
PE6 DRAFT PLANNING PROPOSAL : STRATHFIELD MEDIUM DENSITY HOUSING STRATEGY
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APPROVER: Michael Mamo, General Manager

RECOMMENDATION

1. That Council notes the advice provided by the Strathfield Local Planning Panel on 1 August 2024 regarding the drafting of a Planning Proposal in relation to the Strathfield Medium Density Housing Strategy.
2. That Council supports the intent of proposed amendments to the Strathfield Local Environmental Plan 2012 to facilitate medium density housing consistent with the NSW Low and Mid-Rise Housing Policy and Council's Medium Density Housing Strategy, as outlined in the body of the report and resolves to incorporate the proposed amendments into a Planning Proposal.
3. That Council endorses the draft Planning Proposal **Attachment 1** for lodgement with the Department of Planning, Housing and Infrastructure for Gateway determination.
4. That Council delegates authority to the General Manager to make necessary amendments to the Planning Proposal and supporting documents arising from a Gateway Determination and prior to public exhibition.
5. That should a Gateway Determination be issued which enables public exhibition, a further report is to be presented to Council following the exhibition period. The report is to address any submissions received. A further update on the progress of the Planning Proposal is to be provided at that time.
6. That the Strathfield Development Control Plan (DCP) be reviewed and updated concurrently with the Planning Proposal to ensure consistency with the objectives and controls contained in the Planning Proposal.
7. That a report be presented to Council which outlines the proposed amendments to the DCP prior to public exhibition.
8. That a further report be brought back to Council to seek endorsement of the proposed amendments to the Strathfield Local Environmental Plan 2012 and the adoption of amendments to the Strathfield Development Control Plan, following public exhibition.

PURPOSE OF REPORT

The purpose of this report is to:

- Provide an overview of the review and testing of the Strathfield Medium Density Housing Strategy
- Outline proposed amendments to the *Strathfield Local Environmental Plan 2012* (SLEP 2012)
- Seek Council endorsement to finalise and lodge a Planning Proposal with the NSW Department of Planning, Housing and Infrastructure (DPHI) for Gateway determination to progress implementation of the Strathfield Medium Density Housing Strategy

The attached draft Planning Proposal (PP) (**ATTACHMENT 1**) was referred to the Strathfield Local Planning Panel (the Panel) on 1 August 2024 for advice in accordance with Section 2.19 of the *Environmental Planning and Assessment Act, 1979* (EP&A Act) and the Local Planning Panel Direction – Planning Proposals.

The Panel has given its advice (see **ATTACHMENT 2**) on the abovementioned amendments and it is recommended that Council resolve to forward it to the Minister for Planning and Public Spaces for a Gateway Determination under Section 3.34 of the EP&A Act.

The R2 Low Density Residential zone applies to a significant proportion of land in the Strathfield Local Government Area (LGA). The SLEP 2012 is the primary planning instrument that guides development on residential land within the Strathfield LGA. Currently, all types of low-rise medium density housing are prohibited within the Strathfield R2 zone, apart from dual occupancies which are permitted exclusively in the suburb of Greenacre. This contributes to a lack of housing diversity and choice for residents of the Strathfield LGA.

A draft Strathfield Medium Density Housing Strategy (the MDHS) 2024 was prepared by SGS Economics and Planning (see **ATTACHMENT 3**), on behalf of Council. A detailed review of the provisions contained in the SLEP 2012 was undertaken and provides an appropriate evidence base in support of the proposed amendments to the SLEP and Development Control Plan (DCP) to encourage suitable medium density dwelling typologies within the R2 Low Density Residential and R3 Medium Density Residential zones.

Council staff have prepared a draft Planning Proposal which proposes the expansion of permissibility of certain housing types within the R2 Low Density Residential zone to create alternative housing options for future development in the Strathfield LGA.

