

Evidence Base and Feasibility for Broad-Based Affordable Housing Contribution Scheme

Woollahra Municipal Council

December 2025





Independent
insight.

CBRE

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Executive summary

This study provides technical evidence base and recommendations to Woollahra Municipal Council in support of a planning proposal to establish a broad-based Affordable Housing Contribution Scheme (AHCS) applicable across all wards within the LGA, and in compliance with applicable NSW Government regulation and guidance.

Background

Nationally, there is considerable attention being placed not only on the delivery of housing, but also the development, subsidy and delivery of social and affordable housing to meet unaddressed needs at scale. This includes:

- **National Housing Accord**, which identifies a need to build 1.2 million dwellings by 2029, of which the NSW Government's commitment accounts for 377,000 dwellings.
- Commonwealth's commitment of the **Housing Australia Future Fund (HAFF)**, allocating \$10 billion intended to support scaled delivery of social and affordable housing over a 25-year period.

Underpinning the achievability of these broader targets and resources are policy mechanisms, like local Affordable Housing Contribution Schemes (AHCS), which are authorised through a state regulatory context. This context includes:

- **EP&A Act (1979)**, which clarifies what constitutes affordable housing, local government's role, authorises the use of and defines the general requirements for affordable housing contributions, and identifies a mechanism under which such contributions can be established. Recent updates (May 2025) to the EP&A Act also play a role in this context.
- **Housing SEPP (2021)** establishes the need for affordable housing in all LGAs and provides requirements that need to be met to allow a condition to be imposed, which guide councils in their management of contributions raised under an AHCS. Another relevant aspect of the SEPP has been the recent addition of infill provisions for the development of affordable housing that allow proponents to achieve additional density above existing local built form controls in exchange for the provision of affordable housing for a limited period of time.
- **NSW Government Guidelines for Developing an AHCS (2019)** is the policy which outlines requirements for the development of an AHCS under 7.32(1)(c) of the EP&A Act and prescribe the process and requirements councils must complete.

Additionally, in late 2023, the NSW Government also announced the Low and Mid-Rise Housing Policy (LMR), which came into effect in February 2025. This policy reform, which impacts on investigations of affordable housing feasibility, permitted additional dwelling typologies and densities within an 800m walking catchment of town centres, train stations, and light rail stations in Sydney.

Objectives

The objectives of this investigation are defined in broad and specific terms by the NSW Government's Guidelines for Developing an Affordable Housing Contribution Scheme (2019). Following this guidance, Council engaged SGS Economics & Planning (SGS) and CBRE to:

- Document the current and relevant regulatory and strategic planning context, including guidance for developing an AHCS and existing schemes
- Document the evidence of need for social and affordable housing throughout the LGA
- Investigate the feasibility of a broad-based affordable housing contribution across the LGA
- Examine the supportability of differential rates by ward
- Make recommendations regarding the phasing and implementation of different rates by ward and over time, considering the evidence and other schemes in practice

Approach

Reflecting Council's objectives, the content of this investigation is organised as follows by chapter:

- **Chapter 1:** This chapter contextualises the work of developing an AHCS in the national, state and local regulatory and strategic context. It also presents an overview of existing schemes in place, the international context of similar policies, and a consideration for the types of development contributions that exist from a theoretical perspective.
- **Chapter 2:** This chapter provides an evidence base demonstrating the need for social and affordable housing in the Woollahra LGA, including a demographic analysis, assessment of housing supply and demand and the identification of gaps.
- **Chapter 3:** This chapter outlines the inputs and assumptions used in undertaking the feasibility examination of a broad-based AHCS and possible variations by ward, type and over time.
- **Chapter 4:** This chapter presents outputs of the feasibility examination and provides Council with recommendations regarding the establishment of a broad-based contribution, opportunities to vary contribution rates by ward, consideration for exemptions, adoption of monetary contribution dollar amounts, as well as considerations of phasing, implementation and the extent to which the collection of such monetary contributions over time are likely to address the scale of the LGA's social and affordable housing needs.

Recommendations

Based on the analysis of evidence and an adherence to the regulatory context and NSW Government guidance, the following recommendations are made for Woollahra Municipal Council to establish a broad-based affordable housing contribution as follows.

- **Pursue an LGA-wide broad-based contribution scheme (outside of and within LMR zones).** The scheme would apply to development under existing zoning (including areas outside of and within LMR zones), by contrast to areas of proposed re- or upzoning.

- Ward-specific contribution rates are supportable and could be applied to a range of new residential development types with limited exemptions.

Based on the evidence, ward-specific contribution rates could be adopted (see Table 1, Table 2, Table 3). Certain uses would be exempted, however, including projects providing social or affordable housing, disability or crisis accommodation, etc.

- Contribution rates could be ramped up over time.

Evidence also supports the phasing of higher contribution rates over time by ward (also as shown in Table 1, Table 2, Table 3). Initial rates would take effect at a point approximately one-year from planning proposal exhibition. Subsequent rate increases would take effect 2 years following (i.e., at 3 and 5 years from exhibition respectively).

TABLE 1: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME – BROAD BASE

Ward	After 1 year	After 3 years	After 5 years
Vaughan Ward	1.0%	3.5%	5.5%
Bellevue Hill Ward	0.5%	2.0%	3.5%
Double Bay Ward	0.5%	2.0%	3.5%
Cooper Ward	0.5%	2.0%	3.0%
Paddington Ward	0.5%	1.5%	2.5%

Source: SGS Economics and Planning, 2025

TABLE 2: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME - LMR OUTER AREA

Ward	After 1 year	After 3 years	After 5 years
Vaughan Ward	1.0%	3.5%	5.5%
Bellevue Hill Ward	1.0%	3.5%	5.5%
Double Bay Ward	2.0%	6.5%	10.0%
Cooper Ward	1.5%	4.0%	6.0%
Paddington Ward	1.5%	4.5%	7.0%

Source: SGS Economics and Planning, 2025

TABLE 3: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME - LMR INNER AREA

Ward	After 1 year	After 3 years	After 5 years
Vaughan Ward	2.0%	5.5%	8.5%
Bellevue Hill Ward	2.0%	6.0%	9.0%
Double Bay Ward	4.0%	9.0%	10.0%
Cooper Ward	1.5%	4.5%	7.0%
Paddington Ward	1.5%	4.5%	7.5%

Source: SGS Economics and Planning, 2025

1. Background and context

This chapter contextualises the work of developing an AHCS in the national, state and local regulatory and strategic context.

1.1 Broad context

In one of the least affordable places to live in the world, the past few years have ushered in a wide range of challenges to land use planning and development in Australia, which have been particularly problematic not only for development and delivery of social and affordable housing, but also the strategic planning that is needed to support it:

- COVID and its lasting impacts have disrupted expectations and drivers of demand for residential and non-residential development
- Supply chain blockages, materials cost escalation and labour shortages have contributed to 40% to 45% construction cost escalation in most markets
- Inflationary pressures have led central banks to tame inflation via lifting cash rate targets, which has increased both the cost of capital for developers and decreased consumers' purchasing power

And because demand for housing, not the least of which is social and affordable housing, has only increased, national initiatives have been introduced to alleviate pressure and stimulate production. In particular are:

- the National Housing Accord's (NHA) 5-year dwelling targets of 1.2 million dwellings by 2029, of which the NSW Government's commitment is to support the delivery of 377,000 dwellings by 2029.
- the Commonwealth's commitment of \$10 billion through the Housing Australia Future Fund (HAFF), which is intended to scale production of social and affordable housing over the next 25 years.

In NSW, the delivery of social and affordable housing needs to scale up significantly to address the substantial undersupply that exists, estimated to be 132,600 homes over the five years from 2023 to 2027,¹ and avoid the situation worsening. Without sufficient investment, unmet housing need could reach over 320,000 households by 2041.² Recent assessments of these targets, however, suggests that their achievability is seriously in question.

¹ National Housing Finance and Investment Corporation (now Housing Australia) (2023). State of the Nation's Housing 2022-23, NHFIC, Sydney.

² Van den Nouwelant, R., Troy, L, and Soundararaj, B (2022). Quantifying Australia's unmet housing need – A national snapshot, prepared for the Community Housing Industry Association, University of NSW City Futures Research Centre.

1.2 State regulatory and strategic context

The following provides the regulatory and strategic context for the creation of Affordable Housing Contribution Schemes in NSW. The discussion includes: 1) the EP&A Act (1979); 2) Housing SEPP (2021); 3) the Guidelines for Development of an Affordable Housing Contribution Scheme (2019); and the Six Cities Region Discussion Paper (2022).

EP&A Act 1979

Under the EP&A Act, affordable housing is defined as: *“affordable housing means housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.”*

Council is obliged to “promote the delivery and maintenance of affordable housing” under Object 1.3(d) of the Environmental Planning and Assessment Act (The EP&A Act). Affordable housing contributions are authorised under Division 7.2 of the EP&A Act, which falls under Part 7 covering infrastructure contributions and financing. The Act provides that these contributions can be included as a condition of consent of a development and can be either monetary contributions, or a direct dedication of land or dwellings. Under 7.32 (2) a condition for affordable housing can require dedication of the affordable housing/ land or monetary contribution (or both).

They must further be authorised under a clause within a Local Environmental Plan (LEP), which means that to implement or amend an AHCS, councils need to go through the process of altering their LEP (requiring approval by DPE). Section 7.32 (1) establishes that contributions for affordable housing can be levied if a SEPP has identified the need for affordable housing in the area.

Housing SEPP

The Housing SEPP establishes the need for affordable housing in all LGAs (satisfying the above-mentioned requirement of the EP&A Act). It provides requirements that need to be met to allow a condition to be imposed, which guide councils in their management of contributions raised under an AHCS.

13 Affordable housing—the Act, s 1.4(1)

- (1) In this Policy, a household is taken to be a very low income household, low income household or moderate income household if—
 - (a) the household—
 - (i) has a gross income within the following ranges of percentages of the median household income for Greater Sydney or the Rest of NSW—
 - (A) very low income household—less than 50%,
 - (B) low income household—50–less than 80%,
 - (C) moderate income household—80–120%, and
 - (ii) pays no more than 30% of the gross income in rent, or
 - (b) the household—
 - (i) is eligible to occupy rental accommodation under the National Rental Affordability Scheme, and

- (ii) pays no more rent than the rent that would be charged if the household were to occupy rental accommodation under the Scheme.

(2) In this section—

Greater Sydney means the area that the Australian Bureau of Statistics determines from time to time to be the Greater Sydney—Greater Capital City Statistical Area.

National Rental Affordability Scheme has the same meaning as in the National Rental Affordability Scheme Act 2008 of the Commonwealth.³

Rest of NSW means the area that the Australian Bureau of Statistics determines from time to time to be the Rest of NSW—Greater Capital City Statistical Area.

These definitions have accordingly been used for the development of the evidence base throughout this work.

Infill provisions of the Housing SEPP (2021)

Chapter 2 of the Housing SEPP provides additional density to proposals which provide affordable housing for a period of 15 years. The additional density permitted is 20-30% above the relevant EPI FSR, where 10-15% of the GFA is provided as affordable housing for 15 years.

Low and Mid Rise Housing Policy (2025)⁴

In late 2023, the NSW Government also announced the Low and Mid-Rise Housing Policy (LMR), which came into effect in February 2025. The LMR permits additional dwelling typologies and densities within an 800m walking catchment of town centres, train stations, and light rail stations in Sydney. The changes apply to residential zones, and permit:

- **In R2 zones:** Within 800m of a station or town centre: dual occupancies, multi-dwelling housing, and two-storey residential flat buildings
- **In R3 and R4 zones:** a) Within 400m of a station or town centre, residential flat buildings at an FSR of 2.2:1; b) Within 400 to 800m of a station or town centre, residential flat buildings at an FSR of 1.5:1

Relevant dwelling typologies from the LMR have been considered and modelled within this study.

³ The National Rental Affordability Scheme (NRAS or the Scheme) was introduced in 2008 by the Australian Government to help increase the supply of affordable rental dwellings. Dwellings are gradually exiting the Scheme as their 10-year incentive period ends. All dwellings in Queensland have exited. All other dwellings will have exited by June 2026.

⁴ NSW Department of Planning, Housing, and Infrastructure (2025): Low and mid-rise housing policy, via <https://www.planning.nsw.gov.au/policy-and-legislation/housing/low-and-mid-rise-housing-policy>

Guideline for Developing an Affordable Housing Contribution Scheme (2019)

The Guideline for Developing an Affordable Housing Contribution Scheme⁵ (the Guideline) is the policy which outlines requirements for the development of an AHCS under 7.32(1)(c). The Guideline requires that councils complete the following process:

- Gather an evidence base for affordable housing need in their LGA (similar to the evidence base used for councils' Local Housing Strategies)
- Identify the areas of uplift to which an affordable housing contribution scheme will apply
- Determine a viable affordable housing contribution rate using a residual land value (RLV) method
- Produce an AHCS using the Department template
- Submit a Planning Proposal to amend their LEP to reference the AHCS

The AHCS is then assessed by the Department, exhibited, and implemented if the Department is satisfied.

The Guideline requires that AHCS be levied from upzoning, which “ensures contributions are drawn from the increase in land value generated by the rezoning and are consistent with the affordable housing targets established in the Greater Sydney Commission’s District Plans”. The Guidelines suggest that a percentage of floorspace (and equivalent monetary contribution) should be identified as the ‘contribution rate’.

Objective 11 of the Greater Sydney Region Plan (2018), ‘Housing is more diverse and affordable’ did not directly set affordable housing targets but stated that affordable rental housing targets would be “applied in defined precincts prior to rezoning”, and that “within Greater Sydney, targets generally in the range of 5–10 per cent of new residential floor space are viable”.

The Six Cities Region: Discussion Paper (2022)

The ‘Six Cities Region: Discussion Paper’⁶, released in September 2022, seeks to build upon the 2018 Region Plan and District Plans and March 2020 assurances by providing additional direction that will allow for faster delivery on the ground, particularly relating to housing and local infrastructure, with measurable and timebound targets that reflect what matters to people in the Six Cities Region.

Woollahra is located within the Eastern Harbour City, an expansion on the previously identified Eastern City. The discussion paper builds upon the issues mentioned in the previous Plan and emphasises the urgency at needing to address the escalating housing affordability crisis playing out in the region.

The Plans refer to the challenges and limitations faced by established inner metro Councils in providing affordable housing, which include the cost of land, difficulty in undertaking infill development and the tight housing markets which these solutions must operate within.

⁵ NSW Department of Environment and Planning 2019 *Guideline for Developing and Affordable Housing Contribution Scheme*, Sydney

⁶ Greater Sydney Commission 2022 *Six Cities Region: Discussion Paper*, New South Wales Government, Sydney

The plans also identify strengths of areas which include multiple local centres located along transport corridors that are close to public amenities and jobs. Woollahra falls within this category and is in a good position to deliver additional affordable housing, noting the above constraints will provide limitations on where this may occur.

The paper recommends that housing diversity and affordability be improved by:

- Increasing the proportion of multi-unit and higher density housing in accessible locations that are supported by infrastructure.
- Ensuring existing and new freestanding homes and medium density housing are connected to quality amenity, essential services and transport infrastructure.
- Continuing to work with councils through their local housing strategies.

1.3 Local strategic context

This section provides an overview of the local strategic planning context in which this investigation of supportability for a broad-based AHCS is taking place. The discussion includes a review of: 1) Woollahra's LSPS (2020); 2) Local Strategic Planning Assurance (2020); 3) Woollahra's LHS (2021) and the Department's Letter of Approval (2021); as well as 4) Woollahra's Affordable Housing Policy (2021).

Local Strategic Planning Statement (2020)

The Woollahra Local Strategic Planning Statement⁷ (LSPS) highlights the importance of planning for future housing that meets the needs and characteristics of the local community. This includes ensuring that new housing developments are able to meet the diverse and changing needs of the community, including those associated with an aging population and greater demand for affordable housing in accessible locations.

In support of this goal, the LSPS includes actions to develop a local housing strategy that measures the need for affordable housing and explores opportunities for Council to advocate for the delivery of affordable housing stock (see Local Housing Strategy below). Council also committed to work with the Greater Sydney Commission, government agencies, and neighbouring councils to develop affordable housing options.

Local Strategic Planning Assurance (2020)

In March of 2020, as part of the Local Strategic Planning assurance, Woollahra's Local Strategic Planning Statement was given support by the Commission⁸.

The letter of support indicated that Woollahra was on track to deliver its housing targets, however also provided updated housing delivery targets to Council of an additional Council is to show how it can

⁷ Woollahra Municipal Council 2020 *Woollahra Local Strategic Planning Statement*, Sydney

⁸ Greater Sydney Commission 2020 *Letter of Support: Woollahra Council draft Local Strategic Planning Statement*, New South Wales Government, Sydney.

meet an indicative draft range for 6-10 year housing targets for 2021/22 to 2025/26 of 500 - 600 dwellings as part of its Local Housing Strategy.

Local Housing Strategy and DPE Letter of Approval (2021)

The Woollahra Local Housing Strategy (LHS)⁹ identified a lack of social and affordable housing within the LGA. Compared to the Sydney average, housing affordability in Woollahra is poor, with nearly all low-income households in rental or mortgage stress.

Currently, the primary mechanism for affordable housing contributions is SEPP 70 (now the Housing SEPP) which applies to uplift precincts. In accordance with this, the LHS included a commitment to develop an AHCS for areas experiencing development uplift, including for the Edgecliff Commercial Centre. In approving the LHS¹⁰, the Department of Planning and Environment required that Council develop an AHCS, in consultation with neighbouring councils and community housing providers. This report is the outcome of that requirement.

For LGAs such as Woollahra, which do not have large uplift precincts but are increasingly unaffordable for key workers (especially teachers, carers, nurses, and support workers), broad-based affordable contribution schemes are also an important area of reform. The LHS additionally included measures to improve access to affordable housing by working with the NSW Government and neighbouring Waverley and Randwick Councils to develop affordable housing contribution schemes for new apartment developments.

Affordable Housing Policy (2021)

Woollahra's Affordable Housing Policy¹¹ details Council's objectives relating to affordable housing, including that the supply of affordable rental housing for key workers be increased, that planning controls facilitate the supply of new affordable housing, and that Council's affordable housing assets and programs are effectively managed. In support of these objectives, the Policy outlines actions and timeframes for completion. Short-to-medium-term actions include:

- investigating the potential to introduce unit mix planning provisions to ensure a diverse range of housing sizes are delivered in new developments;
- investigating the suitability of introducing planning controls to facilitate appropriate and high-quality co-living and/or micro-housing types in areas close to hospitals and tertiary education facilities; and
- advocating for contributions reform to permit the preparation of affordable housing contributions scheme for all new apartment developments.

Longer-term and ongoing actions include working with the NSW Government and neighbouring councils to develop affordable housing options and advocating for increased investment in public housing stock. The Policy is to be reviewed every two years or in accordance with legislative requirements.

⁹ Woollahra Municipal Council 2021 *Woollahra Local Housing Strategy*, Sydney

¹⁰ Department of Planning and Environment 2022 *Woollahra Local Housing Strategy 2021*, Sydney

¹¹ Woollahra Municipal Council 2021 *Woollahra Affordable Housing Policy*, Sydney

1.4 Existing AHCSs

There have been a limited number of AHCSs implemented in NSW. As identified below, there is already existing precedent for a broad-based contribution scheme, as evidenced by the existence of adopted policies in the City of Sydney and Waverley Council.

- **Randwick (2020¹²):** as part of the Kensington and Kingsford town centre rezonings precipitated through the opening of the CBD and South East Light Rail, a contribution of 3% was introduced for residential floorspace, which rose to 5% two years later.
- **Waverley (2023¹³):** Introduced a contribution of 1% for all new independent living units, multi dwelling housing, residential flat buildings, and shop-top housing developments. This proposal was not consistent with the Guideline but was granted Gateway determination and implemented.
- **City of Sydney (1996¹⁴):** The City of Sydney introduced an affordable housing scheme in Ultimo-Pyrmont in the 1990s through the rezoning and major redevelopment of previous industrial land. This was the first AHCS in NSW and the City has now developed a modest stock of affordable rental housing. Contributions were later required for the Southern Employment Lands and Green Square, with all new residential development in the City now falling under the AHCS at a rate of 3% for residential development and 1% for non-residential development. Higher contributions are required for land which is granted uplift under a Planning Proposal.

These schemes implemented in LGAs near Woollahra collectively demonstrate a recognition of need for a mechanism that more broadly addresses the scale and breadth of gaps in the provision of social and affordable housing.

1.5 Additional considerations

This section provides additional consideration for Council of: 1) the international context; and 2) an overview of categories of development contributions.

International context

A wide variety of affordable housing contribution mechanisms have been in use internationally for decades. One of the more commonly-used mechanisms is inclusionary zoning (IZ), or a broad-based contribution as recently referred to in the NSW context. IZ is generally adopted across broad geographic areas – e.g., city-wide, regionally or state-wide.

¹² Randwick City Council, 2024, Affordable housing contributions, via <https://www.randwick.nsw.gov.au/planning-and-building/planning/affordable-housing-contributions>

¹³ Waverley Council, 2023, Waverley Council Affordable Housing Contributions Scheme, https://hdp-au-prod-app-waverley-yoursay-files.s3.ap-southeast-2.amazonaws.com/9016/9888/3535/Planning_Proposal_-_Exhibition_-_AHCS_PP.pdf

¹⁴ City of Sydney, 2023, City of Sydney Affordable housing program, via <https://www.cityofsydney.nsw.gov.au/affordable-housing-contributions/city-of-sydney-affordable-housing-program>

Like the Affordable Housing Contribution Schemes (AHCS) in NSW, international IZ policies require a portion of new development to be affordable to specified income levels for a specified period of time, and sometimes include incentives. These policies, however, stand in contrast to the NSW AHCS in that they apply to all development, not just areas of proposed uplift.

The oldest international IZ programs were adopted in the US and date from the 1970s. There, the scale of adoption of these programs is widespread with the most recent inventory of policies across the country at more than 1,000 programs in 734 jurisdictions.¹⁵

In Canada, the Province of Ontario established local government authorising legislation in 2018 explicitly for the adoption of inclusionary zoning. In British Columbia, however, while never having given local government authority to establish IZ policies, the provincial government has had enabling legislation since the early 1990s allowing local governments to use value sharing mechanisms such as use of density bonuses. The City of Vancouver has used density bonuses since the adoption of its policy in 2014.

