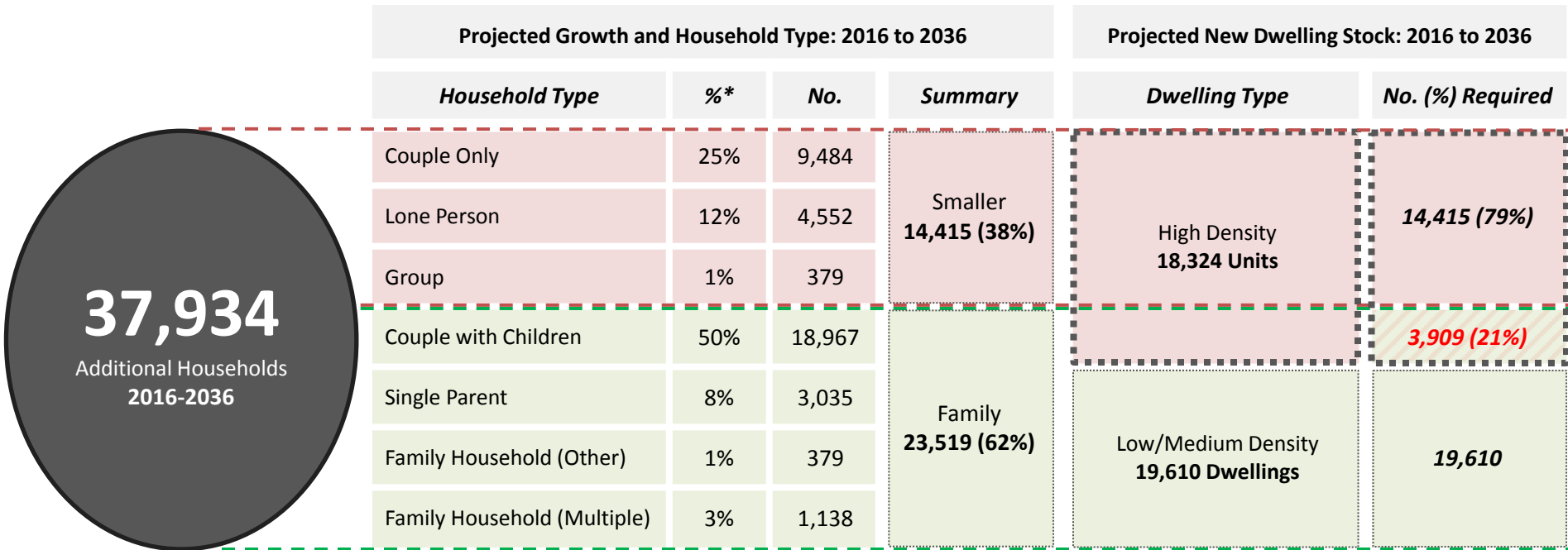


Justification for requiring at least 20% of future high density development within The Hills Shire to be 3 bedroom units



- Between 2016 and 2036, The Hills Shire Council is expected to accommodate an additional **37,934** households;
- The Department's *Household and Implied Dwelling Projection Data** (2014) identifies that **62% (23,519)** of these will be "family households";
- There are growth opportunities within The Hills Shire for **19,610** low and medium density dwellings and **18,324** high density units;
- **19,610** low/medium density dwellings will satisfy the majority of demand for "family households";
- Comparison of projected household types with future dwelling stock identifies a shortfall of **3,909 dwellings suitable for "family households"**;
- Therefore, **3,909** dwellings from the future high density housing stock must be capable of accommodating families (3 bedroom);
- **3,909** dwellings represents **21%** of the **18,324** high density dwellings projected (*as opposed to 10% as previously required by Council*).

Justification for 40% of 2 and 3 bedroom units as larger units

Hills Shire Household Income 2011 ABS Data		Additional High Density Housing Projected Household Income			
<i>Income Bracket</i>	<i>%</i>		<i>Income Bracket</i>	<i>(%)</i>	<i>No. Required</i>
Low Income (<\$600 per week)	11%	High Density 18,324 Units	Low Income	11%	2,016
Moderate Income	47%		Moderate Income	47%	8,612
High Income (>\$2,500 per week)	42%		High Income	42%	7,696

- Housing Diversity
 - The Hills Shire housing stock should comprise a mix of small, moderate and large apartments to facilitate diversity.
 - Recent experience of Council is that developers prefer to provide smaller apartments to allow for higher yields.
 - Appropriate housing diversity is simply not being achieved.
- Between 2016 and 2036, the number of high density units will increase by at least 18,324 units.
- It is projected that the future high density households will continue to have a similar household income breakdown being :
 - Low Income – 11%
 - Moderate Income – 47%
 - High Income – 42%
- Approximately 40% of high density households should be larger to facilitate housing diversity .
- In order to facilitate some housing diversity, a provision has been prepared to require approximately 40% of 2 and 3 bedrooms be provided at larger apartments sizes (110m² for 2 bedroom and 135m² for 3 bedroom).
- The remaining SEPP 65 units will be sufficient to cater for the demand of low and medium income households.

Achieving the Base Yield at SEPP 65 Sizes

- In Bella Vista and Kellyville, the exhibited plans anticipated 8,400 additional dwellings within the Precincts – this is the “Base Yield”;
- The “Base Yield” needs to be achieved at SEPP 65 sizes;
- Council is seeking to ensure that a proportion of the apartment stock is larger in size to provide for a diversity of housing choice;
- Noting Point 2, in order for Council to achieve a proportion of larger apartments the yield within the Precincts must exceed the base yield;
- Provision of larger size apartments targets 2/3 bedroom apartments as these are the apartment types which will cater for families (3 bedroom) as well as couples (2 bedroom). 40% of 2 bedroom apartments and 40% of 3 bedroom apartments equates to 30% of the total dwelling yield.
- To secure 30% of apartments at the larger sizes, a yield of 43% more than the “Base Yield” must be provided;
- This is the point at which a development will comply with Council’s requirements and also still deliver the “Base Yield” at SEPP 65 sizes;
- The FSR and Heights proposed will allow for an overall yield which achieves the Departments “Base Yield” at SEPP 65 sizes as well as Council’s desired mix and size.
- This scenario is demonstrated below with respect to a “Base Yield” of 8,400.

Council Requirements

	1 Bed	2 Bed	3 Bed
% Mix	25%	55%	20%
SEPP65	100%	60%	60%
Larger	0%	40%	40%

8,400 "Base Yield" (BV + KV) - No Council Req.

	1 Bed	2 Bed	3 Bed	Total	%
Total Yield	2100	4620	1680	8400	100%
Bedroom Mix	25%	55%	20%	100%	
SEPP65	2100	4620	1680	8400	100%
Larger	0	0	0	0	0%

12,000 "Full Yield" (BV + KV) - w/ Council Req.

	1 Bed	2 Bed	3 Bed	Total	%
Total Yield	3000	6600	2400	12000	100%
Bedroom Mix	25%	55%	20%	100%	
SEPP65	3000	3960	1440	8400	70%
Larger	0	2640	960	3600	30%

Minimum SEPP 65 Yield Required

Family Friendly Mix Outcome

Diversity of Housing (Size) Outcome

12,000 is 43% higher than 8,400