income households. By 2006, this proportion had more than doubled to 36.1% of households. As a comparison, in 2001, 13.8% of households in the Sydney Statistical Region were categorised as high income households, while in 2006 this proportion had increased to 35.2% of households. This indicates that the gap between the proportion of high income households in Sutherland Shire and the remainder of Sydney may have narrowed.

In summary, opposing trends have occurred in the inter-census period. There was a greater proportionate increase in the number of low income households and number of high income households in the Sutherland Shire than in the Sydney Statistical District (Sydney SD). This suggests that greater numbers of households in Sutherland Shire will experience difficulties in their ability to afford housing in the Shire.

Sutherland Shire has historically enjoyed low rates of unemployment. In 1991, the Shire's unemployment rate was 5.8% compared with 10.4% for Sydney SD. In 2006, the Shire's unemployment rate had decreased to 2.9% while for Sydney SD the rate had decreased to 5.3% (ABS Census Enumerated Data 1991 and 2006). This decreasing unemployment trend has continued, with the Shire's unemployment rate estimated in March 2008 as 2.1%, compared with 4.3% for the Sydney SD (Department of Education, Employment and Workplace Relations, Small Area Labour Markets, March 2008).

Although there has been decreasing unemployment in the Shire, there has been a significant shift in employment patterns from full-time employment to part-time and casual employment. This may affect the ability of some households to purchase homes due to greater uncertainties about future incomes.

Households in 'housing stress' are defined as low income and moderate income households paying more than 30% of their income in rent or mortgage repayments. In 2001 approximately 65% of low and moderate income households renting property in Sutherland Shire were experiencing rental stress. Although in 2006, there were a similar number of these households renting, the percentage in rental stress had declined to closer to 60%. This is in contrast to the trend in the South Sub-region and the Sydney SD. However, the significant increases in rent levels experienced since December 2006 are likely to have again increased the proportion of households in rental stress.

Similar trends are evident in relation to the proportion of households purchasing property who experience mortgage stress. In 2001, of the approximately 7,000 low and medium income households purchasing property in Sutherland Shire, with 62% (approximately 4,300 households) were experiencing mortgage stress. In 2006, there were more than double the number of low and moderate income households purchasing property (approximately 9,600); however only 55% of these households were experiencing mortgage stress. This is in contrast to the trend in the south sub-region and the Sydney SD, where increasing proportions of households experienced mortgage stress.

The adequate provision of affordable housing is of considerable importance in ensuring that people are not forced to leave their local areas. It is of benefit to the entire community for low-moderate income workers in key service areas such as childcare, aged care, emergency services, health, schooling and transport to be able to find affordable housing within close proximity to their place of work.

While Sutherland Shire has fared comparatively well in terms of housing affordability, supply is a critical element in the affordability equation. If the residents of Sutherland Shire expect that their children will be able to live locally, it will be critical to ensure sufficient adequate housing supply across all market sectors.

Performance of previous strategies

Sutherland Shire Council has had a housing strategy in place since 1983, with new strategies being implemented in 1993, and 1996 along with an update to the current strategy being drafted in 1999. The most recent strategy was adopted in 2001 and it provided a vision for growth up until the year 2010. A new strategy is now required to underpin the Standard Instrument Local Environmental Plan which must be completed in 2010. A summary of each strategy is provided below:

The 1993 Housing Strategy

In the early 1990's it was realised that the established housing strategy (1983 Sutherland Shire Housing Strategy) was in need of review, due to the following factors:

1. Most of the multi-unit development was occurring in residential detached housing areas, and not in the higher density zones around the train stations and shopping centres.
2. There was growing concern about the level of multi-unit housing being developed in inappropriate areas of the Shire.
3. The design of multi-unit housing was not considered appropriate for the area.

The general aim of the 1993 housing strategy was to ensure that multi-unit development was focused more around train stations and established centres. The 1993 strategy predicted that by the year 2010 the shire would have a population of 220,000 people, representing an increase of 25,000

people. The assumption was made that an additional 23,000 homes would be needed to meet this demand, with about 90% of the new housing stock being multi-unit housing.

This would change the dwelling mix in the Shire from 80% single detached homes and 20% multi-unit housing, to approximately 65% to 35% respectively.

The new housing was to be built in three main areas:

1. New release areas (Wanda and West Menai) – 7,500 dwellings.
2. Major centres and railway stations – 9,900 dwellings.
3. Scattered through existing areas – 5,600 dwellings.

The 1993 strategy predicted a high level of growth over the period from 1993 to 2010; however development did not occur at a consistent rate over this time frame. The majority of new dwellings were built in a multi-unit construction boom which saw high rates of growth from the mid 1990's up until 2001, after which construction diminished quickly, and has been decreasing every year since.

The Shire's present population of 213,917 in 2008 (Estimated Resident Population) is significantly lower than the figure predicted in the 1993 strategy of 220,000 by 2010. The strategy predicted a 12.83% increase in population when only 4.45% was achieved. It also predicted a 33.4% increase in dwelling numbers when only 11.8% was achieved.

The 1996 Housing Strategy

In 1996 a new housing strategy was adopted which significantly changed the development and population predictions leading up to 2010. Preparation of this strategy was part of a program initiated by the NSW Government and applied to all councils. The 1996 strategy focused on lowering the development potential and population predictions for the Shire generally. The reduced figures were largely due to a decision to remove the West Menai and Wanda new release areas from the strategy.

The 1996 strategy predicted that the Shire could accommodate 7,000 new dwellings within the existing zoning and planning controls. This was based on an estimated population of 205,000 by 2011, and an assumption that 12,000 dwellings would be needed to accommodate growth. It specified that the possibility for an additional 5,000 dwellings by rezoning and redeveloping land in the following areas:

1. Existing centres (rezoning) – 2000 dwellings
2. Neighbourhood centres (rezoning) - 2000 dwellings
3. Surplus Government sites – 1000 dwellings

The number of dwellings to be scattered through existing areas was raised to 7,000 representing a 20% increase from the previous strategy.

Despite reducing the population and dwelling predictions for the Shire, the late 1990's saw very high rates of multi-unit construction. This caused community concern at the time, eventually leading to a Department of Urban Affairs and Planning enquiry into the implementation of the strategy in July 1999.

The inquiry indicated that in the years immediately following the 1996 strategy there was a large increase in the approval of multi-unit housing above the levels predicted. This was not necessarily due to the policies of Council, but was seen to be caused by external factors such as market forces. This view point was expressed in the report by Gary Fielding which stated that it was 'reflective of the high increase of dwelling demand which existed in Sydney during this period'. In 1999 the strategy was updated to incorporate the 1996 census data. The 1999 update also changed some of the policies that had previously been put in place.

2001 Blueprint for Action

Sutherland Shire Local Environmental Plan 2006 was founded on extensive community consultation and analysis. Council reconsidered its housing strategy as part of the Blueprint for Action. Six options were presented for Council's consideration:

- Option 1 was the continuation of the 1999 strategy.
- Option 2 proposed a reduction in housing potential of 1,345 dwellings.
- Option 3 sought to make provision for 1,785 dwellings through achieving the potential of the planning controls that existed at the time by bring the controls into the new LEP without change.
- Option 4 made provision for an additional 3,825 dwellings by reducing dwelling potential in environmentally sensitive areas, increasing and centralising multi-dwelling development around and within centres in support of transport and environmental objectives.
- Option 5 made provision for 2,805 dwellings through decreasing potential in and around the centres but decentralising other multi-dwelling development throughout the Shire, including West Menai.
- Option 6 suggested a growth strategy of 5,825 dwellings by increasing housing potential in all zones except the environmentally sensitive and high risk areas.

It was eventually decided that option 1 would be chosen, this was the continuation of the 1999 strategy with minor changes. The main differences between option 1 and the existing housing strategy was that it called for the expansion of housing in neighbourhood centres and the rezoning of surplus government sites. In 1996 these ideas had been included in the strategy, but by 1999 they had been placed on hold due to resident concerns about development.

The population and dwelling targets set out in 1996 of 12,000 new dwellings and 9,000 new residents by 2011 were maintained in the 2001 strategy. It was calculated that since 1996, 7,535 dwellings had already been constructed, leaving an additional 4465 to be built over the next 10 years.

It is worth noting that none of the housing options listed were thought to be acceptable by the Department of Urban Affairs and Planning. Its view was that the options were considered inadequate to achieve the Shire's metropolitan housing responsibilities. It was only accepted by the Department of Planning on the basis that it had previously been accepted as the Strategy to 2010, and would be reviewed before 2010.

Blueprint for Action made mention of the fact that construction of an additional 4,465 dwellings was not considered to be sufficient to accommodate the existing population of the Shire, nor any natural growth in population over the coming years.