In the UK, Section 75 (Scotland) and Section 106 (England and Wales) agreements have existed since the establishment of the Town and Country Planning Act of 1990. These are based on the notion of capturing ‘planning gain’, recognising the land value uplift that comes from enhanced development rights and from the capitalisation of the value of infrastructure provision. A requirement for development contributions established through these provisions in the Planning Act therefore uses the logic of addressing the impacts of development (as per user charges) and value sharing.

More recently, London introduced a system of affordable housing contributions in 2008. The Greater London Authority requires affordable housing to be provided onsite at a 35% minimum rate (with higher rates in some circumstances): where this ‘Fast Track’ route is not adopted by a development proponent, the GLA can establish a proposal viability review at the assessment and later stage of the development process.¹⁶

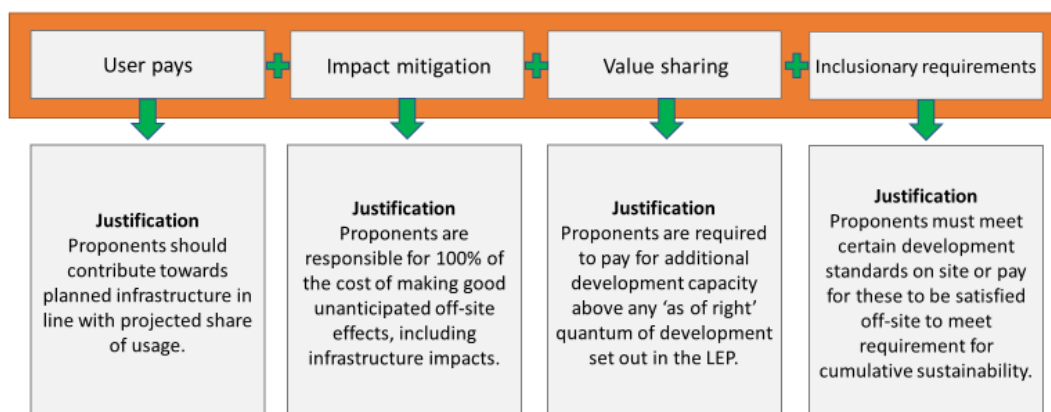
Types of contributions

Affordable housing contributions broadly fit into one or more categories of development contributions. These categories broadly include: 1) user pays charges, 2) impact mitigation payments, 3) value sharing requirements and 4) inclusionary provisions. As illustrated by **Figure 1**, a broad-based affordable housing contribution would generally fit under the category “inclusionary requirements”.

¹⁵ Where Does Inclusionary Housing Work? - Inclusionary Housing

¹⁶ <https://www.london.gov.uk/programmes-strategies/planning/implementing-london-plan/london-plan-guidance-and-spgs/affordable-housing-and-viability-supplementary-planning-guidance-spg>

FIGURE 1: FOUR CATEGORIES OF DEVELOPMENT CONTRIBUTIONS



- User Pays:** This category requires proponents to provide cash or in-kind assets towards infrastructure directly benefitting their project, with the contributions linked to the proportion of usage of the infrastructure items in question. There are two essential components to this: 1) that a nexus is established between the development and an infrastructure item when residents, workers or visitors of the development make use of the planned facility, and that 2) a fair cost apportionment is established by aligning share of cost with share of usage. In the Australian context, user charge based contributions (such as 7.11 contributions) do not typically cover affordable housing as an infrastructure class where cost apportionment and direct nexus principles apply. Nevertheless, these principles could be satisfied for example where, by the particular nature of the development, a need for key workers or essential workers is generated (e.g. a hospital development generating a need for affordable nurses housing, or in a remote location tourism development generating a need for staff housing).
- Impact Mitigation:** This category encompasses a limited scope of contributions intended to compensate for or off-set unanticipated adverse effects of their project on the natural, built, or social environment. For example, if a development incorporates significantly more site coverage and would therefore result in stormwater runoff that exceeds the parameters which had been built into an area wide contribution scheme for drainage, that particular proponent may reasonably be requested to meet 100 per cent of the cost of, say, an off-site retention basin or tank to manage the additional flows. This requirement is premised on the 'exacerbator pays' principle where the party responsible for the damage must meet the full cost of making it good (even though others may subsequently benefit from the off-site retention facility). This is distinct from the 'user pays' principle where, as noted, costs are shared according to projected share of usage. As impact mitigation payments are applied to deal with unanticipated adverse effects of development, they cannot be pre-notified in Local Environmental Plans and the like. Instead, they are applied on a case-by-case basis via conditions on development consents or Voluntary Planning Agreements (VPAs). Where social and affordable housing – a boarding house for example - is directly lost because of a particular development an impact mitigation logic could be invoked to require the development to 'make good' the loss. Part 3 of the Housing SEPP provides for the retention or replacement of affordable rental housing on this basis.
- Value Sharing Requirements:** This category deals with a separate and distinct principle relating to the regulation of community sanctioned development rights. Regulation of land use and

development through planning controls represents a form of restriction on market access, i.e., restriction on access to 'development rights'. In this context, the value of regulated development rights is capitalised into the price of the land. All else being equal, land zoned for a multi-storey apartment building is worth more than otherwise equivalent land designated for a single household dwelling. In many of the current Australian market contexts, land zoned for residential would be worth more than land zoned for employment uses. Ultimately, value sharing following this understanding of how development rights are assigned operates on the basis that the community should share in the land value uplift which is created when planning regulations allow increased development. This 'value uplift' is distinct from the profit assumed from a capital investment in construction. Value sharing contributions can be dedicated to a range of public benefit infrastructure or services including affordable housing. This is the logic underpinning the approach suggested by the NSW Government's Guideline for Developing an Affordable Housing Contributions Scheme 2019.

- **Inclusionary Provisions:** This category of development contribution is premised on minimum acceptable standards of development with a proponent having the option to fulfil the required performance standard onsite, off-site, or through a cash or in-kind contribution. Under this category of development contributions, affordable housing or other infrastructure such as affordable commercial space can be seen to be a part of the 'must have' attributes of place to ensure sustainable development in the same way that open space provisions are established. The broad definition of essential attributes of a sustainable place is supported by an expansive definition of 'environment' found in the planning legislation of most jurisdictions. This definition typically includes the social as well as natural and built form aspects. An inclusionary approach for social and affordable housing considers it in the same way as contributions to open space, parking, water-cycle infrastructure and heritage conservation are considered essential requirements for sustainable neighbourhoods. To develop successful communities' development proponents have a shared responsibility for funding this infrastructure just as they do other key community assets. This suggests that a minimum and prescribed contribution of affordable housing would be provided in any redevelopment, or new development. An inclusionary requirement would typically apply to *all* development (implying a broad base for contributions at a lower rate for a targeted outcome than if applied, with exclusions, to selective development).

2. Evidence base

This chapter provides an evidence base demonstrating the need for social and affordable housing in the Woollahra LGA, including a demographic analysis, assessment of housing supply and demand and the identification of gaps.

The Guideline recommends that the evidence base considers the housing market as a whole, with affordable housing being a subset of it. It responds to the requirements of the 2019 Guideline through three analytical lenses:

- **Demand for housing** (incorporating the **demographic analysis** referred to in the Guideline) is illustrated by growth in population and households. Household income and the change of households by income over time, as well as changes in the characteristics of those households, such as by size, are also demand indicators. Projected demographic changes should also be examined.
- **Supply of housing** is indicated by the change in dwellings over time, considering the size and type of dwellings. While the scale or increase in supply of housing generally aligns with the needs of the household growth, gaps often emerge when examining the distribution of that supply across categories of household size, dwelling size, supply by tenure, and especially affordability levels.
- The **affordability of housing**, as illustrated in trends in housing sales prices, rental rates, and vacancies. Trends and distribution of housing by affordability level are contrasted against households by income to identify gaps in the affordability of housing. Incidence of rental stress, and change over time, also helps to characterise how many households, and to what extent, are not being provided for by the market. Trends are projected to understand how these conditions could change in the future.

2.1 Demand for housing

Demographic analysis is a key component of demand for housing. While affordability and household preferences play a large part in driving housing choice (such as where to live, in what type of dwelling and in what type of surroundings), there are several key metrics that characterise housing demand:

- **Population growth** is the overall metric of the net change in underlying conditions, such as births, deaths, in- and out-migration.
- **The population by age** analysis provides additional insight to population growth. Analysis of household sentiment and housing choices often reveals demand for different preferences sets (housing types, settings, etc.) across key age groups, such as under 35s, family and working age (35 to 64) and empty-nesters or retirees (65 and older). A market with more population growth at the younger end of the spectrum implies housing demand of a different type than more population growth at the older end of the spectrum.
- **Households by size:** This metric indicates how the population growth is distributed specific sizes of households, such as one-, two-, three-person households, etc. A population growing more strongly

in smaller households, for example, will often have more demand for rental housing and smaller dwelling sizes.

- **Tenure split** shows whether people are renting or if they own their own home (outright, or with a mortgage). Change in this indicator over time can show reduced affordability of dwellings for purchase.
- **Households by Income:** changes in household income and the distribution of households by income characterise one of the more important aspects of housing affordability analysis. This metric and changes in this metric and the distribution of households by income are central to understanding the affordability of a market for its residents.

Population growth

Across Greater Sydney, the older age brackets of 60 years and above experienced the greatest increase in population between 2011 and 2021. However, this skew towards older age brackets was particularly pronounced in Woollahra, where there was strong growth among those aged 60-79 but minimal or negative growth in younger age brackets (those aged 39 years and less).

Net increases in the 0-19 age group were negligible, while the 20-39 age group decreased by over 1,500 people in Woollahra. The total net population increase across the LGA was just over 1,300, driven mainly by a 21 percent growth in the 60-79 age bracket and 19 percent growth in the 80+ bracket. Across the rest of Eastern Harbour City and Greater Sydney, population growth was more balanced within age brackets, although this trend of strong growth among the older population was apparent.

TABLE 4: POPULATION BY AGE, 2021

Geography	<34	35-64	65+	Total
Woollahra	21,952	20,377	11,180	53,496
Eastern Harbour City	943,620	841,494	340,542	2,125,638
Greater Sydney	2,412,316	2,024,084	794,688	5,231,052

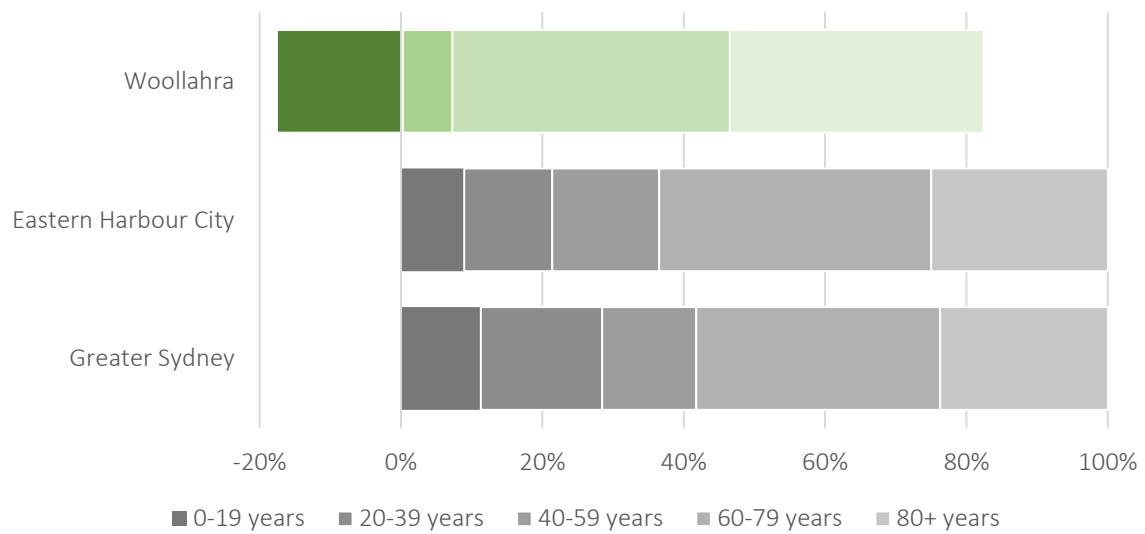
Source: ABS Census 2021

TABLE 5: POPULATION CHANGE (%) BY AGE, 2011-2021

Geography	<34	35-64	65+	Total
Woollahra	-5.0%	-0.9%	31.6%	2.6%
Eastern Harbour City	8.1%	11.8%	32.1%	12.8%
Greater Sydney	14.7%	17.4%	40.8%	19.1%

Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

FIGURE 2: POPULATION CHANGE (%) BY AGE (2011-2021)



Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Household growth

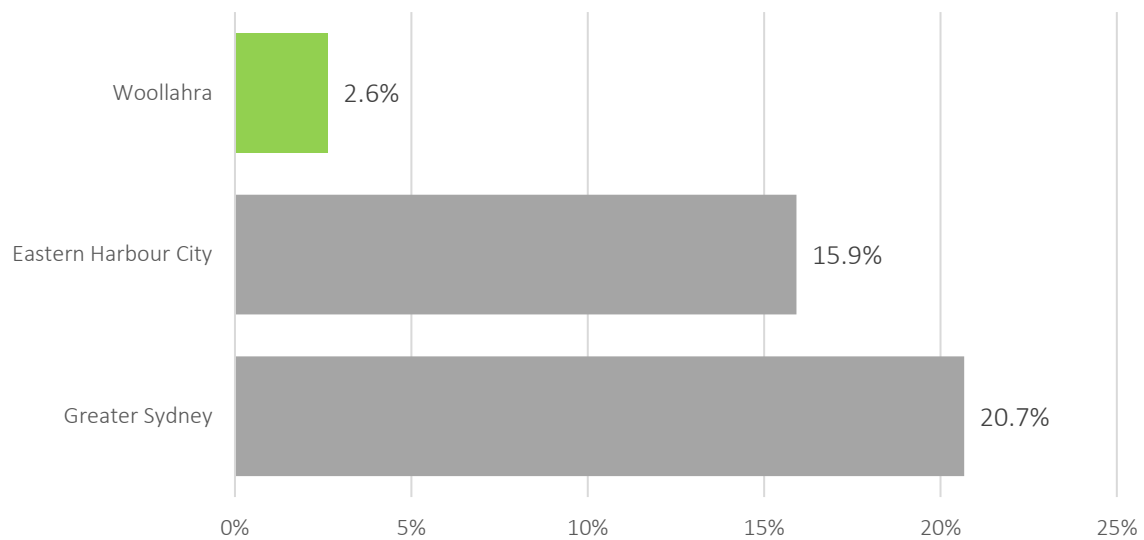
Woollahra grew from a total of 20,457 households in 2011 to 21,916 households in 2021. As shown in **Figure 3**, the overall net household growth in Woollahra between 2011 and 2021 was 2.6 per cent, significantly below the rate seen across the rest of Eastern Harbour City and Greater Sydney.

TABLE 6: HOUSEHOLDS BY TYPE, 2021

Geography	Family households	Lone person households	Group households	Total
Woollahra	13,617	6,946	1,353	21,916
Eastern Harbour City	547,770	220,488	45,428	813,686
Greater Sydney	1,327,549	424,734	76,564	1,828,847

Source: ABS Census 2021

FIGURE 3: OVERALL HOUSEHOLD GROWTH, 2011-2021

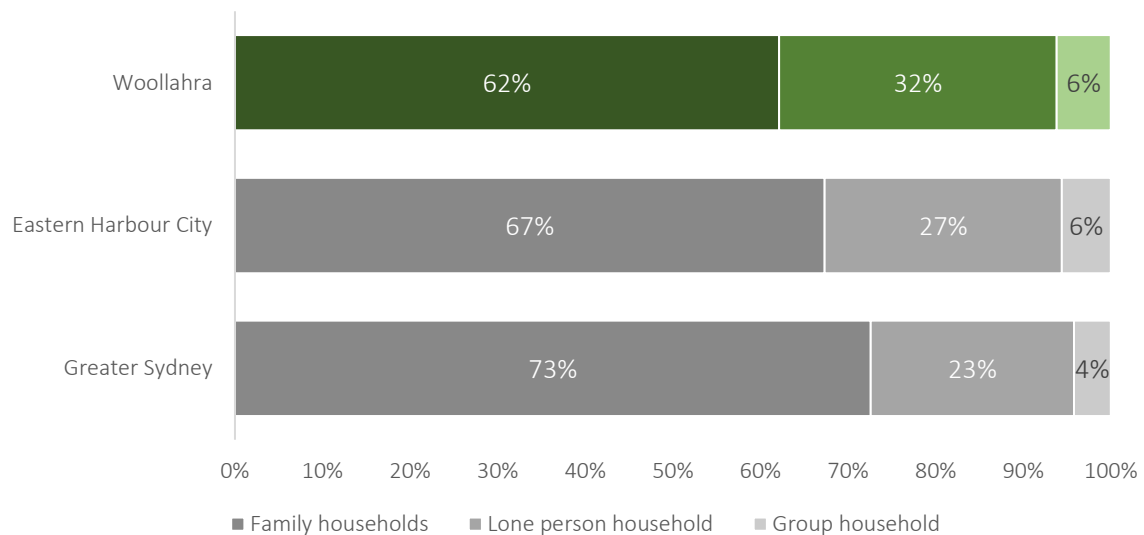


Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Illustrated in **Figure 4**, household type distributions for 2021 show that Woollahra has a slightly higher proportion of group and lone person households than Eastern Harbour City and Greater Sydney. However, family households still account for the majority in the LGA (62%).

FIGURE 4: DISTRIBUTION OF HOUSEHOLDS BY TYPE (2021)

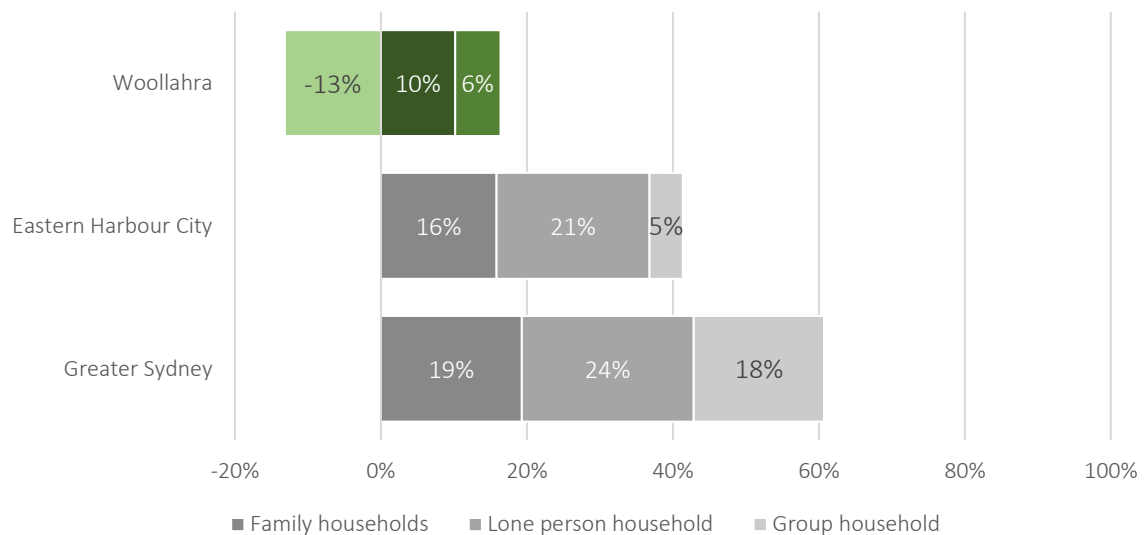


Source: ABS Census 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

As shown in **Figure 5**, family households saw the fastest growth between 2011 and 2021 (up 10%). Group households declined in the same period (down 13%), while lone person households increased (up 6%). This likely reflects in part the COVID-induced shift away from shared housing and towards lone person households.

FIGURE 5: CHANGE IN HOUSEHOLDS BY TYPE, 2011-2021

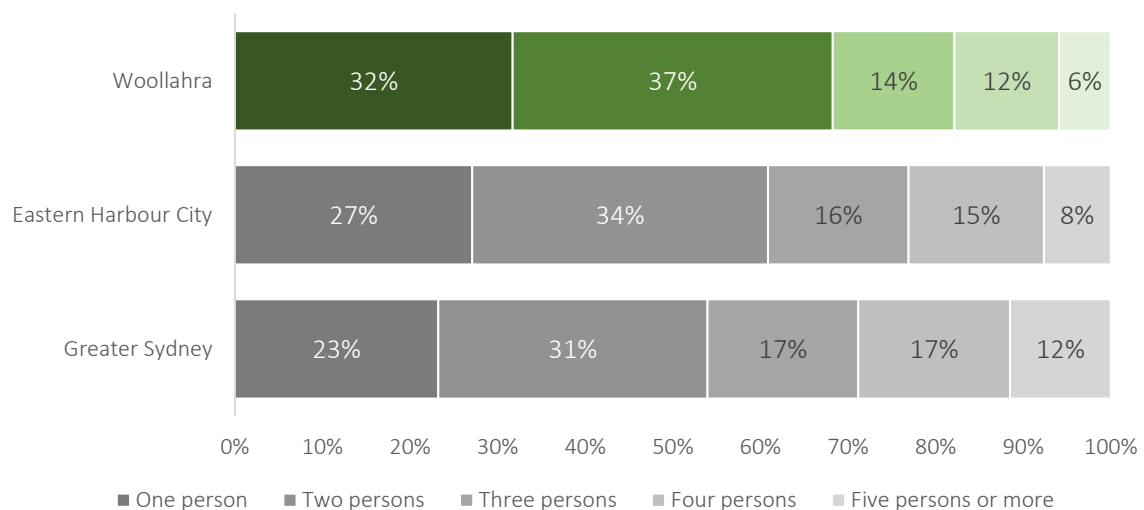


Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Figure 6 shows the distribution of households by size in 2021. Across all areas, one and two person households represent a majority of all households, however this is most pronounced in Woollahra.

