

**ST LEONARDS /  
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**CAMMERAY**



**NORTH SYDNEY COUNCIL**

## **NORTH SYDNEY COUNCIL**

**North Sydney  
Residential Development Strategy 2009**

**STON /  
ECRAFT**

**NORTH  
SYDNEY  
CENTRE**

**NEUTRAL BAY**

**SOUTH  
CREMORNE**

**LAVENDER BAY**

**KIRRIBILLI**

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# EXECUTIVE SUMMARY

## Introduction

A review of North Sydney's Residential Development Strategy (RDS) has been undertaken to establish the strategic framework for housing in North Sydney over the next 23 years to 2031. The RDS will form the basis for residential zonings and development standards under the new comprehensive North Sydney Local Environmental Plan (DLEP 2009), which Council is currently preparing.

The State Government, via the Draft Inner North Subregional Strategy, has indicated that North Sydney Council should contribute 5,500 additional dwellings between 2004 and 2031. Since 2004 over 1,300 dwellings have been approved meaning that DLEP 2009 should plan for 4,200 additional dwellings.

This RDS illustrates that DLEP 2009 will:

- Contain sufficient capacity to accommodate over 6,000 additional dwellings by 2031 on top of the 1,300 dwellings already approved since 2004. DLEP 2009 will therefore meet the NSW Government's draft housing target without having to make significant policy changes, upzonings or increases in development potential;
- Concentrate the bulk of new dwellings in Mixed Use centres in close proximity to retail, office, health, education, transport, leisure, entertainment facilities and community and personal services;
- Deliver housing choice for a range of socio-economic groups throughout North Sydney to meet the needs of existing and future residents; and
- Minimise the impact of new development on local character, amenity, environment and heritage.

## Housing Demand

North Sydney has a steadily growing and aging population that is choosing to live in smaller households. This trend is predicted to continue as illustrated in Figure 4. The result of these trends are an increasing demand for urban village living which is characterised by smaller dwellings, concentrated around centres in close proximity to retail, office, health, education, transport, leisure, facilities and services. This view is supported by the NSW Department of Housing, who forecast that by 2011, 89.1% of housing need in North Sydney will be for one or two bedroom dwellings.

## Housing Supply

### *Actual Dwelling Yield (2001-2009)*

Between 2001 and 2009 Council has approved 2,647 additional dwellings. The number, location and type of new dwelling approvals since 2001 illustrates that Council has successfully planned for the

aforementioned growing demand for urban village living. The impacts on local character, amenity, environment and heritage on surrounding lower density suburbs has been minimised by locating the majority of this new residential development in the high density mixed use centres.

#### *Potential Dwelling Yield (2009-2031)*

The analysis provided in the RDS illustrates that DLEP 2009 contains sufficient capacity to accommodate over 6,000 additional dwellings between 2009 and 2031. When this figure is added to the 1,300 additional dwellings already approved since 2004 it becomes clear that North Sydney Council will easily meet the NSW Government's housing target of 5,500 additional dwellings between 2004 and 2031 without having to make significant policy changes, upzonings or increases in development potential.

Council has planned for the aforementioned forecast demand for urban village living, by ensuring the majority of North Sydney's planned capacity for residential dwellings will continue to be 1, 2 and 3 bedroom apartments. Primarily this form of development will continue to occur in the mixed use centres of North Sydney's CBD, St Leonards, Neutral Bay, Cremorne and Crows Nest.

Balancing the provision of new development with impacts on local character, amenity, environment and heritage remains an important consideration. Demand for low density dwellings will be met by retaining intact areas of detached housing such as Cammeray, Cremorne, Waverton and Wollstonecraft.

## Housing for Seniors & People with a Disability

Council is preparing new DCP controls for housing for seniors or people with a disability that are consistent with the State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 and sensitive to local character. The new section will be incorporated into the new comprehensive DCP to be prepared in conjunction with the new LEP under the Standard Instrument.

## Adaptable Housing

North Sydney Council currently requires 10% of new residential units to be adaptable (Section 6.1 & 7.1 of NSDCP 2002). This requirement will be increased to 15% in the new DCP. This will assist in meeting the housing needs and choice for Council's aging population, the needs of people with disabilities, and to provide greater flexibility in housing stock to meet people's needs generally.

## Affordable Housing

In North Sydney, housing affordability continues to worsen due to increasing land/property values, increasing rents and loss of rental stock at the lower end of the market. Trends indicate that despite the approval of over 2,500 additional one, two and three bedroom apartments across North Sydney between 2001 and 2009, there has not been a flow on effect in reducing rental costs and property prices.

Demand for affordable housing in North Sydney remains high and vacancy rates are extremely low at less than 2% (NSW Department of Housing 2007).

Between 1997 & 2007 Council contributed \$1.95 million from section 94 levies to standalone and joint ventures with the State Government's Office of Community Housing (OCH). These properties are leased to Community Housing Lower North Shore (CHLNS), which then subleases the property to appropriate tenants. Of the 14 properties (containing 54 affordable bed spaces) managed by CHLNS, eight are fully owned by Council with the remaining six being joint ventures between the Council and the OCH. Council also has an interest in 15 other public housing properties.

Council is currently in the process of updating its Affordable Housing Strategy to address contemporary issues.

# 1.0 INTRODUCTION

A review of North Sydney's Residential Development Strategy (RDS) has been undertaken to establish the strategic framework for housing in North Sydney over the next 23 years to 2031.

The RDS will form the basis for residential zonings and development standards under the new comprehensive North Sydney Local Environmental Plan (DLEP 2009), which Council is currently preparing.

## 1.1 Objectives

The objectives of this residential development strategy are to:

- Establish a strategic framework for the location, type and extent of new residential development to be accommodated in North Sydney and to inform the preparation of DLEP 2009;
- Accommodate and manage the anticipated population growth for North Sydney in a sustainable manner; and
- Deliver housing choice throughout North Sydney to meet the needs of existing and future residents.

## 1.2 Principles

The following principles have been developed to provide a clear and concise direction for the preparation of the RDS 2009. The principles are:

- Concentrate new dwellings in centres within walking distance of shops, jobs, public transport, facilities and services;
- Minimise the impact of new development on local character, amenity, environment and heritage;
- Preserve existing and potential commercial floor space in the commercial core of the North Sydney CBD;
- Maintain existing mixed use areas as village centres for the local community;
- Discourage intensification and inappropriate redevelopment in sensitive areas, the foreshores or adjoining bushland, or where traffic access is limited, by maintaining existing lower density zones;
- Maintain housing choice by retaining intact areas of detached and semi detached housing and allowing for further development of apartments and attached dwellings only in appropriate locations; and
- Discourage further intensification in the areas of Kirribilli, McMahons Point, Waverton, Wollstonecraft and Cremorne Point which are considered fully developed in terms of the impacts of existing development on parking, traffic, heritage and infrastructure.

## 2.0 BACKGROUND

### 2.1 City of Cities Metropolitan Strategy for Sydney

In 2006 the State Government published a Regional Plan for Sydney, also known as the City of Cities Metropolitan Strategy for Sydney (Metropolitan Strategy). The Metropolitan Strategy was prepared to guide the growth of the Sydney Region for the next 25 years and embodies major decisions on the location of urban growth, new housing areas, employment, transport, schools and hospitals.

The Metropolitan Strategy applies to the Sydney Region that stretches from Hornsby in the North, to Sutherland and Campbelltown in the south/southwest and to the Blue Mountains in the west. It is complemented by a number of subregional strategies that are being prepared for the Greater Metropolitan Region.

The Metropolitan Strategy is based on moving towards a sustainable city with its three main principles being:

1. Environment    Protecting air, water, land and native flora and fauna and reducing use of natural resources;
2. Liveability     Creating local places that attract a diverse range of people; and
3. Economy        Supporting Sydney's role as a global city and ensuring its long-term prosperity.

The issues that are driving the preparation of the Metropolitan Strategy are:

- Urban growth and provision of housing;
- Employment opportunities;
- Use of natural resources and protection of the environment;
- Provision of infrastructure and transport; and
- Linking with the regions adjoining the Sydney Region.

The Metropolitan Strategy aims to provide a coordinated approach to the management of growth and change in the Sydney Region. Population growth will be supported by large-scale infrastructure provision, the development of employment centres and the integration of sustainability principles.

With regard to residential development, the Metropolitan Strategy identified that the Government is planning for an additional 640,000 new homes by 2031 to accommodate Sydney's expected population growth and changing household dynamics.

### 2.2 Draft Inner North Subregional Strategy

In July 2007 the draft Inner North Subregional Strategy (draft INSS) was released by the NSW State Government to provide more detailed guidance as to how the objectives of the Metropolitan Strategy can be applied at the local and subregional level. Ten subregional strategies underpin the State Government's vision for Sydney and its subregions to accommodate an additional 1.1 million people, 640,000 new homes and capacity for 550,000 new jobs by 2031.



The Inner North subregion comprises North Sydney, Mosman, Lane Cove, Hunters Hill, Willoughby and Ryde Councils.

The draft INSS proposes actions to be undertaken by State Government, agencies and local government and is intended to act as a framework for local councils in their preparation of new comprehensive LEPs.

The most significant elements of the draft INSS are the targets to be achieved by each Council for additional dwellings and increased employment capacity.

