CANADA BAY LOCAL HOUSING STRATEGY

VERSION 3

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Prepared for

City of Canada Bay

Independent
insight.

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TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

EXECUTIVE SUMMARY

Background report

The objective of this Local Housing Strategy is to analyse the population, demographic and supply issues associated with the delivery and take up of housing in the LGA. This assessment is required by City of Canada Bay Council to develop an understanding of what it could do to plan for and deliver optimal residential outcomes for its community.

Policy framework

The alignment of Canada Bay's development to State and Local policy has been explored.

Overall it was found that there is broad but conditional support for the LGA to continue accommodating dwelling growth, cognisant of:

- Broader housing demand trends across the sub-market
- Growth in adjoining areas, particularly in established centres, along the Parramatta Road Corridor and potentially in and around future proposed Sydney Metro West stations, and
- An adequate provision and distribution of open space and social infrastructure to support a liveable place and inclusive community

The following specific issues and objectives were considered in the review of policy documents:

- Meeting dwelling targets – which is a more complex challenge than a pure quantitative equation. Location, diversity and affordability are all important considerations.
- Transport and housing – given the volume of transport infrastructure investment in this area, it is important to ensure that dwelling supply is best utilising these accessibility benefits.
- The 'missing middle' – dwelling choice, particularly for the provision of medium density housing forms, and whether new and existing households with changing housing needs will be able to access dwelling stock that suits their needs.

Demand

The population and demographic analysis in this report found that:

- The dominant age range of residents will continue to be between 25 and 34. However there is also expected to be major growth in the number of people aged 55 and over – and there will be around a 75% increase in the number of residents aged 75 and over.
- While couple families with children are anticipated to remain the dominant household type, the number of couple families with no children is expected to grow considerably.
- Given affordability pressures, 20% of apartments in this LGA are now occupied by families with children.

SGS has used a Housing Demand Model to analyse what all these trends mean for dwelling demand over the next 20 years.

The modelling work found that the greatest demand for dwellings between 2018 and 2036 is likely to be for flats, units and apartment type dwellings; 92% of the projected demand is for

this type of development. Demand for semi-detached, row, terrace or townhouse dwellings will also grow over the period between 2018 and 2036, albeit at a lower rate.

DWELLING DEMAND FORECAST 2016 TO 2036

Dwelling type	2016	2018	2021	2026	2031	2036	2018 to 2026 Growth	AAGR[1] 2018 to 2026	2018 to 2036 Growth	AAGR 2018 to 2036
Detached	13,500	13,400	13,300	13,100	12,900	12,700	-300	-38	-700	-40
Semi Detached	3,400	3,700	3,900	4,400	4,900	5,400	+700	+88	+1,700	+96
Apartments	19,200	20,900	22,600	26,000	29,300	32,700	+5,100	+638	+11,800	+654
Other	400	400	400	400	400	400	-	-	-	-
Total	36,600	38,400	40,200	43,900	47,500	51,200	+5,500	+688	+12,800	+710
Cumulative dwelling growth (from 2018)			+1,800	+5,500	+9,100	+12,800				

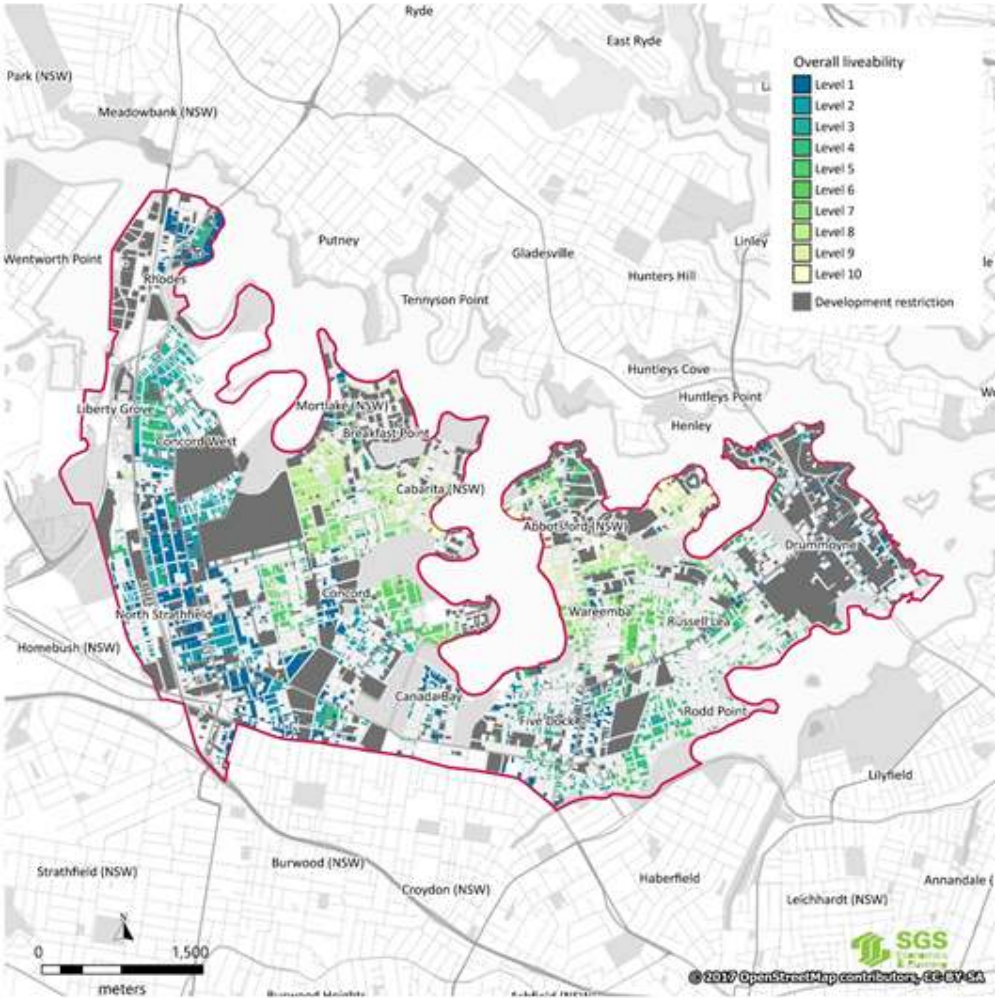
Source: 2016 – ABS ERP; 2018 – Cordell Connect Database; 2021 to 2036 – SGS Housing Demand Model

Capacity

A profiling of Canada Bay's residential areas found that whilst the LGA possesses a strong network of local centres, there are parts of the LGA that possess better access to public transport, schools and/or health care. Where there is development capacity available, it is those areas that should be given priority for future opportunities for residential intensification. This will locate additional housing in locations that are most accessible to public transport and services.

[1] AAGR – Average Annual Growth Rate

OVERALL LIVEABILITY INDEX FOR DEVELOPABLE AREAS ACROSS THE CITY OF CANADA BAY



A lengthy process was adopted to arrive at a detailed, lot-level assessment of development capacity in the LGA. This is of course, only a theoretical level of capacity, as a range of factors (including principally, feasibility) could well prevent the realisation of this capacity in the long run. Semi-detached dwellings also have a consistent historical take-up rate, which will either be held constant or decelerate in the long run as it approaches theoretical capacity under the planning framework.

TOTAL OVERALL CAPACITY UNDER CURRENT PLANNING CONTROLS IN CANADA BAY LGA

	A. 2016 Census stock	B. Current stock (2018)	C. Total theoretical capacity (stock)	D. Total theoretical capacity (growth from 2018)
Detached	13,656	13,521	12,700	-800
Semi-detached	3,384	3,654	11,100	7,400
Apartments	19,217	20,883	34,900	14,000
Total	**36,258**	**38,059**	**58,600**	**20,600**

Take-up Forecast

Demand and capacity were aligned to develop a spatially driven forecast of likely dwelling supply in the LGA in five yearly increments out to 2036.

The analysis showed that whilst supply would meet demand requirements overall to 2026, and longer term to 2036, there was a mis-alignment in dwelling type. As a result, Council might look at some options for encouraging more semi-detached dwellings where possible.

REALISED HOUSING TAKE-UP (SUPPLY) 2016-2036

	Detached	Semi-detached	Apartments	Total
2016	13,700	3,400	19,200	36,300
Current (2018)	13,500	3,700	20,900	38,100
2021	13,300	3,900	22,600	39,900
2026	13,100	4,200	26,400	43,700
2031	12,900	4,400	30,700	48,000
2036	12,700	4,700	35,000	52,400
Theoretical Maximum Capacity (Section 4)	12,700	10,900	34,900	58,600
2026 Demand (Section 3)	13,100	4,400	26,000	43,900
Result by 2026	Equilibrium	Undersupplied by ~200	98.5% occupancy by 2026	Undersupplied by ~200
2036 Demand (Section 3)	12,700	5,400	32,700	51,200
Result by 2036	Equilibrium	Undersupplied by ~700	93.7% occupancy by 2036	97.9% occupancy by 2036

Housing Affordability

The analysis has identified that affordability in regard to households purchasing a dwelling, as well as for housing related stress in the rental market, are a significant issue to address now and in the future.

The analysis in Section 6 identifies that there is a considerable number of households in severe rental stress who require more affordable housing options, and this demand for affordable rental housing will continue in the future. For example, in 2016 42% of households renting in the LGA experienced rental stress when rental levels were considered against household income. This affordability has an impact on lower income households, who could be key workers, sole parents or students.

The lack of diversity of housing between the extremes of higher density apartments and low density detached housing is also having an impact on housing affordability.