FIGURE 6: DISTRIBUTION OF HOUSEHOLDS BY SIZE (2021)

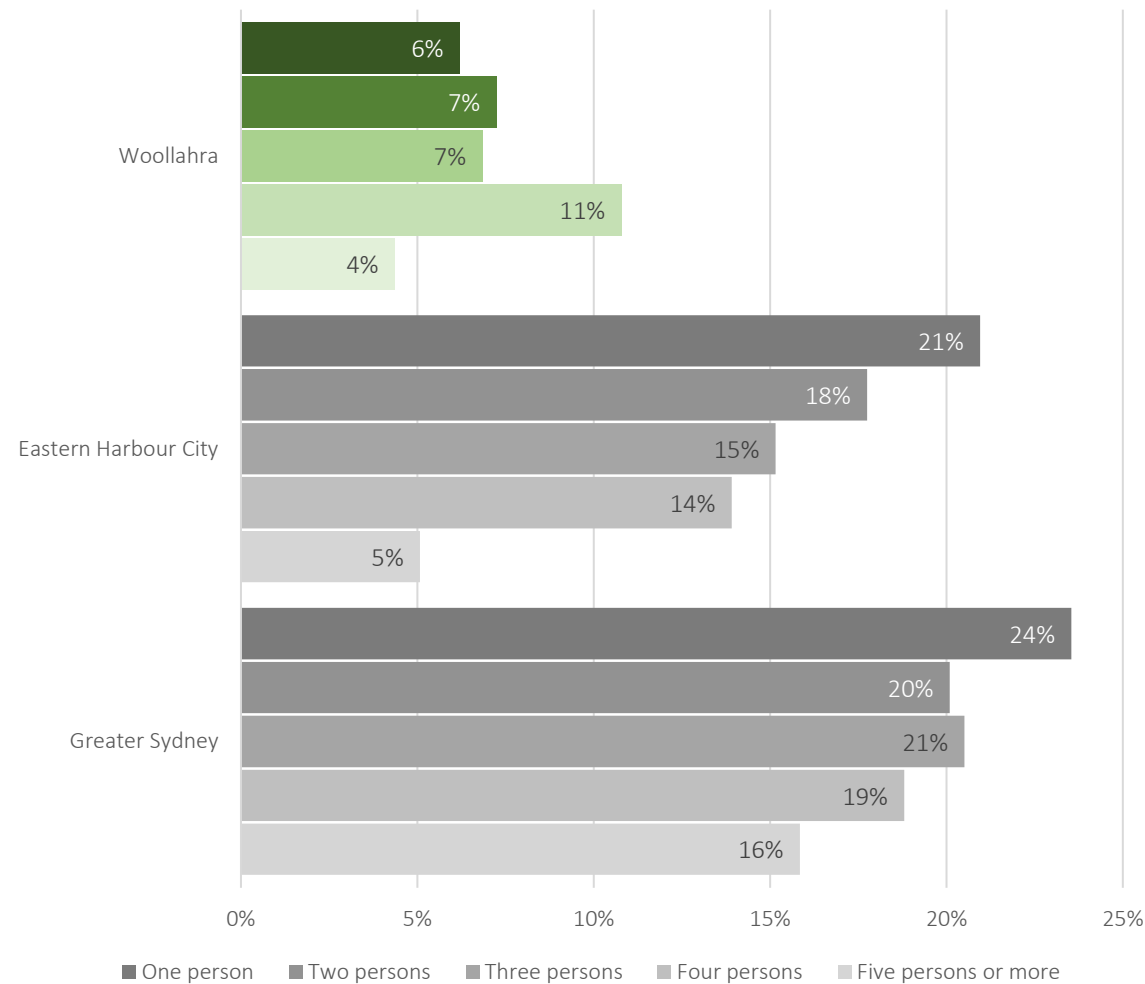


Source: ABS Census 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Considering the change from 2011 to 2021, as illustrated in **Figure 7**, Woollahra is an outlier in having lower growth than Eastern Harbour City and Greater Sydney, and in that one person households were not the fastest-growing household size within the LGA. In Woollahra, four person households demonstrated the largest growth.

FIGURE 7: GROWTH OF HOUSEHOLDS BY SIZE, 2011-2021



Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Households by income brackets

In alignment with the definition of household income levels under the EP&A Act, the analysis of household incomes has been completed in relation to the relevant Greater Sydney median household income, as measured at the 2011 and 2021 censuses.

Table 7 compares the proportions of household incomes with those of Greater Sydney in 2021. This shows that Woollahra has a greater proportion of high-income earners, with 67 percent of households earning above the Greater Sydney AMI.

TABLE 7: GREATER SYDNEY AND WOOLLAHRA INCOME DISTRIBUTION, 2021

AMI Category	Greater Sydney (%)	Woollahra LGA (%)
Less than 30% AMI	12%	7%
30% to 50% AMI	12%	7%
50% to 60% AMI	5%	4%
60% to 80% AMI	11%	7%
80% to 100% AMI	10%	8%
100% to 120% AMI	10%	9%
<u>Greater than 120% AMI</u>	41%	58%

Source: ABS Census 2021; SGS Economics & Planning, 2023

Table 8 presents the analysis of Woollahra households by income. Between 2011 and 2021, the total number of households in Woollahra grew by 12 percent (from approximately 17,900 to 20,200), with most of this increase (61 percent) coming from households earning an income greater than the AMI.

Figure 8 illustrates this change by AMI.

TABLE 8: HOUSEHOLDS BY AREA MEDIAN INCOME, 2011 AND 2021

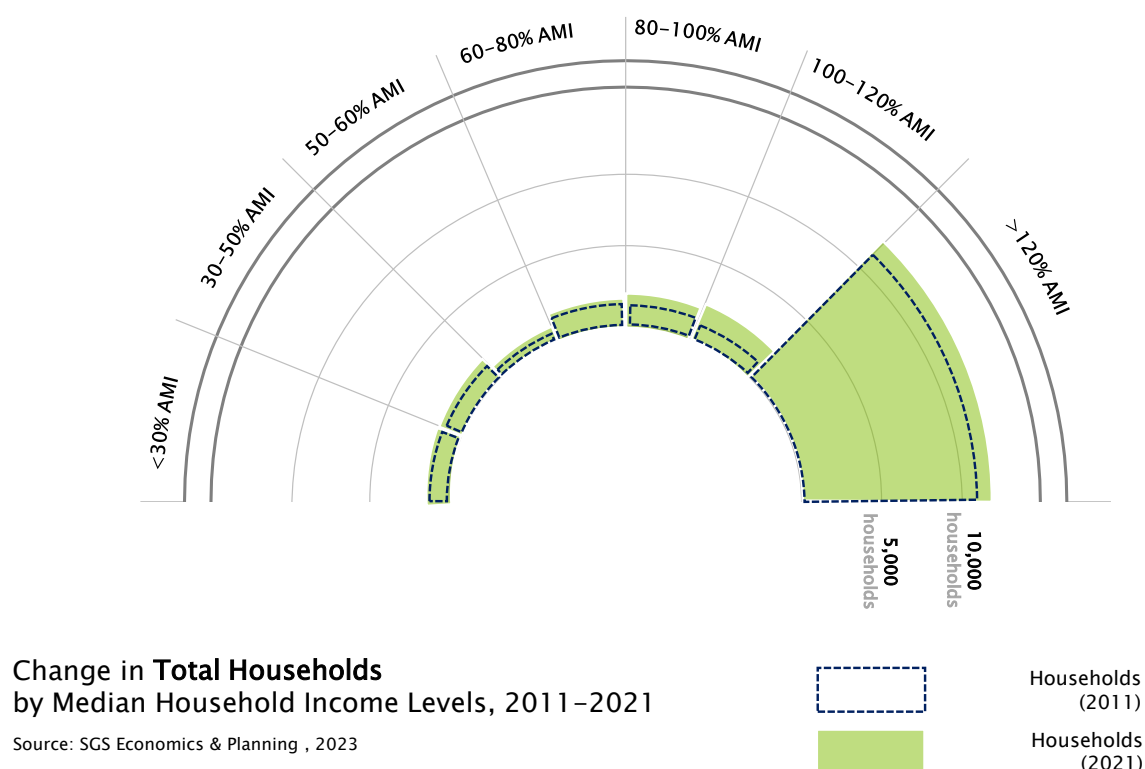
AMI Category	2011	2021	Change (2011-2021)		
			Total	Annual	% CAGR
Less than 30% AMI	1,259	1,424	165	16	1.2%
30% to 50% AMI	1,250	1,448	198	20	1.5%
50% to 60% AMI	661	712	51	5	0.7%
60% to 80% AMI	1,362	1,486	124	12	0.9%
80% to 100% AMI	1,287	1,606	319	32	2.2%
100% to 120% AMI	1,104	1,802	698	70	5.0%
<u>Greater than 120% AMI</u>	<u>11,017</u>	<u>11,685</u>	<u>668</u>	<u>67</u>	<u>0.6%</u>
Total	17,941	20,164	2,223	222	1.2%

Source: ABS Census 2021; SGS Economics & Planning, 2023

The following discusses a few of the highlights of the analysis by AMI.

- **Less than 30% AMI:** this segment of Woollahra households remained relatively constant from 2011 to 2021, increasing 13 percent overall.
- **30% to 80% AMI:** the increase in number of households within these three segments was also relatively minimal, growing by 11 percent overall.
- **80% to 100% AMI:** this segment of the population grew faster than the overall number of households, increasing a total of 25 percent between 2011 and 2021, at an average 2.2 percent per annum. This cohort is often representative of the community workforce, key worker cohorts and those that would benefit from subsidised homeownership solutions, such as shared equity or shared ownership models.
- **100% to 120% AMI:** this income cohort saw the largest growth, increasing a total of 63 percent between 2011 and 2021, at an average 5 percent per annum. This segment is inclusive of those in community workforce and key worker designations.
- **120% AMI or higher:** overall, this cohort grew by 6 percent between 2011 and 2021. From the perspective of affordable housing policy development, this cohort is largely unimportant as the supply of available housing often meets the needs of this cohort.

FIGURE 8: CHANGE IN TOTAL HOUSEHOLDS BY AMI (2011-2021), WOOLLAHRA

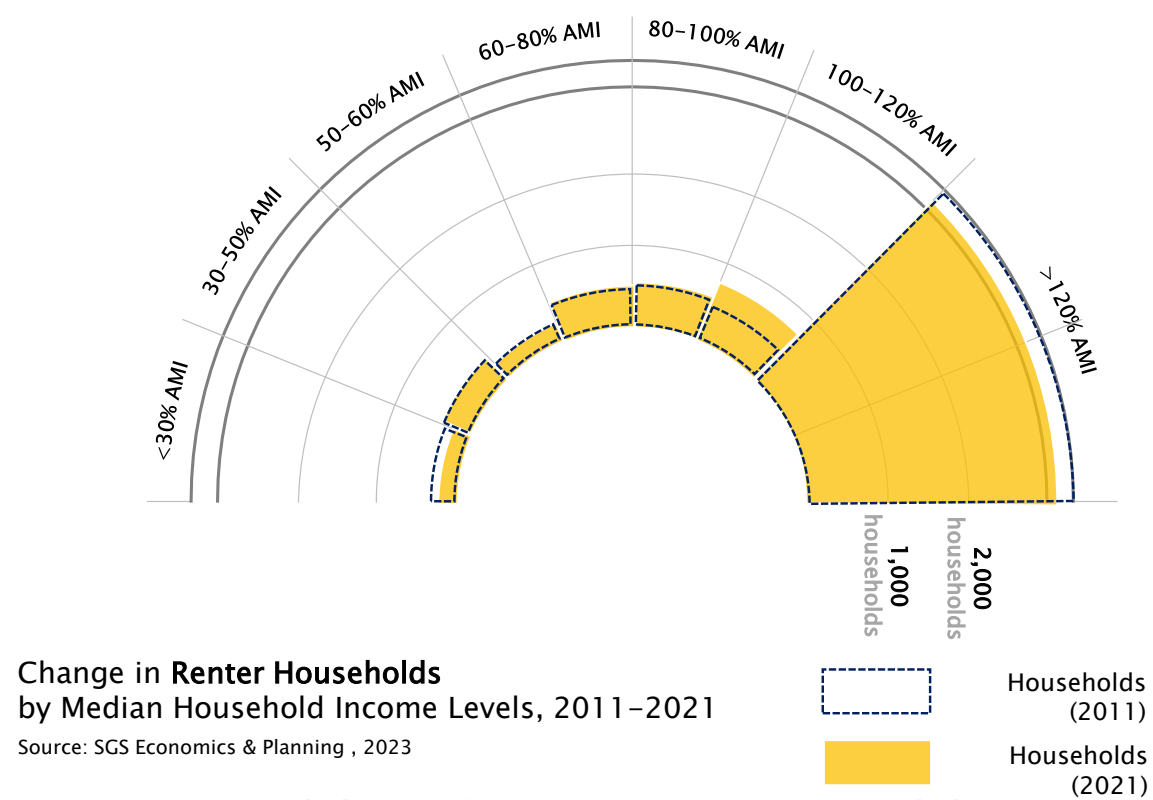


Source: ABS Census 2021; SGS Economics & Planning, 2023

Renter Households

Between 2011 and 2021, the total number of renter households in Woollahra grew by 5 percent (from approximately 5,560 to 5,840). **Figure 9** shows the change in distribution of renter households by Greater Sydney AMI. Households in the lowest income cohort (less than 30% AMI) decreased by 19 percent, while those in the highest income segment (>120% AMI) decreased 6 percent. Renter households in the 101%-120% AMI cohort accounted for most growth, increasing by 78 percent.

FIGURE 9: CHANGE IN RENTER HOUSEHOLDS BY AMI (2011-2021), WOOLLAHRA

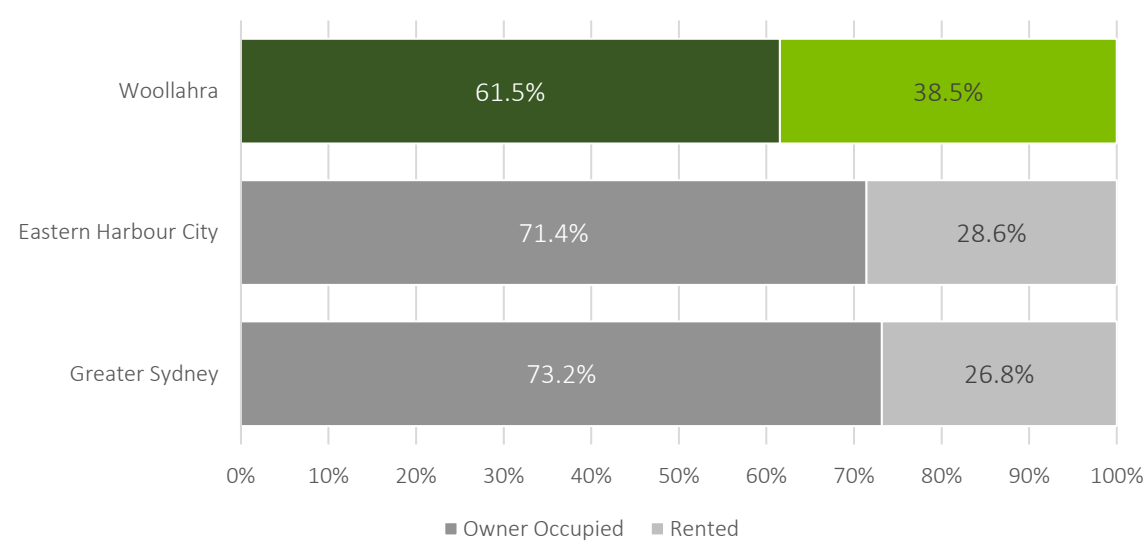


Source: ABS Census 2021; SGS Economics & Planning, 2023

Tenure split

Figure 10 shows the split between owner-occupier and rented dwellings in 2021 (other tenure types having been excluded for the purposes of this analysis). While owner-occupied dwellings account for a majority of households across all areas, Woollahra has comparatively more renters than Eastern Harbour City and Greater Sydney, at 38.5 per cent compared to 28.6 per cent and 26.8 per cent, respectively.

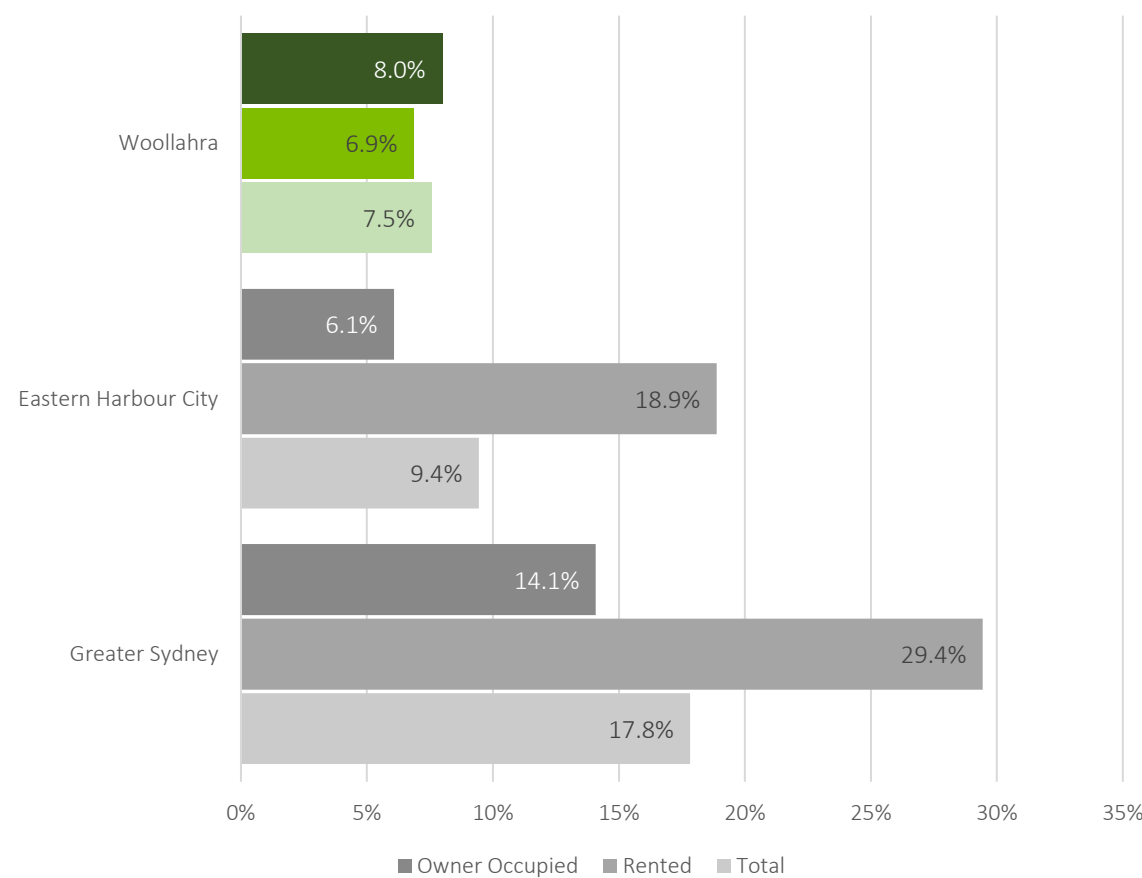
FIGURE 10: TENURE TYPE DISTRIBUTION, 2021



Source: ABS Census 2021; SGS Economics & Planning, 2023
Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Considering the growth in households by tenure type between 2011 and 2021, as shown in **Figure 11**, Woollahra saw significantly lower growth in renter households, compared to the rest of Eastern Harbour City and Greater Sydney. In contrast to these other areas, Woollahra’s growth in owner-occupied households outpaced growth in rentals, albeit marginally.

FIGURE 11: TENURE TYPE GROWTH, 2011-2021

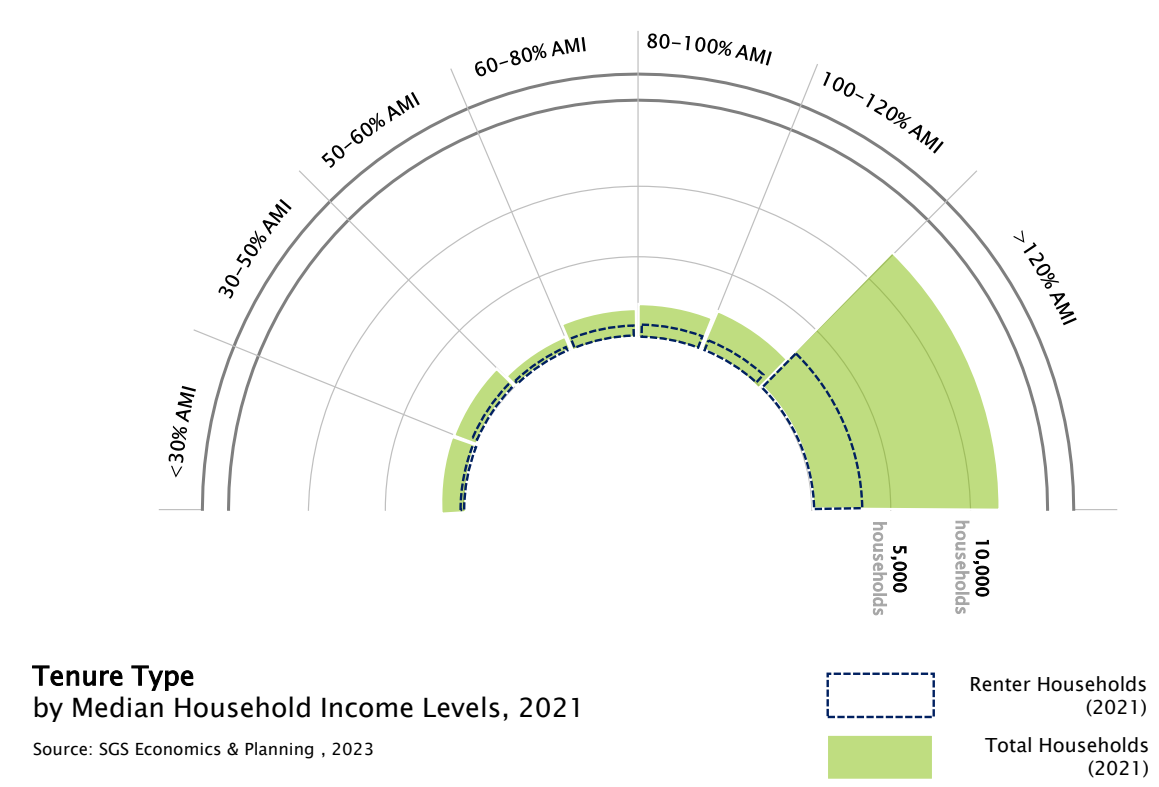


Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Figure 12 illustrates the distribution of renter households by AMI in 2021. Although renter households account for the smaller portion of housing stock in Woollahra, they follow a broadly similar distribution across income cohorts as total households.