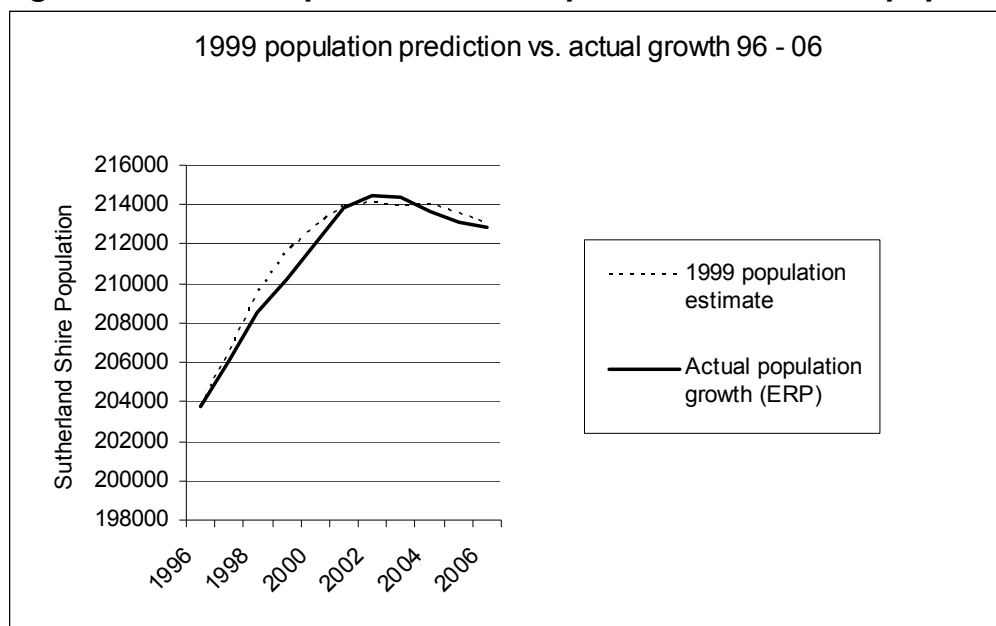
It stated that Housing Option 1 (the current housing strategy) would:

- Result in a reduction of the existing residential population by at least 1,000 persons.
- Make no provision for projected natural growth of the resident population.
- Make no provision for projected net migration into the Shire.

These predictions were well founded. To that extent implementation of the Housing Strategy has been successful and achieved the results that Council desired. Since 2001 the population of the Shire has not increased. Housing construction has also slowed dramatically and has been in steady decline for the past 7 years. The population and housing targets set out in 1999 have not been

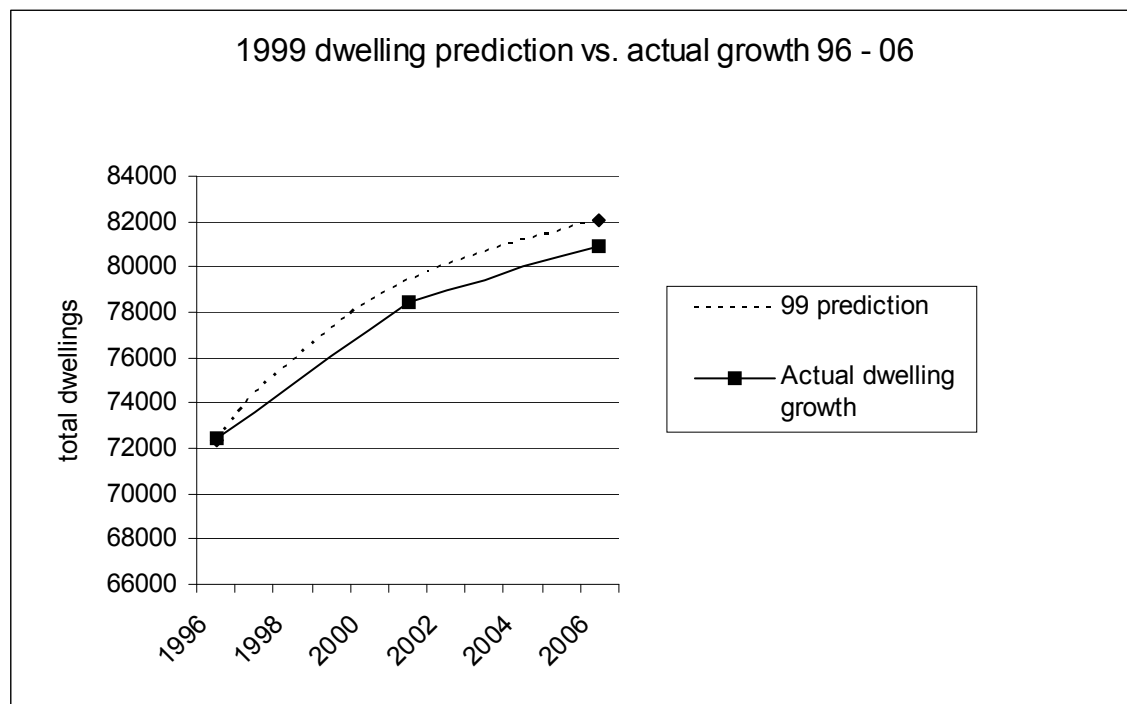
achieved, but are relatively close to what has actually occurred over the past 10 years as indicated in Figure 9 and Figure 10.

Figure 9 - 1999 Comparison between predicted and actual population growth



Source: ABS census figures, 1996, 2001, 2006, Sutherland Shire Housing Strategy 1999

Figure 10 - 1999 Comparison between predicted and actual dwelling growth



Source: ABS

census figures, 1996, 2001, 2006, Sutherland Shire Housing Strategy 1999

Subregional Strategy

The draft Subregional Strategy is an intermediate step in translating the NSW Government's 2005 Metropolitan Strategy "City of Cities: A Plan for Sydney's Future" to a local level. The draft Subregional Strategy identifies a hierarchy of town centres, types of employment areas, residential dwelling targets and strategies for accommodating growth in each local government area. Individual councils are required to ensure that this growth can be accommodated in appropriate locations by

their Standard Instrument LEPs. Sutherland Shire Council must have its Standard Instrument LEP completed by March 2011.

The draft strategy sets a target of an additional 35,000 homes within the South Subregion by 2031, with the target for Sutherland Shire being 10,100 dwellings. This target was calculated using 2004 as the base year. State regulations require each council to plan for sufficient zoned land to accommodate their housing target.

The draft strategy also identifies that housing demographics are changing, highlighting the anticipated growth in older persons within the subregion to 19% of the population, with the biggest increase in the proportion of older people expected in the Sutherland Shire. In response to these changing demographics, the draft strategy identifies the need for a mix of housing types to be provided, with particular emphasis on the provision of housing for seniors. The housing target will be reviewed regularly as part of the Metropolitan Strategy and five yearly reviews. It will also be checked annually through the Metropolitan Development Program (MDP).

While the Strategy calls for an increase of 10,100 dwellings in Sutherland Shire by 2031, 1,732 dwellings have already been achieved since the base year of 2004. Under SSLEP2006 zoning patterns, this number of dwellings could be achieved by a combination of villas and townhouses in low density areas, redevelopment of surplus sites and medium density development and mixed development in centres. However, the Strategy requires that 80% of dwelling growth occur within defined radii of identified centres.

Based on the current zoning of land for residential flat buildings and townhouses within the centres (the theoretical housing capacity of the land) and anticipated housing growth trends (the take-up rate), preliminary analysis suggests that 56% of the anticipated new dwellings in Sutherland Shire in the period to 2031 will be located within centres. As there is a requirement for 80% of the required new dwellings to be located within the centres, the effect of the Subregional Strategy is that Council must make provision for a further 2,700 dwellings within close proximity of centres.

The Environmental Planning and Assessment Act 1979 was amended in 2008 to increase the power of the Minister for Planning to appoint a Planning Administrator to carry out the functions of a council. Section 118 of the Act allows the Minister to appoint an administrator if a "council has failed to comply with its obligations under the planning legislation".

Failure to comply with planning legislation includes a failure to carry into effect or enforce the provisions of a direction under section 117 of the Act. A Direction has been issued under Section 117(2) of the Environmental Planning and Assessment Act 1979 giving "legal effect to the vision, land use strategy, policies, outcomes and actions contained in the regional strategies". The Southern Sydney Subregional Strategy will form part of this direction when it is finally adopted by the State Government. As such the dwelling targets of the Subregional Strategy must be considered as a mandatory requirement upon Sutherland Shire Council.

What Future Housing Supply should Sutherland Shire Council Aim For?

In determining its Housing Strategy Council must ultimately determine what future population it is aiming to accommodate by 2030. Population growth delivers broad community benefits, in particular:

- Population growth supports the viability of local business and shops,
- Population growth adjacent to local centres can lead to revitalisation,
- Population growth fosters school enrolments which protects the future of local schools,
- Population growth can lessen the impact of an ageing population, and
- Population growth is essential if natural population growth and local household formation is to be catered for.

Council needs to appreciate the interrelationship between dwelling numbers and population growth. The declining household occupancy rate means that more dwellings are needed each year to house the existing population. If Council were to attempt to pursue a no growth policy by reducing the construction of new housing, the actual population would fall. In fact even the rate of new dwelling construction in the last five years has resulted in a decline in the population. Maintaining the status quo in terms of dwelling production means that the population of the Shire will fall. Over time this trend will result in the direct opposite of the outcomes listed in the bullet points above.

Based on the current Estimated Residential Population figure from the 2006 Census data, the Shire population stands at 212,813. Estimated Residential Population (ERP) is the official population figure and is based on the population collected from the Census adjusted for errors or omissions plus estimates of births, deaths and migration patterns.