Housing Priorities

From the issues discussed above, there are six key housing priorities for the Local Housing Strategy to address:

1. Large-scale urban renewal to deliver high density housing in the form of apartments as outlined under State Government plans
2. Ensure that high density dwelling yields are comprised of sufficient dwelling diversity
3. Local centres are planned to provide opportunities for alternative low and moderate-scale housing, within walking distance of services and access to public transport
4. Housing diversity and choice to be further addressed by infill development around centres in the form of low rise medium density, to provide a wider range of housing forms whilst being respectful of local neighbourhood character
5. Ensure that housing in the LGA provides opportunities for key workers, low income households and other groups through the requirement the private sector provide affordable housing as part of larger redevelopment
6. All character areas be identified and protected, with sensitive infill development, as part of retaining a diversity of housing types and residential streetscapes.

Recommended Actions

The Local Housing Strategy proposes the following actions under Section 8:

1. Large-scale urban renewal to deliver high density housing in the form of apartments as outlined under State Government plans
2. Ensure that apartment dwelling yields are comprised of sufficient dwelling diversity
3. Local centres are planned to provide opportunities for alternative low and moderate-scale housing, within walking distance of services and access to public transport
4. Housing diversity and choice to be further addressed by infill development around centres, based on planning controls that are feasible, to provide a wider range of housing forms whilst being respectful of local neighbourhood character
5. Ensure that housing in the LGA provides opportunities for key workers, low income households and other groups through the requirement the private sector provide affordable housing as part of larger redevelopment
6. Character areas be identified and protected, with sensitive infill development, as part retaining a diversity of housing types and also residential neighbourhoods

1. INTRODUCTION

1.1 City of Canada Bay

Facilitating and managing future dwelling growth is a major priority for all Councils. Canada Bay is positioned in the Inner West of Greater Sydney, and is located in a strategic position along a major transport corridor between Parramatta and the Sydney CBD. Canada Bay's suburbs are therefore highly desirable residential postcodes, where high demand will need to be carefully managed to ensure that local liveability is not just sustained but also enhanced where possible.

More broadly, Canada Bay also possesses a strong centres network, great access to a number of bays and major pieces of infrastructure such as Concord Hospital. As market pressures have continued to mount for residential intensification throughout Inner Sydney, the number of housing issues requiring careful consideration have gradually increased. Broadly speaking, key emerging issues include the diversity of housing, affordability and the connection between housing and transport infrastructure investment.

1.2 Scope of this Local Housing Strategy

As outlined in the project brief, the key objectives of this local housing strategy are to:

> *"(a) Understand the type of housing that currently exists in the LGA;*
>
> *(b) Respond to constraints and opportunities associated with the delivery of new housing (feasibility, heritage, local character, environmental, employment and infrastructure) to achieve the requirements of the Eastern City District Plan;*
>
> *(c) Follow the process and reporting structure described in the Department of Planning and Environment's Local Housing Strategy Guideline. "*

Part A of the brief refers to the importance of appreciating and respecting the existing residential neighbourhoods of the LGA, and ensuring that new development builds on and evolves from this basis. Part B refers to the detailed elements which need to be considered while analysing the potential for residential growth in the LGA. Part B also refers to the Eastern City District Plan, which includes a dwelling target that needs to be met, alongside an emphasis on dwelling mix and affordable housing. Part C then prescribes a template method as outlined in DPE's guideline.

This Local Housing Strategy describes the housing evidence, the priorities and the actions to be taken.

1.3 This report

The objective of the Local Housing Strategy is to analyse the population, demographic and supply issues associated with the delivery and take up of housing in the LGA. This assessment is required by Council to develop an understanding of what it could do to plan for and deliver optimal residential outcomes for its community.

More specifically, this Strategy investigates the following lines of enquiry about housing issues in Canada Bay:

1. What is the demand for dwellings in the LGA both in terms of quantum and type?

2. What is the development potential of current planning controls, cognisant of a range of opportunities and constraints?
3. What is an appropriate volume, type and locational distribution of dwelling supply in this LGA over the next 20 years?
4. What potential changes are required to the planning vision and controls as a result of the evidence base which has been assessed?

1.4 Structure of report

The remainder of the background report is structured as follows:

Section 2 introduces a range of State and Local policies, identifying key threads across a range of housing issues. Key areas of emphasis are evaluated to inform analytical focal points, and also provide a guide for key issues that strategy development must directly address later in the report.

Section 3 is a demand analysis which draws on population and demographic forecasts to understand the nature of future residents in the LGA. These future residents comprise households which occupy dwellings in the municipality.

Section 4 examines Canada Bay's residential lands in detail, looking at the key features across the LGA whilst also dissecting it into development areas. The purpose of this section is to ascertain the existing composition of planning controls, constraints and available lands to arrive at an estimate for future development capacity.

Section 5 provides an integrated assessment and forecast of demand and supply, and discusses the extent to which current controls will deliver an optimal outcome.

Section 6 then focuses on the affordable housing issue, assessing the need for affordable housing and discussing what responses are likely to be required.

Section 7 then concludes with some key insights about how the strategy should address the issues raised in this report.

Section 8 contains the Canada Bay Local Housing Strategy, cognisant of the evidence base from Sections 2 to 7.

2. POLICY FRAMEWORK

The City of Canada Bay has continued to evolve and grow over the past decade, accommodating significant volumes of higher density residential development. Before delving into the finer details of managing the municipality's housing stock, it is important to first gain a clear understanding of the established policy framework within which housing development in the LGA is conducted.

The alignment of Canada Bay's development to State and Local policy is explored in this chapter, along with analysis of the extent to which this LGA is equipped to accommodate further residential intensification.

2.1 Policy context

A review of the key studies, strategies and plans relevant to the City of Canada Bay has been undertaken to evaluate the role of housing in this LGA. The primary focus of this section is to analyse the strategic implications of these documents for housing development.

Development guidelines have also been considered.

Overall it was found that there is broad, but conditional, State-policy direction for the LGA to continue accommodating dwelling growth, in respect to:

- Broader housing demand trends across the sub-market
- Growth in adjoining areas, particularly along the Parramatta Road Corridor
- The need to ensure that key employment precincts continue to be protected, and
- Ensuring that there is an adequate provision and distribution of open space and social infrastructure to support future growth, and
- Ensuring that the LGA's local character areas are protected and future character is respected.

The following specific issues and objectives were considered in the review of policy documents. These are summarised in Section 2.4:

- Meeting dwelling targets set at a District Planning level
- Transport investments and the impact on housing provision
- The temporary deferral of the proposed 'missing middle' State-policy subject to a local housing strategy, and
- Local character under the DPE Local Character Guideline.

The following nine State-policy documents were reviewed in relation to the future growth of the LGA:

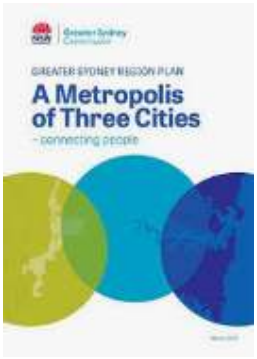
1. Metropolis of Three Cities (Greater Sydney Commission 2018)
2. Future Transport Strategy 2056 (Transport for NSW 2018)
3. Building Momentum State Infrastructure Strategy (Infrastructure NSW 2018)
4. Sydney CBD to Parramatta Strategic Transport Plan (Transport for NSW 2015)
5. Our Greater Sydney 2056 Eastern City District Plan (Greater Sydney Commission 2018)
6. Paramatta Road Urban Transformation Plan (Urban Growth NSW 2016)
7. Rhodes East Priority Investigation Area (Department of Planning and Environment 2017)
8. Local Housing Strategy Guideline and Template (Department of Planning and Environment NSW 2018), and
9. Local Character and Place Guideline (Department of Planning and Environment 2019)

Six local-policy documents were also reviewed (all prepared by the City of Canada Bay):

1. Local Employment and Housing Study (2008)
2. Canada Bay Local Planning Strategy (2010)
3. Canada Bay Council DCP Appendix E - Character Areas (2017)
4. Community Strategic Plan (2018)
5. Affordable Housing Strategy (2017), and
6. Positive Ageing Strategy (2010).

2.2 State policy

Metropolis of Three Cities (Greater Sydney Commission 2018)



This document is the incumbent Metropolitan Strategy for Greater Sydney, providing high-level guidance for housing and employment growth across the metropolitan region out to 2056.

The Strategy's focus is to channel economic trends into a metropolitan-wide spatial and policy vision that responds to big picture structural issues for the future planning of Sydney as a 'metropolis of three cities'.

One the major priorities of the Strategy is to address the ongoing housing affordability conundrum facing Sydney. Specifically, the document states the need for Sydney to deliver 36,250 new dwellings per year in order to accommodate forecast population growth in forthcoming decades.

However, it is not just the pure number of dwellings that the plan seeks to accommodate. Other important considerations include addressing:

- Housing diversity and choice
- Optimising the location of new dwellings, and
- Affordable housing.

Key features of relevance to housing in the City of Canada Bay

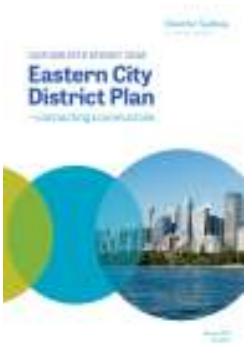
In order for a specific quantum of dwellings to be delivered across the LGA, each Council is required to set dwelling targets - this is one of the major objectives of this strategy.

However, setting a dwelling target and achieving it through the provision of one and/or two bedroom apartments is not likely to address the housing needs for future citizens in terms of housing diversity and choice. As a result, whilst Councils need to set dwelling targets, these targets should also address broader housing policies regarding housing needs that may include larger dwellings in established areas. Providing multi-unit dwellings in locations that do not have access to transport infrastructure and economic opportunities would also be problematic.

Due to the location of current heavy rail stations, and the proposed Sydney Metro West station locations within the LGA, the City of Canada Bay possesses opportunities for urban renewal close to transport and services.

However, the LGA's relatively central and accessible location also means that it may come under pressure to accommodate significant volumes of infill re-development, that may change the valued character of existing residential neighbourhoods. So, it is important to plan well to ensure that the LGA considers the accommodation of growth in a manner that balances this with achieving other liveability objectives.