With respect to additional dwellings, the draft INSS identifies that the Inner North is to accommodate 30,000 new dwellings between 2004 and 2031. Of this, North Sydney is required to contribute 5,500 dwellings.

## 2.3 Planning Reforms and Standard Local Environmental Plans

The NSW State Government has embarked on a program of planning reforms aimed at simplifying and streamlining the NSW Planning System. The main objective of the planning reforms is to develop a unified system for the delivery of land use controls throughout NSW.

A major initiative of the State Government's planning reforms has been the development of a standard format for local environmental plans to be adopted by all councils in NSW. The Standard Instrument for Local Environmental Plans (also known as the standard template) was gazetted on 28 March 2006. It incorporates standard planning provisions, clauses, definitions and zones into the one document.

## 2.4 Current Local Environmental Plan

North Sydney's current Local Environmental Plan (NSLEP 2001) determines the location, intensity and types of residential development permitted across the local government area. NSLEP 2001 adopted an approach of facilitating higher density residential development within walking distance of shops, employment, public transport, facilities and services. This was implemented via significant upzonings in the mixed use areas of Milsons Point, St Leonards and Military Road.

## 2.5 North Sydney Draft Comprehensive LEP (DLEP 2009)

On 15 October 2007 North Sydney Council resolved to commence preparation of a new comprehensive LEP and to notify the Department of Planning of its intentions to do so.

The approach to the transition of the current NSLEP 2001 into the Standard Instrument has been to build on and reflect existing strategies and planning objectives. As a consequence the preparation of the new LEP will not include significant policy changes, upzonings or increases in development potential.

**In essence the new comprehensive LEP (DLEP 2009) will reflect the current NSLEP 2001 within the constraints imposed by the Standard Instrument.**

This RDS will illustrate how DLEP 2009 will accommodate the capacity for both the future housing needs of the community and the State Government's housing targets.

## 3.0 HOUSING DEMAND

### 3.1 Demand Drivers

The NSW Government's Metropolitan Strategy forecasts that Sydney's population will grow by an additional 1.1 million people between 2004 and 2031 – approximately 40,000 persons per year. This population increase, combined with demographic shifts means an additional 640,000 additional homes will be required by 2031 (Metropolitan Strategy 2006). This additional growth will have to be accommodated in both the greenfield fringes of the city and existing urban areas such as North Sydney.

The demand for housing in the North Sydney Local Government Area (LGA) is driven by a number of factors, including:

- The aesthetic and cultural characteristics of the LGA such as parks, bushland, foreshore areas and heritage retention;
- The proximity to employment areas, including Sydney City and North Sydney CBDs, both of which lie within the Sydney global economic corridor of industry and business, located between the airport and Ryde;
- Access to a range of retail, recreational, educational and health services; and
- The extent and accessibility of transport infrastructure.

### 3.2 Demographic Change

North Sydney's population is steadily increasing. In addition its population is ageing and the household occupancy rate is decreasing (i.e. fewer people living in houses). These three factors, discussed in greater detail below, will result in an increased demand for additional dwellings in North Sydney and need to plan for appropriate housing types.

#### 3.2.1 Population Growth

The resident population of North Sydney has maintained consistent growth since the mid-1990s, as illustrated in Figure 1. The population from the 2006 census is 58,259, which is an increase of 3,289 people since the 2001 census. In 2006, North Sydney accounted for 1.4% of the population of the Sydney Metropolitan Area, the same proportion as that recorded in 2001. Between 2001 and 2006 the population of North Sydney grew at an average annual rate of 1.0%, higher than the growth rates for Sydney and New South Wales (both 0.8%) over the same period (ABS 2006).

<b>Figure 1 – North Sydney LGA Population</b>					
	<b>2006</b>		<b>2001</b>		<b>1996</b>
	<b>Pop</b>	<b>Change (2001-2006)</b>	<b>Pop</b>	<b>Change (1996-2001)</b>	<b>Pop</b>
Males	27,714	1,726	25,988	1,564	24,424
Females	30,545	1,563	28,982	850	28,132
<b>Population</b>	<b>58,259</b>	<b>3,289</b>	<b>54,970</b>	<b>2,414</b>	<b>52,556</b>

(Source: ABS 2006)

With a population of 58,259 and a size of less than 11km<sup>2</sup>, North Sydney is currently the second most densely populated local government area in Australia behind Waverley (ABS 2006).

Population forecasts indicate that the resident population of North Sydney will continue to grow at the current rate, as illustrated in Figure 2.

<b>Figure 2 – North Sydney Forecast Population</b>			
	<b>2011</b>	<b>2016</b>	<b>2021</b>
Persons	58,259	54,970	52,556

(Source: forecast id 2008)

### 3.2.2 Household Growth and Change

Between 1996 and 2006, North Sydney has experienced a trend towards smaller households with the average number of people per dwelling decreasing from 1.92 to 1.90 people per dwelling, which is significantly lower than the Sydney average of 2.7 (ABS 2006).

North Sydney's average household size reflects a high proportion of single occupancy households (35%) and couples without children (57%) when compared to the Sydney average (22% and 33% respectively).

The trend towards smaller households is forecast to continue. Figure 3 illustrates the actual and forecast average household sizes up to 2021.

<b>Figure 3 – North Sydney Average Household Size (persons per dwelling)</b>						
	<b>Actual</b>			<b>Forecast</b>		
	<b>1996</b>	<b>2001</b>	<b>2006</b>	<b>2010</b>	<b>2015</b>	<b>2021</b>
Average household size	1.92	1.91	1.90	1.89	1.87	1.86

(Source: ABS 2006 & Profile id 2008)

The trend to smaller households is partially driven by North Sydney's aging population and a high proportion of young professionals, who are having children later in life, or having no children at all. For both these demographics, accessibility to transport, retail, recreation and health services are the primary criteria for choosing where to live.

### 3.2.3 Age Structure

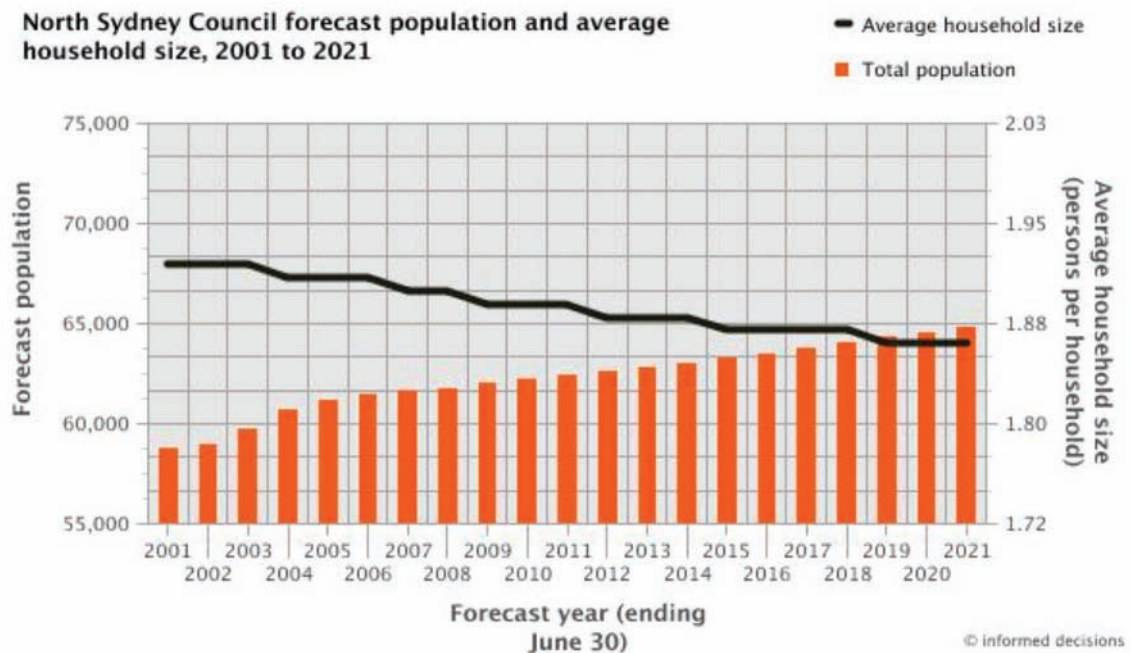
North Sydney's population is ageing and is comparatively older than the Sydney average. The average age of residents in North Sydney was 39.2 years in 2006, which was older than the averages for the Sydney Region (36.6 years) and New South Wales (37.5 years). The average age of residents in North Sydney increased by 0.7 years between 2001 and 2006.

Forecasts indicate there is likely to be an increasing proportion of people aged 55 years or older in the North Sydney area. Many are expected to be living alone or in small households which will lead to an increased demand for smaller housing and good access to shops, transport and services.

### 3.3 Summary

North Sydney has a steadily growing and aging population that is choosing to live in smaller households. This trend is predicted to continue as illustrated in Figure 4. The result of these trends are an increasing demand for urban village living which is characterised by smaller dwellings, concentrated around centres in close proximity to retail, office, health, education, transport, leisure, facilities and services. This view is supported by the NSW Department of Housing, who forecast that by 2011, 89.1% of housing need in North Sydney will be for one or two bedroom dwellings.

**Figure 4 – Population and household size Forecast (Forecast id 2007)**



## 4.0 HOUSING SUPPLY

### 4.1 Actual Dwelling Yield (2001-2009)

In 1995, the State Government required all councils to prepare a Residential Development Strategy to identify local housing opportunities and to zone land to cater for increased residential development. In response, Council prepared North Sydney's Residential Development Strategy in 1999 (RDS 1999).