FIGURE 12: TENURE TYPE BY AMI, 2021



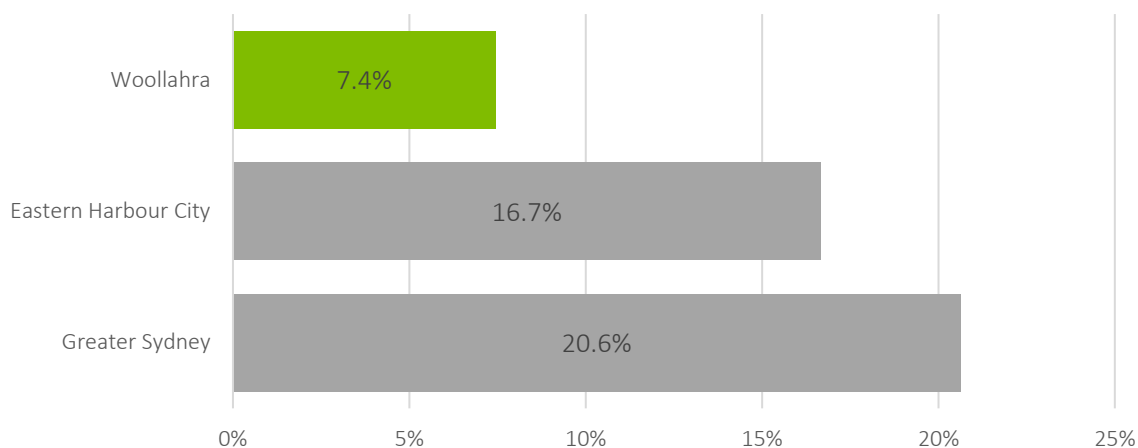
2.2 Supply of housing

This section discusses overall growth in the supply, as well as the change in the distribution of supply by dwelling size. This section indicates how the market has responded to demand. This begins to highlight where gaps by size, tenure, and type may have emerged.

Growth in total dwellings

Woollahra had a lower proportion of overall dwelling growth between 2011 and 2021 than Eastern Harbour City or Greater Sydney, as shown in **Figure 13**. Woollahra grew from a total of 20,419 dwellings in 2011 to 21,938 dwellings in 2021, which is an overall growth of 7.4 per cent – contrasted with an overall household growth of only 2.6 per cent.

FIGURE 13: CHANGE IN TOTAL DWELLINGS AS PERCENTAGE, 2011-2021



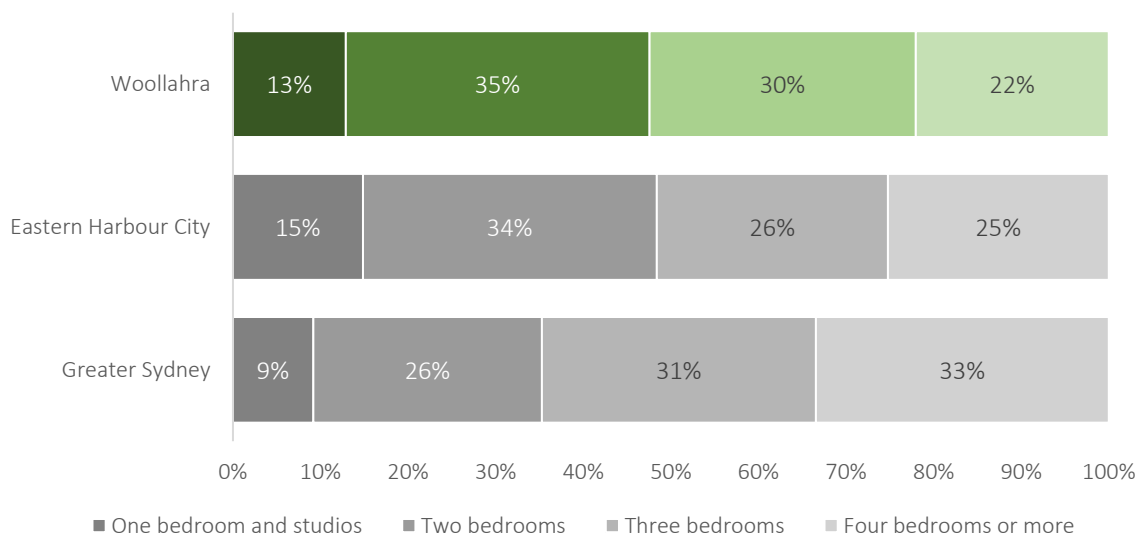
Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Growth in dwellings by size

As illustrated in **Figure 14**, Woollahra's dwelling stock is broadly in line with the rest of Greater Sydney, with two- and three-bedroom dwellings accounting for most housing stock (66%). Compared to Greater Sydney, Woollahra has a greater proportion of single bedroom or studio dwellings, and fewer four-bedroom dwellings.

FIGURE 14: DISTRIBUTION OF DWELLINGS BY SIZE (2021)

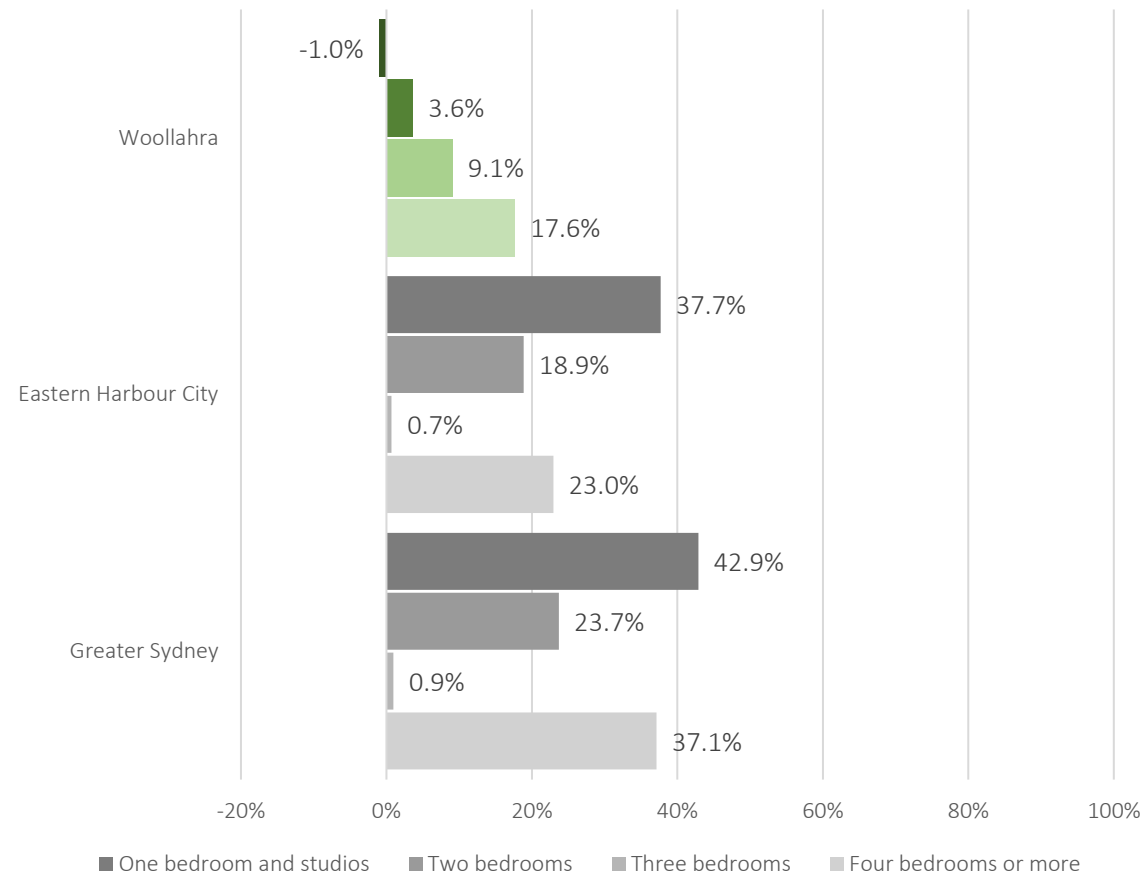


Source: ABS Census 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

Considering the growth in dwellings by size between 2011 and 2021, as shown in **Figure 15**, Woollahra was an outlier in experiencing a decline in the number of one bedroom and studio dwellings. This was the fastest growing typology across Eastern Harbour City and Greater Sydney, increasing by 38 percent and 43 percent, respectively. In contrast, Woollahra saw a 1 percent decline in one-bedroom and studio dwellings over the past decade. Larger dwellings saw positive growth in Woollahra, particularly four-bedroom homes which grew by 18 percent.

FIGURE 15: GROWTH IN DWELLINGS BY SIZE, 2011-2021

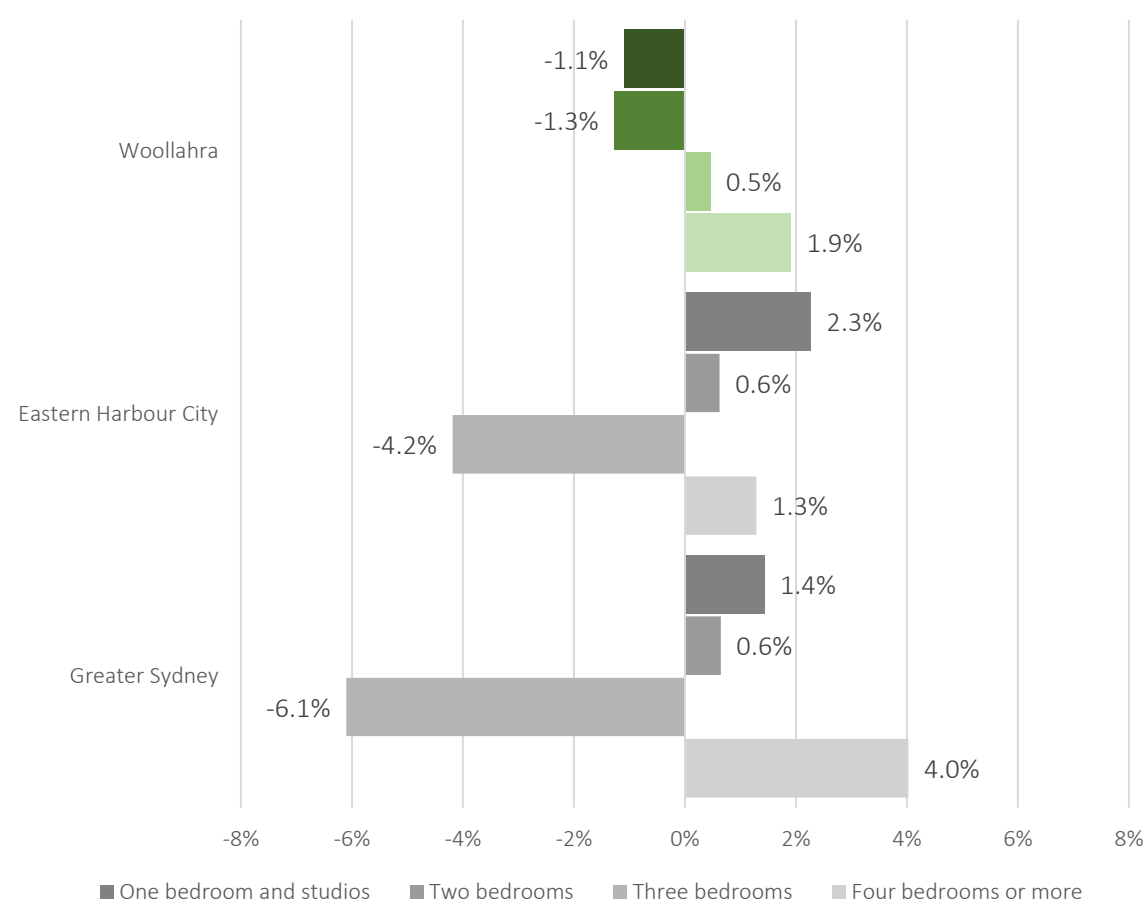


Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

As shown in **Figure 16**, the growth in three- and four-bedroom dwellings from 2011 to 2021 has increased the total proportion of these dwelling sizes within Woollahra by 1.9 and 0.5 percentage points, respectively. In contrast, one- and two-bedroom dwellings have decreased as a proportion of total housing stock. This differs from the rest of Eastern Harbour City and Greater Sydney, where one- and two-bedroom dwellings accounted for larger proportions of housing in 2021 than 2011.

FIGURE 16: CHANGE IN PROPORTION OF DWELLINGS BY SIZE, 2011-2021



Source: ABS Census 2011, 2021; SGS Economics & Planning, 2023

Note: Woollahra LGA statistics highlighted in shades of green to distinguish results from comparative geographies.

2.3 Affordability of housing

This section discusses how to define affordability of housing and an assessment of the affordability of housing within the Woollahra LGA. This section demonstrates the lack of affordable housing in Woollahra and amounts to a substantial finding with regard to an evidence base for the need for affordable housing.

This section includes an analysis of the distribution of sales in the for-sale market, distribution of rentals in the rental market, and a discussion of the implied gaps that it leaves when considering growth in households in the Woollahra LGA.

- **Sales prices of dwellings** in terms of the affordability to existing households by income.
- **Rental prices of dwellings** in terms of the affordability to existing households by income.
- **Rental vacancy rates** provide an indication of further supply-side constraints in the rental market. A market at equilibrium typically has a vacancy rate of 3.4% to account for turnover in inventory, whereas lower vacancy rates are a strong indicator of rental stress pressures.
- **Rental stress**, showing where households are paying more than 30% of their income in rent. This can show if specific income cohorts are more likely to be experiencing stress, and whether this has changed over time.

Affordability concepts

Affordability of dwellings is the result of interactions between the demand and supply of housing, as well as external factors on the market. The affordability of housing in the LGA has been analysed as a consideration of the acceptable level of spending on housing, at the household level.

The consensus in the practice of housing affordability analysis is to identify thresholds of income spent on housing beyond which a household is considered unaffordable, placing them in housing or rental stress. Housing is considered affordable when a household spends no more than 30% of its gross income on housing or rent. A household spending more than 30% (but less than 50%) of its income on housing experiences moderate housing stress, whereas a household spending 50% or more of its income on housing experiences severe housing stress.

This section accordingly provides detail with available data that characterises the relative affordability of the housing market in the same terms as used to define and categorise the change in households in Section 2.1. As discussed previously, affordable housing under the NSW legislative context provides that affordable housing be targeted towards households at the following income levels:

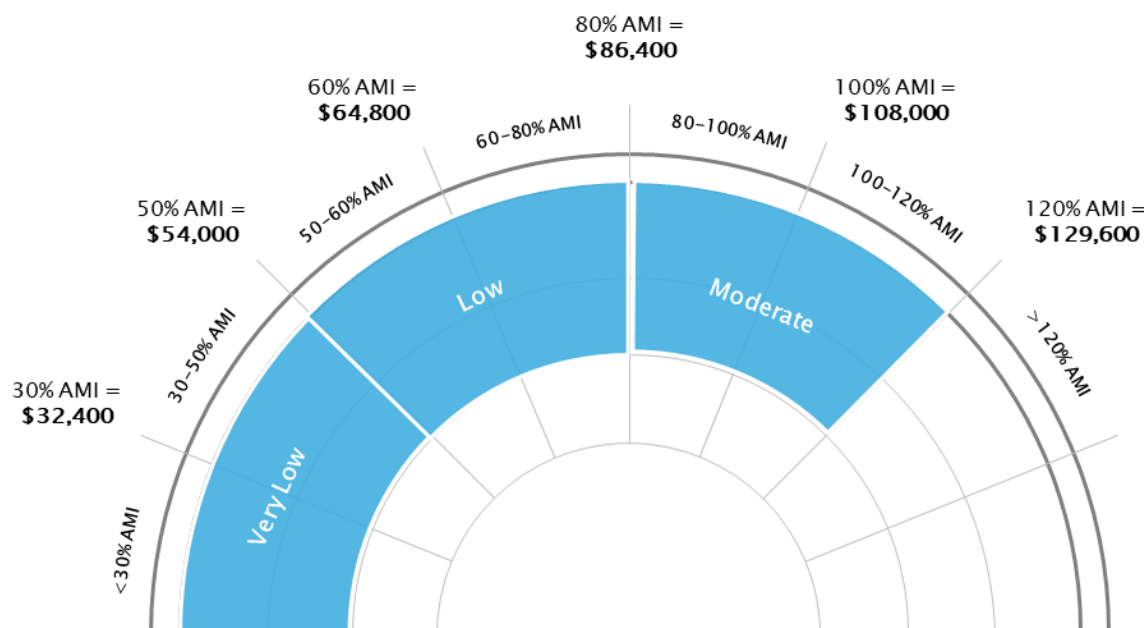
- **Very low income households:** Less than 50% of median income
- **Low income households:** 50% to 80% of median income
- **Moderate income households:** 80% to 120% of median income

Where the median income (or AMI, for Area Median Income) is that of the Greater Sydney region. However, as illustrated in **Figure 17** below, greater granularity of household incomes has been analysed. This framework of housing affordability analysis reflects the need for policy-makers to

understand the alignments or linkages between income levels and broad categories of intervention or response types.

- **Supportive Services (under 30% AMI):** At the lowest end and generally below the 30% AMI mark is where interventions and policy responses commonly result in investment around crisis accommodation, transitional housing or permanent-supportive or service-enriched housing (terminology can vary by organisation or practitioner). This end of the population is characterised by the presence of a variety of different populations, including: the working poor, retired and/or households on fixed incomes, and those at risk of homelessness. This end of the housing affordability spectrum is generally the focus of homelessness studies and social services.
- **Affordable Rental Housing (30% to 80% AMI):** the second category is associated with different variants on affordable rental housing (subsidised rentals). Most of contemporary Australian housing policy interventions have been targeted to the middle and upper end of this range, such as the construction of social housing, households benefitting from CRA, housing projects leveraging NRAS or the provision of local affordable housing contributions that translate into affordable rental housing managed or owned by CHPs. This part of the spectrum is arguably the most diverse. From 30% to 50% or 60% AMI is the low end of the service worker economy and represents households in great need for subsidised or affordable rentals, but they are generally not the households needing supportive services. Between 50% or 60% and 80% AMI, however, is a vastly different set of circumstances. These households are representative of the broader community workforce, such as what have recently been characterised as frontline workers or key workers. These are households that can neither afford a home nor often qualify for a mortgage), but also struggle with moderate and severe housing stress when left to the open housing market. For them, policy-makers are often challenged in providing proper interventions or delivery formats because of local housing market dynamics (i.e., the distribution of rents in the private rental housing market often overlaps at this 60% to 80% AMI range).
- **Affordable Ownership or Rental Housing (80% to 120% AMI):** the third category is particularly challenging from the perspective of scale. Households in this income range can often afford to purchase a home and can be qualified by a lender, but struggle in the private market where housing prices have escalated as much as they have in the Australian context. This is the category where attention is often given to solutions such as shared equity or shared ownership models or the community land trust (CLT) model in which land is held in common ownership and the homes are made available for purchase as deed-restricted below-market prices. Notwithstanding, households at this income level, particularly in areas with high costs of housing, can also be served by affordable rental schemes, as is envisaged under the NSW legislative context.

FIGURE 17: AFFORDABILITY SPECTRUM WITH BROAD CATEGORIES



Source: ABS Census 2021; SGS Economics & Planning, 2023

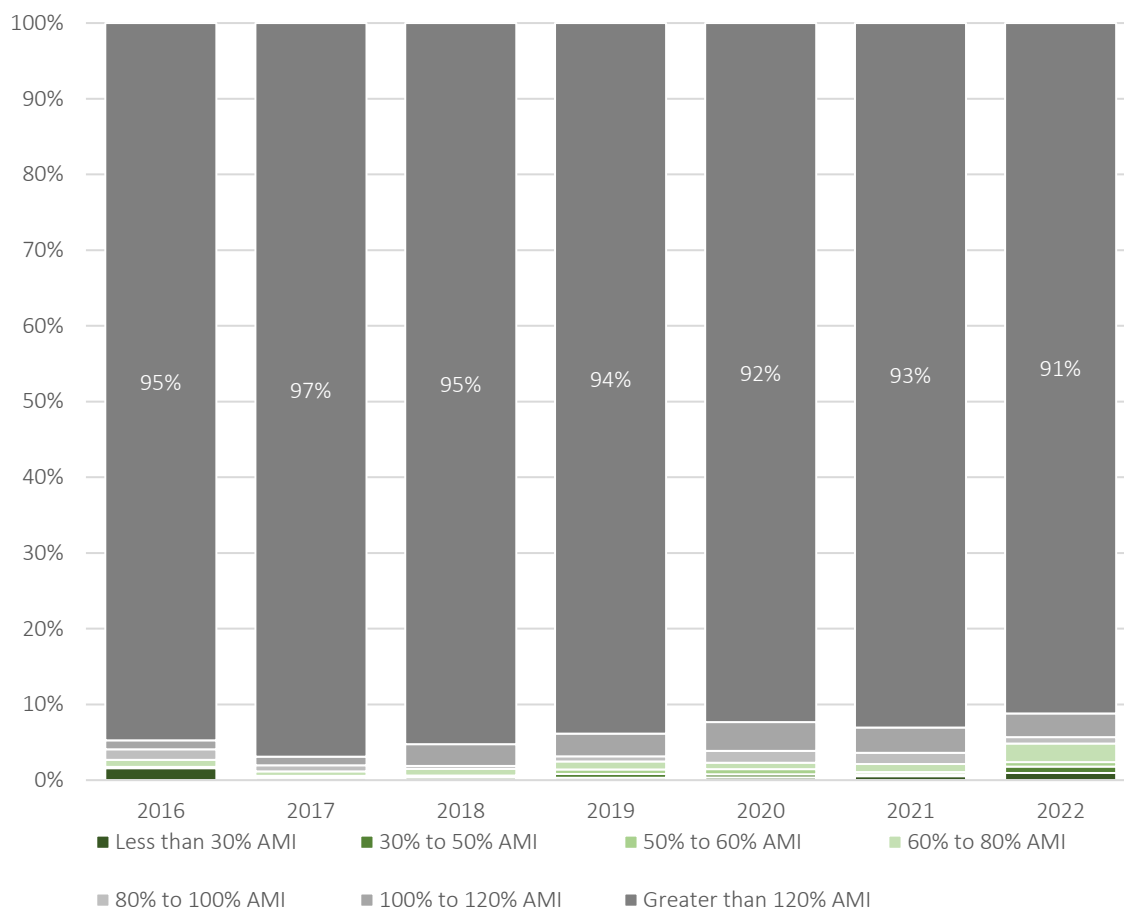
Sales trends and affordability

This section examines existing home and apartment sales evidence data. The analysis, completed and shown in **Figure 18**, examines the distribution of existing dwelling sales applying the following inputs and assumptions:

- Thirty (30) percent of a household's gross income is available for servicing mortgage debt.
- Mortgage borrowing rates from the RBA are used for respective years of data analysis, assuming standard variable rate loan.
- 30-year loan term.
- 20 percent deposit on purchase price.