Specifically, the planning proposal seeks to amend *Strathfield Local Environmental Plan 2012* (SLEP) as follows:

- Amend R2 Low Density Residential Zone Objectives
- Amend R2 Low Density Residential Land Use Table, making dual occupancies, manor houses and multi dwelling housing (including terraces) permitted with consent
- Amend Clause 4.1A Minimum Lot Size.
- Create Clause 4.1B Minimum lot size for semi-detached dwellings in R2 and R3 Zones
- Create Clause 4.4D Exceptions to floor space ratio for dual occupancies, manor houses and multi dwelling housing (including terraces) in the R2 zone
- Create a new Part 6 Local Provisions Clause 6.12 Landscaped areas for certain dwelling types (R2 zone)
- Amend SLEP 2012 Schedule 1 to repeal Section 1 - Use of certain land in Greenacre
- Amend SLEP 2012 Dictionary
- Amend SLEP 2012 Additional Permitted Uses mapping for dual occupancies in the Greenacre R2 zone

REPORT

BACKGROUND

The Strathfield Local Strategic Planning Statement - *Strathfield 2040* - prioritises greater housing diversity. In support of that objective Strathfield Council has two strategic planning projects underway that will make a significant and material contribution to both housing diversity and supply.

i. **Homebush Transport Oriented Development (TOD) Precinct**

Homebush has been identified as an accelerated precinct under the [Transport Oriented Development \(TOD\) Program](#). As part of the TOD Program, DPHI has reviewed planning controls in Homebush to identify areas of the precinct suitable to support more homes. The draft Homebush TOD rezoning proposal aims to implement the vision for Homebush outlined in the [Parramatta Road Corridor Urban Transformation Strategy](#), with some additional changes included to help deliver more diverse and well-located homes close to key public transport infrastructure. The proposal also provides a proactive approach to addressing the NSW housing crisis.

Key features of the Homebush TOD rezoning proposal include:

- capacity for up to 16,100 additional homes within the precinct (approximately 50% of total dwelling yield within Strathfield LGA)
- mandatory affordable housing contributions of between 5–10% for all new residential development in the precinct, delivering between 805 and 1,610 affordable homes in perpetuity and managed by a registered community housing provider
- the creation of up to 2,670 additional jobs
- potential for new open space, pathways and cycleways within the precinct

The state rezoning proposal to implement the Homebush TOD program is expected to be endorsed in November 2024.

ii. **Strathfield Medium Density Housing Strategy**

With consideration given to the presumptive, but significant supply of higher density housing within the Homebush TOD Precinct, the focus of development outside of the northern growth area of the Strathfield LGA is toward improving housing diversity. It necessitates a more considered response to ensure appropriate transition between established character and emerging housing typologies.

In 2023, Council allocated funds to the preparation of the Strathfield Medium Density Housing Strategy (MDHS) by consultants SGS Economics, Architectus and Micromex in partnership with Council's own planning team.

Community consultation for the MDHS commenced in November 2023 and closed in March 2024. Findings indicate that the Strathfield community is generally supportive of increased townhouse, terrace and dual occupancy development, and less supportive of low scale apartment developments (3 to 6 storeys) within existing low density residential areas. Concerns were raised regarding increased traffic, maintaining the aesthetic and landscape quality of the area, and sufficient provision of additional infrastructure and services to match development and growth in the LGA.

Importantly, the community survey results show broad support for increased housing diversity within existing residential areas. This responds to themes around housing affordability and the need to allow residents to transition between housing typologies, as their lifestyle circumstances change, within their established community. It is important to note that any proposal for increased housing diversity, must consider the need for new infill housing to achieve quality design and built form outcomes that are responsive to the prevailing characteristics of our areas.

The MDHS involves a detailed review of the SLEP 2012 as the LEP provisions apply to housing diversity in the low density residential areas within the Strathfield LGA, and provides an appropriate evidence base to support the amendments to the Strathfield Local Environmental Plan (LEP) and Development Control Plan (DCP) to:

- Encourage suitable medium density dwelling typologies.
- Facilitate and encourage change that preserves but enhances the character of existing neighbourhoods.
- Maintain the quality, look and feel of neighbourhoods and avoid causing rapid radical changes.
- Encourage development that maximises access to schools, jobs and amenity.