Occupancy rates provide a figure for the average number of people per dwelling. The calculation of these rates by ABS is based on the number of people counted in households divided by the number of households (occupied private dwellings) and therefore does not use the ERP. Table 1 shows the declining occupancy rates between 1991 and 2006 for the Sutherland Shire, with the current occupancy rate of 2.65 (2006 Census).

Table 1 - ABS Census calculations of occupancy rates (1991-2006)

		2006	2001	1996	1991
A	Number of persons counted in households	201098	201211	192302	182275
B	Households (occupied private dwellings)	75772	73530	68279	62008
C	Total unoccupied dwellings	5176	4924	4086	3687
B + C	Total number of Dwellings	80948	78454	72365	65695
A/B	Occupancy Rate	2.65	2.74	2.82	2.94

Source: ABS Census Data 1991-2006

Occupancy rates within the Shire have continued to steadily decline over the past 10 years. In 1996, the occupancy rate was 2.82, declining to 2.74 in 2001 and 2.65 in 2006. This represents a 6% decline over the decade. Based on these figures and the increasing trends of more single and two person households, it can be expected that this rate will continue to decline. A similar decline of 6% over the next decade would see the occupancy rate fall to 2.5 persons per dwelling by 2016.

ABS projections commissioned by Council suggest that the occupancy rate in 2011 within the Shire will be 2.56. Urban Development Institute Association (UDIA) projections to 2031 suggest an overall occupancy rate of 2.4 for the South West and North West sectors of Sydney. Although it is difficult to make predictions about housing and population with accuracy to 2031, the Shire's occupancy rate is likely to be lower than the western growth sectors because new release areas tend to have a younger demographic.

Generally speaking, the number of dwellings required to accommodate a stable population increases as the occupancy rates decline. For example, if the occupancy rate falls to 2.5 persons per household in 2031 an additional 4,667 dwellings would be required to accommodate the current population of 201,098. Similarly, a population increase of 2% by 2031 and a decline in occupancy

rates to 2.4 persons per household will result in the need for an additional 9,695 dwellings. Using the 2006 population of 201,098 as a base figure Council can estimate the additional number of dwellings required by 2031 for different growth scenarios. Table 2 shows this information.

Table 2 - Estimated additional total number of dwellings required in 2031 (2006-2031)

Population Increase	Population 2006 (no. of persons counted in households)	Predicted Occupancy Rate						
			2.6	2.55	2.5	2.4	2.35	2.3
Stable (0%)	201098	Number of additional dwellings required in 2031	1573	3090	4667	8019	9802	11662
Metro Strategy (approx 0.35%)	201799		1843	3365	4948	8311	10100	11967
1% Increase	203109		2347	3879	5472	8857	10657	12536
2% Increase	205120		3120	4667	6276	9695	11513	13411
5% Increase	211153		5441	7033	8689	12208	14080	16034
6% Increase	213164		6214	7822	9494	13046	14936	16908
7% Increase	215175		6988	8610	10298	13884	15792	17782

On the basis of published analysis, it is considered that an occupancy rate of 2.35 is a sound basis on which to measure a 2031 Housing Strategy. The table above shows that the Subregional Dwelling target of 10,100 dwellings would result in a population growth of only 0.35%. Such a low growth level will not deliver the positive flow on effects from growth described in this report, nor will it be sufficient to offset the impacts of an ageing population. In order to maintain the Shire as a vibrant and economically sound local government area, it would be in the best interests of the local community to promote future population growth.

Adoption of a Housing Target

The first step in Council's adoption of a new Housing Strategy is to determine what degree of population growth it wants to facilitate to 2031. At a minimum it must adopt a strategy that can deliver 10,100 new dwellings as required the Sub-Regional Strategy. Failure to achieve this rate would be contrary to Ministers Direction under Section 117 of the Environmental Planning and Assessment Act, 1979 and expose Council to the possibility of the Minister for Planning appointing a Planning Administrator to carry out Council's plan making functions.

However, Council should note that an increase of 10,100 dwellings represents a population growth rate of less than 1% (with an assumed occupancy rate of 2.35 persons per household). If the occupancy rate was to decline to 2.3 persons rather than 2.35 persons there would be an overall fall in population. Accompanied with an ageing population who will have a lesser propensity to spend, a 0.35% growth rate will be insufficient to maintain the Shire's existing economic base and maintain enrolments in local schools. It is also insufficient to cater for natural growth in the Shire's population and will exacerbate the ageing of the population as families will increasingly find it difficult to secure housing in Sutherland Shire.

If Council wants to achieve local economic and community benefits from population growth and offset the impact of an ageing community, it should aim to increase the population of Sutherland Shire by at least 5% by 2031. This would require provision being made for 14,080 new dwellings. Capacity within existing zones makes provision for 10,100 new dwellings. As such a 5% growth strategy would have to make provision for a further 3,980 dwellings.

The proportion of residents aged over 65 years was 13% of the population in 2006 and population estimates for 2031 suggest that this proportion will increase to 20% of the population. By achieving a population growth rate of 5% over this period the impact of an ageing population will be softened.

Older people are unlikely to move into Sutherland Shire. As such increasing housing supply will allow natural population growth to be better catered for, either through allowing older people the flexibility to move to a new smaller dwelling in their neighbourhood, thereby freeing up a large dwelling for a family, or giving more housing options to small households within the Shire. An increase in the population under 65 years would help to better maintain the current ratio of older persons as a percentage of the total Shire population.

Conclusion

Accommodating growth will require a review of the potential of each centre in Sutherland Shire, particularly those serviced by railway stations. Housing supply can be enhanced through revised floor space ratios and building heights in order to deliver more dwellings within existing higher density zones. Alternatively zone boundaries can be changed to provide more opportunities for higher density development. Given that choosing appropriate strategies will raise complex and emotive issues with affected communities, it will be difficult to identify localities that are suitable for increased residential density and yet are also acceptable to the affected community.

The next step in the adoption of the 2031 Housing Strategy will be a confidential workshop of the Strategy and Direction Committee. This is planned for 27 January 2009. At this workshop Councillors will be presented with a range of options for various localities showing what strategies could be put in place and how many dwellings each concept would yield. Council will then be able to prioritise options. This will form the basis of its Housing Strategy to 2031.

Clearly, the higher the growth target, the more initiatives Council will have to embody in its new LEP. Given that the decisions ahead will not be easy, it is recommended that Council adopt a 1% growth strategy as the basis of its new Housing Strategy at this stage. Once it has had a chance to fully assess the potential growth strategies which will be put forward for its consideration early in 2009, it can always reconsider its position if it is of the view that there are additional potential growth strategies that will deliver community benefits and which should also be pursued.

Report Recommendations

1. That the Housing Strategy for Sutherland Shire 2004-2031 be based on the provision of 10,657 additional dwellings, with the strategy providing:
 - total dwellings of 86,430 by 2031
 - an average of approximately 400 new dwellings per year
 - an average population increase of 80 persons per year.
2. That the Director - Environmental Services undertake a review to identify options for accommodating an additional 10,657 dwellings, including:

- (a) areas zoned for higher density residential development to determine their potential to accommodate additional dwellings.
- (b) areas in close proximity to centres that can provide good facilities and services that have the potential to increase housing choice and diverse housing forms.

Committee Recommendations

1. That the Housing Strategy for Sutherland Shire 2004-2031 be based on the provision of 10,100 additional dwellings.
2. That the Director - Environmental Services undertake a review to identify options for accommodating an additional 10,100 dwellings including:
 - (a) The Council review of current zonings to study how the number of dwellings can be accommodated.
 - (b) The undertaking of negotiations with the Department of Planning regarding the distribution of dwellings once this information is available.

Council Resolution

This matter was considered in conjunction with Mayoral Minute No. 7/08-09.



DRAFT HOUSING STRATEGY PART 2: WHERE SHOULD NEW DWELLINGS BE LOCATED?

COUNCIL REPORT NO. SDC009-09

27 January 2009

Purpose

This report builds on Council's decision of 1 December 2008 (SDC004-09 [Notes Link](#) and Mayoral Minute No:07/2008-09 [Notes Link](#)) to base the Housing Strategy for Sutherland Shire 2004-2031 on the provision of 10,100 additional dwellings and begins a discussion on the options open to Council to achieve this target.

Summary

The requirement of the Sub-regional Strategy that Sutherland Shire Council make provision for an additional 2,700 dwellings within centres requires Council to carefully consider the options available to it to increase future housing supply. In order to satisfy the Sub-regional Strategy Council will be required to make some difficult decisions to achieve the housing capacity target, but it should keep in mind that redevelopment and increased residential density can deliver wider community benefits. Council can use its decisions in relation to the housing strategy to maximise the flow on effects for the benefit of the local community.

The simplest way to increase the future supply of dwellings above that which potentially exists at present, is to review the development standards for residential flat buildings within existing zones. The applicable development standards directly affects the potential dwelling yield realised through redevelopment and also the economic viability of development. Increasing yields, or making it easier to achieve the existing development potential, will allow more dwellings to be delivered in localities where local communities currently expect to see redevelopment. As such this represents a way of contributing to the required housing target with least impact on existing communities. As such it is recommended that the Environmental Planning Unit explore how the existing development standards in SSLEP2006 and SSDCP2006 could be amended to deliver increased housing supply in centres. This will involve a review of building heights, floor space ratio controls and other key development standards. As part of this work further research is also to be undertaken on how strategies could be developed to stimulate the redevelopment of existing older style residential flat buildings to improve both the standard of design and landscaping and the amenity of residents.