In general, the analysis reveals a pattern not uncommon for a housing market experiencing affordability challenges, i.e., one in which sales are affordable mainly for the upper income categories. The analysis reveals that the vast majority of home and apartment sales during any given time are generally affordable only to households with incomes above 120% AMI.

FIGURE 18: DISTRIBUTION OF HOUSING SALES BY AMI LEVEL IN WOOLLAHRA (2016-2022)



Source: SGS Economics and Planning, 2025; Valuer General of NSW 2023

Note: Shades of green used to distinguish sales of dwellings affordable to 80% of the median income or below.

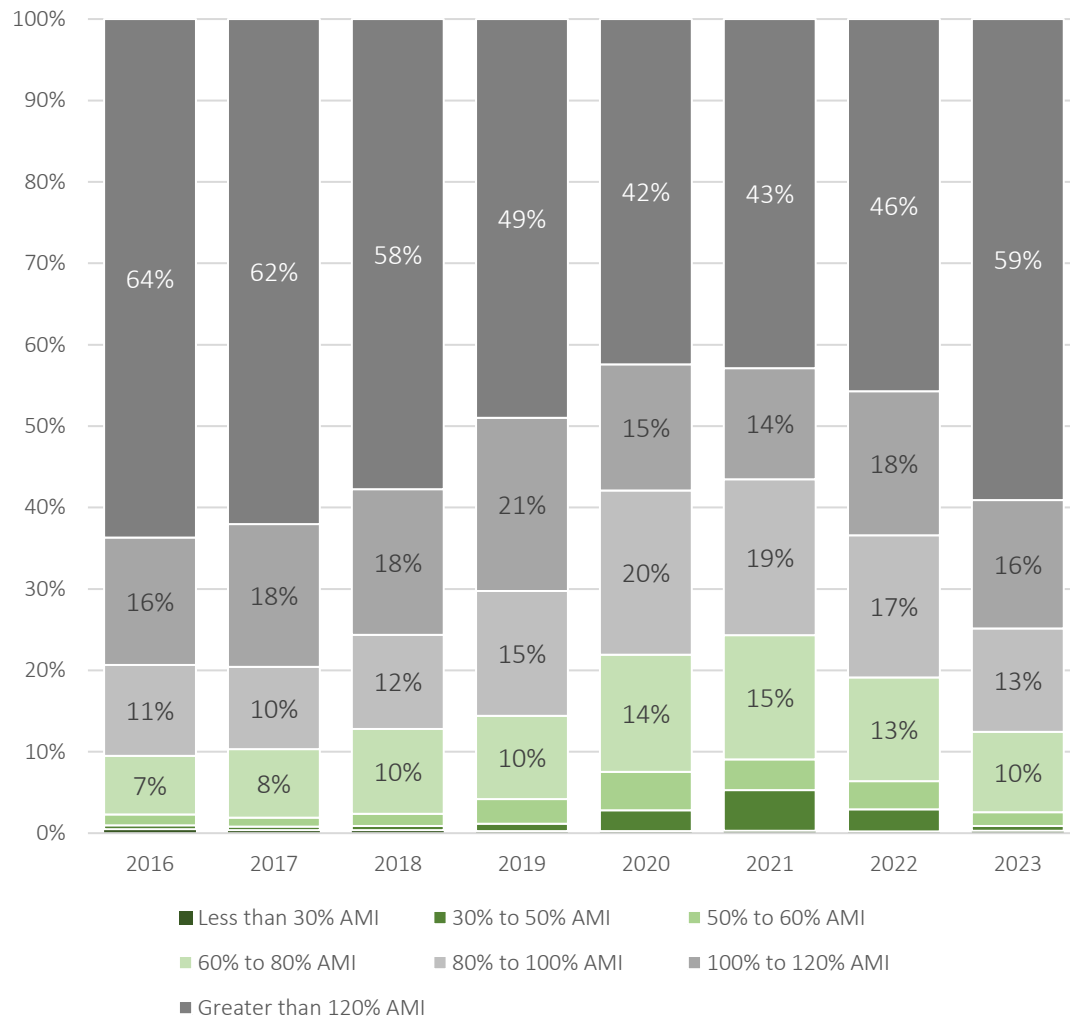
Rental trends and affordability

This section examines the distribution of rental properties through analysis of the distribution of rentals by rental rate converted to an associated AMI level. The analysis, completed and shown in **Figure 19**, illustrates these distributions of rentals applying the following inputs and assumptions:

- Thirty (30) percent of a household's gross income is available for rental payments

In general, the analysis reveals a pattern not uncommon for a housing market experiencing affordability challenges, i.e., one in which rentals are mainly affordable at income levels generally associated with the open rental market, greater than 80% AMI with some rental availability between 60% and 80% AMI. The analysis also illustrates that, for a brief period leading up to and during the COVID-19 pandemic, more rentals (as a percent of overall rentals turning over in the market) were available at more affordable levels.

FIGURE 19: RENTAL BOND BY AMI DISTRIBUTION IN WOOLLAHRA POSTCODES, 2016-2023



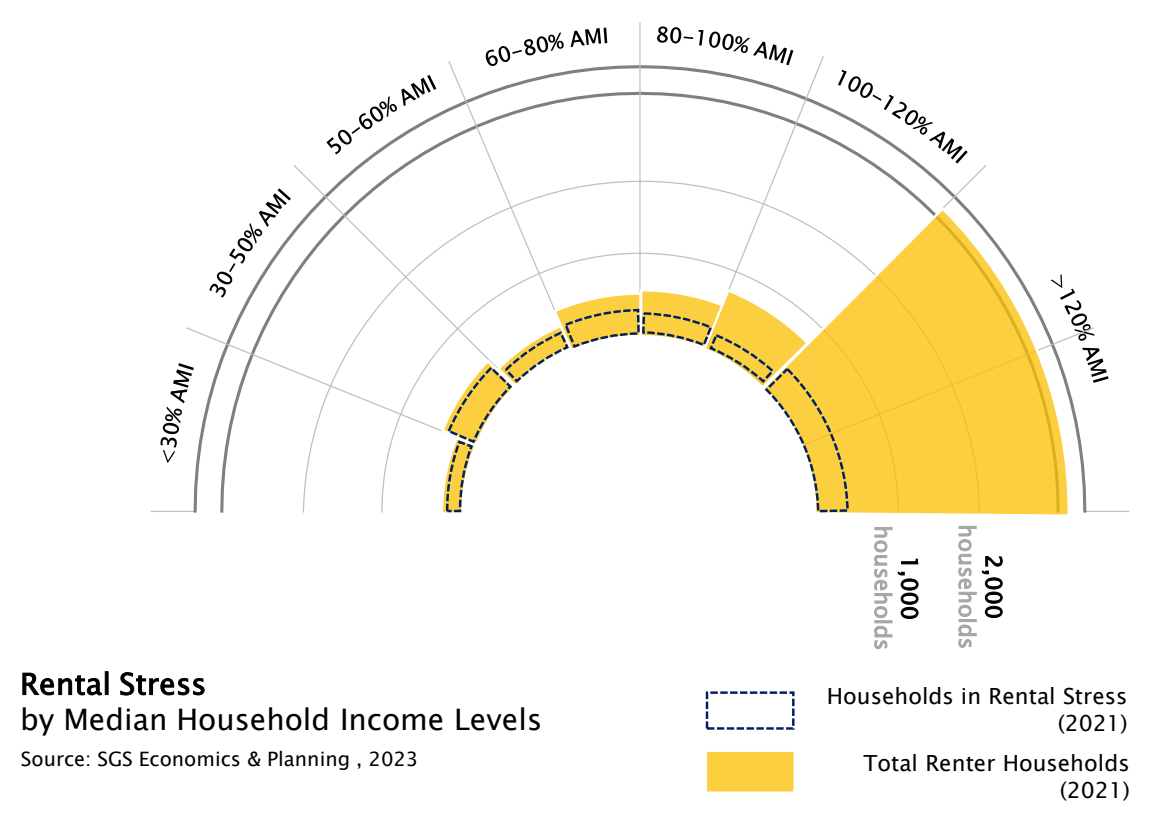
Source: ABS Census 2021: SGS Economics and Planning, 2025

Note: Shades of green used to distinguish sales of dwellings affordable to 80% of the median income or below.

Rental stress

Analysis of ABS data indicate that in 2021, there were approximately 2,000 households in rental stress in Woollahra, representing 34 percent of all renter households. **Figure 20** shows the distribution of renter households in Woollahra by AMI. While most rental households are within the >120% of AMI income band, households in the lower income bands are much more likely to be in rental stress. Households with income less than 60% of the AMI, are nearly all in rental stress.

FIGURE 20: RENTER HOUSEHOLDS AND HOUSEHOLDS IN RENTAL STRESS, WOOLLAHRA, 2021



2.4 Projections of social and affordable housing demand

The SGS Housing Assistance Demand Model measures the number of households who currently need affordable housing, segmented by demographic and spatial variables, and forecasts the evolution of this need subject to factors such as expected population growth, demographic shifts, changes in household incomes, and the changes of rental rates. For the purposes of this analysis, the model is used to estimate housing unaffordability through *rental stress*.

The model uses the following key datasets:

- ABS Census 2021: including weekly rent, weekly household income, household type, tenure type and weekly equivalised income
- 2021 ABS estimation of homelessness (cat 2049.0)
- Forecasts of household by type (NSW Travel Zone Projections)

As shown in **Table 9**, there are an estimated 2,645 Woollahra households living in social housing or in moderate to severe rental stress. Most of these (49 percent) are one parent families.

TABLE 9: DEMAND FOR SOCIAL AND AFFORDABLE HOUSING, WOOLLAHRA, 2021

Household Type	Living in social housing	Severe rental stress	Moderate rental stress	Total demand for SAH
Couple family with children	1	65	124	189
Couple family with no children	7	171	261	439
Group household	11	159	119	289
Lone person household	0	43	60	102
One parent family	88	716	501	1,305
Other family	5	112	204	321
Total	112	1,266	1,267	2,645

Source: SGS Economics and Planning, 2025

Table 10 shows the expected change in demand for social and affordable housing from 2021 to 2041. By 2041, a total estimated 3,367 Woollahra households would need to be living in social housing or would be in moderate to severe rental stress, representing demand for social and affordable housing solutions for 722 households.

TABLE 10: CHANGE IN DEMAND FOR SOCIAL AND AFFORDABLE HOUSING, WOOLLAHRA, 2021-2041

Year	Living in social housing		Severe rental stress		Moderate rental stress		Total demand for SAH	
	2021	2041	2021	2041	2021	2041	2021	2041
Very low income	93	93	703	855	115	90	911	1,039
Low income	14	14	403	628	409	351	827	994
Moderate income	4	4	160	388	743	941	907	1,334
Total	112	112	1,266	1,872	1,267	1,383	2,645	3,367

Source: SGS Economics and Planning, 2025

2.5 Identified funding need for social and affordable housing

The AHCS is supported by evidence base, as required by the Department's Guidelines (2019) in the previous sections that suggests there is a current and growing need for social and affordable housing across the LGA (specifically, the need for 722 more social and affordable housing units by 2041).

The purpose of this section is to consider what contributions would be required to build and/or acquire dwellings to meet the LGA's needs.

Cost and Means of Social and Affordable Housing Delivery

Community Housing Providers (CHPs), particularly Tier 1, build or acquire dwellings to operate and maintain as social or affordable housing. In terms of construction cost, SGS has summarised in **Table 11** the assumptions and overall estimate for a single dwelling (though not one developed to a "prestige finish" as those assumed, for example, in the developments assumed in the viability modelling for the LMR areas) to be constructed in the LGA. Overall, it is estimated that delivery of a single dwelling would require a total of more than \$1 million in capital.

TABLE 11: ESTIMATED PER-DWELLING DEVELOPMENT COST OF SOCIAL AND AFFORDABLE HOUSING

	Cost per dwelling	Source
Construction cost	\$465,255	The CIE ¹⁷
Soft costs	\$93,051	Assumed at 20% of construction costs ¹⁸
Land	\$506,000	Average per square metre rate of EUV of R3-zoned land (\$11,500) as analysed for this work, using the CIE (ibid) assumption of a mid-rise dwelling requiring 44sqm of land
Total Development Cost	\$1,064,306	

Source: SGS Economics and Planning, 2025

Like most development entities, however, CHPs deliver dwellings through a combination of capital sources:

- **Equity:** Typically sourced from local affordable housing contribution schemes, consultation with various CHP representatives indicates that is at least 10% of total development costs, and varies depending on the project at hand.

¹⁷ The CIE, Cost and feasibility estimates for supplying new residential dwellings in New South Wales (2024) via https://www.productivity.nsw.gov.au/sites/default/files/2024-11/2024114_CIE-report-Cost-and-feasibility-estimates-for-supplying-residential-dwellings.pdf.pdf

¹⁸ This assumption was adopted from previous consultation with CHPs engaged in dwelling delivery; this assumption varies from the delivery of market dwellings in this modelling (for example, project management and development contributions differ for affordable housing delivery when compared to market dwellings).

- **Conventional debt:** This is commercial financing using traditional construction loans, which generally carry market rates. Depending on these rates, by contrast to other forms of debt, CHPs may rely on this form of capital for construction projects.
- **Concessional debt:** This form of financing leverages Housing Australia's Affordable Housing Bond Aggregator, in which entities such as CHPs may access financing at a marginal rate just above the cost of funds.
- **Institutional debt:** Another form of financing that some developers may use is financing from entities like superannuation funds, though these rates are typically higher than conventional debt and not optimal for delivery of social or affordable housing.

In the following high-level analysis, SGS has assumed that CHPs bring 55% equity to each project, financing the remainder through a combination of conventional and concessional debt. This level of equity is required avoid the need for availability payments that exceed those anticipated under the HAFF.

Local Funds Required to Meet LGA Needs

Section 2.4 discussed that the need for social and affordable housing in the Woollahra LGA was estimated to be 722 dwellings. **Table 12** below illustrates the total funding required to meet the increased needs of the LGA. The high-level analysis looks at a scenario in which a CHP might use revenues from an AHCS as 55% equity. Under these assumptions, SGS estimates that the total funding required to address the increased need between 2021 and 2041 to be approximately \$432m.

TABLE 12: POTENTIAL FUNDING REQUIREMENTS TO MEET SOCIAL AND AFFORDABLE HOUSING NEED

	Factor
Subsidy per dwelling required (AHCS contribution revenue used as 55% CHP equity in development)	\$585,368
Total dwellings needed (from discussion of Table 10)	722
Funds needed to address total need	\$422,635,000

Source: SGS Economics and Planning, 2025

3. Methodology

This chapter outlines the inputs and assumptions used in undertaking the feasibility examination of a broad-based AHCS and possible variations by ward, type and over time.

3.1 Introduction

The NSW Guideline on Developing an Affordable Housing Contribution Scheme outlines the process and methodologies Councils should follow in identifying an appropriate contribution rate. Specifically, the NSW Guideline states that the “residual land value approach to valuing land for redevelopment is the preferred method to determine a viable affordable housing contribution rate”, which is calculated by “estimating the anticipated revenue from a development, then deducting all the development costs and allowance for a reasonable developer profit.”

As such, this chapter provides detailed discussions of SGS’s RLV modelling framework, and how we developed our inputs and assumptions for redevelopment prototypes across the various wards of the LGA. Specifically, this chapter contains the following structure:

- **Methodology and Terminology** – what steps are taken to conduct the modelling and some key terms.
- **Key inputs and assumptions** – what inputs and assumptions were required and made for the analysis.

3.2 Methodology and Terminology

Overview of Residual Land Value Modelling

Two common forms of real estate development feasibility evaluation are static (RLV) and discounted cash flow (DCF) modelling. In analysis, the appropriate methodology is the one that reflects the degree to which credible information and assumptions can be made. For example, DCF modelling is appropriate for ‘actual’ projects when a detailed development program is available, such that inputs and assumptions on costs, revenues, and timing are known. In the case of identifying supportable contribution rates for strategic planning purposes (and not specific site development purposes), the preferred RLV methodology of a static model is more suitable for such analyses.

RLV modelling seeks to determine the viability of redevelopment by determining the underlying value of a development site by subtracting all development costs (construction, soft costs, finance costs, risk, etc) from the gross realisable value (GRV) of the proposed built form. The residual (i.e., the R in the RLV) is considered to be the maximum that a rational developer would purchase the site for. Where the RLV is greater than the existing value of the site, the site could be purchased for and undergo redevelopment.

This requires the following key inputs, which are expanded on within section 3.3 below:

- **Site characteristics** – built form outcomes of proposed development typologies and potential required works to support the site.
- **Development costs** – including hard costs (e.g., building), soft costs (e.g., professional fees, legal, financing, contingency, etc.), planning fees and charges (e.g., stamp duty, GST, SSDA fees), infrastructure contribution charges (e.g., Section 7.11/7.12, housing and productivity contribution, etc). The Affordable Housing Contribution will form a part of these fees and charges.
- **Development margin and risk** – an estimate of the minimum margin a developer would seek in developing such a project that is adjusted for the various risks associated with such development (e.g., timing, land cost, construction cost, market, environment, etc.).
- **Realisable values** – a method to derive the end value of the proposed development, considering rental and a suitable capitalisation rate.

For clarification, a few terms used throughout the following chapters relate to the modelling results and findings.

- **Feasibility** refers to a condition in which a development project's revenues exceed its development costs by a sufficient margin, such that it can be developed with sufficient risk-adjusted investment returns.
- **Viability** on the other hand, refers to a condition in which a developer's willingness to pay for land in a feasible redevelopment exceeds the existing use value of the parcel land to be redeveloped. The development is considered **viable** because the underlying land transaction may proceed.

In summary, feasibility characterises the relationship between a development's total revenues and costs, while viability occurs when a developer's willingness to pay for land in redevelopment is greater than the landowners' expectation of existing use value. As such, the analysis undertaken in the following sections accordingly considers the *viability* of development in relation to a proposed AHCS.

Application of affordable housing contributions in the modelling

The modelling has considered only in-kind contributions: where floorspace is provided directly from the development to either the Council, or a Community Housing Provider (CHP). In the modelling, this is calculated as a reduction in the total sales value, or realisable value, of the residential component of the development. I.e, for a 5% contribution, the realisable value would be reduced by 5%, which models the impact of that percentage of residential floor area being contributed for affordable housing purposes.

Further discussion of the application of in-lieu (or monetary) contributions is made under **section 4.4**

Methodology for projecting market conditions

SGS also considers the viability of development in the future. The RLV modelling tests each site's development program under the assumption that costs and realisable values escalate over time, where realisable values typically escalate faster than costs. As such, the outputs illustrate *when* a proposed development may become viable (in number of years). Specifically, the modelling estimates when the RLV exceeds or is at least equal to the EUV, i.e., the point at which the modelled development becomes viable. In this modelling, SGS specifically tested realisable values increasing at a rate 1% higher per annum than costs.

3.3 Inputs to the viability model

Development prototype characteristics

Development program characteristics are summarised in **Table 13** through **Table 17**. These prototypes were selected with Council to account for development anticipated to take place across the LGA over time. The prototypes include redevelopment under existing planning controls, and the Low- and Mid-Rise reforms.

To account for the variation in market conditions and planning controls across the LGA, these were modelled across each council ward.

Other built form assumptions relevant to this modelling include:

- Parking is assumed to be located underground for all development (including single dwellings)
- Efficiency rates for built forms – which consider the relationship between the GFA of a development, and the net saleable area (which generates revenue) and the gross building area (which determines construction costs) – have been assumed in line with industry standards at:
 - NLA to GFA at 85%¹⁹
 - GFA to GBA at 90%
- Independent living prototypes receive a 15% bonus within the R3 zone, in line with Clause 87 of the Housing SEPP

TABLE 13: DEVELOPMENT PROTOTYPES FOR THE VAUCLUSE WARD

Prototype	Zone	Current typology	Proposed typology	Proposed FSR	Prevailing Control
1	R3	Single dwelling	RFB	1.1	Existing LEP
2	R3	RFB	RFB	1.1	Existing LEP
3	R3	Single dwelling	Independent living	1.265	Existing LEP
4	R3	RFB	Independent living	1.265	Existing LEP
5	E1	Comm	Shop-top housing	2.1	Existing LEP
6	R2	Single dwelling	Independent living	0.5	Existing LEP
7	R3	Single dwelling	MDH	1	Existing LEP

¹⁹ This assumption is relevant to the calibration of in-lieu or monetary contributions for each ward, as discussed further in the recommendations under section 4.4.