Under the projection of market conditions analysis, the viability testing undertaken as part of the MDHS (see **ATTACHMENT 3** pages 72-97), illustrates that suggested amendments to SLEP will stimulate gradual, but viable medium density housing development over the next 5 to 10 years in R2 zoned land. Given the dwelling yield already anticipated to occur in the Homebush TOD precinct, it is recommended that Council focus less on rapid supply, and more on creating a greater choice of housing types in other parts of the Strathfield LGA over a 5-to-10-year period.

Current Planning Context

The planning context for medium density housing is influenced by the following LEP controls:

- In the R2 Low Density Residential zone, dual occupancies (both attached and detached) and multi dwelling housing are prohibited, with the exception of the suburb of Greenacre where dual occupancies are permitted with consent on lots with a minimum area of 560m² (Strata subdivision only).
- In the R2 Low Density Residential zone, semi-detached dwellings are permitted with consent, however Clause 4.1 minimum lot size controls of 560m² across the R2 zone require a minimum parent lot area of 1,120m² to create two (2) semi-detached dwellings of 560m² per new lot via Torrens Title subdivision (excluding Clause 4.6 variations).
- In the R3 Medium Density Residential zone, dual occupancies are permitted with consent on lots with a minimum area of 560m².
- In the R3 Medium Density Residential zone, multi dwelling housing and residential flat buildings (RFBs) are both permitted with consent on lots with a minimum area of 1000m². In the few areas where these residential uses are permitted in Strathfield LGA, there is a preference of developers for RFBs over lower-yielding multi dwelling housing.

Further review of the MDHS by Council staff included testing of various planning controls to determine appropriate amendments to SLEP 2012 and Strathfield Consolidated Development Control Plan 2005 (the DCP), including various numerical and non-numerical standards to facilitate greater housing choice and orderly development within Strathfield LGA. These amendments are discussed in detail below.

Matters for Consideration

- i. **Amend the R2 Low Density Residential zone Land Use Table to permit dual occupancies, manor houses and multi dwelling housing (including terraces) with consent.**

The intent of this amendment is to allow for a greater housing choice for the community.

Deviating from the recommendations in the MDHS report (see **ATTACHMENT 3**), the Planning Proposal does not propose to make residential flat buildings permissible in the R2 zones. This is so that amendments to planning controls are aligned with community expectations and aspirations as outlined in the Micromex Community Survey (see **ATTACHMENT 5**).

- ii. Amend clause 4.1A Minimum lot sizes for dual occupancies, manor houses, multi dwelling housing and residential flat buildings to reduce minimum lot size requirements for dual occupancies and multi dwelling housing in both R2 and R3 zones to 560m².

The proposed amendments to Clause 4.1A are indicated in **Table 1** below in an *italic and bold* format:

Column 1	Column 2	Column 3	Column 4
Land use	Zone	Minimum lot area (m ²)	Minimum lot width (metres)
Dual occupancy	<i>Zone R2 Low Density Residential</i> , Zone R3 Medium Density Residential	560	<i>15 metres</i>
<i>Manor houses</i>	<i>Zone R2 Low Density Residential</i> , Zone R3 Medium Density Residential or Zone R4 High Density Residential	<i>560</i>	<i>18 metres</i>
<i>Multi dwelling housing</i>	<i>Zone R2 Low Density Residential</i> , Zone R3 Medium Density Residential or Zone R4 High Density Residential	<i>560</i>	<i>18 metres</i>
<i>Multi dwelling housing (terraces)</i>	<i>Zone R2 Low Density Residential</i> , Zone R3 Medium Density Residential or Zone R4 High Density Residential	<i>840</i>	<i>21 metres</i>

Table 1: Proposed amendments to Clause 4.1A.

The intent of this amendment is to ensure that the newly permitted medium density housing types listed in Table 1 can only be erected on lands which have the adequate dimensions. This helps to ensure that future development will be in keeping with existing neighbourhood character.

The review also included a comparative analysis of the MDHS recommendations for all SLEP 2012 principal development standards against the DPHI's proposed *Changes to create low and mid-rise housing* (the LMRs). As shown in the tables provided in **ATTACHMENT 6** (Low Mid Rise (LMR) comparison table) the proposed minimum lot size of 560m² for the subject dwelling types is greater than all proposed minimum lot size standards under the LMR State Environmental Planning Policy (SEPP) except for multi dwelling housing which is proposed at 600m².