The overall aim of RDS 1999 was to create the potential for dwelling and population increase in the North Sydney LGA. Specific objectives of RDS 1999 included:

- Upzoning certain areas to accommodate growth in an appropriate manner in terms of local character, access to services and facilities, employment and public transport opportunities;
- Maintaining and improving housing choice;
- Maintaining intact areas of detached housing;
- Creating more opportunities for town houses and apartments; and
- Reducing opportunities for less efficient forms of residential development.

Since 2001, these objectives have been achieved via zonings and development controls contained in North Sydney's Local Environment Plan (2001) and Development Control Plan (2002).

The following analysis outlines when, where and what type of new dwellings were approved during the last 8 years in North Sydney.

#### 4.1.1 Number of Additional Dwellings

In the eight years between 1 July 2001 and 30 June 2009 Council approved 2,647 additional dwellings, which is on average 331 dwellings per year. This nett increase is in excess of the RDS 1999 objective to supply approximately 300 new dwellings per year for the next 28 years. Figure 5 shows the number of additional dwellings approved each year between July 2001 and June 2009.

Figure 5 – Additional Dwelling Approvals by Year (2001-2009)		
Year	Additional Dwelling Approvals	%
2001	212	8
2002	549	21
2003	563	21
2004	333	13
2005	173	7
2006	562	21
2007	153	6
2008	74	3
2009	28	1
<b>TOTAL</b>	<b>2,647</b>	<b>100%</b>

#### 4.1.2 Location of New Dwellings

The majority of new residential development since 2001 has occurred in and around existing centres including St Leonards, North Sydney, Milsons Point, Cammeray, Cremorne, Wollstonecraft and the CBD, as shown in Figure 6. The extent and locality of new dwellings is consistent with the areas outlined for growth by the RDS 1999, with the exception of Milsons Point. Milsons Point has realised dwelling yield in excess of forecasts through the conversion of commercial space to residential.

<b>Figure 6 – Additional Dwelling Approvals by Location (2001-2009)</b>		
<b>Suburb</b>	<b>Additional Dwelling Approvals</b>	<b>%</b>
Lavender Bay	1	0.0
Cremorne Point	11	0.4
Waverton	14	0.5
McMahons Point	18	0.7
Kirribilli	32	1.2
Wollstonecraft	189	7.1
Crows Nest	192	7.3
Cammeray	223	8.4
Cremorne	233	8.8
Neutral Bay	247	9.3
North Sydney	375	14.2
Milson's Point	435	16.4
St. Leonards	677	25.6
<b>TOTAL</b>	<b>2,647</b>	<b>100%</b>

#### 4.1.3 Type of New Dwellings

North Sydney provides a significantly higher proportion of medium and high density dwellings (76%) than the average for Sydney (34%). The proportion of low density detached dwellings in North Sydney (12%) is significantly lower than the Sydney average (57%) (I.D. Consulting 2007).

NSLEP 2001 provides for a variety of housing types including low density attached and detached dwellings, medium density townhouses, high density residential flat buildings and mixed use apartments.

Since 2001 a trend toward higher density development has continued, with 92.4% of all new dwelling approvals being for apartments within high density residential zones (comprising Residential C, Mixed Use and Special Use zones).

Only 2.5% of approvals for new dwellings were in the medium density zone and 1.8% within low density residential zones respectively. This distribution is illustrated in Figure 7 below.

**Figure 7 – Additional Dwelling Approvals by Zone (2001-2009)**

Zone	Additional Dwelling Approvals	%
Residential A1	8	0.3
Residential A2	26	1.0
Residential B	66	2.5
Residential C	408	15.4
Residential D	14	0.5
Residential F	1	0.0
Residential G	13	0.5
Mixed Use	1,937	73.2
Special Uses	174	6.6
<b>TOTAL</b>	<b>2,647</b>	<b>100%</b>

#### 4.1.4 Summary

The number, location and type of new dwelling approvals since 2001 illustrates that Council has successfully planned for the aforementioned growing demand for urban village living. The impacts on local character, amenity, environment and heritage on surrounding lower density suburbs has been minimised by locating the majority of this new residential development in the high density mixed use centres.

## 4.2 Potential Dwelling Yield (2009-2031)

### 4.2.1 NSW Government Targets for New Residential Development

The draft INSS (see Section 2.2) prescribes that the Inner North subregion is to provide 30,000 new dwellings between 2004 and 2031, of which 5,500 are to be accommodated within North Sydney Council's LGA.

After taking into account the 1,300 new dwellings already approved by North Sydney Council between 2004 and mid 2009 (see Figure 5) the actual number of additional dwellings to be achieved between 2009 and 2031 is therefore reduced to 4,200.

This revised target of 4,200 equates to supplying the capacity or development potential for 183 additional dwellings per year for the next 23 years. However, to provide some context, over the last 8 years North Sydney has approved, on average, over 330 dwellings per year (see Section 4.1.1).

## 4.2.2 Capacity Constraints on New Residential Development

In assessing the existing planned capacity of the North Sydney LGA to supply additional residential dwellings, the remaining developable land area was determined after excluding a range of constraints on residential growth, including:

- Open space and bushland;
- Employment areas (CBD and St Leonards);
- Heritage items and conservation areas;
- Educational, health and community facilities and services; and
- Transport infrastructure.

Maintaining the demand for low density housing further restricts the locations where additional residential development can occur.

There are also constraints on the level of redevelopment in some areas, which would require significant additional infrastructure improvements. Impacts of development on traffic generation and road networks and improvements in the provision of public transport services also need to be considered. The adequacy of existing water supply, stormwater, drainage, open space and community facilities are important considerations in permitting additional development to take place.

## 4.2.3 Estimated Capacity for New Residential Development

The following analysis clearly illustrates that North Sydney can meet the required dwelling targets through both its current NSLEP 2001 and DLEP 2009 without having to make significant policy changes, upzonings or increases in development potential. This consistency is due to DLEP 2009 largely representing a transition of the NSLEP 2001 into the new format provided by the Standard Instrument. There have been no major departures from adopted strategies and policies that are currently in place.

As illustrated in Figure 8 the estimated planned capacity for additional dwellings under the existing NSLEP 2001 is 6,183 additional dwellings whilst under DLEP 2009 it is estimated to be 6,199 additional dwellings. These estimates are limited to the medium and high density residential and mixed use zones. Further capacity, although minor, for additional dwellings exist within the low density residential zones but has been excluded from the estimates.

The potential dwelling yields under the existing and proposed LEPs have been calculated using the methodology in Appendix A.



#### 4.2.4 Location of New Residential Development

The location of the planned capacity for additional dwellings across the LGA is illustrated in Figure 8.

Figure 8 – Location of Additional Dwelling Capacity (2009-2031)								
Planning Area	Existing LEP (NSLEP 2001)				Draft Comprehensive LEP (DLEP 2009)			
	Res B	Res C	Mixed Use	Total	Medium Density Res (R3)	High Density Res (R4)	Mixed Use (B4)	Total
North Sydney	4	70	1,936	2,010	4	70	2,023	2,097
St Leonards/ Crows Nest	44	51	1,483	1,578	44	51	1,358	1,453
Neutral Bay	79	272	509	860	79	272	509	860
North Cremorne	100	293	187	580	100	293	187	580
Cammeray	128	253	0	381	128	307	0	435
Lavender Bay/Milsons Pnt	70	56	200	326	70	56	200	326
Waverton /Wollstonecraft	60	177	85	322	60	177	85	322
Kirribilli	8	64	0	72	8	64	0	72
South Cremorne	28	26	0	54	28	26	0	54
<b>Total</b>	<b>522</b>	<b>1,261</b>	<b>4,400</b>	<b>6,183</b>	<b>522</b>	<b>1,316</b>	<b>4,362</b>	<b>6,199</b>

These figures are net estimates of additional dwelling potential and incorporate a 40% discount. The 40% discount is an important aspect of the analysis as its inclusion recognises that not all of theoretical development potential, under either the current or proposed LEP, will be realised due to a range of market realities. Such realities include market demands, financial feasibility and site-specific constraints.

For example, if a site containing a detached dwelling had the potential under the LEP to intensify the number of dwellings on a lot (i.e. redevelop into two or three townhouses) it is unlikely this would occur in all instances. The reasons for this might include:

- the desire of home owners to maintain their detached dwellings;
- the value of some properties may be greater as detached dwellings than as two or three town houses;
- single lots which are isolated by existing development; and
- the desirability, and thus market for, detached dwellings in North Sydney.

Likewise, it is unlikely that all sites, which have the potential to develop apartments under the LEP, will necessarily do so. Market conditions may not make redevelopment of some sites feasible. As a result, owners may prefer to refurbish existing property until market conditions become more favourable. Similar issues are applicable to owners of properties within the mixed use zones.

**It is important to note that even with a 40% discount on estimates, both the current and proposed LEP will contain the capacity to accommodate well in excess of 5,500 additional dwellings between 2004 and 2031, as required by the State Government.**

An overview of Council's capacity to accommodate new residential dwellings by suburb is provided below. The suburb boundaries correlate with those identified in the North Sydney Development Control Plan 2002. These boundaries are shown on the front cover of this RDS.