8	R2	Single dwelling	Dual occupancy	0.65	LMR
9	R2	Single dwelling	Single dwellings	0.5	Existing LEP
10	R3	Single dwelling	RFB	2.2	LMR
11	R3	RFB	RFB	2.2	LMR
12	R3	Single dwelling	RFB	1.5	LMR
13	R3	RFB	RFB	1.5	LMR

TABLE 14: DEVELOPMENT PROTOTYPES FOR THE BELLEVUE HILL WARD

Prototype	Zone	Current typology	Proposed typology	Proposed FSR	Tested Controls
14	R3	Single dwelling	RFB	1.3	Existing LEP
15	R3	RFB	RFB	1.1	Existing LEP
16	R3	Single dwelling	Independent living	1.495	Existing LEP
17	R3	RFB	Independent living	1.495	Existing LEP
18	R2	Single dwelling	Independent living	0.5	Existing LEP
19	R3	Single dwelling	MDH	1.3	Existing LEP
20	R2	Single dwelling	Dual occupancy	0.65	LMR
21	R2	Single dwelling	Single dwellings	0.5	Existing LEP
22	R3	Single dwelling	RFB	2.2	LMR
23	R3	RFB	RFB	2.2	LMR
24	R3	Single dwelling	RFB	1.5	LMR
25	R3	RFB	RFB	1.5	LMR

TABLE 15: DEVELOPMENT PROTOTYPES FOR THE DOUBLE BAY WARD

Prototype	Zone	Current typology	Proposed typology	Proposed FSR	Tested Controls
26	R3	Single dwelling	RFB	2.6	Existing LEP
27	R3	RFB	RFB	2.6	Existing LEP
28	R3	Single dwelling	Independent living	2.99	Existing LEP
29	R3	RFB	Independent living	2.99	Existing LEP
30	R2	Single dwelling	Independent living	0.5	Existing LEP
31	R3	Single dwelling	MDH	2.6	Existing LEP
32	R2	Single dwelling	Dual occupancy	0.65	LMR
33	R2	Single dwelling	Single dwellings	0.5	Existing LEP
34	R3	Single dwelling	RFB	2.2	LMR
35	R3	RFB	RFB	2.2	LMR
36	R3	Single dwelling	RFB	1.5	LMR
37	R3	RFB	RFB	1.5	LMR

TABLE 16: DEVELOPMENT PROTOTYPES FOR THE COOPER WARD

Prototype	Zone	Current typology	Proposed typology	Proposed FSR	Tested Controls
38	R3	Single dwelling	RFB	1.3	Existing LEP
39	R3	RFB	RFB	1.3	Existing LEP
40	R3	Single dwelling	Independent living	1.495	Existing LEP
41	R3	RFB	Independent living	1.495	Existing LEP
42	R2	Single dwelling	Independent living	0.5	Existing LEP

43	R3	Single dwelling	MDH	1.3	Existing LEP
44	R2	Single dwelling	Dual occupancy	0.65	LMR
45	R2	Single dwelling	Single dwellings	0.5	Existing LEP
46	R3	Single dwelling	RFB	2.2	LMR
47	R3	RFB	RFB	2.2	LMR
48	R3	Single dwelling	RFB	1.5	LMR
49	R3	RFB	RFB	1.5	LMR

TABLE 17: DEVELOPMENT PROTOTYPES FOR THE PADDINGTON WARD

Prototype	Zone	Current typology	Proposed typology	Proposed FSR	Tested Controls
50	R3	Single dwelling	RFB	1.1	Existing LEP
51	R3	RFB	RFB	1.1	Existing LEP
52	R3	Single dwelling	Independent living	1.265	Existing LEP
53	R3	RFB	Independent living	1.265	Existing LEP
54	R2	Single dwelling	Independent living	0.5	Existing LEP
55	R3	Single dwelling	MDH	1	Existing LEP
56	R2	Single dwelling	Dual occupancy	0.65	LMR
57	R2	Single dwelling	Single dwellings	0.5	Existing LEP
58	R3	Single dwelling	RFB	2.2	LMR
59	R3	RFB	RFB	2.2	LMR
60	R3	Single dwelling	RFB	1.5	LMR
61	R3	RFB	RFB	1.5	LMR

Source: SGS Economics and Planning, 2025

Revenue and existing use values

Revenue and existing use values are key inputs to RLV modelling. In Woollahra, as noted in the CBRE report, both land prices and realisable values are extremely high relative to Greater Sydney as a whole.

Revenue

Realisable values were based on the sales evidence for relevant typologies in each ward, as provided by CBRE. Of note is that the market for 'prestige' and new dwellings is not considered to align directly with the rest of the residential market, with such purchasers being significantly less sensitive to price. The Woollahra market is also not considered to have many comparable areas within Greater Sydney, particularly for waterfront dwellings and those with views of the harbour.

For the purposes of this analysis, the adopted prices have been calibrated to represent the mid-upper prices of each ward, as this represents the likely price point of new development. Assumptions are detailed in **Table 18**.

TABLE 18: REALISABLE VALUE ASSUMPTIONS USED IN MODELLING

Typology	Vaucluse	Bellevue Hill	Double Bay	Cooper	Paddington
Residential flat buildings	\$30,000	\$30,000	\$50,000	\$30,000	\$30,000
Multi dwelling housing	\$30,000	\$30,000	\$50,000	\$30,000	\$30,000
Independent living ²⁰	\$30,000	\$30,000	\$50,000	\$30,000	\$30,000
Dual occupancies	\$35,000	\$40,000	\$60,000	\$40,000	\$55,000
Single dwellings	\$45,000	\$60,000	\$75,000	\$40,000	\$55,000

Source: SGS Economics and Planning, 2025

Existing Use Value (EUV)

Existing Use Value (EUV) assumptions (shown in **Table 19**) are based on recent sales evidence for typologies and. Values were determined in conjunction with CBRE reflective of existing use, zone, and ward.

TABLE 19: EXISTING USE VALUE ASSUMPTIONS USED IN MODELLING

Ward	Typology	Zone	Base price	Per sqm of
Vaucluse	Single dwelling	R2	\$6,000	Land
Vaucluse	Single dwelling	R3	\$8,500	Land
Vaucluse	Comm	E1	\$8,500	Land
Vaucluse	RFB	R3	\$16,000	Internal
Bellevue Hill	Single dwelling	R2	\$10,000	Land
Bellevue Hill	Single dwelling	R3	\$10,000	Land
Bellevue Hill	RFB	R3	\$13,000	Internal
Double Bay	Single dwelling	R2	\$40,000	Land
Double Bay	Single dwelling	R3	\$35,000	Land
Double Bay	RFB	R3	\$15,000	Internal
Cooper	Single dwelling	R2	\$12,000	Land
Cooper	Single dwelling	R3	\$13,500	Land
Cooper	RFB	R3	\$13,000	Internal
Paddington	Single dwelling	R2	\$14,000	Land
Paddington	Single dwelling	R3	\$14,000	Land
Paddington	RFB	R3	\$13,000	Internal

Source: SGS Economics and Planning, 2025

²⁰ The sales evidence for independent living units is limited. Only eight (8) examples of such developments within the LGA were available from sales datasets. Of those, only five (5) had actual price point data available, ranging between \$19,000 and \$48,000 per square metre. SGS's adopted realisable value assumption reflects consideration for the few examples of actual sales available and anecdotal evidence suggesting that such product is typically marketed with a premium above typical RFBs.

Costs

Hard Costs

The following hard cost assumptions have been sourced from industry publications and updated to reflect recent market trajectories in the cost of materials and labour. The key hard cost assumptions that have been used in the feasibility testing are outlined in **Table 20** below. All dollar values are expressed on a **per-square metre basis**.

TABLE 20: HARD COST ASSUMPTIONS USED IN MODELLING

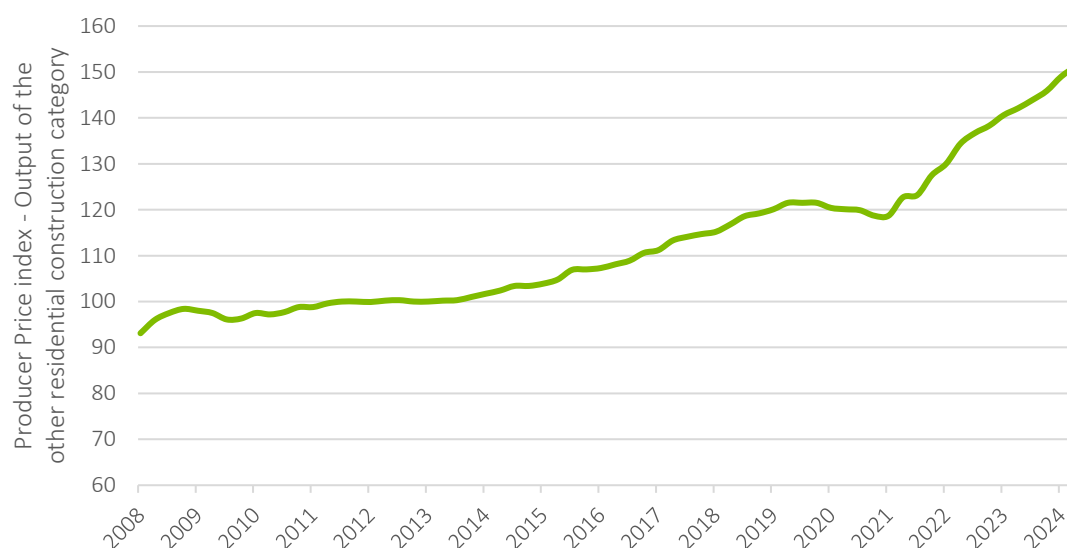
Costs	Value	Metric	Source
High density residential construction, prestige quality	\$7,050	Per square metre of gross building area	Napier Blakely
Medium density and detached residential construction, prestige quality	\$4,330	Per square metre of gross building area	Napier Blakely
Retail, high quality	\$3,400	Per square metre of gross building area	Rawlinsons Construction Cost Guide
Demolition	\$135	Per square metre of gross building area	Rawlinsons Construction Cost Guide
Underground car parking	\$86,000	Per car space	Rawlinsons Construction Cost Guide

Source: SGS Economics and Planning, 2025 via Rawlinsons 2024 and Napier Blakely 2024

Residential building costs for units and apartments have escalated significantly since the onset of the COVID-19 pandemic. **Figure 21** illustrates the change in the Producer Price Index for other residential construction (i.e., excludes houses) since 2008. Between 2008 (the trough of the GFC) and 2020 (onset of the pandemic), building costs escalated at a rate of approximately 1.8 per cent per annum.

Since 2020, however, annual escalation in building costs for apartments has risen by an average of 6.0 per cent per annum (approximately 25 per cent in total). By contrast, this rate of cost escalation exceeded the market price of apartments, leading to a severe deterioration of development viability, a set of circumstances that has not yet corrected.

FIGURE 21: PRODUCER PRICE INDEX - OUTPUTS FOR OTHER RESIDENTIAL CONSTRUCTION, 2008 TO 2024



Source: Australian Bureau of Statistics, Producer Price Indexes, Australia. Table 17, Series ID A2333676X (2024)

Soft Costs

Adopted soft costs are summarised in **Table 21** below. Within the viability modelling conducted, these result in the soft costs being around 40 to 45 per cent of hard costs, which is considered a conservative assessment.

TABLE 21: SOFT COST ASSUMPTIONS USED IN MODELLING

Costs	Value/ metric	Source
Professional fees and project management	5% of hard costs (HC)	Industry standard
Marketing and advertising	1.0% of gross realisable value	Industry standard
Legal fees	\$2,000 per residential unit	Industry standard
Contingency	7.5% of HC and some soft costs	Industry standard
Land Acquisition costs (e.g., title fees, valuer study)	0.5% of estimated RLV	Industry standard
Cost of financing (assumes financing on 65% of total development costs + estimated RLV)	Ranges between 5.0% and 11.0% of HC Formula, depending on assumed length of project, and interest rates (currently assumed at 8% borrowing rates)	Formula-based

Source: SGS Economics and Planning, 2025

Fees and charges

Adopted fees and charges are outlined in **Table 22** below.

TABLE 22: FEES AND CHARGES USED IN VIABILITY MODELLING

Costs	Value/ metric	Source
Council fees including Section 7.12, and development application fees	Varies – calculated on individual type of application by value	Woollahra Municipal Council
Stamp duty	Calculated per formula	Revenue NSW
Housing and Productivity Contribution	\$10,000 per new strata dwelling \$30 per square metre of new commercial GFA	NSW Department of Planning, Housing, and Infrastructure

Source: SGS Economics and Planning, 2025

Margin

A development margin was assumed at 20%. The development margin accounts for: a standard business premium, land cost, construction cost, market, timing, environmental and approvals risks. Each risk is assigned a premium, generally between 0.5% and approximately 4.5%. These premiums account for the possible risks of, for example, unforeseen increases in construction costs, land acquisition costs, slower market absorption (i.e., sales) of residential dwellings or lease-up of non-residential space.

4. Outputs and recommendations

This chapter presents outputs of the feasibility examination and provides Council with recommendations regarding the establishment of a broad-based contribution, opportunities to vary contribution rates by ward, consideration for exemptions, adoption of monetary contribution dollar amounts, as well as considerations of phasing, implementation and the extent to which the collection of such monetary contributions over time are likely to address the scale of the LGA's social and affordable housing needs.

Discussion also includes consideration for how such a broad-based contribution could impact certain development types and circumstances, such as situations in which there is more or less uplift in redevelopment over existing uses. The chapter concludes with recommendations and further considerations for Council to progress a planning proposal.

4.1 Introduction

This chapter is organised with the following content:

- **Proposed development viability** – results as to a project's general viability are discussed to establish a baseline not only for understanding the impact of current market conditions on development feasibility, but also the impact of the affordable housing contributions.
- **Development viability with affordable housing contributions** – results are discussed related to testing of a range of affordable housing contributions, 0.5% to 2.5%, on development feasibility.
- **Projected market conditions** – outputs are discussed regarding each scenario with projected market conditions to identify when, if not now, might developments with or without a contribution be viable. The key output metric is identified as "years to viability".
- **Delay to viability from affordable housing contributions** – these results isolate the difference between years to viability for the baseline development scenario and the development scenario with the various contribution rates tested.

4.2 Key Findings

Before discussing more detailed results by ward (**Section 4.3**), this section presents SGS's general observations. For clarity, they are oriented around specific themes:

- **Impacts of density** – Higher density prototypes (typically RFBs) are generally more viable than lower-density prototypes (dual occupancies, single dwellings, and independent living prototypes). Development prototypes in which there is a larger difference between existing and redevelopment FSRs are also more viable. For example, redevelopment of single dwelling sites with RFBs is more viable than redevelopment of an existing RFB with a new RFB.

- **Impact of higher realisable values** – In wards where realisable values for new houses and dual occupancies are very high, the redevelopment of existing single dwellings into these typologies is viable, despite a lower FSR. In wards with lower realisable values, viability is generally more challenged.
- **Impacts of specific prototypes** – The independent living prototypes modelled are generally not viable, particularly within the R2 zones. At issue is the fact that FSRs for these prototypes are limited to 0.5:1 (in line with single dwellings in the R2 zones), which substantially reduces viability. SGS understands, however, that developments have taken place within the LGA, with five proposed between 2018 and 2020. As discussed in **Section 3.3**, sales evidence from developments which have occurred is extremely limited.
- **Impacts of the LMR controls** – RFB prototypes using LMR assumptions are among the most viable, especially for prototypes in which a single dwelling is redeveloped. As measured by the years to viability, for example, the impact of the AHC is consistent (e.g., at 1 to 3 years for a 2% contribution). The LMR reforms permit RFBs with FSRs of 2.2:1 or 1.5:1, depending on the distance of the subject site from a town centre. These assumptions have been modelled in each ward and are presented (in the following tables) as the last four prototypes in each ward- i.e., redevelopment of RFBs is modelled either as a replacement of an existing single dwelling or an existing RFB.
- **Impacts of the in-fill affordable housing provisions under the Housing SEPP** – Modelling indicates that the application of the in-fill affordable housing provisions (as outlined under **Section 1.2** on page 11) would result in increased viability for all prototypes. Full tabulated outputs of these impacts are provided within **Appendix B**. However, the following should be considered in the context of such findings: 1) Any affordable housing delivered under the in-fill provisions of the Housing SEPP is in addition to any local affordable housing contributions. 2) Because the affordable housing must be delivered onsite under the in-fill provisions, not all development prototypes will be eligible (for instance, single dwellings are not suitable). 3) The Housing SEPP provides that additional height can be sought for such developments, if it comprises a residential flat building or shop-top housing – however, impacts such as overshadowing still need to be considered, which is likely to limit achievable heights and densities in some cases.

4.3 Viability by Ward

This section discusses specific viability results related to ward-specific prototype testing. The testing outputs discussed include the application of a broad-based contribution ranging between 0.5% and 2.5%. Specifically, each ward-level summary discusses the following:

- Viability of each prototype, expressed as the RLV less EUV, with no contribution, and up to 2.5%
- Time to viability for each prototype
- Impact of the contribution on the time to viability

Vaucluse Ward

The location of the Vaucluse Ward within the LGA is shown in **Figure 22**.

FIGURE 22: VAUCLUSE WARD



Source: SGS Economics and Planning, 2025

Key findings for viability in Vaucluse are outlined below. **Table 23** presents viability of the different prototypes with varying degrees of the broad-based contribution. **Table 24** presents the outputs as measured by the years to viability across varying broad-based contributions. In general the findings are as follows:

- Higher-density prototypes are more viable under current market conditions
- Lower-density prototypes are generally less viable
- As the difference between redevelopment and existing use FSR increases, so does viability.
- By contrast, the smaller the difference between redevelopment and existing use FSR, the unlikelier viability is (e.g., prototypes 2, 4, 11, and 13), as measured by RLV less EUV and years to viability.
- The independent living prototypes are generally unviable. However, when isolating the impacts of the broad-based contribution (**Table 25**), it is clear that the impact of the contribution is proportional to years to viability among other prototypes.

- Also as shown at the bottom of **Table 25**, the longest delay to viability (among the prototypes) will be useful as a guide to structuring recommendations for which contribution rates could be supportable if phased over time.

TABLE 23: VAUCLUSE WARD RLV LESS EUV OUTPUTS (\$M)

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
1	Single dwelling	RFB	R3	1.1	-\$1.04	-\$1.10	-\$1.16	-\$1.22	-\$1.28	-\$1.34
2	RFB	RFB	R3	1.1	-\$3.68	-\$3.74	-\$3.80	-\$3.86	-\$3.92	-\$3.98
3	Single dwelling	Independent living	R3	1.3	-\$0.52	-\$0.59	-\$0.66	-\$0.73	-\$0.80	-\$0.87
4	RFB	Independent living	R3	1.3	-\$3.16	-\$3.23	-\$3.30	-\$3.37	-\$3.44	-\$3.51
5	Comm	Shop-top housing	E1	2.1	\$1.93	\$1.85	\$1.77	\$1.70	\$1.62	\$1.54
6	Single dwelling	Independent living	R2	0.5	-\$3.00	-\$3.05	-\$3.10	-\$3.15	-\$3.20	-\$3.25
7	Single dwelling	MDH	R3	1.0	\$0.35	\$0.30	\$0.25	\$0.20	\$0.16	\$0.11
8	Single dwelling	Dual occ	R2	0.7	\$1.16	\$1.10	\$1.03	\$0.97	\$0.90	\$0.83
9	Single dwelling	Single dwelling	R2	0.5	\$1.85	\$1.78	\$1.72	\$1.65	\$1.59	\$1.52
10	Single dwelling	RFB	R3	2.2	\$3.30	\$3.13	\$2.97	\$2.80	\$2.63	\$2.47
11	RFB	RFB	R3	2.2	-\$0.53	-\$0.81	-\$1.08	-\$1.35	-\$1.63	-\$1.90
12	Single dwelling	RFB	R3	1.5	\$0.31	\$0.21	\$0.10	\$0.00	-\$0.12	-\$0.24
13	RFB	RFB	R3	1.5	-\$12.23	-\$12.40	-\$12.57	-\$12.73	-\$12.90	-\$13.07

Source: SGS Economics and Planning, 2025

TABLE 24: VAUCLUSE WARD TIME TO VIABILITY OUTPUTS

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
1	Single dwelling	RFB	R3	1.1	3.8 yrs	4.1 yrs	4.3 yrs	4.6 yrs	4.9 yrs	5.2 yrs
2	RFB	RFB	R3	1.1	11.9 yrs	12.2 yrs	12.6 yrs	13.0 yrs	13.4 yrs	13.7 yrs
3	Single dwelling	Independent living	R3	1.3	1.8 yrs	2.0 yrs	2.3 yrs	2.5 yrs	2.8 yrs	3.1 yrs
4	RFB	Independent living	R3	1.3	9.2 yrs	9.5 yrs	9.8 yrs	10.1 yrs	10.4 yrs	10.7 yrs
5	Comm	Shop-top housing	E1	2.1	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
6	Single dwelling	Independent living	R2	0.5	12.6 yrs	13.0 yrs	13.4 yrs	13.8 yrs	14.2 yrs	14.6 yrs
7	Single dwelling	MDH	R3	1.0	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
8	Single dwelling	Dual occ	R2	0.7	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
9	Single dwelling	Single dwelling	R2	0.5	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
10	Single dwelling	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
11	RFB	RFB	R3	2.2	0.7 yrs	0.9 yrs	1.1 yrs	1.3 yrs	1.6 yrs	1.8 yrs
12	Single dwelling	RFB	R3	1.5	0.0 yrs	0.0 yrs	0.0 yrs	0.3 yrs	0.5 yrs	0.7 yrs
13	RFB	RFB	R3	1.5	14.2 yrs	14.6 yrs	15.0 yrs	15.4 yrs	15.8 yrs	16.2 yrs

Source: SGS Economics and Planning, 2025

TABLE 25: VAUCLUSE WARD DELAY TO VIABILITY

	Existing	Proposed	Zone	FSR	0.50%	1.00%	1.50%	2.00%	2.50%
1	Single dwelling	RFB	R3	1.1	0.3 yrs	0.5 yrs	0.8 yrs	1.0 yrs	1.3 yrs
2	RFB	RFB	R3	1.1	0.3 yrs	0.7 yrs	1.1 yrs	1.4 yrs	1.8 yrs
3	Single dwelling	Independent living	R3	1.3	0.2 yrs	0.5 yrs	0.7 yrs	1.0 yrs	1.2 yrs
4	RFB	Independent living	R3	1.3	0.3 yrs	0.6 yrs	0.9 yrs	1.2 yrs	1.5 yrs
5	Comm	Shop-top housing	E1	2.1	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
6	Single dwelling	Independent living	R2	0.5	0.4 yrs	0.8 yrs	1.2 yrs	1.6 yrs	2.0 yrs
7	Single dwelling	MDH	R3	1.0	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
8	Single dwelling	Dual occ	R2	0.7	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
9	Single dwelling	Single dwelling	R2	0.5	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
10	Single dwelling	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
11	RFB	RFB	R3	2.2	0.2 yrs	0.4 yrs	0.6 yrs	0.9 yrs	1.1 yrs
12	Single dwelling	RFB	R3	1.5	0.0 yrs	0.0 yrs	0.3 yrs	0.5 yrs	0.7 yrs
13	RFB	RFB	R3	1.5	0.4 yrs	0.8 yrs	1.2 yrs	1.6 yrs	2.0 yrs
		Longest delay to viability			0.4 yrs	0.8 yrs	1.2 yrs	1.6 yrs	2.0 yrs

Source: SGS Economics and Planning, 2025

Bellevue Hill Ward

The location of the Bellevue Hill Ward within the LGA is shown in **Figure 23**.

FIGURE 23: BELLEVUE HILL WARD



Source: SGS Economics and Planning, 2025

Key findings for viability in the Bellevue Hill ward are outlined below. **Table 26** presents viability of the different prototypes with varying degrees of the broad-based contribution. **Table 27** presents the outputs as measured by the years to viability across varying broad-based contributions.

- Higher-density RFB prototypes, particularly those with a greater difference between redevelopment and existing use FSR, are generally viable.
- Multi-dwelling housing and single dwelling redevelopment prototypes, due to high realisable price points, are also viable.
- RFB prototypes, where there is a smaller difference between redevelopment and existing use FSR, are generally unviable (a finding consistent with those in Vaucluse). Where an RFB is redeveloped into another RFB at an FSR is 1.5:1 (prototype 19), for example, is the least viable. However, as shown in **Table 28**, the change in viability (as measured by RLV less EUV or years to viability) is no more significant than the change in years to viability among other prototypes.
- Other lower-density prototypes including the independent living and dual occupancy prototypes, are also unviable.