However, this strategy alone will not produce the 2,700 additional dwellings required by the Sub-regional Strategy. Council will have to include the up zoning of land in some centres to meet its target. The Environmental Planning Unit is currently exploring detailed options available to Council to increase future dwelling supply in each of the centres identified this report. Detailed analysis of options will be reported to the Strategy and Direction Committee of 9 February 2009. Prior to making a decision it is recommended that all Councillors participate in a site visit to the most suitable localities so that they can appreciate the existing character of the locality and potential future building forms and densities.

Report in Full

Introduction

At its meeting of 1 December 2008 Council resolved:

2. That the Housing Strategy for Sutherland Shire 2004-2031 be based on the provision of 10,100 additional dwellings.
3. That the Director - Environmental Services undertake a review to identify options for accommodating an additional 10,100 dwellings including:
 - (a) The review of current zonings to study how the number of dwellings can be accommodated.

- (b) The undertaking of negotiations with the Department of Planning regarding the distribution of dwellings once this information is available."

With this broad target set, the next step in the preparation of Council's Housing Strategy requires decisions as to how and where this growth will be catered for. Housing supply is essentially determined by zoning boundaries, density standards and height limits. It can be provided through infill development, redevelopment of existing areas to higher density or through new development on green-field sites.

The provision of increased housing in a locality can deliver wider benefits than simply catering for new households. Infill housing and redevelopment to higher densities can revitalise existing centres by bringing new demand to local shops and can help facilitate public domain improvements, such as higher standards of footpaths and landscaping. Well located housing can also increase the use of existing public transport systems thereby reducing future traffic volumes. As such the best approach is for Council to seek to maximise other public benefits that can stem from redevelopment.

In comparison green-field development requires new infrastructure and community facilities to be provided, such as roads, drainage infrastructure, open space and community facilities, generally at significant cost to Council. Greenfield development typically involves the loss of existing bushland. Council's options for green-field development are however, limited essentially as a result of the degree of bushfire hazard in the west of the Shire, areas of environmental significance and topographical constraints. It is also significant that greenfield development will not help Council achieve the Sub-regional housing target because the additional dwelling capacity must be provided within close proximity to existing centres.

It is also critical that Council consider who will ultimately live in the future dwellings because different sectors of the housing market will have different housing preferences and needs. Housing forms also have an impact on the carbon footprint generated by the dwellings. Generally multi dwelling housing options give greater potential to lessen carbon emissions. It is possible to deliver a more sustainable environmental outcome in the long term if environmental considerations are factored into early decision making because zoning and development standards have a significant impact on the long term performance of dwellings.

Draft South Subregional Strategy

The draft Subregional Strategy sets out a hierarchy of centres, defined in terms of their character, density of development and size. The centres include areas within walking distance of shops and public transport nodes. They are defined spatially by radii that vary in size according to the category of centre and the number and type of services available.

How the centres in Sutherland Shire fall into the hierarchy of centres under the Subregional Strategy is summarised in the table below.

Centre Typology	Subregional Strategy Description	Centres
Town Centre	800m radius (a comfortable 10 minute walk) Town centre is a large group of shops and services with one or two supermarkets, sometimes a shopping mall, community facilities, medical centre, schools etc. Contain between 4,500 and 9,500 dwellings. Usually a residential origin rather than employment destination.	Caringbah Cronulla Menai Miranda Sutherland
Village	600m radius A strip of shops and surrounding residential area within a 5 to 10 minute walk containing a small supermarket, hairdresser, and take-away food	Engadine Gymea Kirrawee

	shops. Contain between 2,100 and 5,500 dwellings	
Small Village	400m radius A small strip of shops and adjacent residential area within a 5 to 10 minute walk. Contain between 800 and 2,700 dwellings	Illawong Jannali Kareela Loftus Southgate Woollooware
Neighbourhood Centre	150m radius One or a small cluster of shops and services. Contain between 150 and 900 dwellings	Bangor Como Heathcote Kurnell Sylvania Sylvania Heights Woollooware Station

The draft Subregional Strategy sets a target of 10,100 new dwellings by 2032, of which 80% must be within centres. Under the existing planning controls, some 5,380 dwellings can be accommodated in centres, meaning appropriate locations for an additional 2,700 dwellings must be identified in Council's Housing Strategy.

The size of the centres as defined in the draft strategy is generally significantly larger than has been conceptualised and planned for by Council in the past. In this report each centre is examined in turn to determine the relative merits of locating additional dwellings in the centre.

The zoning pattern around the larger centres generally consists of a central area around a train station or group of retail facilities which is identified as Zone 8 - Urban Centre or Zone 9 - Local Centre. These zones permit a range of retail and commercial uses. Residential flats are permissible as mixed use development (flats above shops/commercial at street level), and in some instances as single use residential flat buildings. Commercial centres are typically ringed with areas zoned for residential flat buildings (Zone 6 - Multiple Dwelling B) and villas and townhouses (Zone 5 - Multiple Dwelling A). Outside this ring of more dense residential zones, there is typically an area of Zone 4 - Local Housing (a zone where single dwellings predominate, but villas and townhouses are also permissible at a lower density). In contrast, most of the smaller centres classified as Neighbourhood Centres occur as an island of shops (Zone 10 – Neighbourhood Centre) in a low density residential area. This zoning pattern generally achieves a gradual transition from high density development to low density development.

A key challenge facing Council is that the residential flat zones that typically ring the centres are virtually fully developed. As the residential flats are Strata Titled they are unlikely to be redeveloped in the foreseeable future. This means that it is very difficult to discretely enlarge the existing centres to accommodate an increased residential population.

The draft South Subregional Strategy contains a number of other housing objectives:

Plan for an ageing population

The strategy notes that there will be an estimated increase of 19% in the number of seniors (over 65 years) in the south subregion over the next 25 years, with the greatest increase expected in the Sutherland Shire. All council areas will be expected to make provisions for seniors living housing in areas of good accessibility and local services.

Increase the mix of housing types

Associated with the ageing population and the increase in smaller household sizes is the need to plan for a variety of housing sizes and types. Although no actual targets are set in this section, the strategy states that there is an expectation that there will be an increase in the mix of housing types,

especially in areas with good accessibility (that is, the centres defined in the table above) which can support higher-density forms of residential development such as flats, villas and townhouses.

Improve the quality of urban design

The strategy notes that the Department of Planning will prepare design guidelines for the renewal of local centres. The Department is also planning initiatives to provide guidelines to improve design quality of new development, such as an extension of SEPP65 Design Quality of Residential Flat Development to include medium density housing forms such as townhouses and villas.

Improve the affordability of housing

Although no targets are stated, the Subregional Strategy notes the intention for the Department of Planning and councils to investigate opportunities to increase provision for affordable housing. For Sutherland Shire, the area around Sutherland Hospital is identified as an appropriate place for housing development that could be affordable.

These objectives guide the preparation of the Housing Strategy and consideration of the form of housing, to ensure that it is not simply a matter of focusing on the numbers to be achieved, but also addresses issues related to demographic changes, housing choice, affordability and amenity.

Who are we trying to provide housing for?

Different segments of the housing market have different needs in terms of the type of housing demanded. Age and lifestyle factors determine the priority residents place on access to public transport, availability of private outdoor space and other amenities. The four market segments identified below are growing as a percentage of household types and the Housing Strategy will be more relevant if these submarkets can be satisfied. Council should be aware of the needs of these groups in developing its housing strategy so that the housing supply created best serves the needs of the local community. Providing options for these smaller households to move into alternative forms of housing, frees up single dwellings for families seeking to establish in Sutherland Shire.

1. Currently aged >70 years

Residents aged 70 years and older are beginning to consider alternative housing forms due to difficulties in maintaining their home and/or garden and may be experiencing declining health. Survey results indicate that the preferences for this group are easy maintenance options such as villas and dual occupancies for those still able to live independently, and developments designed specifically for seniors e.g. retirement villages.

This group also has need for aged care facilities (hostels and nursing homes) to cater for those requiring higher levels of care. For those considering likely future needs, high quality multi-stage facilities, which may fall under the Seniors Living SEPP are also attractive options.

2. Ageing Residents > 55 years wanting housing options

Residents aged 55 years and over are an increasing proportion of the population. Many of these are living in the family home, but may be considering alternatives. Three sub-groups have been identified:

(a) High Net Wealth individuals/couples: This group expects that any move from the family home will be to a high quality, well located development, offering a 'lifestyle choice'. The alternative could take the form of a unit, villa or townhouse, but location and quality of design and finishes are important. Sutherland Shire provides very few localities where high end multi-unit dwellings predominate.

(b) Moderate Income individuals/couples: This group aims to realise the wealth held in their current property asset, and relocate/downsize to a housing form with reduced maintenance requirements

and access to local facilities, within their existing local community networks. Suitable housing forms include dual occupancies, villas, townhouses and units, all within proximity of centres.