Our Greater Sydney 2056 Eastern City District Plan (Greater Sydney Commission 2018)



This document provides priorities and actions for the Eastern City District, where the City of Canada Bay sits at the north-western edge of a District comprising eight LGAs.

The plan gives effect to the objectives established in *A Metropolis of Three Cities*.

Key features of relevance to housing in the City of Canada Bay

The Plan identifies a housing supply target of 46,550 by 2021 (2,150 in Canada Bay) and 157,500 by 2036 in the Eastern City District (22% of all dwelling growth in Greater Sydney).

A number of urban renewal precincts are identified including using under-utilised corridor lands adjoining Parramatta Road as well as at Rhodes East. These areas, which are not all within the boundary of Canada Bay LGA, are expected to accommodate the bulk of apartment development in the District.

Some guidance at District-level is also given to Councils in terms of how they can accommodate medium-density dwelling. Many of these, may be considered in the Canada Bay context:

- Investigate transitional areas between urban renewal precincts and existing neighbourhoods
- Opportunities for local medium-density within residential land adjoining local centres where there are walking and cycling links
- Location in areas with proximity to regional transport where more intensive (i.e. higher density apartment) urban renewal is not suitable due to challenging topography or other characteristics
- As part of redevelopment in lower density parts of suburban Greater Sydney undergoing replacement of older housing stock, and
- Redevelopment of precincts with existing social housing that could benefit from renewal in locations which provide good access to transport and jobs.

Finally, the plan identifies opportunities to support affordable rental housing through the facilitation of more compact housing opportunities, particularly for key workers and skilled workers in targeted employment areas and new owner-developer apartment models.

Future Transport Strategy 2056 (Transport for NSW 2018)

New infrastructure is required to support the projected 12 million people who may be living in NSW by 2056. This strategy identifies long-term *city shaping* transport projects to help Greater Sydney and Regional New South Wales accommodate this growth.

Transport corridors are identified, showing how key strategic centres and locations will be serviced by the proposed infrastructure investments and service strategy.

Key features of relevance to housing in the City of Canada Bay

It is important to note that whilst the primary objective of these transport investments is to improve accessibility to employment and services for existing and future residents, their *city shaping* nature means that they tend to shift the pattern of dwelling growth over-time. Major rail projects also act as catalysts for major urban renewal and residential development.

A significant opportunity presents itself to align housing strategy with long term transport projects in the City of Canada Bay. Sydney Metro West is identified as a committed initiative

subject to a final business case and funding. This will be investigated further once the exact number and location of stations is confirmed, presently understood to be three stations in the LGA.

Building Momentum State Infrastructure Strategy (Infrastructure NSW 2018)

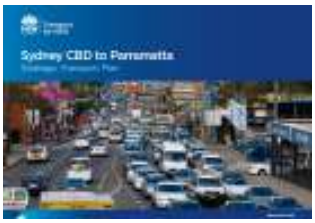
The Building Momentum Strategy sets out a 20-year State strategy surrounding key infrastructure sectors of transport, energy, water, health, education, justice, social housing, culture, sport and tourism out to 2031.

Key features of relevance to housing in the City of Canada Bay

A key direction of this strategy involves the improvement of integration between land-use and infrastructure planning. As such, transport infrastructure is required to support the 30-minute city principle established in the *Metropolis of Three Cities* document.

It further seeks to ensure the provision of infrastructure matches projected population increases. Key infrastructure responses for the District are identified as increased intra and inter-city walking and cycling infrastructure and increased social infrastructure investment and education facilities.

Sydney CBD to Parramatta Strategic Transport Plan (Transport for NSW 2015)



This plan was developed in 2015 by Transport for NSW in response to the need to plan for one of Sydney's most important multi-functional urban corridors.

The plan was prompted by the need to integrate a range of proposed major transport and land use initiatives including the Parramatta Road Urban Transformation Corridor, WestConnex and Greater Parramatta to Olympic Park.

Key features of relevance to housing in the City of Canada Bay

The plan seeks to realise and support urban transformation and transit-orientated development along the corridor – whilst still ensuring that transportation outcomes are not compromised.

The natural conclusion here is that a public transport investment solution (Metro) would improve transportation outcomes along this congested route – but that this would likely be accompanied by significant urban intensification as well for a variety of reasons.

The document thereby sets principles to meet this vision, of adjusting land use development decisions to locate growth towards certain locations, promoting mixed use developments and improving integration between transport and land use – of direct relevance to the significant urban renewal now planned for the Parramatta Road corridor (see below) as well as the Sydney Metro West project.

Paramatta Road Urban Transformation Plan (UrbanGrowth NSW 2016)

A Strategy was released in 2016 articulating the State's 30-year plan for the Parramatta Road Corridor. Prepared by *UrbanGrowth NSW*, the strategy seeks to inform both State and Local Government land use planning and decision making. Ultimately the corridor is expected to accommodate 50,000 new jobs and 56,000 new residents.

A 2016 Implementation Plan was also prepared in conjunction with the Strategy. It informs the staging and sequencing of the strategy implementation along with precinct-level action plans to 2023.

Key features of relevance to housing in the City of Canada Bay

Whilst the Parramatta Road corridor study area stretches across multiple LGAs, a significant portion of dwelling growth is proposed to be located within Canada Bay's LGAs boundaries – and the planning work for implementing this growth is already progressed.

Council therefore needs to be clear how many dwellings are proposed to be accommodated within this corridor, and take this significant capacity for growth into consideration when planning for how future housing demand in the LGA will be accommodated.

In addition to the potentially significant dwelling growth that is likely to be accommodated with the Sydney Metro West stations, there will be a large volume of apartment development in major redevelopment sites in the LGA over the next 20 years.

Rhodes Revised Draft Precinct Plan (Department of Planning and Environment 2018)

Following the release of the Rhodes East Priority Precinct Investigation Area Draft Precinct Plan, the Department of Planning and Environment took on board the views of the community, landowners and government stakeholders and released an updated Precinct Plan in December 2018.

This latest revision extends the precinct boundary into Rhodes West, integrated with Rhodes station, plans for a school site and provides for an additional 1,200 jobs within the precinct.

Key features of relevance to housing in the City of Canada Bay

The plan proposes renewal of the area to accommodate low to mid-rise high-density development to provide housing choice. The plan includes increased heights and densities around mixed uses areas along Leeds Street and near the Rhodes rail station. The revised plan explores opportunities for upgrades to the existing station.

Overall, the plan proposes 3,600 dwellings to be supplied east of the station and a new 600 dwellings west of the station. Land adjacent to the station is protected for future commercial/employment opportunities including higher order jobs.

There is a planning principle in place for new development to contribute a 'range of dwelling typologies', along with an affordable housing target of 5%.

Local Housing Strategy Guideline and Template (Department of Planning and Environment NSW 2018)

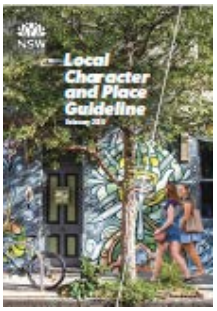
This document provides State level guidance for the preparation of Local Housing Strategies. It effectively acts as a step-by-step template.

Key features of relevance to housing in the City of Canada Bay

The proposed Canada Bay housing strategy will follow the method outlined in this template – particularly in terms of the demand capacity aspects of this study. This report will also bring clarity to the key issues of housing supply gap, specific housing needs of the LGA and the specific development capacity within the LGA.

Finally the LHS guideline also requires that Local Housing Strategies follow the structure of its template.

Local Character and Place Guideline (Department of Planning and Environment 2019)



This document provides a consistent definition across the State government of what local character means, along with an approach for assessing local character areas. This has been recently released.

Key features of relevance to housing in the City of Canada Bay

The document outlines what Councils should be doing to define local character, including:

- Community engagement, including the importance of tailoring the process for the local community and managing differences throughout the process
- Identification of existing character, which includes a triple bottom line consideration of each area
- Undertaking detailed research into relevant available documentation that may further support or be complementary to assessment of character
- Setting future character, including decisions on whether to change, enhance or maintain the character of an area
- Producing the final character assessment, including mapping the desired character of an area.

State Environmental Planning Policy No 70 (SEPP 70) – Affordable Housing

SEPP 70 is the NSW State Government's policy guideline for the delivery and maintenance of affordable housing. The purpose of SEPP 70 is to describe the types of households that affordable housing may be provided for along with allowing Councils to levy development contributions towards affordable housing.

In April 2018, SEPP 70 was expanded to include five additional councils - Randwick, Inner West, Northern Beaches, Ryde and Canada Bay. In February 2019, SEPP 70 was further expanded to include all councils across NSW. The amendment removes the administrative step of entering an LGA into SEPP 70, thereby expediting councils' ability to investigate and develop an affordable housing contributions scheme. The next step in the process will be for councils to prepare affordable housing contribution schemes and amend their local environmental plans to reference these schemes. It is optional for a council to develop an affordable housing contribution scheme.

Key features of relevance to housing in the City of Canada Bay

In considering the provision of affordable housing as part of this local housing strategy, some relevant principles include:

- Affordable housing is to be created and managed so that a socially diverse residential population representative of all income groups is present in a locality.
- Affordable housing is to be made available to a mix of very low, low and moderate income households.
- Affordable housing is to be rented to appropriately qualified tenants and at an appropriate rate of gross household income.
- Land provided for affordable housing is to be used for the purpose of the provision of affordable housing.
- Buildings provided for affordable housing, after deduction of normal landlord's expenses (including management and maintenance costs and all rates and taxes payable in connection with the dwellings), is generally to be used for the purpose of improving or replacing affordable housing or for providing additional affordable housing.
- Affordable housing is to consist of dwellings constructed to a standard that, in the opinion of the consent authority, is consistent with other dwellings in the vicinity.

2.3 Local policy framework

Local Employment and Housing Study (City of Canada Bay 2008)

This study was prepared in 2008 on behalf of the City of Canada Bay, to inform the preparation of the 2008 LEP, ensuring consideration of the 2005 Metropolitan Strategy were incorporated regarding housing choice, residential intensification and achieving employment targets.