- Also as shown at the bottom of **Table 28**, the longest delay to viability (among the prototypes) will be useful as a guide to structuring recommendations for which contribution rates could be supportable if phased in over a period of time.

TABLE 26: BELLEVUE HILL WARD RLV LESS EUV OUTPUTS (\$M)

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
14	Single dwelling	RFB	R3	1.3	-\$2.15	-\$2.27	-\$2.40	-\$2.53	-\$2.66	-\$2.79
15	RFB	RFB	R3	1.1	-\$6.06	-\$6.16	-\$6.27	-\$6.38	-\$6.49	-\$6.60
16	Single dwelling	Independent living	R3	1.5	-\$1.05	-\$1.20	-\$1.35	-\$1.49	-\$1.64	-\$1.79
17	RFB	Independent living	R3	1.5	-\$3.83	-\$3.98	-\$4.13	-\$4.27	-\$4.42	-\$4.57
18	Single dwelling	Independent living	R2	0.5	-\$6.62	-\$6.67	-\$6.72	-\$6.77	-\$6.82	-\$6.87
19	Single dwelling	MDH	R3	1.3	\$1.73	\$1.62	\$1.50	\$1.39	\$1.28	\$1.17
20	Single dwelling	Dual occ	R2	0.7	-\$0.75	-\$0.83	-\$0.92	-\$1.00	-\$1.09	-\$1.17
21	Single dwelling	Single dwelling	R2	0.5	\$1.83	\$1.74	\$1.65	\$1.57	\$1.48	\$1.39
22	Single dwelling	RFB	R3	2.2	\$1.91	\$1.77	\$1.63	\$1.48	\$1.34	\$1.20
23	RFB	RFB	R3	2.2	\$0.07	-\$0.14	-\$0.36	-\$0.58	-\$0.80	-\$1.02
24	Single dwelling	RFB	R3	1.5	-\$0.68	-\$0.79	-\$0.89	-\$0.99	-\$1.09	-\$1.19
25	RFB	RFB	R3	1.5	-\$11.53	-\$11.71	-\$11.88	-\$12.06	-\$12.23	-\$12.41

Source: SGS Economics and Planning, 2025

TABLE 27: BELLEVUE HILL WARD TIME TO VIABILITY OUTPUTS

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
14	Single dwelling	RFB	R3	1.3	3.8 yrs	4.0 yrs	4.3 yrs	4.5 yrs	4.8 yrs	5.1 yrs
15	RFB	RFB	R3	1.1	11.2 yrs	11.5 yrs	11.8 yrs	12.1 yrs	12.5 yrs	12.8 yrs
16	Single dwelling	Independent living	R3	1.5	1.7 yrs	2.0 yrs	2.2 yrs	2.5 yrs	2.7 yrs	3.0 yrs
17	RFB	Independent living	R3	1.5	5.6 yrs	5.9 yrs	6.1 yrs	6.4 yrs	6.7 yrs	7.0 yrs
18	Single dwelling	Independent living	R2	0.5	27.5 yrs	28.1 yrs	28.7 yrs	29.3 yrs	29.9 yrs	30.6 yrs
19	Single dwelling	MDH	R3	1.3	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
20	Single dwelling	Dual occ	R2	0.7	1.5 yrs	1.7 yrs	1.8 yrs	2.0 yrs	2.2 yrs	2.4 yrs
21	Single dwelling	Single dwelling	R2	0.5	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
22	Single dwelling	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
23	RFB	RFB	R3	2.2	0.2 yrs	0.4 yrs	0.6 yrs	0.8 yrs	1.0 yrs	1.3 yrs
24	Single dwelling	RFB	R3	1.5	1.7 yrs	1.9 yrs	2.1 yrs	2.4 yrs	2.6 yrs	2.9 yrs
25	RFB	RFB	R3	1.5	12.8 yrs	13.1 yrs	13.5 yrs	13.9 yrs	14.3 yrs	14.6 yrs

Source: SGS Economics and Planning, 2025

TABLE 28: BELLEVUE HILL WARD DELAY TO VIABILITY

	Existing	Proposed	Zone	FSR	0.50%	1.00%	1.50%	2.00%	2.50%
14	Single dwelling	RFB	R3	1.3	0.3 yrs	0.5 yrs	0.8 yrs	1.0 yrs	1.3 yrs
15	RFB	RFB	R3	1.1	0.3 yrs	0.6 yrs	0.9 yrs	1.3 yrs	1.7 yrs
16	Single dwelling	Independent living	R3	1.5	0.2 yrs	0.5 yrs	0.7 yrs	1.0 yrs	1.2 yrs
17	RFB	Independent living	R3	1.5	0.3 yrs	0.5 yrs	0.8 yrs	1.1 yrs	1.4 yrs
18	Single dwelling	Independent living	R2	0.5	0.6 yrs	1.2 yrs	1.8 yrs	2.4 yrs	3.1 yrs
19	Single dwelling	MDH	R3	1.3	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
20	Single dwelling	Dual occ	R2	0.7	0.2 yrs	0.3 yrs	0.5 yrs	0.7 yrs	0.8 yrs
21	Single dwelling	Single dwelling	R2	0.5	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
22	Single dwelling	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
23	RFB	RFB	R3	2.2	0.2 yrs	0.4 yrs	0.6 yrs	0.8 yrs	1.1 yrs
24	Single dwelling	RFB	R3	1.5	0.2 yrs	0.5 yrs	0.7 yrs	1.0 yrs	1.2 yrs
25	RFB	RFB	R3	1.5	0.4 yrs	0.7 yrs	1.1 yrs	1.5 yrs	1.9 yrs
		Longest delay to viability			0.6 yrs	1.2 yrs	1.8 yrs	2.4 yrs	3.1 yrs

Source: SGS Economics and Planning, 2025

Double Bay Ward

The location of the Double Bay Ward within the LGA is shown in **Figure 24**.

FIGURE 24: DOUBLE BAY WARD



Source: SGS Economics and Planning, 2025

Key findings for viability in the Double Bay ward are outlined below. **Table 29** presents viability of the different prototypes with varying degrees of the broad-based contribution. **Table 30** presents the outputs as measured by the years to viability across varying broad-based contributions.

- Higher-density prototypes (RFBs, and multi-dwelling housing, as well as independent living prototypes with high FSRs/ uplift) are viable, due to high realisable values and relatively high FSRs proposed.
- Lower-density prototypes (including single dwellings, dual occupancies, and independent living prototypes with lower FSRs) are not viable, due to high land prices.
- Although lower-density prototypes (including single dwellings, dual occupancies, and independent living prototypes with lower FSRs) are not viable, the isolated impact of the contributions on viability (as measured by RLV less EUV, or years to viability) is no more significant than the change to viability among the higher-density prototypes.
- Also as shown at the bottom of **Table 31**, the longest delay to viability (among the prototypes) will be useful as a guide to structuring recommendations for which contribution rates could be supportable as phased in over a period of time.

TABLE 29: DOUBLE BAY WARD RLV LESS EUV OUTPUTS (\$M)

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
26	Single dwelling	RFB	R3	2.6	\$4.50	\$4.20	\$3.89	\$3.59	\$3.28	\$2.98
27	RFB	RFB	R3	2.6	\$15.53	\$15.22	\$14.92	\$14.61	\$14.31	\$14.00
28	Single dwelling	Independent living	R3	3.0	\$8.71	\$8.36	\$8.01	\$7.66	\$7.31	\$6.96
29	RFB	Independent living	R3	3.0	\$19.74	\$19.39	\$19.03	\$18.68	\$18.33	\$17.98
30	Single dwelling	Independent living	R2	0.5	-\$18.15	-\$18.20	-\$18.25	-\$18.30	-\$18.35	-\$18.40
31	Single dwelling	MDH	R3	2.6	\$10.21	\$9.91	\$9.60	\$9.30	\$8.99	\$8.69
32	Single dwelling	Dual occ	R2	0.7	-\$17.66	-\$17.76	-\$17.86	-\$17.97	-\$18.07	-\$18.17
33	Single dwelling	Single dwelling	R2	0.5	-\$13.44	-\$13.52	-\$13.59	-\$13.67	-\$13.75	-\$13.82
34	Single dwelling	RFB	R3	2.2	\$0.71	\$0.45	\$0.19	-\$0.07	-\$0.37	-\$0.67
35	RFB	RFB	R3	2.2	\$21.02	\$20.63	\$20.23	\$19.83	\$19.44	\$19.04
36	Single dwelling	RFB	R3	1.5	-\$10.03	-\$10.29	-\$10.56	-\$10.82	-\$11.08	-\$11.34
37	RFB	RFB	R3	1.5	\$6.24	\$5.99	\$5.73	\$5.47	\$5.22	\$4.96

Source: SGS Economics and Planning, 2025

TABLE 30: DOUBLE BAY WARD TIME TO VIABILITY OUTPUTS

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
26	Single dwelling	RFB	R3	2.6	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
27	RFB	RFB	R3	2.6	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
28	Single dwelling	Independent living	R3	3.0	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
29	RFB	Independent living	R3	3.0	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
30	Single dwelling	Independent living	R2	0.5	51.7 yrs	52.4 yrs	53.0 yrs	53.7 yrs	54.4 yrs	55.1 yrs
31	Single dwelling	MDH	R3	2.6	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
32	Single dwelling	Dual occ	R2	0.7	20.9 yrs	21.2 yrs	21.5 yrs	21.8 yrs	22.1 yrs	22.4 yrs
33	Single dwelling	Single dwelling	R2	0.5	20.8 yrs	21.0 yrs	21.3 yrs	21.6 yrs	21.9 yrs	22.2 yrs
34	Single dwelling	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.2 yrs	0.3 yrs	0.5 yrs	0.6 yrs
35	RFB	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
36	Single dwelling	RFB	R3	1.5	6.0 yrs	6.2 yrs	6.4 yrs	6.6 yrs	6.8 yrs	7.0 yrs
37	RFB	RFB	R3	1.5	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs

Source: SGS Economics and Planning, 2025

TABLE 31: DOUBLE BAY WARD DELAY TO VIABILITY

	Existing	Proposed	Zone	FSR	0.50%	1.00%	1.50%	2.00%	2.50%
26	Single dwelling	RFB	R3	2.6	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
27	RFB	RFB	R3	2.6	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
28	Single dwelling	Independent living	R3	3.0	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
29	RFB	Independent living	R3	3.0	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
30	Single dwelling	Independent living	R2	0.5	0.7 yrs	1.3 yrs	2.0 yrs	2.7 yrs	3.4 yrs
31	Single dwelling	MDH	R3	2.6	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
32	Single dwelling	Dual occ	R2	0.7	0.3 yrs	0.6 yrs	0.9 yrs	1.2 yrs	1.5 yrs
33	Single dwelling	Single dwelling	R2	0.5	0.3 yrs	0.6 yrs	0.9 yrs	1.2 yrs	1.4 yrs
34	Single dwelling	RFB	R3	2.2	0.0 yrs	0.2 yrs	0.3 yrs	0.5 yrs	0.6 yrs
35	RFB	RFB	R3	2.2	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
36	Single dwelling	RFB	R3	1.5	0.2 yrs	0.4 yrs	0.6 yrs	0.8 yrs	1.0 yrs
37	RFB	RFB	R3	1.5	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs	0.0 yrs
		Longest delay to viability			0.7 yrs	1.3 yrs	2.0 yrs	2.7 yrs	3.4 yrs

Source: SGS Economics and Planning, 2025

Cooper Ward

The location of the Cooper Ward within the LGA is shown in **Figure 25**.

FIGURE 25: COOPER WARD



Source: SGS Economics and Planning, 2025

Key findings for viability in the Cooper ward are outlined below. **Table 32** presents viability of the different prototypes with varying degrees of the broad-based contribution. **Table 33** presents the outputs as measured by the years to viability across varying broad-based contributions.

- Prototypes are generally not viable under current market conditions, due to high land prices, and relatively lower existing FSR controls.
- Higher-density RFBs and multi-dwelling housing, however, are closest to viability.
- Lower-density prototypes with lower uplift (between redevelopment and existing use FSR) are less viable, as realisable values are not high enough to overcome high land prices.
- The impact of the modelled contributions on viability (as measured by RLV less EUV, and time to viability) is generally relatively consistent. The impact of the modelled contributions is higher on the low-density independent living prototype, however not outside a strategic planning time horizon.
- Also as shown at the bottom of **Table 34**, the longest delay to viability (among the prototypes) will be useful as a guide to structuring recommendations for which contribution rates could be supportable if phased in over a period of time.

TABLE 32: COOPER WARD RLV LESS EUV OUTPUTS (\$M)

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
38	Single dwelling	RFB	R3	1.3	-\$3.70	-\$3.79	-\$3.87	-\$3.96	-\$4.05	-\$4.14
39	RFB	RFB	R3	1.3	-\$6.68	-\$6.77	-\$6.85	-\$6.94	-\$7.03	-\$7.12
40	Single dwelling	Independent living	R3	1.5	-\$2.91	-\$3.01	-\$3.11	-\$3.21	-\$3.31	-\$3.41
41	RFB	Independent living	R3	1.5	-\$5.88	-\$5.99	-\$6.09	-\$6.19	-\$6.29	-\$6.39
42	Single dwelling	Independent living	R2	0.5	-\$5.80	-\$5.84	-\$5.87	-\$5.90	-\$5.94	-\$5.97
43	Single dwelling	MDH	R3	1.3	-\$0.87	-\$0.95	-\$1.04	-\$1.13	-\$1.22	-\$1.31
44	Single dwelling	Dual occ	R2	0.7	-\$1.79	-\$1.85	-\$1.91	-\$1.96	-\$2.02	-\$2.08
45	Single dwelling	Single dwelling	R2	0.5	-\$3.09	-\$3.13	-\$3.18	-\$3.22	-\$3.27	-\$3.31
46	Single dwelling	RFB	R3	2.2	-\$0.20	-\$0.34	-\$0.48	-\$0.61	-\$0.75	-\$0.89
47	RFB	RFB	R3	2.2	-\$9.28	-\$9.53	-\$9.77	-\$10.02	-\$10.26	-\$10.51
48	Single dwelling	RFB	R3	1.5	-\$2.88	-\$2.98	-\$3.09	-\$3.19	-\$3.29	-\$3.39
49	RFB	RFB	R3	1.5	-\$9.00	-\$9.16	-\$9.32	-\$9.48	-\$9.63	-\$9.79

Source: SGS Economics and Planning, 2025

TABLE 33: COOPER WARD TIME TO VIABILITY OUTPUTS

	Existing	Proposed	Zone	FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
38	Single dwelling	RFB	R3	1.3	8.7 yrs	8.9 yrs	9.2 yrs	9.5 yrs	9.8 yrs	10.1 yrs
39	RFB	RFB	R3	1.3	14.9 yrs	15.3 yrs	15.7 yrs	16.1 yrs	16.5 yrs	16.9 yrs
40	Single dwelling	Independent living	R3	1.5	6.1 yrs	6.4 yrs	6.7 yrs	6.9 yrs	7.2 yrs	7.5 yrs
41	RFB	Independent living	R3	1.5	11.4 yrs	11.7 yrs	12.1 yrs	12.4 yrs	12.8 yrs	13.2 yrs
42	Single dwelling	Independent living	R2	0.5	35.2 yrs	35.9 yrs	36.6 yrs	37.4 yrs	38.1 yrs	38.9 yrs
43	Single dwelling	MDH	R3	1.3	1.8 yrs	2.0 yrs	2.2 yrs	2.4 yrs	2.6 yrs	2.7 yrs
44	Single dwelling	Dual occ	R2	0.7	4.7 yrs	4.9 yrs	5.1 yrs	5.3 yrs	5.5 yrs	5.7 yrs
45	Single dwelling	Single dwelling	R2	0.5	9.8 yrs	10.0 yrs	10.2 yrs	10.4 yrs	10.6 yrs	10.9 yrs
46	Single dwelling	RFB	R3	2.2	0.6 yrs	0.8 yrs	1.0 yrs	1.2 yrs	1.5 yrs	1.7 yrs
47	RFB	RFB	R3	2.2	7.8 yrs	8.1 yrs	8.4 yrs	8.7 yrs	9.0 yrs	9.3 yrs
48	Single dwelling	RFB	R3	1.5	6.1 yrs	6.3 yrs	6.6 yrs	6.9 yrs	7.2 yrs	7.4 yrs
49	RFB	RFB	R3	1.5	11.3 yrs	11.5 yrs	11.9 yrs	12.2 yrs	12.5 yrs	12.9 yrs

Source: SGS Economics and Planning, 2025

TABLE 34: COOPER WARD DELAY TO VIABILITY

	Existing	Proposed	Zone	FSR	0.50%	1.00%	1.50%	2.00%	2.50%
38	Single dwelling	RFB	R3	1.3	0.3 yrs	0.6 yrs	0.9 yrs	1.2 yrs	1.5 yrs
39	RFB	RFB	R3	1.3	0.4 yrs	0.8 yrs	1.2 yrs	1.6 yrs	2.1 yrs
40	Single dwelling	Independent living	R3	1.5	0.3 yrs	0.5 yrs	0.8 yrs	1.1 yrs	1.4 yrs
41	RFB	Independent living	R3	1.5	0.3 yrs	0.6 yrs	1.0 yrs	1.3 yrs	1.7 yrs
42	Single dwelling	Independent living	R2	0.5	0.7 yrs	1.4 yrs	2.1 yrs	2.9 yrs	3.7 yrs
43	Single dwelling	MDH	R3	1.3	0.2 yrs	0.4 yrs	0.6 yrs	0.7 yrs	0.9 yrs
44	Single dwelling	Dual occ	R2	0.7	0.2 yrs	0.4 yrs	0.6 yrs	0.7 yrs	0.9 yrs
45	Single dwelling	Single dwelling	R2	0.5	0.2 yrs	0.4 yrs	0.6 yrs	0.8 yrs	1.1 yrs
46	Single dwelling	RFB	R3	2.2	0.2 yrs	0.4 yrs	0.6 yrs	0.9 yrs	1.1 yrs
47	RFB	RFB	R3	2.2	0.3 yrs	0.6 yrs	0.8 yrs	1.1 yrs	1.4 yrs
48	Single dwelling	RFB	R3	1.5	0.3 yrs	0.5 yrs	0.8 yrs	1.1 yrs	1.4 yrs
49	RFB	RFB	R3	1.5	0.3 yrs	0.6 yrs	0.9 yrs	1.3 yrs	1.7 yrs
		Longest delay to viability			0.7 yrs	1.4 yrs	2.1 yrs	2.9 yrs	3.7 yrs

Source: SGS Economics and Planning, 2025

Paddington Ward

The location of the Paddington Ward within the LGA is shown in **Figure 26**.

FIGURE 26: PADDINGTON WARD



Source: SGS Economics and Planning, 2025

Key findings for viability in the Paddington ward are outlined below. **Table 35** presents viability of the different prototypes with varying degrees of the broad-based contribution. **Table 36** presents the outputs as measured by the years to viability across varying broad-based contributions.

- The dual occupancy prototype is the only one viable under current market conditions – due to high realisable values for that typology, and the FSR facilitated under the LMR controls (being higher than the current single dwelling control).
- No other prototypes are viable under current market conditions, due primarily to relatively low realisable values and high land values.
- Higher-density RFB developments, however, are closest to viability, due to the higher uplift provided.
- The impact of the modelled contributions on viability (as measured by RLV less EUV, and time to viability) is higher for the lower-density independent living prototype, however is not outside a strategic planning horizon and remains consistent with other findings.

- Also as shown at the bottom of **Table 37**, the longest delay to viability (among the prototypes) will be useful as a guide to structuring recommendations for which contribution rates could be supportable as phased in over a period of time.
- It is also important to note that the estimated years to viability outputs are the most protracted of all ward-level results. This may be useful as a consideration for bookending a potential phasing or implementation of the broad-based contribution.