(c) Low Income individuals/couples: This group is looking for affordable housing options, appropriate to their needs for easy accessibility, proximity to local facilities, services and public transport. Suitable housing forms include dual occupancies, villas, townhouses and units within centres; however, housing cost represents a significant barrier in moving to more suitable accommodation.

3. Young Singles/Couples

Young singles and couples represent new household formations. This group is looking for housing offering good locations relative to 'lifestyle' options – restaurants, retail facilities, beach and recreation facilities, as well as good public transport accessibility for commuting to work. Within this group, a range of affordability options is necessary.

4. Working Childless Households

This is a growing household type and a wide-ranging group. It incorporates working one or two person households and separated/ divorced individuals, who may have occasional or shared care of children. As a group, they have a wide range of housing needs, but access to facilities and public transport are important considerations in terms of location. Desired housing forms will also vary, but it is likely that flexibility in use of space are important considerations influencing housing choice, for example studies that can serve as spare bedrooms, home office facilities and private outdoor spaces may prove to be important considerations.

What are the Comparative Advantages of each Centre for Additional Housing Provision?

Each of the centres of Sutherland Shire has been considered in terms of its comparative advantages, and its suitability as a location for additional dwellings. The analysis was based on the strengths and weakness of each centre with each centre being rated on the basis of:

- Accessibility
- Development/redevelopment potential (including lot size)
- Potential for local economic benefits
- Potential contribution to community character and vitality
- Environmental risk and desirability of environment
- Residential amenity / quality
- Fit with existing centre characteristics
- Adequacy of infrastructure.
-

An overall rating has been determined based on these criteria. This analysis allows the comparative advantages and suitability of each locality to be compared. This analysis is set out in the table that forms **Appendix 1**.

A key challenge for Council in meeting its housing target is that the existing higher density zones in many centres are already extensively developed, and intensification of residential development in some centres is limited by environmental constraints e.g. bushfire risk. Other localities have limited potential for change or can be ruled out due to poor accessibility to public transport and services.

Though the analysis of the 21 centres summarised in the table in Appendix 1, the following 10 centres have been assessed as having potential for an increase in dwelling numbers:

1. Caringbah
2. Miranda

3. Sutherland
4. Engadine
5. Gymea
6. Jannali
7. Loftus
8. Woollooware
9. Como
10. Sylvania Heights

There are a number of possible options for increasing housing capacity within each of these centres. The Environmental Planning Unit is currently working through potential building forms to determine the contribution each option would make to future dwelling capacity.

Levers to Increase the Future Dwelling Supply in Centres

There are a number of levers available to Council to increase future dwelling supply. Simply, Council can increase density and facilitate more dwellings by;

1. changing the zoning of the land to a zone that permits a higher density form of development, such as changing a townhouse zone to a residential flat zone,
2. changing the FSR (Floor Space Ratio) permissible in a zone while keeping the same zoning of the land, such as allowing more units per residential flat building,
3. increasing height limits in areas where the permissible FSR potential can rarely be achieved, and
4. changing other key development standards in SSLEP2006 and SSDCP2006 that act as barriers to redevelopment, such as removing the minimum lot size criteria.

In arriving at a new Housing Strategy, Council needs to consider all these options. It is highly likely that the best solution will be a combination of all these levers.

Council needs to think strategically about what form of housing it wants to achieve and then tailor the development standards and controls to deliver good development outcomes. The majority of residential flat buildings in Sutherland Shire are three and four storey buildings. This height limit was largely determined by the need to have a lift in higher buildings. Other than high rise buildings, only building constructed in the last five years have lifts. However, the costs of lifts has substantially decreased in recent years and there are now single dwelling incorporating lifts and low rise building containing multiple lifts. Council also now requires lifts in all residential flat buildings of three storeys or more. This change in the cost of lifts allows additional building height to be achieved without changing the cost structure associated with residential flat development. Height should now be determined by design and environmental criteria relevant in each locality. For example where remnant trees or canopy trees are present it is possible to have a height of 15 metres and still keep within the canopy. A 15 metre building height would allow for a five storey building. Taller, more slender buildings can deliver improved design outcomes. For example a smaller building footprint allows greater cross ventilation to be achieved within residential units and more landscaping to be achieved at ground level. Providing enhanced views for residents from taller buildings also facilitates a higher level of amenity for future residents.

1. Review controls for the existing Residential Flat Zones

Most centres in Sutherland Shire currently have areas within Zone 6- Multiple Dwelling B, where residential flat buildings are permitted. The current controls require a minimum lot size of 1800 sq m, set a height limit of three storeys and a floor space ratio FSR limit of 1:1. There are also discrete

areas where higher heights and FSR are set in the Height and FSR maps that are part of SSLEP2006. Residential flats are generally permissible on minimum lot sizes of between 1200 sq.m and 1800 sq.m but are subject to a sliding scale for FSR of between 1:1 and 0.7:1. However, many older flats are four storeys in height as they have an undercroft for parking. As such much new development is of a lesser height than older style existing development.

Most of the land in Zone 6 – Multiple Dwelling B has been developed. The remaining land consists primarily of ‘isolated lots’ which cannot meet the minimum lot size requirement, even if amalgamated with adjoining lots. These lots generally have a single dwelling surrounded by residential flat development. There is also one area in Sutherland Centre, west of the railway line bounded by East Parade, Linden Street and Moore Street, where there is a larger area of land zoned Zone 6 – Multiple Dwelling B which has not developed for residential flats.

An option to increase future housing capacity is to realise the remaining development potential in the existing residential flat zones by allowing additional building height and a corresponding increase in FSR, together with a reduction in the minimum lot size. This would facilitate the development of many of the remaining land parcels in the zone. As the sites which would become attractive for flat development would be infill within the existing zone, the impact of an increased height and FSR would be limited, and may actually complement the existing streetscape as in many instances particularly where there has been little investment in the maintenance of the remaining single dwellings in the zone. The reduced minimum lot size may result in the improved appearance of developments, as lot sizes of 1800m² and above generally produce large scale bulky buildings. Smaller lots sizes will result in buildings with smaller footprints and greater amenity for residents, as development can more readily meet the design requirements of SEPP 65. This approach to greater height and FSR to achieve better design outcomes is consistent with recent Council merit approvals in Cronulla where residential flat buildings of four or more storeys, at densities greater than 1:1, have been supported on merit.

Increasing the permissible height and FSR generally in the zone may also provide the stimulus for redevelopment of existing older style residential flat buildings, built before the 1970’s and in particular those in North Cronulla. As many of these developments are already effectively four storeys due to above ground parking provision, redevelopment under the existing controls would not realise the existing FSR available. Redevelopment may improve the streetscape through good design, improved landscaping and also lead to improved design of the individual dwellings so improving amenity for residents.

Additional height could be accommodated within the residential flat zones of Cronulla because there is not a consistent existing building height. Development Applications regularly come before Council where an infill development of four storeys is proposed, despite a three storey height limit. These are often supported because there is development in the vicinity of up to seven storeys and the additional height does not result in significant impact on adjoining properties or the streetscape.

It is likely that the strata title arrangements associated with older residential flat buildings will serve as a limitation on redevelopment. However, many of these buildings are in need of refurbishment to improve the streetscape and amenity of residents living in these buildings. It is recommended that further work be undertaken on design principles and renovation design concepts to promote, inspire and guide the refurbishment of these buildings.

Although reducing the minimum lot size will facilitate the development of some lots, there will still be individual isolated lots of between 500 – 800 m² in the zone. These sites may provide the opportunity for an innovative form of flat development with limited number of units. These may be particularly attractive to the high end ageing submarket, due to their exclusivity, or to families, because the housing forms that could be achieved could include amenities typically associated with houses such as private gardens. Should Council be supportive of this, further consideration of the development controls necessary to encourage this form of development is required.

2. Review the development controls in centre zones

The centres in Sutherland Shire are zoned Zone 8 - Urban Centre, Zone 9 – Local Centre or Zone 10 – Neighbourhood Centre, with mixed use residential flat development permitted in all these zones. In some areas, 100% residential development is permissible. The current controls specify a general (default) height limit of three storeys in Zone 8 - Urban Centre and Zone 9 – Local Centre and two storeys in Zone 10 – Neighbourhood Centre. The standard FSR of 2:1 is set for Zone 8 - Urban Centre and Zone 9 – Local Centre and 1:1 in Zone 10 – Neighbourhood Centre. Variations increasing the permissible height and FSR are specified in the LEP. The higher height limits are up to eight storeys and FSR increases of up to 3:1 in parts of the major centres e.g. Cronulla, Miranda and Sutherland.

In addition, except in areas where 100% residential development is permissible, the mix of retail/commercial and residential uses is controlled in the DCP to a minimum of 60% commercial/retail use in the Urban Centre zone, 50% in the Local Centre zone and 40% in the Neighbourhood Centre zone.