As shown in **TABLE 2** below, 48% of lots in the R2 zone fall within a range of 600-799m², with a further 12% of lots falling within the *possible* category. The percentage of lots that would be ineligible for the proposed new dwelling types under the SLEP 2012 is 16%. This means that the majority of lots in R2 zones can be unlocked for medium density housing development.

Lot size (m ²)	No. of dwellings in R2 zone	Percentage of R2 zone
<500	928	16%
500-599	722	12%
600-699	1542	27%
700-799	1202	21%
800-899	382	7%
900-999	298	5%
>=1000	716	12%

Table 2: Lot sizes in R2 zones of Strathfield LGA

- iii. **Create a new Clause 4.1B - Minimum lot size for dual occupancies and multi dwelling housing (terraces) in R2 zone and R3 Zone - to allow Torrens Title subdivision of certain attached medium density dwelling types to a minimum lot size of 280m² following lawful construction.**

The proposed Clause 4.1B will enable small lot subdivision in Zone R2 Low Density Residential, Zone R3 Medium Density Residential or Zone R4 High Density Residential if:

- (a) there is a dual occupancy on the land that was lawfully erected, or
- (b) there is three (3) or more multi dwelling housing (terraces) on the land that was lawfully erected, and
- (c) the lot size for each resulting single dwelling lot will be at least 280 square metres.

The intent of this amendment is to reduce the minimum lot size for certain medium density housing types in the R2 zone and R3 zones. It will increase the overall development potential of suitable properties while limiting small lot subdivision to dual occupancy and terrace houses - and only in the post construction stage.

It is anticipated that this will generate market appeal of allotments across the Strathfield LGA, as Torrens Title ownership is often preferred over Strata title ownership.

- iv. **Create a new Clause 4.4D Exceptions to floor space ratio of 0.65:1 for dual occupancies, manor houses and multi dwelling housing in the R2 zone.**

The intent of this amendment is to provide additional gross floor area (GFA) to incentivise medium density housing types within the R2 zone. As part of the internal review, SLEP 2012 numerical standards for FSR in the R2 were compared with those of under the (Exempt and Complying Development Codes) SEPP 2008 standards for dual occupancies as shown in **TABLE 3** below. As the table demonstrates, current GFA standards as offered by the SLEP 2012 through Development Applications are substantially less than those offered by complying development pathway under the Codes SEPP.

Lot size m ²	SLEP 2012 Sliding scale FSR & GFA		Codes SEPP 2008 25% x lot size + 300m ²		% difference
	FSR	GFA	FSR	GFA	
<500	0.65:1	325m ²	0.85:1	425m ²	-31%
599	0.625:1	374.375m ²	0.75:1	449.75m ²	-20%
699	0.6:1	419.4m ²	0.679:1	474.75m ²	-13%
799	0.575:1	459.425m ²	0.625:1	499.75m ²	-9%
899	0.55:1	494.45m ²	0.583:1	524.75m ²	-6%
999	0.525:1	524.475m ²	0.55:1	549.75m ²	-5%
≥ 1000	0.5:1	500m ²	0.55:1	550m ²	-10%
≥ 2000	0.5:1	1000m ²	Max. capped	800m ²	+20%

Table 3: Comparison of floor space between existing SLEP and Codes SEPP 2008.

An increase in the maximum FSR to 0.65:1 for medium density housing types within the R2 zone is proposed. Such a level of FSR is a moderate increase from the existing controls for dwelling houses and will align with the proposed FSR for dual occupancies under the LMR reforms.

The proposed FSR increase is to achieve the following objectives and intended outcomes:

- Incentivise medium density housing development in the R2 zones to promote housing diversity and encourage gradual housing supply.
- Ensure the scale of new development stays compatible with existing low rise neighbourhood character.
- Improve the likelihood of meeting economic feasibility for medium density housing development.
- Provide a competitive development option in terms of floor space against the State Complying Development standards, promoting Council's development application (DA) pathway as the preferred approval mechanism for all dwelling types within the R2 zone.
- Allow Council to have greater control and scrutiny over the quality of dwelling design during the DA assessment process.