The 2008 study still effectively serves as the most recent local policy document for the LGA, which this current round of work seeks to update and replace.

Key features of relevance to housing in the City of Canada Bay

The 2008 study identified a variety of housing constraints and opportunities for Canada Bay – many of which are still prevalent, including:

- Housing demand is likely to be influenced by demographic changes of an ageing population, people living in smaller households, and a growth in couples with children
- Low stock of social housing, and rising levels of housing-related stress
- Shortfall in rental housing supply
- Shortage of affordable accommodation (particularly significant for Concord hospital staff, students and visitors), and
- Lower income households being priced-out of the LGA.

The key areas for redevelopment identified for urban renewal in 2008 were:

- Rhodes Peninsula. A former industrial site serviced by Rhodes Station. Western portion of the Peninsula is now mostly developed, with urban renewal of the East proposed between now and 2036.

- Breakfast Point. The master plan for this former industrial redevelopment site identified 1,800 new dwellings. Constructed apartments have been largely luxury/resort style developments with high prices. Public transport is limited to relatively infrequent bus services. Precinct is fully developed.

- Strathfield Triangle. This precinct is intended for commercial and residential use, as a fringe industrial site bounded by major transport corridors.

Canada Bay Local Planning Strategy (City of Canada Bay 2010)

The Canada Bay Local Planning Strategy was adopted in 2010. Prepared by Council, the document guides long-term development and decision-making in terms of future land use planning for the municipality out to 2031. Findings from the *Local Economy and Housing Study (2008)* informed the development of this local policy in terms of identifying issues and strategies for housing in Canada Bay.

Key features of relevance to housing in the City of Canada Bay

Policy objectives and actions were developed in light of findings in the *Local Economy and Housing Study (2008),* which are summarised as:

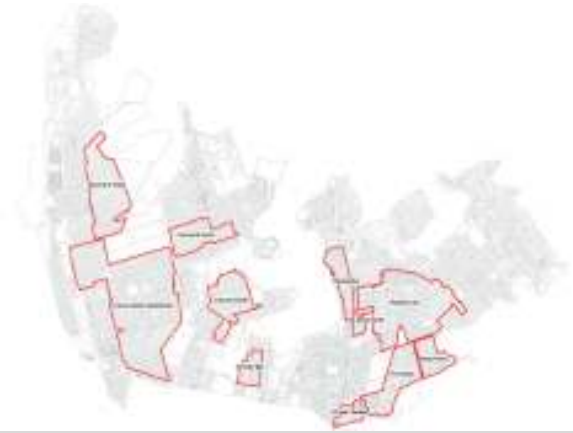
- Canada Bay is an attractive location, driving a strong demand for housing, however if much of this demand is likely to be accommodated out of centres, there may be resistance to change from the local community.
- Under existing planning controls Canada Bay has notionally substantial housing capacity, however, short and medium-term supply will be limited in diversity of

dwelling types and location, and is unlikely to provide adequate low cost or affordable housing. In addition, planning controls in areas zoned R3 Medium Density Residential restrict potential redevelopment.

- Affordable housing policy has had little impact on supply of affordable housing.

As such the strategy for residential development sets out a two-stage process to allow projected growth under *LEP 2008* with additional further growth in and around Canada Bay's 'traditional' centres. Firstly, this involves facilitating existing residential growth. Secondly, the strategy seeks to achieve concentration in and around centres.

Canada Bay Council DCP - Character Areas (City of Canada Bay 2017)



Canada Bay DCP provides a design assessment of neighbourhood character in a number of suburbs across the LGA. These areas are shown in the reproduced map below.

A summary of the assessed character in these areas is provided below alongside the desired future character of these areas.

Character areas	Existing Character	Desired Future Character
Concord West	Inter-war & Modern Californian Bungalows (1 to 1.5 storey houses, hipped rooves), low fences, lawn gardens with shrubs	Two storey development should have low scale, horizontal emphasis, low fences, retain adequate building separation
Concord/ North Strathfield	Federation (mainly single storey houses, hipped rooves) & Inter-war Bungalows (1 to 1.5 storey houses, pitched rooves)	New development will need to respond to the dominant single storey scale of the area, low fencing
Concord North	Single storey (federation houses + interwar bungalows), pitched rooves	Free standing houses, new development to respond to single storey scale of the area
Concord East	Single storey (federation houses + interwar bungalows), pitched rooves	Two storey development should have low scale, horizontal emphasis, low fences, retain adequate building separation
Canada Bay	Inter-war & Modern Californian Bungalows (1 to 1.5 storey houses, hipped rooves), low fences, lawn gardens with shrubs	Two storey development should have low scale, horizontal emphasis, low fences, retain adequate building separation
Wareemba	Single storey (federation houses + interwar bungalows), pitched rooves	New development will need to respond to the dominant single storey scale of the area, low fencing
Russell Lea	Single storey (federation houses + interwar bungalows), pitched rooves	New development will need to respond to the dominant single storey scale of the area, low fencing

Crocker Estate	Californian Bungalows (1 to 1.5 storey houses, hipped rooves), low fences	Two storey development should have low scale, retain single storey scale of the streetscape
Five Dock North	Single Storey or Modern Californian Bungalows; medium density at the eastern end which is screened from the streetscape	Two storey development should have low scale, retain single storey scale of the streetscape
Five Dock	Federation (mainly single storey houses, hipped rooves) & Inter-war Bungalows (1 storey houses, pitched rooves)	Free standing houses, new development to respond to single storey scale of the area
Rodd Point	Single Storey or Modern Californian Bungalows	Two storey development should have low scale, retain single storey scale of the streetscape

Key features of relevance to housing in the City of Canada Bay

These 'character area' assessments are useful considerations from a design perspective because many of these areas are infill areas where the development of medium density and semi-detached dwellings may be considered as an opportunity for increasing housing diversity and choice in addition to the significant volumes of apartments likely to be seen in the major urban renewal precincts and around traditional centres.

These character areas propose that two storey re-development forms are appropriate – and development would need to respect local streetscape and character.

DCP character areas provide a basis for interim local character areas for the LHS and have been given consideration in the development of this Local Housing Strategy. Nonetheless, further urban design studies should be undertaken to review and refine these areas and future character statements, in accordance with the Local Character and Place Guideline.

Community Strategic Plan (City of Canada Bay 2018)

Your Future 2030 Community Strategic Plan (2018)

Your Future 2030 articulates community priorities for the City including a long term vision statement and strategic objectives. Adopted in 2018, the plan establishes five key vision areas reflecting aspirations for City of Canada Bay. It is designed in inform all future strategies.

A Community Engagement Report was prepared detailing outcomes and findings of the community engagement undertaken in 2017 by City of Canada Bay to inform the Community Strategic Plan.

Key features of relevance to housing in the City of Canada Bay

Priorities and recurring themes that the community expressed regarding housing included:

- the desire for new developments to consider holistic sustainable design including energy efficiency, resources and access to public transport.
- amenity and attractiveness of new housing developments and renewal areas
- achieving a balance in housing mix in terms of low, medium and high density with appropriate transitions
- high density developments were a source of concern, in relation to their potential to negatively impact local character.

Further, improving housing affordability and providing additional affordable housing was identified as a priority. Residents expressed concerns of reduced socio-economic diversity

across the LGA, with people being *priced out*. Particularly, key workers and young families (on lower household income levels).

The Community Strategic Plan provides a clear direction for the development of a housing study, that would need to be further developed to ensure that the community's interests and priorities are central to guide planning for the Council's future housing needs.

Affordable Housing Policy (City of Canada Bay adopted 2007; last revised 2017)

In 2017 the City of Canada Bay revised its 2007 Affordable Housing Strategy as part of Council's commitment to maintain a diverse, vibrant and healthy community and to reduce housing stress in the private rental housing market.

The document does not address general housing needs or a target but defines housing types, outlines Council's principles to affordable housing, clarifies the intent of Council's involvement and establishes management guidelines for council owned affordable housing units.

An evidence-report for Affordable Housing at Rhodes East (2017) was also prepared for Council to support its ambition to achieve 5% affordable rental housing for key workers. It seeks to calculate and justify affordable housing contribution rates and delivery mechanisms.

Key features of relevance to housing in the City of Canada Bay

Housing affordability remains a key challenge in Canada Bay, with 42% of renters in 2016 experiencing rental stress. The policy establishes guiding principles including producing affordable housing through a range of controls and agreements, promoting affordable housing by increasing diversity of types and sizes and retaining affordable housing through advocacy and mitigation. Affordable housing is to be potentially produced through inclusionary zoning, voluntary planning agreements or working with developers to encourage appropriately designed affordable housing.

More specifically, Concord Hospital is identified as a site to cater for affordable housing needs, with 6 of the 24 Council-owned affordable dwellings to be made available to eligible hospital staff.

The redevelopment of Rhodes East is cited as likely to increase pressure on property prices. As such the report establishes an affordable housing contribution rate of 5% of gross floor area to be used for residential land use as part of redevelopment. The monetary contribution is calculated to be $488.75/sqm. An equivalent land contribution may also be used. Overall, the renewal program is proposed to deliver 150-200 affordable dwellings.

Positive Ageing Strategy (City of Canada Bay 2010)

The Positive Ageing Strategy was prepared for City of Canada Bay in 2010 to establish strategic direction surrounding protecting public health by planning a safe and healthy urban environment for the older population.

Key features of relevance to housing in the City of Canada Bay

The plan identifies the need for appropriate housing for older populations. This includes facilitating the supply for appropriate housing at well-connected locations with public transport and access to services. The plan identified the need for new developments to be accessible, increase stock of adaptable universal design multi-unit developments and advocate for affordable accommodation for seniors.