As identified in Appendix 1, some centres are well suited for greater residential development. One lever to achieve this would be by reviewing the height and FSR controls in the centre zones, and it is also critical to reconsider the use mix controls. A 60% commercial/retail use in a three storey development is effective in ensuring that the lower storeys contain active uses, so contributing to the vitality of the centre. In a six storey development, this requirement is likely to be a significant limitation on the economic feasibility of any development, and so prevents the realisation of redevelopment. It also has the effect of minimising the residential potential of these centres. An increase in the residential component of buildings, particularly in the smaller centres, can revitalise the centres, especially at night. Should Council be supportive of this alternative, further research into the most appropriate height, FSR and mix of uses in each of the centres will need to be undertaken.

3. Rezoning

Rezoning essentially introduces new land uses into a locality. Because the Sub-regional Strategy has defined the size of the centres as generally being significantly larger than has been conceptualised and planned for by Council in the past, zoning boundaries can be changed so that the centre itself is larger. Within the centres identified as having suitability for an increase in the number of dwellings there are a range of potential areas where rezoning should be considered. In order to assist Councillors to identify and prioritise such areas, it is recommended that a site visit be undertaken to the priority centres before more detailed consideration is given to any specific option.

As part of the process, the community has also been provided with the opportunity to make submissions nominating localities where additional dwelling potential may be appropriate. Submissions received will be reported to Council, together with the outcomes of further work on any options endorsed by Council.

In identifying areas for rezoning, it should be remembered that the denser the housing form proposed for any area, the greater the potential for additional dwellings in that area. For example, if the required number of dwellings were provided solely in the form of villas and townhouses, this would represent 454 'typical' villa or townhouse developments. If however, this same number of dwellings was provided solely through three storey residential flat buildings, and assuming a 'typical' development with 22 dwellings, this would require 124 low rise residential flat buildings. Higher density residential or mixed use development such as those in the vicinity of the library in Sutherland, with an average of 38 dwellings per development is a further alternative. If all the required dwellings were provided in this form, 72 such developments would be required (ie average of three each year). If the required dwellings were provided in large high rise development, with approximately 100

dwelling in the development, 27 such developments would be required. In reality, the additional dwelling target should be provided in a mix of housing forms.

However, this analysis allows Council to conceptualise the effect of density on achieving the target. A strategy based on lower density infill housing will require a changed strategy over a wider area of the Shire, while a strategy based on higher density will confine the changes to fewer and more discreet localities.

At the same time, consideration should also be given to much longer term strategic planning. There may be land currently zoned Local Housing within the centres which is identified as appropriate for higher density residential use, where it is not necessary to rezone at this time because the target of 2,700 additional dwelling can be achieved through other strategies. It would be appropriate to 'turn off' the ability for this land to be developed for medium density housing for the foreseeable future, so as to preserve the land as a future long term option for the location of higher density development, should future demand for this arise beyond 2031.

What public benefits can Council deliver along with additional housing?

Redevelopment of a precinct can deliver more than simply increased housing supply. Set out below are other potential positive flow on effects. It is important that Council tries to maximise the wider public benefits from redevelopment by targeting locations which will benefit most from redevelopment.

1. Economic revitalisation of centres and neighbourhood shops

The provision of additional housing within close proximity to centres can assist in the economic revitalisation of the commercial and retail precincts adjoining these areas. The increased demand for retail and other services to cater for the local residents will contribute to the overall economic strength of the Shire. Opportunities for the older, neglected portions of some centres, such as Caringbah, to be revived should be addressed. Neglected individual sites can also be redeveloped to create a modern and vibrant focus for the local community, allowing for a competitive retail market, and further supporting the needs of the residents. Without revitalisation and increased local demand, existing centres will lose shops, making it harder for older people to readily access shops for their daily needs. This is particularly significant given that the Shire's population is expected to remain static over the period to 2031.

2. Streetscape improvements

The redevelopment of local residential and urban centres to accommodate future population generally includes improvements to the overall streetscape. With new development comes the opportunity for more attractive and visually appealing urban design forms. It should be noted that the architectural quality of residential flat buildings has substantially improved in recent years due to the involvement of the Architectural Review Panel. Developments which encourage pedestrian activity and buildings that address and activate the street can assist in making centres more appealing places to live. Streetscape improvements can include the delivery of community benefits such as wider footpaths, functional and safe public spaces, parks, street lighting, street trees, landscaping and improved pedestrian and cyclist accessibility. The treatment of unique corners and gateways within major town centres, such as Cronulla, can also benefit the broader community, through improvements to the overall public domain.

3. Better patronage of local schools and community facilities

The Shire's population is predominantly ageing. Only population growth will avoid a decline in the number of school-aged children. There are currently 20 public and 10 private schools located within the centres, in addition to 46 other primary and secondary schools located throughout the suburban areas. Existing schools and community facilities will continue to receive adequate patronage if there

is population growth, ensuring their future and so providing community meeting points to enhance a sense of community.

4. Improved Public Safety of Public Space

Open space areas and public places can be associated with risks to personal safety if they are not well designed, located and utilised. Current design practices for open space and public areas are based on the principles of passive public surveillance which improves public safety by deterring crime. Passive surveillance is achieved where an area is regularly used or observed by the wider community so that antisocial behaviour can be observed and witnessed. This acts as a deterrent to crime because it increases the chance of being caught. Increased residential density can help improve passive surveillance by bringing more people into a space and by having dwellings overlook public spaces.

Other Considerations relating to additional housing provision

1. Facilitating Greater Aged Persons Housing

Facilitating Aged Persons housing has been identified as a priority for Council (MOT027-07) [Notes Link](#). Stimulating the development of additional housing in centres provides the opportunity for self-contained, aged appropriate housing to be built. This will provide a wider range of options for ageing individuals to consider relocating to. New dwellings in centres meet the specific needs of being smaller, easier to maintain homes (including adaptable homes), within close proximity to a range of facilities and services. This allows ageing residents to better access services and shops without relying on vehicles. At the same time, this can free up large homes for families seeking to establish themselves in the Shire.

2 Affordability

A detached dwelling on a large block of land may be unaffordable for many who aspire to own their own home. The only housing options available to many residents are to consider a smaller home, or long-term renting. The housing strategy must address this by creating greater housing choice in terms of the range of dwelling sizes available within the local market. Providing opportunities for medium and higher density development at greater densities is also a way of addressing affordability, as the cost of the development, although greater in total, is shared among more owners, so reducing the individual dwelling cost.

The development potential of land owned by the Department of Housing may also increase opportunities for the provision of public housing for those least able to afford housing. The Department of Housing is generally looking toward improving and redeveloping much of its housing stock.

Increasing the development potential (by rezoning or changing the development controls) may result in redevelopment that improves the housing stock and the amenity of residents, as well as improving the streetscape and public domain around Department of Housing developments.

Conclusion

The requirement of the Sub-regional Strategy that Council make provision for an additional 2700 dwellings within centres in Sutherland Shire requires Council to carefully consider the options available to it. Council will be required to make some difficult decisions to achieve the target, but it should keep in mind that redevelopment and increased residential density can deliver wider community benefits. Council can use its decisions in relation to the housing strategy to maximise the flow on effects for the benefit of the local community.

It should also be noted that the target is relatively small when compared to the requirements placed on other Council's in the region. It represents an opportunity to address the local housing demand created by decreasing household size. Increasing dwelling numbers as required by the strategy will only deliver a population growth rate of 0.35% by 2031.

The simplest way to increase the future supply of dwellings above what potentially exists at present is to review the development standards for residential flat buildings within existing zones. The development standards directly affect the economic viability of development. Increasing yields or making it easier to achieve existing development potential, will allow more dwellings to be achieved in localities where local communities currently expect to see redevelopment. As such this represents a way of contributing to the required housing target with least impact on existing communities. As such it is recommended that the Environmental Planning Unit explore how the existing development standards in SSLEP2006 and SSDCP2006 could be amended to deliver increased housing supply in centres. As part of this work further research is also to be undertaken on stimulating the redevelopment of existing older style residential flat buildings to improve both the standard of design and the amenity of future residents.

However, this strategy alone will not produce the 2700 additional dwellings required by the Sub-regional Strategy. Council will have to include rezoning of land to meet its target. The Environmental Planning Unit is currently exploring detailed options available to Council to increase future dwelling supply in each of the centres identified this report. Prior to making a decision it is recommended that all Councillors participate in a site visit to the most suitable localities so that they can appreciate the existing character and the building forms being recommended. A bus tour would be the most appropriate way for Councillors to visit the areas under consideration. Saturday 7 February 2009 has been set as the date for the site visit. In conjunction with the site visit, Council will consider a confidential report to the Strategy and Direction Committee of the 9 February.2009 Given that there are range of options that could achieve the target set by the Sub-regional Strategy, a spreadsheet will be made available at the committee meeting so that Councillors can appreciate how its preferred strategy measures against the target. Ultimately a mix of several options will be required.

Report Recommendation

1. That further research be undertaken by the Environmental Planning Unit and reported to the Strategy and Direction Committee detailing how the existing development standards in Sutherland Shire Local Environmental Plan 2006 and Sutherland Shire Development Control Plan 2006 could be amended to deliver increased housing supply in centres and in existing residential flat zones adjacent to centres.
2. That further research be undertaken by the Environmental Planning Unit and reported to the Strategy and Direction Committee detailing what initiatives could be introduced to stimulate the redevelopment of existing older style residential flat buildings, particularly in Cronulla.
3. That further work be undertaken by the Environmental Planning Unit and be reported to the Strategy and Direction Committee of 9 February 2009 exploring in detail options available to Council to change zoning patterns to increase future dwelling supply in centres .
4. That a site visit be held on Saturday 7 February 2009 to the centres identified as having high priority for consideration of zoning changes.