As part of the FSR consideration, Council staff have undertaken detailed built form and visual impact testing (see **ATTACHMENT 7**) before arriving at the recommended FSR of 0.65:1. The testing investigated the likely built form outcomes at various levels of density from 0.6: to 1:1.

A higher FSR will stimulate market take-up and incentivise urban renewal activities to provide more housing diversity within a shorter period of time. However, it could run the risk of creating overdevelopment and cause a rapid change in the neighbourhood character of the low density residential areas. On the other hand, a lower FSR might not provide a sufficient incentive to unlock the housing market due to the current land economic conditions and high development costs.

The analysis found that when appropriate DCP controls are put in place, a density with an FSR of 0.65:1 can:

- Achieve a similar bulk and scale to existing dwelling houses when viewed from the street.
- Maintain a compatible streetscape character in terms of front setback, spacing between dwellings, roof form and landscaped front garden setting.
- Maintain and improve the opportunities for tree planting and landscaping in R2 zones.

- Ensure a good level of amenity can be provided to future occupants and existing neighbours.
- v. **Create a new Part 6 Local Provisions Clause 6.12 Landscaped areas for certain dwelling types (R2 zone):**

The proposed addition of Clause 6.12 includes the insertion of a development standard table as shown below (see **Table 4**). The intent of this amendment is to strengthen the protections of the landscape character of the residential neighbourhoods by giving the controls an instrumental weight of an LEP.

The new clause is to achieve the following:

- Ensure adequate opportunities exist for the retention or provision of deep soil and vegetation that contributes to biodiversity and, in the case of trees, enhances the tree canopy of Strathfield Local Government Area,
- Minimise urban run-off by maximising permeable areas on the sites of development,
- Ensure that the visual impact of dual occupancy and multi dwelling housing development is minimised by appropriate landscaping and that the landscaping is maintained,
- Ensure that landscaping carried out in connection with development is sufficient to complement the scale of buildings, provide shade, screen parking areas and enhance neighbourhood amenity.

Column 1	Column 2	Column 3
Land Use	Lot area (m ²)	Minimum landscaped area (% of parent lot area)
Dual occupancy; Manor houses;	< 800	35
	800 or greater	40
Multi dwelling housing; Multi dwelling housing (Terraces)	< 800	30
	800 or greater	35

Table 4: Proposed minimum landscaped area requirements

It is important to note that the proposed minimum landscaped area requirements in the table above are marginally less than DCP requirements for detached dwelling houses in Strathfield LGA. This has taken into consideration additional driveways and some flexibility for ancillary developments such as swimming pools as shown in **Figure 1**.