2.4 Key implications

Meeting dwelling targets

Given the depth of the challenge for Greater Sydney to accommodate future growth, there is now significant pressure to accommodate enough dwelling growth to meet District-level targets. Like other LGAs, the City of Canada Bay's housing strategy will need to identify an LGA dwelling target, supported by a rigorous method that is also consistent with DPE's guidelines. A key role of the Local Housing Strategy is to form the basis for Council's six to ten year housing target.

The challenge though, is more complex than just achieving a dwelling target. Housing diversity, location and liveability for existing and future residents all need to be balanced as well, as identified as an objective of the Council's Community Strategic Plan.

At face value, the opportunities for urban renewal along Parramatta Road, Rhodes East and potentially around Sydney Metro West stations mean that Canada Bay already has a significant volume of dwellings planned to deliver over the next 20 years. However, these urban renewal precincts are – for the most part – likely to generate high density apartment developments. The challenge for Council will still be to plan for accommodating a range of housing choices to match changing housing needs of the community, including incorporating sensitive medium-density development suited to those sections of the community that are less suited to apartment living. This range of housing choice will also facilitate the provision of more affordable options for medium income households as well as households seeking to downsize but remain in the local area.

Most opportunities for medium density and semi-detached dwellings are likely to come through identifying appropriate infill areas and for redevelopment of mixed use local centres. Much of this will likely occur as gradual change of housing forms across the LGA's existing residential neighbourhoods. To optimise accessibility outcomes for these residents though, Council could also seek to incentivise outcomes in areas where there is better access to public transport (including Sydney Metro West stations) and services (local and major centres). A focus on the traditional centres, and emerging centres that have rail, and future Metro, station access would achieve this accessibility.

Finally, the liveability of both existing and future residents needs to be retained. The City of Canada Bay possesses a broad range of pleasant residential neighbourhoods with a strong character. So whilst it will be important to ensure that adequate planning addresses accommodation of future population, existing residents and established character should be considered in a balanced approach to setting a dwelling target and housing strategy for Canada Bay.

Transport and housing integration

The GSC's 30-minute city vision outlined under the 'Metropolis of Three Cities' plan is a bold objective. In principle though, it is a vision which aims to prevent excessively dispersed population growth, which can generate a range of negative externalities for cities and the people who live in them.

Given the presence of three existing railway stations, a number of bus routes and the proposed Sydney Metro West stations (to be confirmed), the City of Canada Bay is well placed to execute this vision by integrating housing location with transport access.

Transit-oriented development is likely to continue to be the focus over coming years. Significant apartment development immediately adjacent to these future metro stations is likely, as high dwelling yields have important implications for the financial and economic case behind major transport infrastructure projects but also allow achievement of transport and housing integration. This will need to consider the constraints and current development in these areas.

But there should be other opportunities beyond that centre core to accommodate a range of development from low-rise apartment developments to semi-detached dwellings.

The 'missing middle' housing types

A key issue for the local housing strategy will be to identify the type of housing which will be provided to achieve greater diversification in housing stock.

The recent 'boom' in high-rise residential flat buildings around the Sydney Metropolitan Region has resulted in a clear segregation between higher densities in centres and lower density suburban areas. This has created a situation where from a housing provision point of view, there is a 'missing middle', meaning what housing types form the transition from single dwelling housing on one extreme to apartment buildings (see Figure 1).

With effective design and appropriate consideration of existing character elements, low-medium density housing offers an opportunity to significantly diversify housing stock whilst also addressing affordability constraints on many sectors of the community. It includes a variety of dwelling types such as duplexes, semi-detached, townhouses, dual occupancies and manor houses.

A greater diversification of housing stock is also important when considering the broad range of household types that are present within modern Australian society. Families without children, single-parent families and group households are all increasingly prevalent – and would all be well served by medium density dwelling stock.

FIGURE 1 THE MISSING MIDDLE

Source: NSW Department of Planning and Environment, 2017

Affordable housing, the rental market and seniors' living are all important considerations for why this 'missing middle' gap needs to be filled. This does not address the approval pathways but instead is referring to the type of housing.

3. DEMAND

The previous section of this report covered the alignment between State and Local policy and the housing role of the City of Canada Bay. It had also canvassed a number of issues which require deeper consideration.

To build on this, an assessment of population and demographic trends has been undertaken to develop an understanding of the underlying forces which are driving growth and demand for dwellings in the LGA. Beyond population and dwelling forecasts, this section also considers typology, affordability and housing choice.

3.1 Approach

The analysis in this section draws a upon a range of datasets, including population growth, age, family and household type.

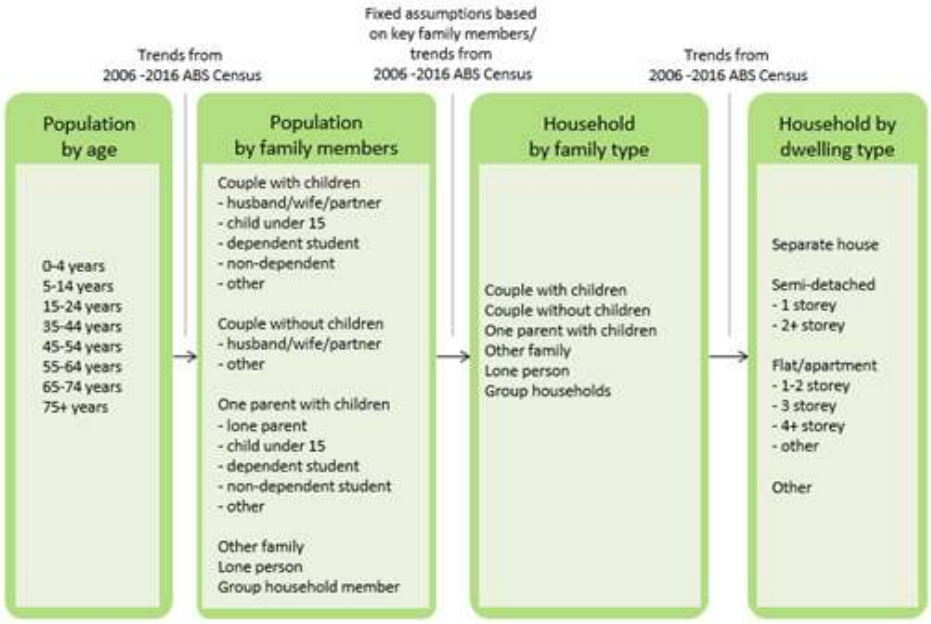
These core demographic components combine to help build a story around the people who occupy housing in Canada Bay presently and into the future.

The datasets then become key inputs into the modelling process to help determine dwelling demand by type. SGS has applied its in-house *Housing Demand Model* to disaggregate the total dwelling forecast into a growth forecast by dwelling type. An illustration of the model below shows the outputs as being housing demand by 'separate house', 'semi-detached' and 'flat/apartment'. The model also produces outputs for household type and size, including demand by number of bedrooms as part of the assumptions which help to determine the type of dwelling stock in demand.

Demand for different dwelling type shifts throughout an individual's lifespan, due to income levels, the structure of the household they live in and preferences. To that end, changing demographics and the changing relationship between household types and dwelling types described will impact upon future housing choices.

By definition, the model's base scenario is run off historically observed dwelling compositions in the LGA – generating a 'business as usual' forecast which could be a relatively accurate prediction of the future if there are no major shifts in population/demographic trends or supply/capacity constraints.

FIGURE 2 SGS HOUSING DEMAND MODEL METHOD



Source: SGS Economics and Planning

3.2 Population growth

Table 1 below shows population growth in the LGA according to a few different sources. The Department of Planning and Environment's website presents three streams of population growth – high, medium and low. This gives a good range for potential population growth trajectories in the LGA.

However, all three forecasts are still based on a projection from the 2011 ABS Census, which at the time of writing, was eight years ago.

SGS has therefore prepared its own population forecast based on the ABS ERP from 2001 to 2016. So the proposed 20-year forecasts utilises 15 years of historical data. Note that for much of those 15 years (particularly since 2004-05), Canada Bay has been able to accommodate significant population growth due to the presence of large urban renewal precincts such as those in Rhodes West and Breakfast Point. This is expected to continue over the next 20 years in Rhodes East and the Parramatta Road corridor. There may not be as many opportunities for further urban renewal – though the exact nature of population and dwelling growth post-2036 is beyond the scope of this report.

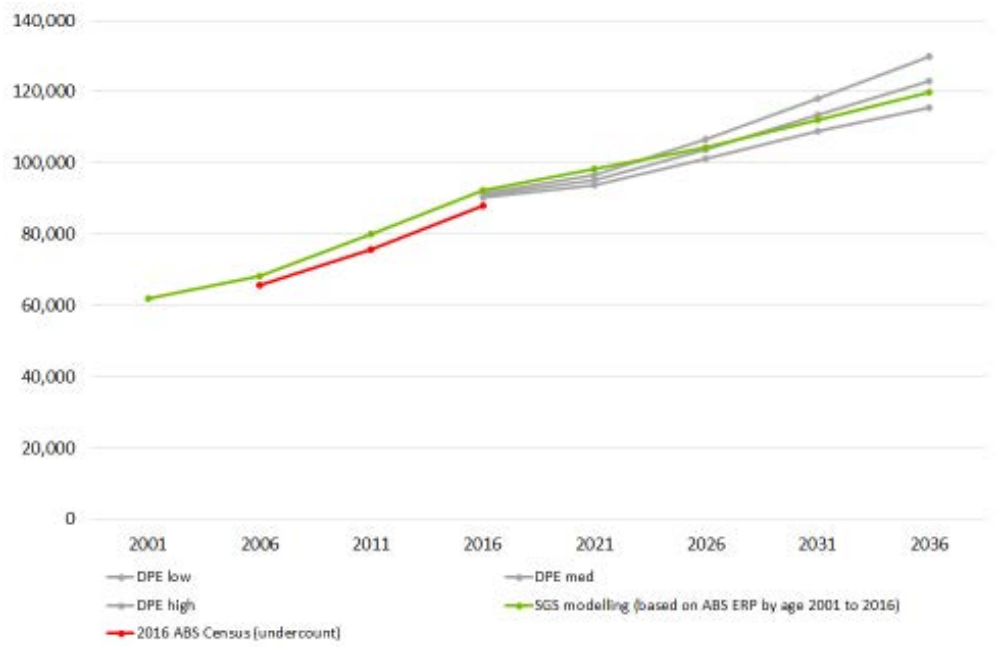
TABLE 1 POPULATION GROWTH COMPARISON OF DIFFERENT DATASETS AVAILABLE

Dataset name	2016	2021	2026	2031	2036
DPE low	90,400	93,850	101,100	108,800	115,400
DPE med	90,850	95,200	103,900	113,600	122,900
DPE high	91,400	96,600	106,650	118,150	129,800
SGS modelling (based on ABS ERP by age 2001 to 2016)	92,382	98,360	104,337	112,098	119,859
2016 ABS Census (undercount)	88,015				

Source: ABS Census; ABS ERP; DPE; SGS Economics and Planning

The differences between these datasets is charted below.