Committee Recommendation

1. That further research be undertaken by the Environmental Planning Unit and reported to the Strategy and Direction Committee detailing how the existing development standards in Sutherland Shire Local Environmental Plan 2006 and Sutherland Shire Development Control Plan 2006 could be amended to deliver increased housing supply in centres and in existing residential flat zones adjacent to centres.
2. That further research be undertaken by the Environmental Planning Unit and reported to the Strategy and Direction Committee detailing what initiatives could be introduced to stimulate the redevelopment of existing older style residential flat buildings, particularly in Cronulla.
3. That further work be undertaken by the Environmental Planning Unit and be reported to the Strategy and Direction Committee of 9 February 2009 exploring in detail options available to Council to change zoning patterns to increase future dwelling supply in centres .
4. That a site visit be held on Saturday 7 February 2009 to the centres identified as having high priority for consideration of zoning changes.

Council Resolution

1. That further research be undertaken by the Environmental Planning Unit and reported to the Strategy and Direction Committee detailing how the existing development standards in Sutherland Shire Local Environmental Plan 2006 and Sutherland Shire Development Control Plan 2006 could be amended to deliver increased housing supply in centres and in existing residential flat zones adjacent to centres.
2. That further research be undertaken by the Environmental Planning Unit and reported to the Strategy and Direction Committee detailing what initiatives could be introduced to stimulate the redevelopment of existing older style residential flat buildings, particularly in Cronulla.
3. That further work be undertaken by the Environmental Planning Unit and be reported to the Strategy and Direction Committee of 9 February 2009 exploring in detail options available to Council to change zoning patterns to increase future dwelling supply in centres .
4. That a site visit be held on Saturday, 7 February 2009 to the centres identified as having high priority for consideration of zoning changes.
5. That work be undertaken with the state government to formulate an infrastructure audit prior to the implementation of any strategies.

APPENDIX 1

ACCESSIBILITY	DEVELOPMENT/ REDEVELOPMENT POTENTIAL	ECONOMIC : POTENTIAL FOR LOCAL BENEFITS	POTENTIAL CONTRIBUTION TO COMMUNITY CHARACTER AND VITALITY	ENVIRONMENTAL RISK; DESIRABILITY OF DEVELOPMENT	RESIDENTIAL QUALITY/ AMENITY	FIT WITH EXISTING CENTRE CHARACTERISTICS
TOWN CENTRES						
1. CARINGBAH – HIGH SUITABILITY						
-Walking: High accessibility -Public transport: High accessibility near main roads and train station HIGH	-Potential to increase residential density in commercial centre with additional height and FSR. - Some potential for infill development on edge of centre HIGH	-Centre is currently stagnating. New development may provide stimulus for revitalisation, despite competition from Westfield Miranda. -Potential to create an economic base focused on a medical services cluster and linking the hospitals into the centre. HIGH	-Potential to create a centre focused on the needs of aged people -Affordable housing options needed for hospital staff -Potential for housing for ageing population of moderate means -New development would provide funds and impetus to revitalise a rundown urban areas. HIGH	-No significant environmental constraints MEDIUM	-Potential for views from taller developments -Proximity to ocean, river and bay recreation amenities -Access to range of community facilities -Centre fragmented by heavily trafficked roads MEDIUM	-New development offers the potential to improve urban design of centre -High concentrations of ageing people in the local catchment HIGH
2. CRONULLA – MEDIUM SUITABILITY						
Walking: High accessibility -Public transport: High accessibility near main roads and train station HIGH	-Redevelopment of high density area currently limited by existing strata developments. -Redevelopment of high quality units would be stimulated by development standards allowing taller buildings MEDIUM	Increased residential population would support retail activity MEDIUM	-New dwellings would meet the demands of high net worth individuals seeking more accessible, lower maintenance housing options -New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities MEDIUM	-Area currently zoned for higher density development is close to sensitive coastal areas. MEDIUM	-Potential for views from taller development -Good accessibility to amenities (beach, waterways recreation, golf), shops, restaurants. HIGH	- Potential to facilitate the redevelopment of existing poor quality residential flat buildings and improve streetscapes HIGH
3. MENAI- LOW SUITABILITY						
-Walking: Medium accessibility -Public transport: High accessibility near main roads, but no train station MEDIUM	-Recently built housing stock and small lots limit redevelopment potential. LOW	-Increased residential population would support retail activity MEDIUM	-New development would provide funds and impetus to upgrade parks and community facilities. MEDIUM	-Bushfire risk in outer areas of centre LOW	-Proximity to Menai Centre facilities MEDIUM	- Recently built housing stock LOW

ACCESSIBILITY	DEVELOPMENT/ REDEVELOPMENT POTENTIAL	ECONOMIC : POTENTIAL FOR LOCAL BENEFITS	POTENTIAL CONTRIBUTION TO COMMUNITY CHARACTER AND VITALITY	ENVIRONMENTAL RISK; DESIRABILITY OF DEVELOPMENT	RESIDENTIAL QUALITY/ AMENITY	FIT WITH EXISTING CENTRE CHARACTERISTICS
4. MIRANDA – HIGH SUITABILITY						
-Walking: High accessibility -Public transport: High accessibility	--Redevelopment of high density area currently limited by existing strata developments. -Some potential for infill development on edge of centre -Some potential to redevelop existing older style single dwellings	-Largest retail centre in Sutherland. Growth not reliant on Increase in local population.	-Housing can be provided specifically for older people over 70 years old, and for the ageing of moderate and low income -New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities - Increasing number of young families may increase enrolments at public school.	- Areas of flood risk not appropriate for development	-Proximity to Westfield Shopping Centre, Sutherland Hospital and other medical services -Proximity to a range of community and sporting facilities.	-Some higher quality established single dwelling residential areas may not be suitable for redevelopment
HIGH	MEDIUM	LOW	MEDIUM	MEDIUM	HIGH	MEDIUM
5. SUTHERLAND – HIGH SUITABILITY						
-Walking: High accessibility -Public transport: High accessibility -Excellent access to city jobs	--Redevelopment of high density area currently limited by existing strata developments. -Some potential for infill development on edge of centre -Some potential to redevelop existing older style single dwellings	-Increased residential population would stimulate retail development, and retain local businesses and banks, despite success of Westfield Miranda.	-Housing can be provided specifically for older people over 70 years old, and for the ageing of moderate and low income -Increasing number of young families may increase enrolments at public school. -Highly suitable location of working one and two person households	-No significant environmental constraints	-Potential for views from taller development -Proximity to community facilities	-Existing development is mix of densities
HIGH	MEDIUM	HIGH	MEDIUM	HIGH	MEDIUM	MEDIUM
VILLAGE						
6. ENGADINE –HIGH SUITABILITY						
- Walking: High accessibility -Public transport: High accessibility -Excellent access to city jobs	--Redevelopment of high density area currently limited by existing strata developments. -Some potential for infill development on edge of centre -Some potential to increase densities close to railway station -Some potential to redevelop existing older style single dwellings	-Lively retail centre. -Increased population would support local businesses and banks.	-Housing can be provided specifically for older people over 70 years old, and for the ageing of moderate and low income	-No significant environmental constraints	-Potential for views from taller development -Proximity to community and retail facilities with wide range of services	-Existing development is mix of densities
HIGH	MEDIUM	HIGH	MEDIUM	HIGH	MEDIUM	MEDIUM

ACCESSIBILITY	DEVELOPMENT/ REDEVELOPMENT POTENTIAL	ECONOMIC : POTENTIAL FOR LOCAL BENEFITS	POTENTIAL CONTRIBUTION TO COMMUNITY CHARACTER AND VITALITY	ENVIRONMENTAL RISK; DESIRABILITY OF DEVELOPMENT	RESIDENTIAL QUALITY/ AMENITY	FIT WITH EXISTING CENTRE CHARACTERISTICS
7. GYMEA – MEDIUM SUITABILITY						
-Walking: High accessibility -Public transport: Medium accessibility	-Some potential to redevelop existing older style single dwellings -Some development potential in existing townhouse zone	-Increased residential population would further support this thriving retail and café strip	- New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities - New dwellings could meet demand for ageing of moderate income seeking accessible, low maintenance options	-No significant environmental constraints	-Proximity to café and retail strip and community facilities -Existing pleasant streetscape	-Existing development is mix of densities
MEDIUM	MEDIUM	MEDIUM	MEDIUM	MEDIUM	MEDIUM	MEDIUM
8. KIRRAWEE – MEDIUM SUITABILITY						
-Walking: High accessibility -Public transport: Medium accessibility	-Some potential to redevelop existing older style single dwellings -Sites in the Mixed Use zone have potential to provide additional dwellings that has not yet been realised.	-Increased residential population could rejuvenate existing retail development and support developing café strip.	-New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities -New dwellings could meet demand for ageing of moderate income seeking accessible, low maintenance options	-No significant environmental constraints	-Existing pleasant streetscape	-Existing development is mix of densities
MEDIUM	MEDIUM	LOW	MEDIUM	MEDIUM	MEDIUM	MEDIUM
SMALL VILLAGE						
9. ILLAWONG – LOW SUITABILITY						
-Walking: Medium accessibility -Public transport: Medium accessibility but no railway station	Mostly recent development unlikely to redevelop	Retail development serves local population	-Desirable location for families	-Bushfire risk in outer areas of centre	-Potential for water views -Proximity to waterway recreation	-Existing development has some medium density
LOW	LOW	LOW	MEDIUM	LOW	MEDIUM	MEDIUM