## North Sydney

A review of the North Sydney Centre planning controls, under North Sydney Local Environmental Plan 2001 – Division 4, was formally initiated in July 2005. Draft Local Environmental Plan 2001 Amendment No. 28 – North Sydney Centre (DLEP 28) was a product of this review and aimed to create greater certainty in the outcomes of the CBD planning controls with respect to the built form of the mixed use zones on the CBD fringe and the commercial potential of the core central business district. A further aim of DLEP 28 was to facilitate built form outcomes that are compatible with adjoining residential areas, and do not result in additional overshadowing of existing residential properties. The provisions of Amendment No. 28 have been incorporated into the comprehensive LEP (DLEP 2009). Amendment No. 28 has therefore been formally rescinded.

The core of the CBD (those areas generally bounded by Walker, Miller, Berry streets and Pacific Highway) will continue to be limited to commercial development only, with all forms of residential development prohibited. This is to preserve the Centre's important regional employment role as part of a Global City, as outlined in the Metropolitan Strategy, and to maintain the existing commercial space.

As demonstrated in Figure 8, it is estimated that under the provisions of DLEP 2009 development potential to accommodate 2,097 additional residential dwellings will exist in the mixed use and residential areas of North Sydney (suburb). This represents a capacity of over 90 additional dwellings per year for the next 23 years.

It is important to note however, that under DLEP 2009 a number of the mixed use properties in the North Sydney Centre will have the flexibility of being redeveloped as either fully commercial or predominantly residential developments (with non-residential uses provided on lower floors). This flexibility will allow property owners and developers to develop properties according to prevailing market conditions therefore providing adequate opportunity to renew fringe NSC areas.

In calculating dwelling capacity for these areas uptake of predominantly residential uses has been assumed. This is consistent with the development typologies of recent development applications. This explains the marginal increase in dwelling capacity from LEP 2001 to DLEP 2009.

Whilst Council and the Department of Planning support this flexibility it is obvious that redevelopment for one particular use (eg residential dwellings) will result in the loss of development potential for the other use (eg commercial floor space).

However, regardless of future market choices in relation to the aforementioned CBD mixed use properties, Council has planned for sufficient development potential to accommodate 5,500 additional dwellings across the LGA and 11,000 additional jobs in the CBD by 2031.

## Milsons Point / Lavender Bay

Together with St Leonards, Milsons Point has accommodated much of North Sydney's growth in residential dwellings. Since 2001 there have been 435 dwellings approved in Milsons Point and only one additional dwelling approved in Lavender Bay. The substantial level of development in Milsons Point has resulted in many residential dwellings exhibiting a poor level of amenity due to overshadowing and a lack of separation affecting outlook, privacy and solar access. A further consequence of the redevelopment of Milsons Point has been the substantial loss of commercial floor space, which, because of residential development's design and strata title, is unlikely, to be converted back to commercial use in the medium term.

It is estimated that under both NSLEP 2001 and DLEP 2009, Lavender Bay / Milsons Point has the capacity to supply an additional 326 residential dwellings over the next 23 years. This low level of additional dwellings reflects the fact that the area has reached or is near to its development capacity.

### St Leonards/Crows Nest

Between 2001 and 2009 North Sydney Council approved 677 additional dwellings in St Leonards and 192 additional dwellings in Crows Nest. Over 98% of these approvals have been in areas zoned for high density apartments and within walking distance of shops, employment, public transport, recreational, educational and health services.

The NSW Government's Metropolitan Strategy and Draft Inner North Subregional Strategy identifies St Leonards as a 'special centre' which spans North Sydney, Lane Cove and Willoughby LGAs. Under the Strategy, St Leonards will be required to accommodate 8,000 additional jobs and between 2000-5000 residential dwellings by 2031.

In response, North Sydney, Lane Cove and Willoughby Councils prepared the St Leonards Strategy to determine how this growth will be achieved and distributed across all three LGAs.

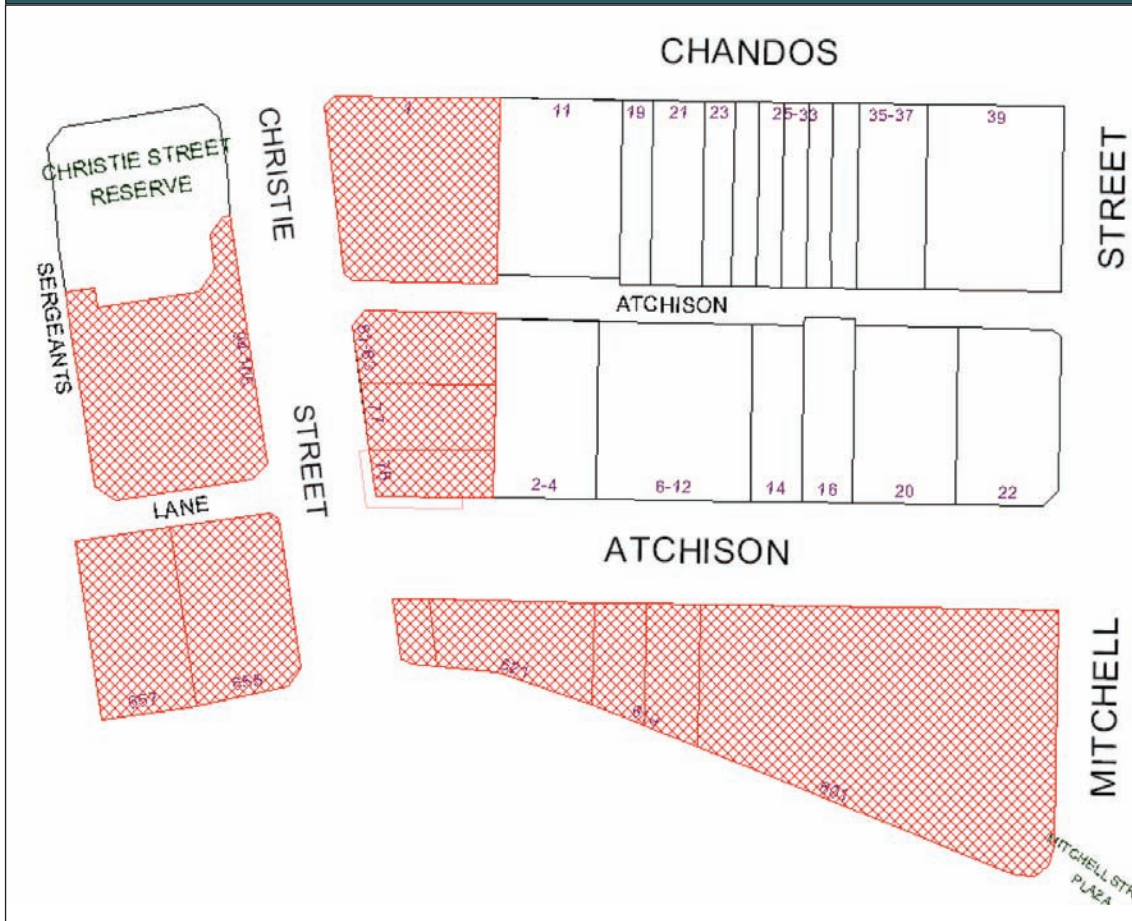
The St Leonards Strategy recommends a 'strategic growth' scenario to achieve the increase in workspace required to accommodate the 8,000 additional jobs in St Leonards. Under this scenario, key sites are identified for statutory zoning changes to promote commercial development opportunities.

With respect to North Sydney Council, the Strategy recommends rezoning the sites listed below and shown in Figure 9 from 'Mixed Use' to a 'Commercial' zoning:

- 601-657 Pacific Highway
- 94-106 Christie Street
- 75-81 Christie Street
- 1 Chandos Street

Despite currently being zoned Mixed Use, all of these identified properties currently contain commercial uses. Therefore the proposed rezonings will reflect the properties current use.

**Figure 9 – Location Proposed Rezoning in St Leonards**



At its meeting on 11 December 2006, Council resolved to support the rezoning of these identified sites to Commercial, as they are currently underdeveloped and have potential to accommodate commercial growth without adversely impacting upon adjoining sites. The current Mixed Use zoning of these sites is considered less desirable than the proposed Commercial zoning as they lack the required amenity and development potential to attract residential redevelopment. The rezoning of these sites to Commercial reduces the estimated development potential for additional residential dwellings in St Leonards by approximately 100 dwellings.

At its meeting on 7 December 2009, Council resolved to rezone the block bounded by Falcon Street, Willoughby Road, Burlington Street and Alexander Street to commercial (Figure 10). This was done to facilitate the redevelopment of the Alexander Street car park and to prevent the potential for future land use conflicts between commercial and residential uses. The rezoning of this land to commercial reduces the estimated development potential for additional dwellings in Crows Nest by approximately 45 dwellings.

Figure 10 – Location Proposed Rezoning in Crows Nest



Despite these losses, the remaining planned residential capacity in St Leonards and Crows Nest is estimated at 1,453 additional dwellings.

The majority of this development potential remains in the areas zoned Mixed Use situated along the Pacific Highway, Willoughby Road, Alexander Street, Albany Street, Atchison Street and Chandos Street.