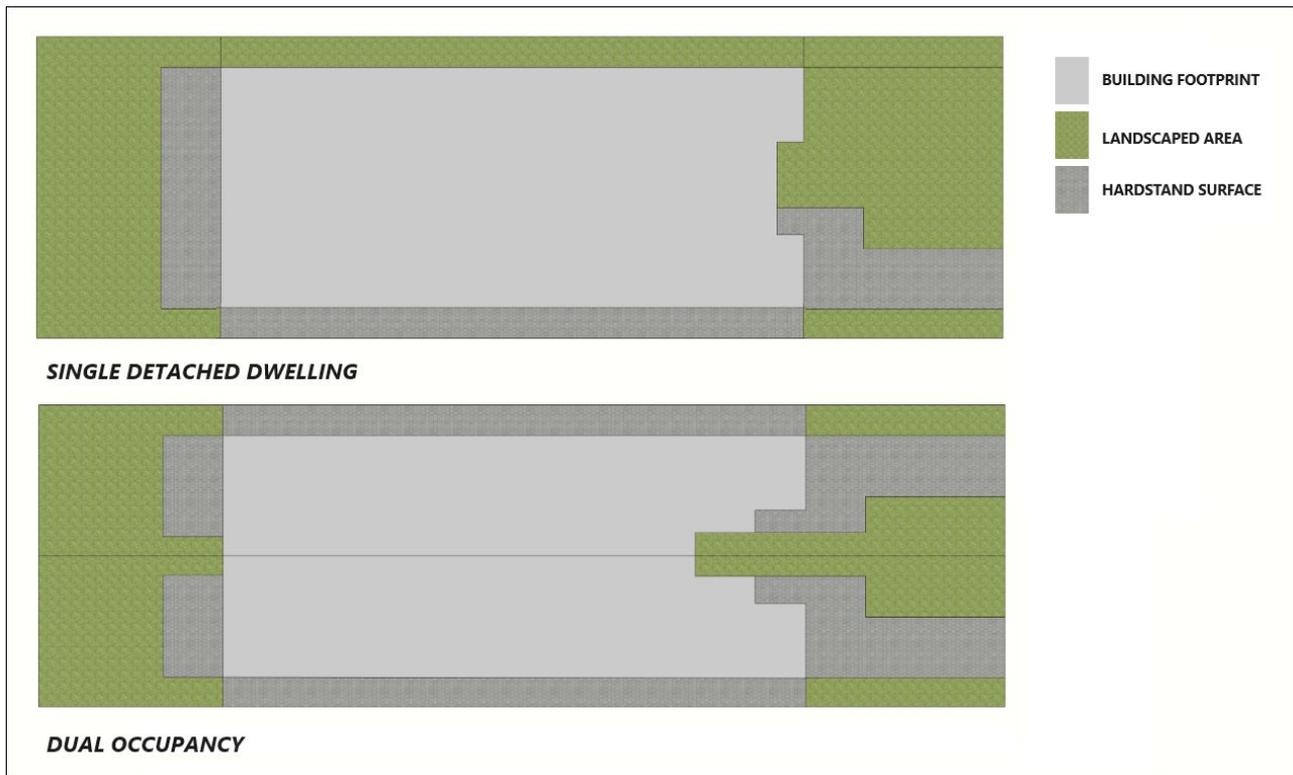


Figure 1: Landscaped area comparisons of single detached dwelling and dual occupancy

CONCLUSION

It is anticipated that the proposed amendments to the SLEP 2012, as outlined in this report are appropriate measures that can be taken to facilitate greater housing choice within the Strathfield LGA.

It is recommended that Council supports the proposed amendments to the Strathfield Local Environmental Plan 2012 to facilitate medium density housing consistent with the NSW Low and Mid-Rise Housing Policy, Council's Medium Density Housing Strategy and community aspirations.

NEXT STEPS

1. Subject to Council resolution, the draft Planning Proposal will be forwarded to the Department of Planning, Housing and Infrastructure with a request for a Gateway Determination
2. If a Gateway Determination is issued with support for public exhibition of the Planning Proposal, accompanying technical information and a draft amendment to the Strathfield Development Control Plan will be placed on public exhibition for a period of no less than 28 days.
3. Community engagement during the public exhibition period may include:
 - a. Publication of all documentation on Council and DPHI websites
 - b. Digital information pack including MDHS project process, findings from community survey, summary of Planning Proposal key changes, FAQs on various platforms:
 - Letterbox mailout to affected properties to R2 and R3 zoned properties
 - E-News
 - Council social media
 - Council website (public exhibition and *Have Your Say* page)
 - Public forum

- c. 3 x Talk to a Planner session at two locations:
 - i. Strathfield Library
 - ii. Strathfield Square

FINANCIAL IMPLICATIONS

The costs of community engagement will be determined once Council has received a Gateway Determination..

ATTACHMENTS

1. DRAFT Planning Proposal - Strathfield Medium Density Housing - *Circulated in Attachments document*
2. Advice of SLPP on MDHS Planning Proposal - *Circulated in Attachments document*
3. DRAFT Strathfield Medium Density Housing - 2 July 2024 - *Circulated in Attachments document*
4. DRAFT Strathfield MDHS - Architectus - Urban Design Report - Issue C - 5 Apr 2024 - *Circulated in Attachments document*
5. Micromex Report - Representative Survey only - Strathfield Housing Strategy - 2024-01-22 - *Circulated in Attachments document*
6. LMR comparison table - *Circulated in Attachments document*
7. Built form testing document for PP and Council reports - *Circulated in Attachments document*