ACCESSIBILITY	DEVELOPMENT/ REDEVELOPMENT POTENTIAL	ECONOMIC : POTENTIAL FOR LOCAL BENEFITS	POTENTIAL CONTRIBUTION TO COMMUNITY CHARACTER AND VITALITY	ENVIRONMENTAL RISK; DESIRABILITY OF DEVELOPMENT	RESIDENTIAL QUALITY/ AMENITY	FIT WITH EXISTING CENTRE CHARACTERISTICS
10. JANNALI – HIGH SUITABILITY						
-Walking: High accessibility -Public transport: High accessibility -Excellent access to city jobs	-Some potential to redevelop existing older style single dwellings close to railway station	-Increased residential population would further support local businesses and shops in this thriving centre	-Highly suitable for childless working households seeking proximity to amenities and transport -New dwellings could meet demand for ageing of moderate income seeking accessible, low maintenance options -Increasing number of young families may increase enrolments at public school.	-No significant environmental constraints	-Proximity to community facilities -Existing pleasant streetscape	-Existing development is mix of densities -Possible to introduce areas of higher density with minimal effect on amenity of single dwelling areas.
HIGH	HIGH	HIGH	MEDIUM	MEDIUM	MEDIUM	MEDIUM
11. KAREELA – LOW SUITABILITY						
-Walking: Medium accessibility -Public transport: Medium accessibility but no train station	Mostly recent development unlikely to redevelop	Centre meets local needs currently.	-Desirable location for families	Environmentally sensitive land abuts edge of centre so limiting increasing densities		- Existing development comprises single dwellings
LOW	LOW	LOW	LOW	LOW		LOW
12. LOFTUS – MEDIUM SUITABILITY						
-Walking: Medium accessibility -Public Transport: High accessibility -Good access to city jobs	-Small commercial area has potential to grow. -Some potential to redevelop existing older style single dwellings close to railway station	-Increased residential population would support local shops and stimulate further retail development	-New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities	-Bushfire risk limits increasing densities beyond core of centre	-Potential for views -Close to Royal National Park and Sutherland Centre -Close to educational facilities of TAFE and University of Wollongong	- Existing development is mostly single dwellings, with a mixture of older style and more recent development.
MEDIUM	HIGH	HIGH	MEDIUM	LOW	HIGH	MEDIUM
13. WOOLLOOWARE – MEDIUM SUITABILITY						
-Walking: High accessibility -Public transport: Medium accessibility Woollooware Station close	-Some development potential in existing townhouse zone - small lot sizes limit redevelopment potential - Development potential overlooking golf course for prestige flats.	-Centre meets local needs currently. -Increased residential population would stimulate retail development	- New dwellings would meet the demands of high net worth individuals seeking more accessible, lower maintenance housing options - Highly suitable for childless working households seeking proximity to amenities and transport	-No significant environmental constraints	- Good accessibility to amenities (beach, waterways recreation, golf), shops, restaurants -Existing pleasant streetscape -Potential for views from higher density development	-Development would change character. Existing development around the shops is mainly established single dwelling residential, with some medium density.
MEDIUM	MEDIUM	HIGH	MEDIUM	MEDIUM	HIGH	MEDIUM

ACCESSIBILITY	DEVELOPMENT/ REDEVELOPMENT POTENTIAL	ECONOMIC : POTENTIAL FOR LOCAL BENEFITS	POTENTIAL CONTRIBUTION TO COMMUNITY CHARACTER AND VITALITY	ENVIRONMENTAL RISK; DESIRABILITY OF DEVELOPMENT	RESIDENTIAL QUALITY/ AMENITY	FIT WITH EXISTING CENTRE CHARACTERISTICS
14. SOUTHGATE – LOW SUITABILITY						
-Walking: Medium accessibility -Public transport: Medium accessibility. but no train station LOW	-Generally small lot sizes limit redevelopment potential LOW	- Large retail centre. Growth not reliant on increase in local population. LOW		-No significant environmental constraints MEDIUM	- Proximity to retail and community facilities MEDIUM	-Existing development is mix of densities MEDIUM
NEIGHBOURHOOD CENTRE						
15. BANGOR – LOW SUITABILITY						
-Walking: Low accessibility -Public transport: Medium accessibility but no train station LOW	- Recently built single dwellings unlikely to redevelop LOW	Centre meets local needs currently. LOW	-Desirable location for families LOW	-Bushfire risk in outer areas of centre LOW		-Existing development has some medium density, but mainly single dwellings LOW
16. COMO - MEDIUM SUITABILITY						
-Walking: Medium accessibility -Public transport: Medium accessibility. Trains not frequent MEDIUM	- Shops separated from train station with a hilly topography, so not ideal centre for redevelopment. -Lots east of the station zoned Zone 5 Multiple Dwelling A, but not yet redeveloped. MEDIUM	-Centre meets local needs - Increased residential population would stimulate retail development MEDIUM	-New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities -New dwellings could meet demand for ageing of moderate income seeking accessible, low maintenance options -Increasing number of young families may increase enrolments at public school. MEDIUM	Environmentally sensitive land abuts edge of centre so limiting increasing densities LOW	-Potential for water views -Proximity to river recreation facilities MEDIUM	- Existing development is mostly single dwellings, with a mixture of older style and more recent development. MEDIUM
17. HEATHCOTE – LOW SUITABILITY						
-Walking: Medium accessibility -Public transport: High accessibility MEDIUM	-Sites on Princes Highway appropriate for flats are already developed. LOW	-Centre meets local needs. LOW		Bushfire risk limits increasing densities beyond core of centre LOW	-Potential for views -Close to Royal National Park MEDIUM	-Existing development is mostly single dwellings, with a mixture of older style and more recent development. MEDIUM

ACCESSIBILITY	DEVELOPMENT/ REDEVELOPMENT POTENTIAL	ECONOMIC : POTENTIAL FOR LOCAL BENEFITS	POTENTIAL CONTRIBUTION TO COMMUNITY CHARACTER AND VITALITY	ENVIRONMENTAL RISK; DESIRABILITY OF DEVELOPMENT	RESIDENTIAL QUALITY/ AMENITY	FIT WITH EXISTING CENTRE CHARACTERISTICS
18. KURNELL – LOW SUITABILITY						
-Walking: High accessibility -Public transport: Medium accessibility but no train station LOW	-Environmental risk makes redevelopment unsuitable LOW	-Limited retail facilities available -Increased residential densities would stimulate some retail development LOW	 LOW	Land has significant environmental risk from flooding and industrial land use. LOW	-Potential for views LOW	Development would change character. Existing development is well established single dwellings LOW
19. SYLVANIA – LOW SUITABILITY						
-Walking: High accessibility -Public transport: Medium accessibility but no train station LOW	-Combination of low accessibility, proximity to waterway and topography makes redevelopment unsuitable LOW	-Centre is a dining destination -Centre caters for passing trade with food shops and some businesses. Unlikely to develop more as Southgate is nearby. LOW	 MEDIUM	Environmentally sensitive land abuts edge of centre so limiting increasing densities LOW	-Potential for views -Proximity to waterway recreation facilities -Proximity to restaurants MEDIUM	-Existing development has some medium density, but mainly single dwellings LOW
20. SYLVANIA HEIGHTS – MEDIUM SUITABILITY						
-Walking: Medium -Public transport: Medium accessibility but no train station LOW	-Potential for some medium density development. - Development potential adjacent to railway station. MEDIUM	-High number of vacant shops in local centre. -Increasing local demand could provide business stimulus. HIGH	-New dwellings could meet demand for ageing of moderate income seeking accessible, low maintenance options -Increasing number of young families may increase enrolments at public school. MEDIUM	-No significant environmental constraints MEDIUM	-Potential for views -Proximity to waterway recreation facilities - Location on busy road negatively impacts on centre MEDIUM	-Existing development has some medium density, but mainly single dwellings MEDIUM
21. WOOLLOOWARE STATION - MEDIUM SUITABILITY						
-Walking: Medium accessibility -Public transport: High accessibility and train station MEDIUM	-Some development potential in existing townhouse zone - Development potential adjacent to railway station. HIGH	-Nearby Woollooware Centre meets local needs. -Increased residential population would support local businesses in the centre HIGH	New dwellings could meet the demands of young singles/ couples and childless working households seeking proximity to amenities -New dwellings could meet demand for ageing of moderate income seeking accessible, low maintenance options MEDIUM	-No significant environmental constraints MEDIUM	-Proximity to Cronulla centre, and recreation amenities -Existing pleasant streetscape HIGH	Existing development near station is medium- density development MEDIUM