FIGURE 3 CANADA BAY LGA POPULATION GROWTH FORECASTS



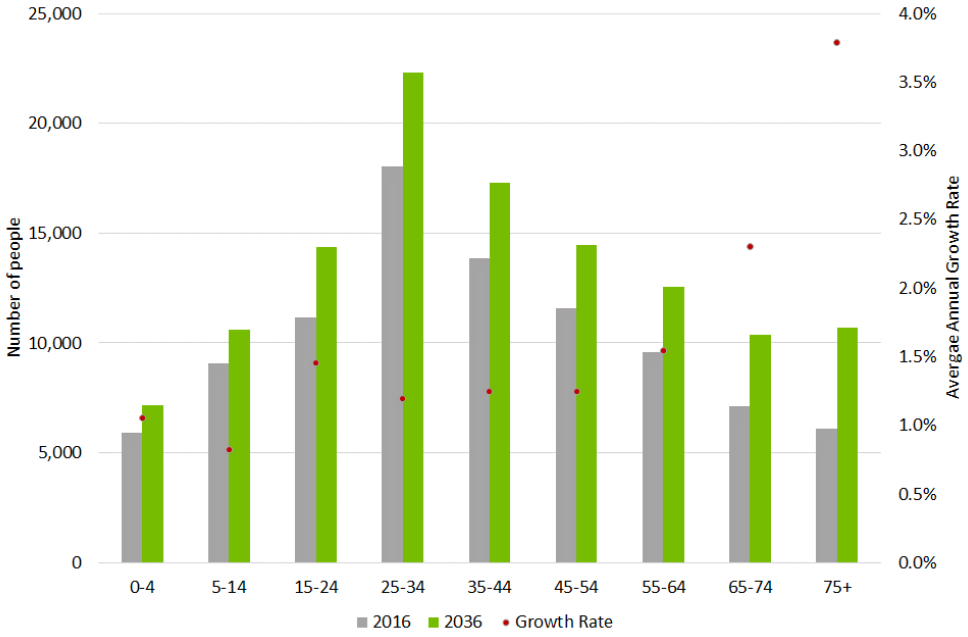
Source: ABS Census; ABS ERP; DPE; SGS Economics and Planning

3.3 Demography

The population is ageing

The profile of the projected population is changing with major growth in aged population cohorts. The current and projected age profiles for residents in Canada Bay is shown in Figure 4 below. It indicates that the dominant age range of residents will continue to be between 25 and 34. However, there is also expected to be major growth in the number of people aged 55 and over – there will be around a 75% increase in the number of residents aged 75 and over.

FIGURE 4 CURRENT AND PROJECTED FUTURE POPULATION COMPOSITION, WITH GROWTH RATE



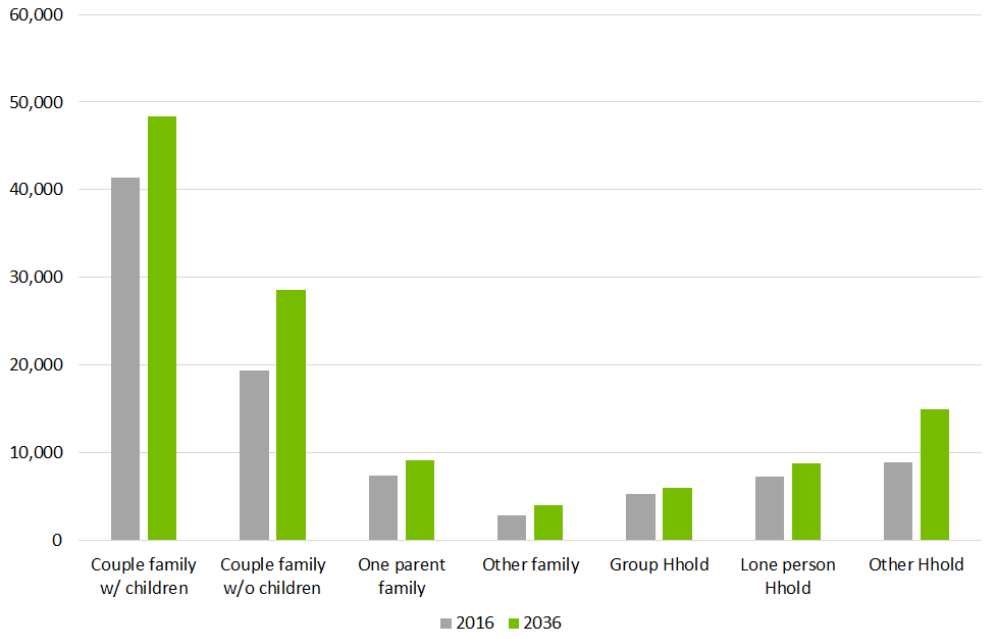
Source: ABS Census

Household structures are diversifying

Those age statistics are somewhat reflected in the projected family types in the LGA.

Household types are evolving with residents distributed across a range of household compositions. While couple families with children are anticipated to remain the dominant household type, the number of couple families with no children is expected to grow considerably.

FIGURE 5 CHANGE IN HOUSEHOLD COMPOSITION (2016-2036)

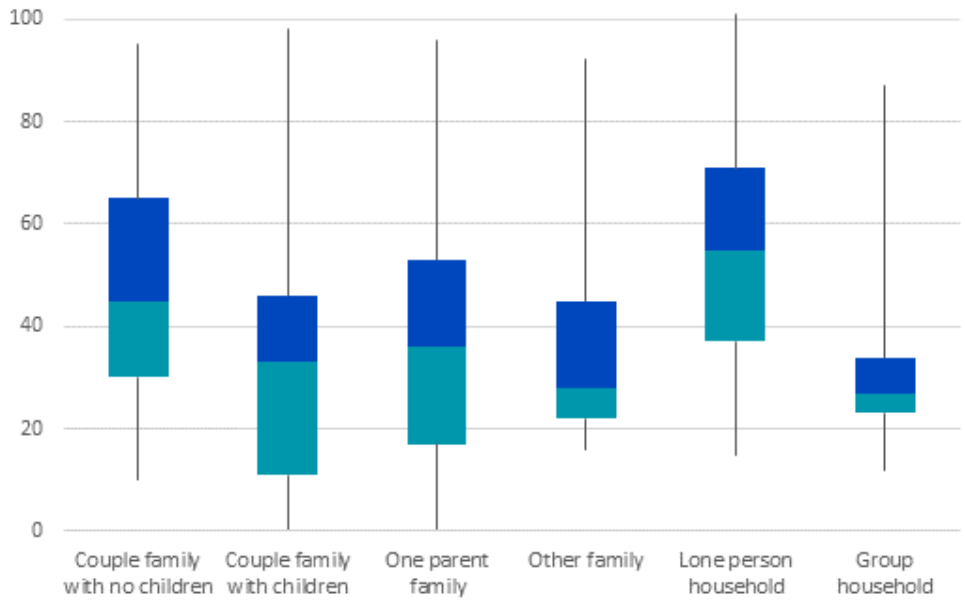


Source: Census data, SGS Economics and Planning, 2016

Figure 6 shows the distribution and range of ages across different household types. The top and bottom tails of each line reflect minimum and maximum ages observed for that type of household composition. The lower and upper base of each box reflect the 25th and 75th percentile age observation whilst the midpoint, where the colour changes, is the median observation[2]. This is data averaged across each household type across the Canada Bay LGA.

Households with no children generally display the highest average interquartile ranges than families with children. Group households show the lowest median ages observed and smaller variation, suggesting that group households with no children tend to be younger and live with people of similar age in a share house arrangement. Cost of living and lifestyle choice may be factors in the type of housing chosen with more older residents able to afford living alone than younger residents.