This estimate is deliberately conservative as Council is aware of the need to balance development potential in St Leonards and Crows Nest with local character and amenity issues such as overshadowing, outlook, privacy and solar access. It is recognised that over the last 10 years some buildings in St Leonards have been developed without adequate separation or set backs. However, this should not be used as a reference or justification for proposed development. In this context, adequate setbacks and separation between buildings are an important consideration in ensuring reasonable amenity for residents.

Council intends to undertake a strategic study into the built form controls applying to St Leonards. Council will evaluate appropriate height, set back and building separation controls and development potential within St Leonards against a range of criteria including the overshadowing, solar access, privacy, visual amenity, access to open space, urban design and built form considerations.

#### Neutral Bay/Cremorne

Between 2001 and 2009 North Sydney Council approved 247 and 233 additional dwellings in Neutral Bay and Cremorne respectively.

Nearly all of the approvals (92% Neutral Bay and 78% Cremorne) have been for high density apartments along the Military Road corridor, which is well connected by bus routes and has access to a range of retail, recreational, educational and health services.

It is estimated that under both NSLEP 2001 and DLEP 2009, Neutral Bay and Cremorne (North & South) have the capacity to supply 860 and 634 additional residential dwellings respectively over the next 23 years. The vast majority of this development potential remains in high density zones situated along Military Road.

However, given the current traffic congestion on Military Road, careful consideration will need to be given to increased traffic generation derived from additional residents. Council is currently reviewing its parking policy and other mechanisms to discourage private vehicle use and minimise traffic generation derived from additional development.

### Cammeray

Between 2001 and 2009 North Sydney Council approved 223 additional dwellings in Cammeray, which represents almost 9% of the total approved in the LGA. The vast majority of these approvals were for apartment buildings along Miller Street, which has good access to public transport and a range of services within walking distance.

It is estimated that under DLEP 2009, Cammeray has the capacity to supply 435 additional residential dwellings over the next 23 years. This represents a slight increase in capacity upon LEP 2001 due to the rezoning of the ANZAC club site from Special Uses to high density residential. However, the vast majority of this planned development potential remains in medium and high density residential zones situated along Miller and West streets.

### Kirribilli

Between 2001 and 2009 North Sydney Council approved 32 additional dwellings in Kirribilli. This yield reflects the fact that Kirribilli is almost fully developed. Any additional capacity is likely to have adverse impacts on parking, traffic, heritage, visual amenity and stormwater run-off.

Therefore, it is estimated that under both the current and draft comprehensive LEP, Kirribilli has the capacity to supply 72 additional residential dwellings over the next 23 years.

### Waverton and Wollstonecraft

Between 2001 and 2009 North Sydney Council approved 14 and 189 additional dwellings in Waverton and Wollstonecraft respectively. A conversion of a hotel situated on the Pacific Highway into 116 private apartments overstates the true level of development activity occurring in Wollstonecraft. The remainder of approvals in Wollstonecraft were generally for demolition of existing townhouses and construction of small apartment blocks.

It is estimated that under both NSLEP 2001 and DLEP 2009, Waverton and Wollstonecraft has the

capacity to supply 322 additional residential dwellings over the next 23 years. The vast majority of this development potential is situated in the areas zoned high density residential and mixed use developed in the vicinity of the Pacific Highway. There are limited development opportunities in the remainder of Waverton and Wollstonecraft.

#### 4.2.5 Types of New Residential Development

DLEP 2009 will continue to provide for a variety of dwelling types. The majority of new residential development will comprise high density residential flat buildings and apartments within mixed use developments, concentrated in and around centres which provide ready access to retail, office, health, education, transport, leisure, entertainment facilities and community and personal services.

Also, it is important to note that substantial capacity remains throughout the LGA to accommodate townhouse developments within the medium density residential zone and dual occupancy, semi detached and detached dwellings within the low density residential zone.

#### 4.2.6 Summary

This RDS illustrates that North Sydney's draft comprehensive LEP (DLEP 2009) will contain the planned capacity to accommodate both the housing needs of the community and the State Government's housing targets.

Council has planned for the aforementioned forecast demand for urban village living, by ensuring the majority of North Sydney's planned capacity for residential dwellings will continue to be 1, 2 and 3 bedroom apartments. Primarily this form of development will continue to occur in the mixed use centres of North Sydney's CBD, St Leonards, Neutral Bay, Cremorne and Crows Nest.

Balancing the provision of new development with impacts on local character, amenity, environment and heritage remains an important consideration. Demand for low density dwellings will be met by retaining intact areas of detached housing such as Cammeray, Cremorne, Waverton and Wollstonecraft.

## 5.0 HOUSING NEEDS AND AFFORDABILITY

### 5.1 Housing for Seniors & People with a Disability

State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004, formerly known as SEPP 5 – Housing for Older People or People with a Disability and then SEPP (Seniors Living) 2004, applies to all forms of housing for seniors or people with a disability. Clause 5 of the SEPP states that where there is any inconsistency between the SEPP and another environmental planning instrument, the provisions of the SEPP prevail.

Notwithstanding, North Sydney Council was granted an exemption from the provisions of the SEPP, pursuant to Clause 20 and Schedule 3 of the SEPP, stating that the Policy only applies to those applications in North Sydney for aged care or disabled residential development carried out by the following:

- a) by or on behalf of the Director-General of the Department of Housing, or
- b) by or on behalf of a local government or community housing provider.

All other applications for housing for seniors or people with disabilities in North Sydney were thus assessed in accordance with the provisions of NSLEP 2001 and NSDCP 2002 that apply to residential development.

However, this exemption ceased to apply to North Sydney on 31 December 2008, pursuant to Clause 20 of the SEPP.

In response, Council is preparing new DCP controls for housing for seniors or people with a disability that are consistent with the SEPP and sensitive to local character. The new section will be incorporated into the new comprehensive DCP to be prepared in conjunction with the new LEP under the Standard Instrument.

### 5.2 Adaptable Housing

Adaptable housing is designed with accessible features that can be modified to meet changing needs of residents over time. Typical adaptable features include level and wider doorways and corridors, slip resistant floor surfaces, reachable power points, lever door handles and lever taps.

Living in an 'adaptable' home may ensure that the occupier does not need to move to a more accommodating residence, often at great cost. It extends the owner's life in their home, increases the value of their asset and the longevity of the dwelling.

North Sydney Council currently requires 10% of new residential units to be adaptable (Section 6.1 & 7.1 of NSDCP 2002). This requirement will be increased to 15% in the new DCP. This will assist in meeting the housing needs and choice for Council's aging population, the needs of people with disabilities, and to provide greater flexibility in housing stock to meet people's needs generally.



### 5.3 Affordable Housing

Affordable housing is defined as housing that is appropriate for the needs of a household in terms of size, form and location and within their means to pay for it (NSW Department of Housing 2007). Affordability is generally measured by comparing the rent or purchase price of housing with the household's income. A commonly used benchmark of affordability for lower income households is where housing costs are below 30% of gross income.

#### 5.3.1 Importance of Affordable Housing

It is critical that North Sydney provides a mix of appropriate and affordable housing, not only to meet household needs, but also to ensure communities can maintain social cohesion, support the functioning of local economies and sustain a range of local services and businesses.

#### 5.3.2 Current Status of Affordable Housing

In North Sydney, housing affordability continues to worsen due to increasing land/property values, increasing rents and loss of rental stock at the lower end of the market.

Figure 11 below shows the continual increase in rents from 2002 to 2007 for one, two and three bedroom dwellings in North Sydney (NSW Department of Housing 2007).

Figure 11 – Median rent for 1, 2 & 3 bedroom dwellings in North Sydney				
# Bedrooms	September 2002	December 2007	Change	
			\$	%
1 bedroom	\$285	\$350	\$45	16%
2 bedroom	\$360	\$450	\$65	18%
3 bedroom	\$540	\$650	\$60	11%

Similarly, the median sales price in North Sydney increased by 17% from \$495,000 to \$578,000 between March 2001 and September 2006 (NSW Department of Housing 2007).

These trends indicate that despite the supply of over 2,500 additional one, two and three bedroom apartments across North Sydney between 2001 and 2009, there has not been a flow on effect in reducing rental costs and property prices.

This decreased housing affordability potentially places many residents on lower and middle incomes, particularly families, under substantial financial stress.

#### 5.3.3 Demand for Affordable Housing

There has been a continuing decline in affordable housing stock in North Sydney, especially since the 1970's. The decline in affordable housing stock in recent years is primarily due to the redevelopment of boarding houses, upgrading and redevelopment of older apartment buildings (and their subsequent strata subdivision) resulting in loss of affordable bed spaces, sale for private owner occupation and increased rents to levels beyond the medians.

Demand for affordable housing in North Sydney remains high and vacancy rates are extremely low at less than 2% (NSW Department of Housing 2007).

#### 5.3.4 Existing Affordable Housing Stock

North Sydney Council first resolved to develop public housing in 1937 and was active for many years with the high point being the construction of the 100 bed James Milson Retirement Village in 1974. In 1982 Council prepared a Housing Strategy, and in 1994 developed an Affordable Housing Strategy. The Affordable Housing Strategy aims to ensure that all people have the opportunity to live in the area, regardless of their economic and social circumstances, and provides a framework to achieve this aim.

As part of the Affordable Housing Strategy and to facilitate the provision of affordable housing, Council obtains funds for affordable housing through its Section 94 Contributions Plan. Under this Plan, developers who are directly responsible for the loss of affordable bedspaces are required to contribute money towards the replacement of affordable housing stock.