TABLE 35: PADDINGTON WARD RLV LESS EUV OUTPUTS (\$M)

	Existing	Proposed		FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
50	Single dwelling	RFB	R3	1.1	-\$1.66	-\$1.69	-\$1.72	-\$1.75	-\$1.77	-\$1.80
51	RFB	RFB	R3	1.1	-\$2.03	-\$2.06	-\$2.09	-\$2.12	-\$2.14	-\$2.17
52	Single dwelling	Independent living	R3	1.3	-\$1.49	-\$1.52	-\$1.55	-\$1.58	-\$1.62	-\$1.65
53	RFB	Independent living	R3	1.3	-\$1.86	-\$1.89	-\$1.92	-\$1.95	-\$1.99	-\$2.02
54	Single dwelling	Independent living	R2	0.5	-\$1.91	-\$1.92	-\$1.93	-\$1.94	-\$1.95	-\$1.96
55	Single dwelling	MDH	R3	1.0	-\$1.03	-\$1.05	-\$1.08	-\$1.10	-\$1.12	-\$1.15
56	Single dwelling	Dual occ	R2	0.7	\$0.04	\$0.02	\$0.00	-\$0.02	-\$0.05	-\$0.07
57	Single dwelling	Single dwelling	R2	0.5	-\$0.47	-\$0.48	-\$0.50	-\$0.52	-\$0.53	-\$0.55
58	Single dwelling	RFB	R3	2.2	-\$0.21	-\$0.28	-\$0.35	-\$0.42	-\$0.48	-\$0.55
59	RFB	RFB	R3	2.2	-\$10.79	-\$11.07	-\$11.36	-\$11.65	-\$11.93	-\$12.22
60	Single dwelling	RFB	R3	1.5	-\$1.10	-\$1.14	-\$1.17	-\$1.21	-\$1.25	-\$1.28
61	RFB	RFB	R3	1.5	-\$3.82	-\$3.91	-\$4.00	-\$4.10	-\$4.19	-\$4.28

Source: SGS Economics and Planning, 2025

TABLE 36: PADDINGTON WARD TIME TO VIABILITY OUTPUTS

	Existing	Proposed		FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
50	Single dwelling	RFB	R3	1.1	12.0 yrs	12.3 yrs	12.7 yrs	13.0 yrs	13.4 yrs	13.8 yrs
51	RFB	RFB	R3	1.1	14.6 yrs	15.0 yrs	15.4 yrs	15.8 yrs	16.2 yrs	16.6 yrs
52	Single dwelling	Independent living	R3	1.3	9.8 yrs	10.0 yrs	10.4 yrs	10.7 yrs	11.0 yrs	11.3 yrs
53	RFB	Independent living	R3	1.3	11.9 yrs	12.2 yrs	12.6 yrs	12.9 yrs	13.3 yrs	13.7 yrs
54	Single dwelling	Independent living	R2	0.5	43.3 yrs	44.2 yrs	45.0 yrs	45.9 yrs	46.8 yrs	47.7 yrs
55	Single dwelling	MDH	R3	1.0	6.7 yrs	6.9 yrs	7.1 yrs	7.3 yrs	7.5 yrs	7.8 yrs
56	Single dwelling	Dual occ	R2	0.7	0.0 yrs	0.0 yrs	0.3 yrs	0.4 yrs	0.5 yrs	0.7 yrs
57	Single dwelling	Single dwelling	R2	0.5	3.9 yrs	4.1 yrs	4.2 yrs	4.4 yrs	4.6 yrs	4.7 yrs
58	Single dwelling	RFB	R3	2.2	0.9 yrs	1.1 yrs	1.3 yrs	1.6 yrs	1.8 yrs	2.1 yrs
59	RFB	RFB	R3	2.2	7.8 yrs	8.1 yrs	8.4 yrs	8.6 yrs	8.9 yrs	9.2 yrs
60	Single dwelling	RFB	R3	1.5	6.3 yrs	6.5 yrs	6.8 yrs	7.1 yrs	7.3 yrs	7.6 yrs
61	RFB	RFB	R3	1.5	8.5 yrs	8.8 yrs	9.1 yrs	9.3 yrs	9.6 yrs	10.0 yrs

Source: SGS Economics and Planning, 2025

TABLE 37: PADDINGTON WARD DELAY TO VIABILITY

	Existing	Proposed		FSR	0.50%	1.00%	1.50%	2.00%	2.50%
50	Single dwelling	RFB	R3	1.1	0.3 yrs	0.7 yrs	1.1 yrs	1.4 yrs	1.8 yrs
51	RFB	RFB	R3	1.1	0.4 yrs	0.8 yrs	1.2 yrs	1.6 yrs	2.0 yrs
52	Single dwelling	Independent living	R3	1.3	0.3 yrs	0.6 yrs	0.9 yrs	1.2 yrs	1.5 yrs
53	RFB	Independent living	R3	1.3	0.3 yrs	0.7 yrs	1.1 yrs	1.4 yrs	1.8 yrs
54	Single dwelling	Independent living	R2	0.5	0.8 yrs	1.7 yrs	2.5 yrs	3.4 yrs	4.4 yrs
55	Single dwelling	MDH	R3	1.0	0.2 yrs	0.4 yrs	0.6 yrs	0.8 yrs	1.1 yrs
56	Single dwelling	Dual occ	R2	0.7	0.0 yrs	0.3 yrs	0.4 yrs	0.5 yrs	0.6 yrs
57	Single dwelling	Single dwelling	R2	0.5	0.2 yrs	0.3 yrs	0.5 yrs	0.7 yrs	0.8 yrs
58	Single dwelling	RFB	R3	2.2	0.2 yrs	0.4 yrs	0.7 yrs	0.9 yrs	1.2 yrs
59	RFB	RFB	R3	2.2	0.3 yrs	0.6 yrs	0.8 yrs	1.1 yrs	1.4 yrs
60	Single dwelling	RFB	R3	1.5	0.3 yrs	0.5 yrs	0.8 yrs	1.1 yrs	1.4 yrs
61	RFB	RFB	R3	1.5	0.3 yrs	0.6 yrs	0.9 yrs	1.2 yrs	1.5 yrs
		Longest delay to viability			0.8 yrs	1.7 yrs	2.5 yrs	3.4 yrs	4.4 yrs

Source: SGS Economics and Planning, 2025

4.4 Recommendations and considerations

The following recommendations are for the establishment of a broad-based affordable housing contributions applied LGA-wide, as well as specific rates for LMR areas. Detailed rates, implementation advice and further considerations are as follows.

- **Pursue an LGA-wide broad-based contribution scheme for residential development (outside of and within LMR zones).**

A broad-based scheme would apply to development under existing zoning (including areas outside of and within LMR zones), by contrast to areas of proposed re- or upzoning (as is the more conventional practice in developing an ACHS under the 2019 NSW Government Guidelines). Broad-based schemes are not, however, without precedent. The City of Sydney and Waverley councils have also implemented lower-rate, broad-based schemes as applied to current zoning.²¹ As for justifying the need for a scheme applied to LMR areas, evidence indicates that the recent state-led LMR reforms, particularly for parcels in the R3 zones (in which the LMR reforms apply), generated unmitigated uplifts in land value.²²

- **Ward-specific contribution rates are supportable and could be applied to new residential development.**

Based on the evidence, ward-specific contribution rates could be adopted, as shown in **Table 38**, **Table 39** and **Table 40**. As applied to R3 and R4-zoned land in the LMR areas²³, the scheme would apply rates as shown in **Table 39** and **Table 40**. For all other land in the LGA, the proposed scheme could apply as shown in **Table 38** to all residential development²⁴.

Certain uses, however, could be exempted from the contribution, such as projects already providing social or affordable housing, including those projects that are entirely affordable or partially affordable, disability or crisis accommodation, or other subsidised housing or projects oriented toward provision of housing, domestic violence or supportive services.

Other development types could also be excluded for other policy reasons outside the considerations of viability in this analysis.

²¹ This recommendation is supported mainly by this study's evidence as well as an appreciation for the justification used by Waverley Council in establishment of its broad-based contribution of 1% (i.e., that the contribution could easily be absorbed, in part, because it reflected a construction cost contingency).

Modelling outputs in this study support that conclusion (see tables in **Section 4.3**).

²² SGS conducted a separate analysis of the impacts of the LMR reforms on land values across a range of 6 sites within the R3 zone. The analysis concluded that the LMR reforms yielded a residual land value windfall to landowners of 65% to 255% over existing RLV, translating on these sites to \$3 million to \$20 million of RLV windfall.

²³ These rates are applied to only R3 and R4-zoned land in the LMR areas, as these are the zones where additional uplift has been granted. For other land, the rates in **Table 38** would apply.

²⁴ The recommendation to include independent living considers evidence and Council's strategic objectives. As noted in **Section 3.3**, sales evidence for independent living ranges between \$19,000 and \$48,000 per sqm, with some developments progressing at price points significantly higher than typical RFBs (the price point assumption used in this study's modelling (see **Table 18** on page 45)). Furthermore, when isolating the impact of the affordable housing contribution across all development prototypes, there is broadly little difference between the impact of the contribution itself in terms of years to viability (see tables in **Section 4.3**).

- **Contribution rates could be ramped up over time.**

Evidence supports the implementation of higher ward-specific rates over time. To allow for the market to adjust over time, these initial rates could be ramped up as shown in **Table 38**, **Table 39** and **Table 40**. Initial rates would take effect at a point approximately one-year from planning proposal exhibition. Subsequent rate increases would take effect 2 years following (i.e., at 3 and 5 years from exhibition respectively). This phase-in schedule is supported by evidence contained at the bottom of the following tables (“longest delay to viability”, referring to the isolated impact of the contribution itself): **Table 25**, **Table 28**, **Table 31**, **Table 34** and **Table 37**.

TABLE 38: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME – BROAD BASE

Ward	After 1 year	After 3 years	After 5 years
Vaocluse Ward	1.0%	3.5%	5.5%
Bellevue Hill Ward	0.5%	2.0%	3.5%
Double Bay Ward	0.5%	2.0%	3.5%
Cooper Ward	0.5%	2.0%	3.0%
Paddington Ward	0.5%	1.5%	2.5%

Source: SGS Economics and Planning, 2025

TABLE 39: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME - LMR OUTER AREA

Ward	After 1 year	After 3 years	After 5 years
Vaocluse Ward	1.0%	3.5%	5.5%
Bellevue Hill Ward	1.0%	3.5%	5.5%
Double Bay Ward	2.0%	6.5%	10.0%
Cooper Ward	1.5%	4.0%	6.0%
Paddington Ward	1.5%	4.5%	7.0%

Source: SGS Economics and Planning, 2025

TABLE 40: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME - LMR INNER AREA

Ward	After 1 year	After 3 years	After 5 years
Vaocluse Ward	2.0%	5.5%	8.5%
Bellevue Hill Ward	2.0%	6.0%	9.0%
Double Bay Ward	4.0%	9.0%	10.0%
Cooper Ward	1.5%	4.5%	7.0%
Paddington Ward	1.5%	4.5%	7.5%

Source: SGS Economics and Planning, 2025

- **Ward-specific in-lieu (monetary) contributions should also be adopted.**

Adopting ward-specific in-lieu monetary contributions (**Table 41**) reflects the emerging practice in which precinct-level monetary contributions are applied in the context of a uniform contribution rate (%) (as is now the application in the City of Sydney). Two justifications for this approach include: 1) a uniform monetary contribution can often result in disparate impacts on development (measured as a % of development costs) if applied across different markets, and 2) ward-specific monetary contributions are more likely to generate funds sufficient to acquire inventory (for the purpose of operating them as social or affordable housing) in respective markets (wards in this case).

TABLE 41: RECOMMENDED CONTRIBUTIONS BY WARD BY IMPLEMENTATION TIMEFRAME

Ward	In-lieu Contribution (\$/sqm of contribution GFA) ²⁵
Vaucluse Ward	\$25,500
Bellevue Hill Ward	\$25,500
Double Bay Ward	\$42,500
Cooper Ward	\$25,500
Paddington Ward	\$25,500

Source: SGS Economics and Planning, 2025

Further considerations

The following considerations are intended to provide additional evidence base and further inform decision-making.

- **Monetary contributions are preferred by CHPs when compared to in-kind, i.e., onsite affordable dwellings.**

Previous consultation with CHP industry stakeholders has indicated a preference for contributions that can be pooled and used as capital (i.e., equity) in construction or acquisition. Preference for this style of contribution emerges from a consideration for operational efficiencies, where pooled resources to build or acquire inventory on a single site allow CHPs to centralise management and maintenance activities, whereas dispersed inventory (an outcome of in-kind contributions) increases variable operational expenditures.

²⁵ The in-lieu contributions per square metre of GFA are calibrated to the lowest realisable values for each ward (being the RFB sales evidence), with a factor included for the efficiency assumptions documented under **Section 3.3**. As the affordable housing contribution is levied as a percentage of GFA, in contrast with realisable (or sales) values, that are on the basis of saleable area – which is a smaller area than GFA. Considering the range of development prototypes, this ensures that the in-lieu contribution does not disproportionately affect viability for any prototype.

Disclaimer:

The analysis contained within this report has been prepared by SGS Economics & Planning Pty Ltd (SGS) based on SGS' own information, development cost information obtained from Rawlinson's Construction Cost Guide (2025), as well as information provided by:

- CBRE

The modelling in this study has been undertaken to test viability of supportable affordable housing contribution rates at varying degrees of contribution rates. Inputs and assumptions relevant to costs and realisable values for each development program, such as site dimensions, specific floor area, unit sizes and mixes, demolition costs, hard and soft construction costs, as well as sales price points and lease rates, have been applied to redevelopment prototypes representative of different wards in the LGA. However, these inputs and assumptions may differ from developments that proceed in the future, implying results or outcomes different from those discussed in this analysis.

The modelling does not purport to contain all the information that Woollahra Municipal Council may require in considering the Project.

SGS makes no express or implied representation or warranty as to the accuracy, reliability or completeness of the information provided.

SGS has taken all due care in the preparation of this analysis. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of the outputs generated by this analysis.

Appendix A: CBRE Market Report

[See attached]

Appendix B: In-fill Housing SEPP Outputs

In the below tables, **pale green** filled cells indicate that the prototype is viable under the base FSR analysis and under the in-fill Housing SEPP provisions. **Dark green** filled cells indicate that the prototype is viable under the in-fill Housing SEPP provisions, but not under the base FSR analysis – that is, dark green cells indicate a scenario where a prototype is viable because of the in-fill Housing SEPP provisions.

TABLE 42: VAUCLUSE WARD RLV LESS EUV OUTPUTS – IN-FILL AFFORDABLE HOUSING (\$M)

	Existing	Proposed	Zone	Base FSR	In-fill FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
1	Single dwelling	RFB	R3	1.1	1.4	-\$0.58	-\$0.66	-\$0.74	-\$0.82	-\$0.90	-\$0.98
2	RFB	RFB	R3	1.1	1.4	-\$3.23	-\$3.31	-\$3.39	-\$3.47	-\$3.55	-\$3.63
3	Single dwelling	Independent living	R3	1.3	1.6	\$0.03	-\$0.06	-\$0.15	-\$0.24	-\$0.34	-\$0.43
4	RFB	Independent living	R3	1.3	1.6	-\$2.61	-\$2.70	-\$2.80	-\$2.89	-\$2.98	-\$3.07
5	Comm	Shop-top housing	E1	2.1	2.7	\$2.80	\$2.70	\$2.59	\$2.48	\$2.38	\$2.27
6	Single dwelling	Independent living	R2	0.5	0.7	-\$2.56	-\$2.62	-\$2.69	-\$2.75	-\$2.81	-\$2.88
7	Single dwelling	MDH	R3	1	1.3	\$1.23	\$1.16	\$1.10	\$1.04	\$0.97	\$0.91
8	Single dwelling	Dual occ	R2	0.7	0.8	\$2.36	\$2.27	\$2.18	\$2.10	\$2.01	\$1.93
9	Single dwelling	Single dwelling	R2	0.5	0.7	\$3.29	\$3.21	\$3.12	\$3.04	\$2.95	\$2.87
10	Single dwelling	RFB	R3	2.2	2.9	\$4.61	\$4.39	\$4.17	\$3.95	\$3.74	\$3.52
11	RFB	RFB	R3	2.2	2.9	\$1.42	\$1.11	\$0.79	\$0.48	\$0.17	-\$0.17
12	Single dwelling	RFB	R3	1.5	2	\$1.18	\$1.04	\$0.90	\$0.76	\$0.62	\$0.49
13	RFB	RFB	R3	1.5	2	-\$10.85	-\$11.07	-\$11.29	-\$11.51	-\$11.73	-\$11.94

Source: SGS Economics and Planning, 2025

TABLE 43: BELLEVUE HILL WARD RLV LESS EUV OUTPUTS – IN-FILL AFFORDABLE HOUSING (\$M)

	Existing	Proposed	Zone	Base FSR	In-fill FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
14	Single dwelling	RFB	R3	1.3	1.7	-\$1.07	-\$1.24	-\$1.41	-\$1.58	-\$1.75	-\$1.92
15	RFB	RFB	R3	1.1	1.4	-\$5.19	-\$5.34	-\$5.48	-\$5.62	-\$5.76	-\$5.91
16	Single dwelling	Independent living	R3	1.5	1.9	\$0.20	\$0.03	-\$0.16	-\$0.35	-\$0.54	-\$0.74
17	RFB	Independent living	R3	1.5	1.9	-\$2.55	-\$2.74	-\$2.94	-\$3.13	-\$3.32	-\$3.52
18	Single dwelling	Independent living	R2	0.5	0.7	-\$6.18	-\$6.24	-\$6.31	-\$6.37	-\$6.44	-\$6.50
19	Single dwelling	MDH	R3	1.3	1.7	\$3.69	\$3.55	\$3.40	\$3.25	\$3.10	\$2.96
20	Single dwelling	Dual occ	R2	0.7	0.8	\$0.86	\$0.76	\$0.66	\$0.56	\$0.46	\$0.36
21	Single dwelling	Single dwelling	R2	0.5	0.7	\$4.01	\$3.90	\$3.79	\$3.67	\$3.56	\$3.44
22	Single dwelling	RFB	R3	2.2	2.9	\$3.06	\$2.87	\$2.69	\$2.50	\$2.31	\$2.12
23	RFB	RFB	R3	2.2	2.9	\$1.63	\$1.38	\$1.13	\$0.88	\$0.63	\$0.38
24	Single dwelling	RFB	R3	1.5	2	\$0.18	\$0.06	-\$0.06	-\$0.19	-\$0.33	-\$0.46
25	RFB	RFB	R3	1.5	2	-\$10.04	-\$10.28	-\$10.51	-\$10.74	-\$10.97	-\$11.20

Source: SGS Economics and Planning, 2025

TABLE 44: DOUBLE BAY WARD RLV LESS EUV OUTPUTS – IN-FILL AFFORDABLE HOUSING (\$M)

	Existing	Proposed	Zone	Base FSR	In-fill FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
26	Single dwelling	RFB	R3	2.6	3.4	\$9.99	\$9.59	\$9.19	\$8.79	\$8.39	\$7.99
27	RFB	RFB	R3	2.6	3.4	\$21.01	\$20.61	\$20.21	\$19.81	\$19.41	\$19.01
28	Single dwelling	Independent living	R3	3	3.9	\$14.91	\$14.45	\$13.99	\$13.53	\$13.07	\$12.61
29	RFB	Independent living	R3	3	3.9	\$25.93	\$25.47	\$25.01	\$24.55	\$24.09	\$23.63
30	Single dwelling	Independent living	R2	0.5	0.7	-\$17.10	-\$17.17	-\$17.24	-\$17.31	-\$17.37	-\$17.44
31	Single dwelling	MDH	R3	2.6	3.4	\$17.37	\$16.96	\$16.56	\$16.16	\$15.76	\$15.36
32	Single dwelling	Dual occ	R2	0.7	0.8	-\$15.03	-\$15.16	-\$15.30	-\$15.44	-\$15.57	-\$15.71
33	Single dwelling	Single dwelling	R2	0.5	0.7	-\$11.34	-\$11.44	-\$11.54	-\$11.64	-\$11.74	-\$11.84
34	Single dwelling	RFB	R3	2.2	2.9	\$5.38	\$5.05	\$4.71	\$4.37	\$4.03	\$3.69
35	RFB	RFB	R3	2.2	2.9	\$28.28	\$27.76	\$27.24	\$26.71	\$26.19	\$25.67
36	Single dwelling	RFB	R3	1.5	2	-\$5.17	-\$5.52	-\$5.86	-\$6.21	-\$6.55	-\$6.90

37	RFB	RFB	R3	1.5	2	\$11.04	\$10.70	\$10.37	\$10.03	\$9.69	\$9.35
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Source: SGS Economics and Planning, 2025

TABLE 45: COOPER WARD RLV LESS EUV OUTPUTS – IN-FILL AFFORDABLE HOUSING (\$M)

	Existing	Proposed	Zone	Base FSR	In-fill FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
38	Single dwelling	RFB	R3	1.3	1.7	-\$2.95	-\$3.07	-\$3.18	-\$3.30	-\$3.42	-\$3.53
39	RFB	RFB	R3	1.3	1.7	-\$5.93	-\$6.05	-\$6.16	-\$6.28	-\$6.40	-\$6.51
40	Single dwelling	Independent living	R3	1.5	1.9	-\$2.02	-\$2.15	-\$2.29	-\$2.42	-\$2.55	-\$2.69
41	RFB	Independent living	R3	1.5	1.9	-\$5.00	-\$5.13	-\$5.26	-\$5.40	-\$5.53	-\$5.66
42	Single dwelling	Independent living	R2	0.5	0.7	-\$5.53	-\$5.57	-\$5.62	-\$5.66	-\$5.71	-\$5.75
43	Single dwelling	MDH	R3	1.3	1.7	\$0.60	\$0.50	\$0.40	\$0.30	\$0.19	\$0.09
44	Single dwelling	Dual occ	R2	0.7	0.8	-\$0.60	-\$0.68	-\$0.76	-\$0.83	-\$0.91	-\$0.99
45	Single dwelling	Single dwelling	R2	0.5	0.7	-\$2.22	-\$2.28	-\$2.34	-\$2.40	-\$2.46	-\$2.52
46	Single dwelling	RFB	R3	2.2	2.9	\$0.81	\$0.65	\$0.50	\$0.34	\$0.18	\$0.03
47	RFB	RFB	R3	2.2	2.9	-\$7.30	-\$7.63	-\$7.95	-\$8.27	-\$8.60	-\$8.92
48	Single dwelling	RFB	R3	1.5	2	-\$1.99	-\$2.13	-\$2.26	-\$2.39	-\$2.53	-\$2.66
49	RFB	RFB	R3	1.5	2	-\$7.72	-\$7.93	-\$8.13	-\$8.34	-\$8.55	-\$8.75

Source: SGS Economics and Planning, 2025

TABLE 46: PADDINGTON WARD RLV LESS EUV OUTPUTS – IN-FILL AFFORDABLE HOUSING (\$M)

	Existing	Proposed	Zone	Base FSR	In-fill FSR	0%	0.50%	1.00%	1.50%	2.00%	2.50%
50	Single dwelling	RFB	R3	1.1	1.4	-\$1.47	-\$1.51	-\$1.55	-\$1.58	-\$1.62	-\$1.65
51	RFB	RFB	R3	1.1	1.4	-\$1.84	-\$1.88	-\$1.92	-\$1.95	-\$1.99	-\$2.02
52	Single dwelling	Independent living	R3	1.3	1.6	-\$1.15	-\$1.20	-\$1.24	-\$1.28	-\$1.32	-\$1.36
53	RFB	Independent living	R3	1.3	1.6	-\$1.52	-\$1.57	-\$1.61	-\$1.65	-\$1.69	-\$1.73
54	Single dwelling	Independent living	R2	0.5	0.7	-\$1.81	-\$1.82	-\$1.83	-\$1.84	-\$1.86	-\$1.87
55	Single dwelling	MDH	R3	1	1.3	-\$0.64	-\$0.67	-\$0.70	-\$0.73	-\$0.77	-\$0.80
56	Single dwelling	Dual occ	R2	0.7	0.8	\$0.56	\$0.54	\$0.51	\$0.48	\$0.46	\$0.43
57	Single dwelling	Single dwelling	R2	0.5	0.7	-\$0.12	-\$0.14	-\$0.16	-\$0.19	-\$0.21	-\$0.23

58	Single dwelling	RFB	R3	2.2	2.9	\$0.26	\$0.19	\$0.11	\$0.03	-\$0.05	-\$0.14
59	RFB	RFB	R3	2.2	2.9	-\$8.58	-\$8.96	-\$9.34	-\$9.71	-\$10.09	-\$10.47
60	Single dwelling	RFB	R3	1.5	2	-\$0.80	-\$0.85	-\$0.90	-\$0.95	-\$1.00	-\$1.05
61	RFB	RFB	R3	1.5	2	-\$3.03	-\$3.15	-\$3.27	-\$3.39	-\$3.51	-\$3.64

Source: SGS Economics and Planning, 2025

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