FIGURE 6 AVERAGE AGE DISTRIBUTION OF DIFFERENT HOUSEHOLD STRUCTURES



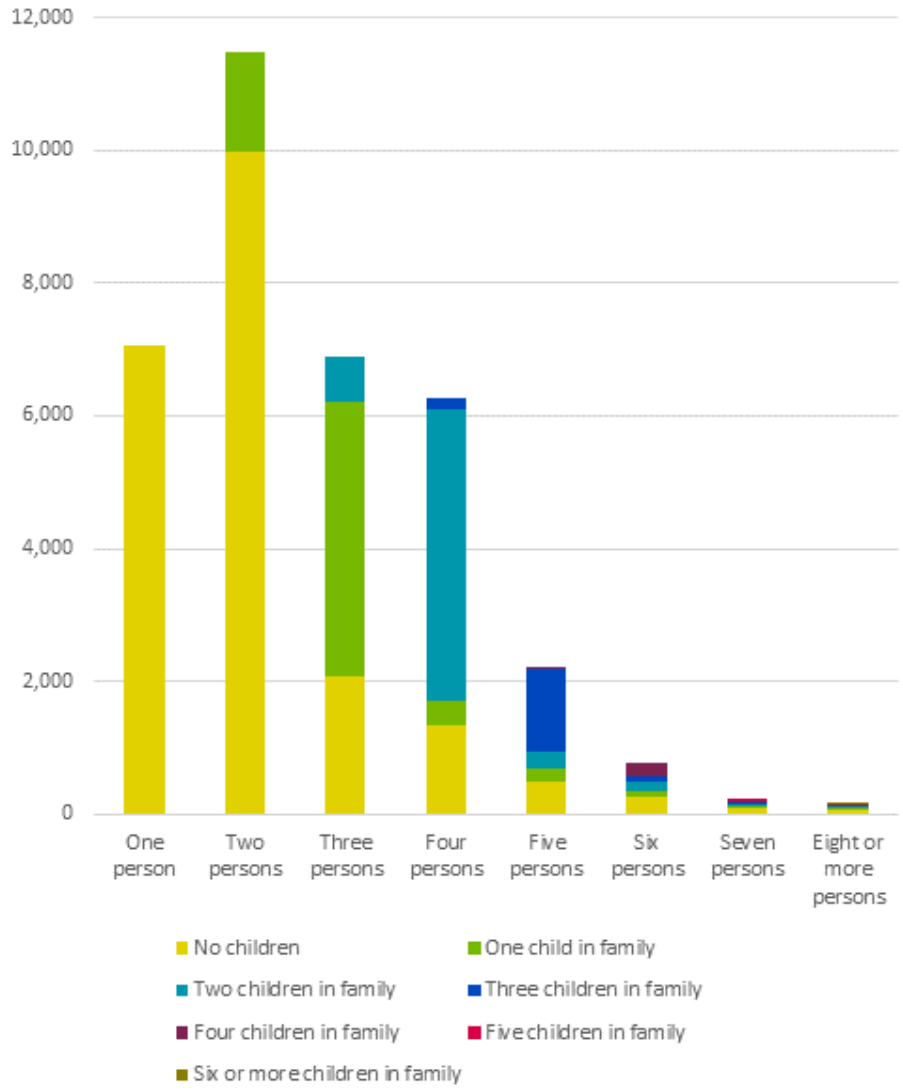
Source: Census data, SGS Economics and Planning, 2016

Figure 7 focuses on the number of children in each family by different household sizes. More children reside in households with more than two residents. The number of children in a household increases as the number of residents increases, expected as children are expected to live with their guardians and other relatives.

One, two and three children make up the greatest proportion of households with children, with children living with two adults the most common type of household with children as the number of residents increase. This suggests two parent/guardian families are more common than single parent/guardian families. The number of households with fewer residents and children may be overstated due to the effect of two or more family households, although this is not expected to be significant.

[2] Average ages were very similar to the medians except for other family and group households, which were higher due to older age outliers.

FIGURE 7 NUMBER OF CHILDREN GIVEN NUMBER OF RESIDENTS PER HOUSEHOLD

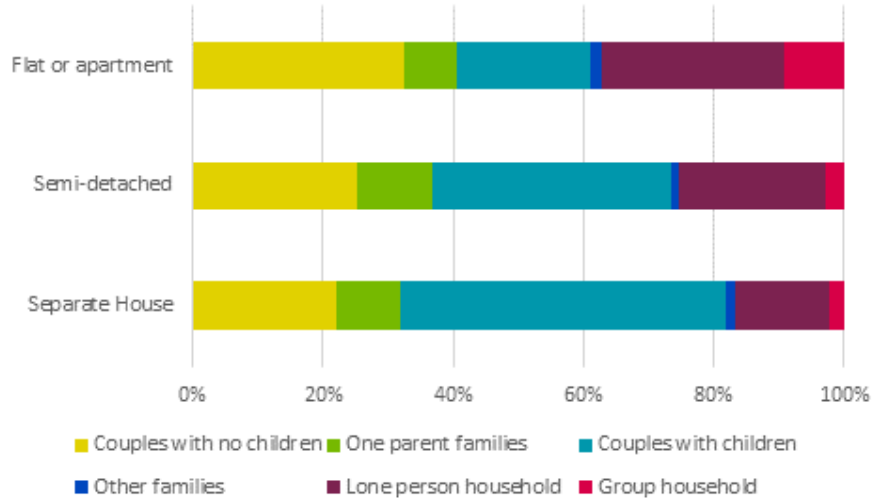


Source: Census data, SGS Economics and Planning, 2016

Households are living in a range of dwelling types

Figure 8 shows the relationship between household types and housing from Census 2016 data. Families with children are predominantly associated with detached dwellings, however over 20 per cent of apartment households are families with children (either single or couple parents). This suggests that for some families, apartment living is a lifestyle choice, made attractive by (a) pleasant amenity and (b) the accessible location and access to infrastructure and services provided in Canada Bay. Cost of living pressures can also be a factor in the choice of housing – particularly in Sydney compared to other Australian cities.

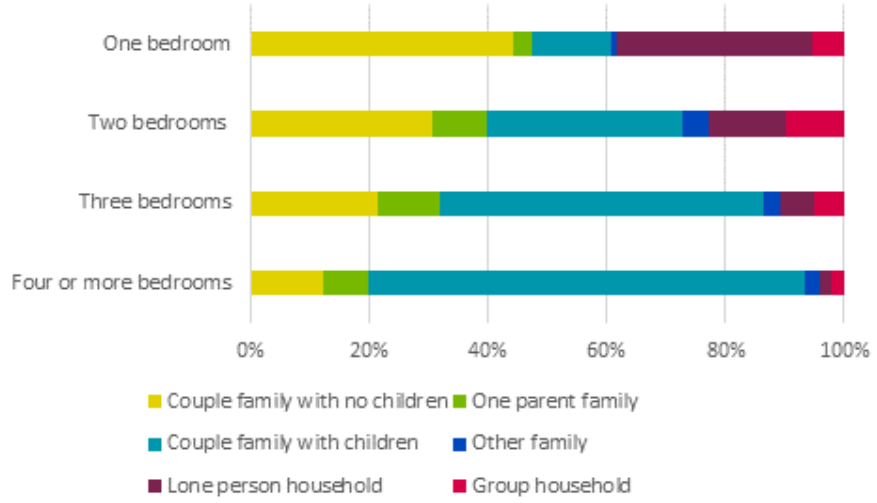
FIGURE 8 HOUSEHOLD VS DWELLING TYPES



Source: Census data, SGS Economics and Planning, 2016

Figure 9 then focuses on the number of bedrooms per dwelling that different household types prefer. As expected, larger household types have a general preference for larger dwellings. But once again, many (15%) families with children have been occupying two bedroom dwellings.

FIGURE 9 HOUSEHOLD VS NUMBER OF BEDROOMS



Source: Census data, SGS Economics and Planning, 2016

Housing tenure is an important consideration as the municipality continues to accommodate smaller dwellings. As shown in Figure 10, a far greater proportion of apartment dwellers are likely to be renting than those households that occupy houses or semi-detached dwellings. Mortgaged dwellings are not as common amongst this class, but rental stress will be an issue for monitoring in the future.

FIGURE 10 HOUSING TENURE BY DWELLING TYPE

Source: Census data, SGS Economics and Planning, 2016

3.4 Forecast dwelling demand

Growth in demand for apartments

Demand has, in the past, been mainly for detached dwellings and to a lesser extent, semi-detached dwellings. But as this is a 'mature' housing area, there are fewer opportunities (sites) for detached dwellings, whilst the rate at which the LGA is able to produce semi-detached dwellings is likely to be limited as well (although this will be impacted by Council approach to the planning framework) – all of which will be reflected in the market.

Table 2 summarises the results of demand modelling completed by SGS. It is derived from Census data patterns in demographics and housing types from 2001 to 2016, and indicates that the greatest demand between 2018 and 2026 is likely to be for flats, units and apartment dwellings; 88% of the projected demand is for this type of development. Demand for semi-detached, row, terrace or townhouse dwellings will also grow over the period between 2018 and 2026, albeit at a lower rate.

TABLE 2 DWELLING DEMAND FORECAST 2016 TO 2036

Dwelling type	2016	2018	2021	2026	2031	2036	2018 to 2026 Growth	AAGR[3] 2018 to 2026	2018 to 2036 Growth	AAGR 2018 to 2036
Detached	13,500	13,400	13,300	13,100	12,900	12,700	-300	-38	-700	-40
Semi Detached	3,400	3,700	3,900	4,400	4,900	5,400	+700	+88	+1,700	+96
Apartments	19,200	20,900	22,600	26,000	29,300	32,700	+5,100	+638	+11,800	+654
Other	400	400	400	400	400	400	-	-	-	-
Total	36,600	38,400	40,200	43,900	47,500	51,200	+5,500	+688	+12,800	+710
Cumulative dwelling growth (from 2018)			+1,800	+5,500	+9,100	+12,800				

Source: 2016 – ABS ERP; 2018 – Cordell Connect Database; 2021 to 2036 – SGS Housing Demand Model

[3] AAGR – Average Annual Growth Rate

Housing Demand mediated by preferences

As Sydney continues to grow and become more vibrant, and the inner metropolitan region housing market evolves, housing demand in Canada Bay will also reflect increased propensity to trade-off proximity to activities, facilities, services and jobs, with smaller dwellings. Canada Bay is still a competitively priced option compared to some other LGAs in the region. The demand for specific housing types listed in will not necessarily be met, and is subject to the capacity for these housing types to be supplied into the future, as well as the broader nature of the changing housing market in Sydney – which has experienced some turbulence in the 2018/19 financial year.

That is, while a household may have a preference for a semi-detached dwelling, they may be willing to compromise and live in an apartment at a reduced cost and with improved accessibility/public amenity. The same may occur for households with a preference for detached dwellings who may be willing to live in a semi-detached dwelling if amenity and access are of a higher quality. It is unlikely, however, that this cohort would be willing to compromise and occupy an apartment.