Until recently, Section 94 contributions have only replaced about one affordable bedspace for every 50 that were lost to new development in North Sydney. However, by combining the Section 94 contributions with funds from the Office of Community Housing and other not-for-profit partners, this ratio has been improved to provide more than one affordable bedspace for every 20 that are lost.

Between 1997 and 2007 Council contributed \$1.95 million from section 94 levies to standalone and joint ventures with the State Government's Office of Community Housing (OCH). These properties are leased to Community Housing Lower North Shore (CHLNS), which then subleases the property to appropriate tenants.

Of the 14 properties (containing 54 affordable bed spaces) managed by CHLNS, eight are fully owned by Council with the remaining six being joint ventures between the Council and the OCH. Council also has an interest in 15 other public housing properties.

Council is currently in the process of updating its Affordable Housing Strategy to address contemporary issues and the introduction of the State Environmental Planning Policy (Affordable Rental Housing) 2009 (SEPPARH).

#### 5.3.5 Role of Council Planning Instruments

In addition to Council's Section 94 Contributions Plan, Council's Local Environmental Plan 2001 (LEP 2001) and Development Control Plan 2002 (DCP 2002) include numerous objectives and controls related to the retention and creation of affordable housing, including:

NSLEP 2001	Part 1, Cl.3 (f)	<p>Specific Aims of the LEP:</p> <p>In relation to community well-being, to:</p> <p>(i) Provide for the growth of a permanent resident population and encourage the provision of a full range of housing, including affordable housing</p>
NSDCP 2002	Section 6.1 (b)	<p>Mixed residential population</p> <p>iv. Provide at least 4% of dwelling space as affordable housing (applicable with gazettal of Affordable Housing State Environmental Planning Policy).</p>
NSDCP 2002	Section 7.1 (c)	<p>Maintaining affordable housing</p> <p>The stock of low to moderate rental housing in North Sydney is maintained and there is no displacement of long term residents</p> <p>i. Where an application involves existing rental accommodation, that is defined as low to moderate rental accommodation or boarding house accommodation, provide a summary of existing tenancies (length of stay and rent levels) and establish whether there will be an increase in rents after the proposed development has been carried out.</p> <p>ii. Consult Council's Community Development Department where there is a possibility of long term residents being displaced and develop a strategy for the relocation of those tenants if needed.</p> <p>iii. If possible maintain existing low to moderate rental accommodation and boarding house accommodation within the development.</p> <p>iv. Low to moderate rental housing and boarding house accommodation that is lost through development is subject to a Section 94 Contribution.</p>

These existing provisions are being reviewed in light of the introduction of SEPPARH through the preparation of the new comprehensive LEP and DCP.

### 5.3.6 Role of State Planning Instruments

In August 2009 the NSW State Government released the Affordable Rental Housing State Environmental Planning Policy (SEPPARH). The SEPPARH aims to make it easier, quicker and more attractive to build affordable rental homes in NSW.

SEPPARH promotes the construction of affordable housing accommodation by providing controls for development of new affordable units, townhouses, granny flats and other low cost accommodation.

These controls are aimed towards:

- Encouraging partnerships between private and not-for-profit housing providers to deliver a new supply of affordable housing
- Promoting the provision of affordable housing closer to major employment areas
- Mitigating against the lost of any existing affordable housing
- Promoting sites in NSW to be a beneficiary of major Australian Government housing funding programs
- Support innovative affordable housing styles, including granny flats and new generation boarding houses

SEPPARH allows the development of low-rise housing in all residential zones on the provision that the site is located within 800m of a railway station or within 400m of a Sydney Ferries wharf, light rail station or a bus stop serviced regularly between 6am and 9pm.

SEPPARH also allows the development of residential flat buildings in all residential zones if they receive a site compatibility certificate from the Department of Planning. This will allow the development of residential buildings where they are a prohibited use without the need for a rezoning. Those developments eligible for a site compatibility certificate are:

- Private sector developers who have entered into a joint venture partnership with Housing NSW. This allows Housing NSW to propose residential flat buildings close to Sydney train stations and nominated regional centres, and
- Non-government social housing projects that allow 50% of the units to be managed by a community housing provider for at least 10 years.

To encourage the development of affordable housing, SEPPARH will also allow developers to apply for a floor space bonus of at least 20% should the development propose at least 20% of the units of the development are for affordable housing.

To encourage the provision of an existing popular form of affordable housing, SEPPARH sets controls for the development of granny flats. Under SEPPARH the erection of a granny flat is permitted in all residential zones if:

- There is only one principal dwelling and one granny flat on the site;
- The combined total floor area of the principal dwelling housing and the granny flat complies with the FSR controls in the LEP,
- If it doesn't have a floor area greater than 60sqm of the maximum floor area prescribed in a LEP

New Generation Boarding Houses have also been included under SEPPARH. To make this form of housing more attractive for residents, under SEPPARH rooms may contain en-suite bathroom and kitchenette facilities. However to ensure that the boarding houses do not become residential unit blocks, standards such as setting minimum and maximum room sizes, requiring a communal room if there are more than 5 bedrooms and requiring an onsite manager where there are more than 20 bedrooms are introduced. Furthermore, the SEPP includes a cap on car parking and the prohibition of strata subdivision.

Part of SEPPARH's means of promoting the provision of affordable housing, is the retention of existing affordable housing. To achieve this, SEPPARH aims to close a former loophole that allowed low residential flat buildings not subject to strata or community title to be demolished without any analysis of the impact to affordable housing stocks. Furthermore SEPPARH replaces the existing system for contributions paid by developers when losing affordable housing.

Council staff have looked into the impact that SEPPARH is likely to have on Council's continued involvement in the provision of affordable housing. Part of this involved the engagement of an external consultant, Judith Stubbs & Associates, to prepare a position paper outlining the expected implications of SEPPARH for Council's Affordable Housing Program and Affordable Housing Strategy 2008.

It was found that there is considerable benefit for developers who chose to take up the development bonuses or expanded zone permissibility under SEPPARH in North Sydney, without creating commensurate affordable housing benefit in the LGA, in either the immediate or longer-term. Despite this finding, SEPPARH has had limited applicability to North Sydney with developers showing little interest in utilising the development incentives contained in the policy.

Another finding was that SEPPARH redirects development contributions collected to offset the loss of affordable housing away from Council to Housing NSW, thus cutting off a revenue stream that was to be used to support the development of new affordable housing.

Despite the lack of interest shown by developers in utilising the provisions contained in SEPPARH, the findings of the Judith Stubbs & Associates report increases the importance of Council seeking other means of protecting the remaining stock of low cost and affordable housing and seeking to mitigate its loss. Most of the strategies contained in Council's Affordable Housing Strategy 2008 are not affected by SEPPARH and will still be pursued so as to ensure that appropriate affordable housing is provided in North Sydney LGA. Council will review its Affordable Housing Strategy in mid-2011 once the outcomes of SEPPARH become apparent.

## 6.0 CONCLUSION

This RDS establishes a strategic framework for the location, choice and intensity of residential housing in North Sydney to inform the preparation of the new comprehensive North Sydney Local Environmental Plan (DLEP 2009).

The State Government, via the Draft Inner North Subregional Strategy, has indicated that North Sydney Council should contribute 5,500 additional dwellings between 2004 and 2031. Since 2004 over 1,300 dwellings have been approved meaning that DLEP 2009 should plan for 4,200 additional dwellings.

This RDS illustrates that DLEP 2009 will:

- Contain sufficient capacity to accommodate over 6,000 additional dwellings by 2031 on top of the 1,300 dwellings already approved since 2004. DLEP 2009 will therefore meet the NSW Government's draft housing target without having to make significant policy changes, upzonings or increases in development potential;
- Concentrate the bulk of new dwellings in Mixed Use centres in close proximity to retail, office, health, education, transport, leisure, entertainment facilities and community and personal services;
- Deliver housing choice for a range of socio-economic groups throughout North Sydney to meet the needs of existing and future residents; and
- Minimise the impact of new development on local character, amenity, environment and heritage.

# APPENDIX A – METHODOLOGY FOR ESTIMATED DWELLING CAPACITY

Methodology for estimated dwelling capacity of:

i. Town Houses (Medium Density Residential Zone (R3))

ii. Residential Flat Buildings (High Density Residential Zone (R4))

- Eliminate all properties which are strata or company titled from calculations - it is assumed that strata or company titled buildings are already developed to their full potential, either as residential flat buildings or townhouses;
- Eliminate all properties which are listed as heritage items and in conservation areas (under proposed plan) - it is assumed that these will not be able to be redeveloped to the full potential of the zone;
- Eliminate all properties which have had approval for additional dwellings since 1997;
- Calculate the land area of all remaining allotments - it is assumed that these lots will be available for redevelopment to the full potential of the zone;
- Calculate number of existing dwellings located within developable land area by dividing developable land area as follows:
  - 530m<sup>2</sup> per existing dwelling in Res B zone
  - 500m<sup>2</sup> per existing dwelling in Res C zone

These figures represent average site area per existing dwelling calculated by assessing recent approvals in three test suburbs for both the Res B and Res C zones.

- Calculate gross dwelling capacity by dividing developable land area for town houses and apartments by the appropriate dwelling yield per gross site area, as follows:
  - 240m<sup>2</sup> of gross site per town house
  - 90m<sup>2</sup> of gross site area per apartment

These figures are based on average yields which have been determined by assessing approved developments in North Sydney and reassessing the yield that would be achievable on the same sites under the proposed development controls.

- Calculate nett dwelling capacity by subtracting existing dwellings from gross dwelling capacity.
- Discount nett estimates by 40% to reflect the fact that not all of the potential, under either plan, will be exploited for a number of reasons including market demands, financial feasibility and site-specific constraints (see discussion in section 4.2.4 above).
- Figures 12 and 13 (below) show the estimates for land area, existing dwellings and additional dwelling capacity, in the medium and high density residential zones, using the aforementioned methodology. Figure 8 summaries this data.

**Figure 12 – Existing LEP (NSLEP 2001) Raw Developable Land Area & Additional Dwelling Capacity in Medium and High Density Residential Zones**

Planning Area	Res B Developable Land Area (& existing dwellings)	Res C Developable Land Area (& existing dwellings)	Res B Gross dwelling capacity	Res C Gross dwelling capacity	Res B Nett dwelling capacity	Res C Nett dwelling capacity	Res B Nett dwelling capacity (incl. 40% discount)	Res C Nett dwelling capacity (incl. 40% discount)
North Sydney	2,632 (5)	12,733 (25)	11	141	6	116	4	70
St Leonards/ Crows Nest	32,630 (62)	9,243 (18)	136	103	74	85	44	51
Neutral Bay	57,803 (109)	49,845 (100)	241	554	132	454	79	272
North Cremorne	73,412 (139)	53,520 (107)	306	595	167	488	100	293
Cammeray	93,675 (177)	46,272 (93)	390	514	213	421	128	253
Lavender Bay/ Milsons Pnt	51,440 (97)	10,145 (20)	214	113	117	93	70	56
Waverton/ Wollstonecraft	44,272 (84)	32,408 (65)	184	360	100	295	60	177
Kirribilli	6,062 (11)	11,667 (23)	25	130	14	107	8	64
South Cremorne	20,313 (38)	4,663 (9)	85	52	47	43	28	26
<b>Total</b>	<b>382,238 (721)</b>	<b>230,497 (461)</b>	<b>1,592</b>	<b>2,562</b>	<b>870</b>	<b>2,102</b>	<b>522</b>	<b>1,261</b>



**Figure 13 – Draft Comprehensive LEP (DLEP 2009) Raw Developable Land Area & Additional Dwelling Capacity in Medium and High Density Residential Zones**

Planning Area	R3 Developable Land Area (& existing dwellings)	R4 Developable Land Area (& existing dwellings)	R3 Gross dwelling capacity	R4 Gross dwelling capacity	R3 Nett dwelling capacity	R4 Nett dwelling capacity	R3 Nett dwelling capacity (incl. 40% discount)	R4 Nett dwelling capacity (incl. 40% discount)
North Sydney	2,632 (5)	12,733 (25)	11	141	6	116	4	70
St Leonards/ Crows Nest	32,630 (62)	9,243 (18)	136	103	74	85	44	51
Neutral Bay	57,803 (109)	49,845 (100)	241	554	132	454	79	272
North Cremorne	73,412 (139)	53,520 (107)	306	595	167	488	100	293
Cammeray	93,675 (177)	56,159 (112)	390	624	213	512	128	307
Lavender Bay / Milsons Pnt	51,440 (97)	10,145 (20)	214	113	117	93	70	56
Waverton / Wolstonecraft	44,272 (84)	32,408 (65)	184	360	100	295	60	177
Kirribilli	6,062 (11)	11,667 (23)	25	130	14	107	8	64
South Cremorne	20,313 (38)	4,663 (9)	85	52	47	43	28	26
<b>Total</b>	<b>382,238 (721)</b>	<b>240,383 (479)</b>	<b>1,593</b>	<b>2,671</b>	<b>870</b>	<b>2,193</b>	<b>522</b>	<b>1,316</b>

## Methodology for estimated dwelling capacity of:

### i. Apartments (Mixed Use Zone (B4))

- Eliminate all properties which are strata or company titled from calculations - it is assumed that strata or company titled buildings are already developed to their full potential;
- Eliminate all properties which are listed as heritage items and in conservation areas (under proposed plan) - it is assumed that these will not be able to be redeveloped to the full potential of the zone;
- Eliminate all properties which have had approval for additional dwellings since 1997;
- Calculate land area in each block;
- Multiply land area by number of permissible residential storeys that can be achieved under the existing and draft plans to determine potential residential floor space, ie. additional floor space that could potentially be developed for residential use;
- Divide the potential residential floor space by 150 to determine number of dwellings. The average yield of one apartment per 150m<sup>2</sup> of potential residential floor space has been calculated by assessing approved mixed use developments in North Sydney;

Note: Calculations of existing dwellings in the developable land area showed that redevelopment would result in a negligible loss of existing housing stock. This is due to the majority of redevelopable properties zoned mixed use containing solely commercial buildings. For this reason, the loss of existing dwellings have not been included in capacity calculations.

- Discount estimates by 40% to reflect the fact that not all of the potential, under either plan, will be exploited for a number of reasons including market demands, financial feasibility and site-specific constraints (see discussion in section 4.2.4 above);
- Figures 14 and 15 (below) show the estimates for land area and dwelling capacity, in the mixed use zone, using the aforementioned methodology. Figure 14 reflects the estimates base on the existing LEP (NSLEP 2001) whilst Figure 15 is based on DLEP 2009. Figure 8 summarises this data.

**Figure 14 – Existing LEP (NSLEP 2001) - Raw Developable Land Area & Additional Dwelling Capacity for Mixed Use Zone**

Figure 14 - Existing LEP (NSLEP 2001)	Collector District	Non Residential FSR	* Height	Site Area	Total levels permitted	Non-residential levels permitted	RDS estimate of additional residential levels	GFA (Site area x stories)	Dwelling Ratio	Total additional dwellings	Total additional dwellings (incl. 40% discount)
St Leonards/ Crows Nest	1390202                1390203  1390204 1390207  1390208  1390211	3:1-4:1	49	5,014	16	3	13	65,182	150	435	261
		3:1-4:1	33	2,530	11	3	8	20,240	150	135	81
		1:1-2:1	33	1,669	11	1	10	16,690	150	111	67
		0.75:1-2:1	40	1,087	13	1	12	13,044	150	87	52
		0:6-2:1	20	10,743	7	1	6	64,458	150	430	258
		1:1-2:1	26	2,857	8	1	7	19,999	150	133	80
		0.5:2.1	10	18,991	3	1	2	37,982	150	253	152
		0.5:2.1	13	5,136	4	1	3	15,408	150	103	62
		0.5:2.1	10	7,252	3	1	2	14,504	150	97	58
		0.5:2.1	13	7,749	4	1	3	23,247	150	155	93
		0.5:2.1	10	3,618	3	1	2	7,236	150	48	29
		0.5:2.1	10	10,174	3	1	2	20,348	150	136	81
		0.5:2.1	13	2,567	4	1	3	7,701	150	51	31
		0.5:2.1	10	14,089	3	1	2	28,178	150	188	113
0.5:2.1	13	4,922	4	1	3	14,766	150	98	59		
0.5:2.1	10	825	3	1	2	1,650	150	11	7		
							<b>370,633</b>			<b>2,471</b>	<b>1,483</b>
Waverton/ Wollstonecraft	1390213 1390214 1390303	0.5:2.1	16	1,966	5	1	4	7,864	150	52	31
		0.5:2.1	10	1,159	3	1	2	2,318	150	15	9
		0.5:2.1	16	2,798	5	1	4	11,192	150	75	45
							<b>21,374</b>			<b>142</b>	<b>85</b>
North Sydney	1390210  1390702  1390706                          1390411	0.5:2.1	10	3,179	3	1	2	6,358	150	42	25
		0.5:2.1	13	13,125	4	1	3	39,375	150	263	158
		no non-res fsr	10	1,070	3	1	2	2,140	150	14	9
		no non-res fsr	26	3,071	9	1	8	24,568	150	164	98
		3:1-4:1	50	2,534	17	3	14	35,476	150	237	142
		3:1-4:1	85	5,164	28	3	25	129,100	150	861	516
		3:1-4:1	72	1,394	24	3	21	29,274	150	195	117
		3:1-4:1	60	1,428	20	3	17	24,276	150	162	97
		3:1-4:1	48	664	16	3	13	8,632	150	58	35
		3:1-4:1	47	872	16	3	13	11,336	150	76	45
		3:1-4:1	34	366	11	3	8	2,928	150	20	12
		3:1-4:1	58	1,090	19	3	16	17,440	150	116	70
		3:1-4:1	52	521	17	3	14	7,294	150	49	29
		0.5:2.1	16	777	5	1	4	3,108	150	21	12
		0.5:2.1	16	184	5	1	4	736	150	5	3
		4:1-5:1	61	1,014	20	4	16	16,224	150	108	65
		3:1-4:1	43	480	14	3	11	5,280	150	35	21
		3:1-4:1	57	718	19	3	16	11,488	150	77	46
		3:1-4:1	29	372	10	3	7	2,604	150	17	10
		3:1-4:1	31	399	10	3	7	2,793	150	19	11
		3:1-4:1	52	250	17	3	14	3,500	150	23	14
		3:1-4:1	52	541	17	3	14	7,574	150	50	30
		3:1-4:1	27	512	9	3	6	3,072	150	20	12
		3:1-4:1	24	630	8	3	5	3,150	150	21	13
		3:1-4:1	27	471	9	3	6	2,826	150	19	11
		3:1-4:1	42	1,038	14	3	11	11,418	150	76	46
		3:1-4:1	59	1,817	20	3	17	30,889	150	206	124
		3:1-4:1	80	1,504	27	3	24	36,096	150	241	144
		3:1-4:1	25	387	8	3	5	1,935	150	13	8
		3:1-4:1	25	247	8	3	5	1,235	150	8	5
		3:1-4:1	21	153	7	3	4	612	150	4	2
3:1-4:1	26	225	9	3	6	1,350	150	9	5		
							<b>484,087</b>			<b>3,227</b>	<b>1,936</b>

**Figure 14 – Existing LEP (NSLEP 2001) - Raw Developable Land Area & Additional Dwelling Capacity for Mixed Use Zone**

Figure 14 - Existing LEP (NSLEP 2001)	Collector District	Non Residential FSR	* Height	Site Area	Total levels permitted	Non-residential levels permitted	RDS estimate of additional residential levels	GFA residential (Site area x stories)	Dwelling Ratio	Total additional dwellings	Total additional dwellings (incl. 40% discount)
Lavender Bay / Milsons Pnt	1390507	1:1-2:1	13	371	4	1	3	1113	150	7	4
	1390508	0.75:1-2:1	40	2,710	13	1	12	32,520	150	217	130
		0.75:1-2:1	40	1,316	13	1	12	15,792	150	105	63
		1:1-2:1	10	340	3	1	2	680	150	5	3
							<b>66,869</b>		<b>334</b>	<b>200</b>	
Neutral Bay	1391001	0:5-2:1	16	7,091	5	1	4	28,364	150	189	113
	1391003	0:5-2:1	16	1,826	5	1	4	7,304	150	49	29
	1391006	0:5-2:1	16	1,922	5	1	4	7,688	150	51	31
	1391009	0:5-2:1	16	16,678	5	1	4	66,712	150	445	267
	1390813	0:5-2:1	16	4,289	5	1	4	17,156	150	114	69
							<b>127,224</b>		<b>848</b>	<b>509</b>	
North Cremorne	1391007	0:5-2:1	16	3,249	5	1	4	12,996	150	87	52
	1391008	0:5-2:1	16	8,442	5	1	4	33,768	150	225	135
							<b>46,764</b>			<b>312</b>	<b>187</b>
										<b>7,334</b>	<b>4,400</b>

\* Heights calculated in NSC by subtracting existing ground level from DLEP 2009 RLs for NSC

**Figure 15 – Draft Comprehensive LEP (DLEP 2009) - Raw Developable Land Area & Additional Dwelling Capacity for Mixed Use Zone**

Figure 15 – Draft Comprehensive LEP (DLEP 2009)	Collector District	Non Residential FSR	* Height	Site Area	Total levels permitted	Non-residential levels permitted	RDS estimate of additional residential levels	GFA (Site area x stories)	Dwelling Ratio	Total additional dwellings	Total additional dwellings (incl. 40% discount)
St Leonards/ Crows Nest	1390202	3:1 (min)	49	3,116	16	3	13	40,508	150	270	162
		3:1 (min)	33	2,530	11	3	8	20,240	150	135	81
		1:1-2:1	33	1,669	11	1	10	16,690	150	111	67
		0.75:1-2:1	40	1,087	13	1	12	13,044	150	87	52
		1:1 (min)	26	2,857	8	1	7	19,999	150	133	79
		0:6-2:1	20	7,801	7	1	6	46,806	150	312	187
		0.5:1 (min)	20	2,942	7	1	6	17,652	150	118	70
	1390203	0.5:2.1	10	18,991	3	1	2	37,982	150	253	152
		0.5:2.1	13	5,136	4	1	3	15,408	150	103	62
		0.5:2.1	10	7,252	3	1	2	14,504	150	97	58
	1390204	0.5:2.1	13	7,749	4	1	3	23,247	150	155	93
	1390207	0.5:2.1	10	3,618	3	1	2	7,236	150	48	29
		0.5:2.1	10	10,174	3	1	2	20,348	150	136	81
	1390208	0.5:2.1	16	2,567	5	1	4	10,268	150	68	40
0.5:2.1		10	10,871	3	1	2	21,742	150	145	87	
1390211	0.5:2.1	16	3,200	5	1	4	12,800	150	85	51	
	0.5:2.1	10	825	3	1	2	1,650	150	11	7	
								<b>340,124</b>		<b>2,267</b>	<b>1,358</b>
Waverton/ Wollstonecraft	1390213	0.5:2.1	16	1,966	5	1	4	7,864	150	52	31
	1390214	0.5:2.1	10	1,159	3	1	2	2,318	150	15	9
	1390303	0.5:2.1	16	2,798	5	1	4	11,192	150	75	45
								<b>21,374</b>		<b>142</b>	<b>85</b>
North Sydney	1390210	0.5:2.1	10	3,179	3	1	2	6,358	150	42	25
	1390702	0.5:2.1	13	13,125	4	1	3	39,375	150	263	158
		0.5:1-1:1	10	1,070	3	1	2	2,140	150	14	9
		0.5:1 (min)	26	3,071	9	1	8	24,568	150	164	98
	1390706	0.5:1 (min)	50	2,534	17	1	16	40,544	150	270	162
		0.5:1 (min)	85	5,164	28	1	27	139,428	150	930	558
		3:1-4:1	72	1,394	24	3	21	29,274	150	195	117
		0.5:1 (min)	60	1,428	20	1	19	27,132	150	181	109
		0.5:1 (min)	48	664	16	1	15	9,960	150	66	40
		0.5:1 (min)	47	872	16	1	15	13,080	150	87	52
		0.5:1 (min)	34	366	11	1	10	3,660	150	24	15
		0.5:1 (min)	58	1,090	19	1	18	19,620	150	131	78
		0.5:1 (min)	52	521	17	1	16	8,336	150	56	33
		0.5:2.1	16	777	5	1	4	3,108	150	21	12
		0.5:2.1	16	184	5	1	4	736	150	5	3
		0.5:1 (min)	61	1,014	20	1	19	19,266	150	128	77
		3:1-4:1	43	480	14	3	11	5,280	150	35	21
		3:1-4:1	57	718	19	3	16	11,488	150	77	46
	1390411	0.5:1 (min)	29	372	10	1	9	3,348	150	22	13
		0.5:1 (min)	31	399	10	1	9	3,591	150	24	14
		3:1-4:1	52	250	17	3	14	3,500	150	23	14
		3:1-4:1	52	541	17	3	14	7,574	150	50	30
		0.5:1 (min)	27	512	9	1	8	4,096	150	27	16
		0.5:1 (min)	24	630	8	1	7	4,410	150	29	18
		3:1-4:1	27	471	9	3	6	2,826	150	19	11
		3:1-4:1	59	1,817	20	3	17	30,889	150	206	124
		3:1-4:1	80	1,504	27	3	24	36,096	150	241	144
3:1-4:1		25	387	8	3	5	1,935	150	13	8	
3:1-4:1		25	247	8	3	5	1,235	150	8	5	
3:1-4:1		21	153	7	3	4	612	150	4	2	
3:1-4:1		21	218	7	3	4	872	150	6	3	
3:1-4:1	26	225	9	3	6	1,350	150	9	5		
								<b>505,687</b>		<b>3,371</b>	<b>2,023</b>

**Figure 15 – Draft Comprehensive LEP (DLEP 2009) - Raw Developable Land Area & Additional Dwelling Capacity for Mixed Use Zone**

Figure 15 – Draft Comprehensive LEP (DLEP 2009)	Collector District	Non Residential FSR	* Height	Site Area	Total levels permitted	Non-residential levels permitted	RDS estimate of additional residential levels	GFA residential (Site area x stories)	Dwelling Ratio	Total additional dwellings	Total additional dwellings (incl. 40% discount)
Lavender Bay / Milsons Pnt	1390507	1:1-2:1	13	371	4	1	3	1,113	150	7	4
	1390508	0.75:1-2:1	40	2,710	13	1	12	32,520	150	217	130
		0.75:1-2:1	40	1,316	13	1	12	15,792	150	105	63
		1:1-2:1	10	340	3	1	2	680	150	5	3
								<b>50,105</b>		<b>334</b>	<b>200</b>
Neutral Bay	1391001	0:5-2:1	16	7,091	5	1	4	28,364	150	189	113
	1391003	0:5-2:1	16	1,826	5	1	4	7,304	150	49	29
	1391006	0:5-2:1	16	1,922	5	1	4	7,688	150	51	31
	1391009	0:5-2:1	16	16,678	5	1	4	66,712	150	445	267
	1390813	0:5-2:1	16	4,289	5	1	4	17,156	150	114	69
								<b>127,224</b>		<b>848</b>	<b>509</b>
North Cremorne	1391007	0:5-2:1	16	3,249	5	1	4	12,996	150	87	52
	1391008	0:5-2:1	16	8,442	5	1	4	33,768	150	225	135
								<b>46,764</b>		<b>312</b>	<b>187</b>
										<b>7,274</b>	<b>4,362</b>

\* Heights calculated in NSC by subtracting existing ground level from DLEP 2009 RLs