Similarly, some households may be willing to compromise slightly in terms of the number of bedrooms they occupy if other attributes such as location and access make that particular dwelling an attractive proposition.

Households that occupy smaller dwellings also tend to be more likely to rent.

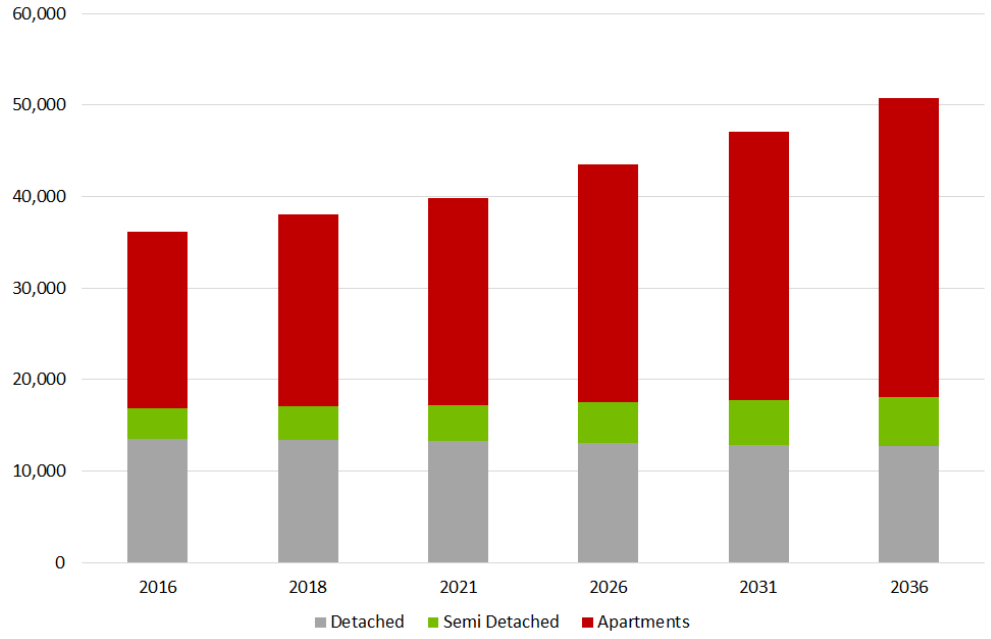
Demand for different dwelling types shifts throughout an individual's lifespan, due to income levels, the structure of the household they live in and preferences. The changing population and the changing relationship between household types and dwelling types described earlier in this section will impact upon future housing choices.

A few notes for consideration when reading this data:

- For purposes of clarity around the start date and number of dwellings, two dates (2016 and 2018) have been shown.
- The 2016 number is derived from the ABS 2016 Census.
- At the time of writing, over two-years have now elapsed since census night, and so whilst the demand modelling has been undertaken using the 16 years of ABS ERP data from 2001 to 2016, the 2016 dwelling count can no longer be considered a statistically accurate depiction of 'current' dwelling stock.
- A 2018 number has therefore been generated by adding known completions and approvals (pipeline projects) to the 2016 count using the Cordell Connect Database.
- The forecast number of detached dwellings is expected to fall as these sites have historically been cleared to allow for subdivisions and/or development projects.
- All dwelling numbers have been rounded to the nearest 100 (therefore leading to some automatic rounding inconsistencies) to avoid misrepresenting the real level of specificity that is possible in a predictive model that is forecasting 20 years into the future.

The results from Table 2 are also charted below in Figure 11.

FIGURE 11 DWELLING DEMAND FORECAST 2016 TO 2036



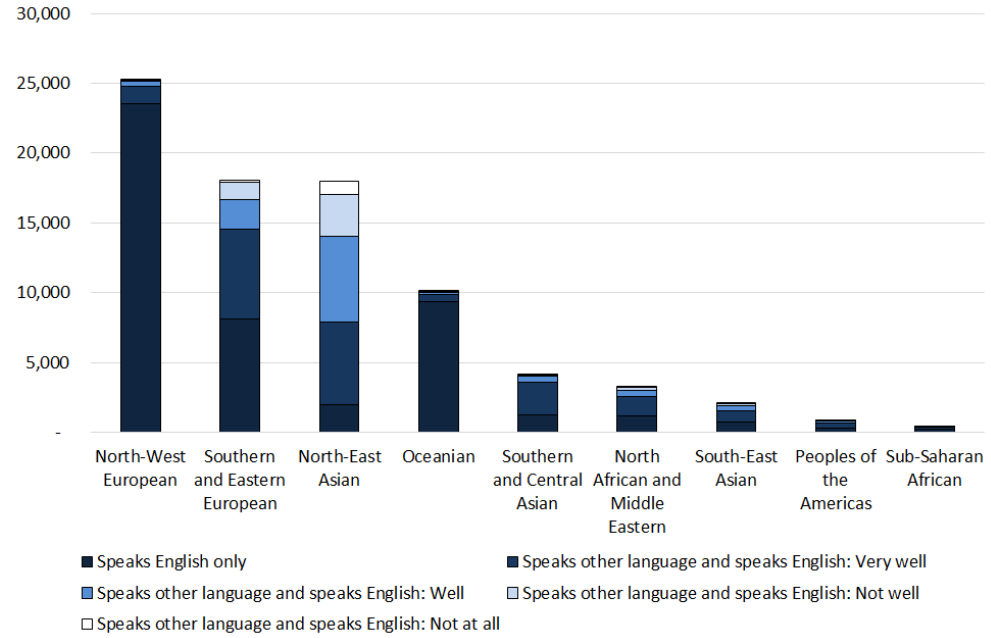
Source: SGS Housing Demand Modelling

Housing for particular needs

Cultural and linguistically diverse groups (CALD)

Figure 12 presents an ancestral and linguistic depiction of residents in the LGA. It shows an ethnically diverse community made up predominantly of residents who speak the English language either 'Well' or 'Very Well' (or speak English only) highlighted by the darkest shades of blue. Nonetheless there are nearly 4,000 residents of North-East Asian backgrounds who either do not speak English at all or speak English 'Not Well'.

FIGURE 12 ANCESTRY AND LUIGISTICS IN CANADA BAY LGA



Source: ABS 2016 Census

Table 3 then investigates the size of households that people of different ancestries reside in. It shows a reasonably clear trend of ethnic minorities living in larger households of three, four or more persons – compared to North-West Europeans who tend to be more likely to live in one or two person households. This has implications for dwelling demand for some of these ethnic minority groups.

TABLE 3 SIZE OF HOUSEHOLDS IN CANADA BAY BY ANCESTRY

	Number of persons per household (percentage)			
Ancestry	One person	Two persons	Three persons	Four or more persons
North-West European	13%	32%	19%	36%
Southern and Eastern European	9%	25%	18%	47%
North-East Asian	6%	25%	28%	41%
Oceanian	8%	23%	20%	49%
Southern and Central Asian	5%	23%	27%	45%
North African and Middle Eastern	8%	23%	20%	49%
South-East Asian	6%	25%	24%	44%
Peoples of the Americas	7%	31%	23%	39%
Sub-Saharan African	11%	26%	22%	41%

Source: ABS 2016 Census

Key workers

The next consideration for particular needs is key workers employed in the LGA. The difficulty with this consideration is that there is no universal definition for a key worker beyond those people whose occupations fulfil an important function in the local economy and/or community.

Table 4 shows an attempt to provide a reasonable definition of key workers in terms of ANZSCO occupations. The focus for occupational selection was on health care, education and special services.

The categories suggest that health workers, in particular nurses, are the major category of key workers in Canada Bay LGA given the presence of the Concord Hospital. School teachers and carers are also quite prevalent.

Whilst teachers and carers are likely to be dispersed across the LGA in terms of their occupational location, it is quite likely that most health care workers in the LGA would be working in or around the Concord Hospital.

TABLE 4 KEY WORKERS IN CANADA BAY LGA (BY PLACE OF WORK)

ANZSCO Occupational Classification	Number of workers	Reported Average Annual Income
Registered Nurses	1,237	$73,252
Primary School Teachers	359	$70,030
Secondary School Teachers	283	$83,264
Aged and Disabled Carers	118	$41,457
Cafe Workers	81	$26,690
Special Education Teachers	35	$69,866
Fire and Emergency Workers	34	$79,912
Welfare Support Workers	33	$65,591
Ambulance Officers and Paramedics	27	$77,759
Police	-	$-
Total/ Weighted Average	2,197	$70,505

Source: ABS 2016 Census

There is somewhat limited direct evidence to support the notion that employers in high cost areas cannot attract key workers because of housing affordability – particularly given the fact that many of the occupations listed in Table 4 have fairly reasonable average annual incomes that are close to or above Metropolitan Sydney's median income of $68,000 per annum before tax.

Nonetheless it is logical to suggest that those who work in more affluent suburbs in the Eastern District of Sydney and live there experience significantly greater housing affordability problems than most other, more affordable areas of Sydney. In choosing to work in high-cost housing areas, lower income and key workers make trade-offs between location, housing cost and transport accessibility. Some accept longer commutes for cheaper rent while others suffer housing stress to maintain continuity of work and access to other opportunities.

Given the location and proximity of Concord Hospital to the Rhodes East urban renewal area, it may be particularly useful for the Rhodes East development to accommodate a higher rate of affordable housing for key workers than usual, for example greater than the proposed 5%.

Homelessness

For the purposes of this report we define homeless persons as those recorded by the Australian Bureau of Statistics (ABS) across homeless operational groups. Operational groups include persons living in improvised dwellings, tents or sleeping out, as well as those in supported accommodation; temporarily staying with other households; living in boarding houses; persons in temporary lodgings; and persons living in severely crowded dwellings (Australian Bureau of Statistics, 2018).

Based on this definition, there were approximately 262 persons recorded across homeless operational groups in Canada Bay LGA in 2016.

TABLE 4 NUMBER OF HOMELESS PERSONS IN CANADA BAY LGA

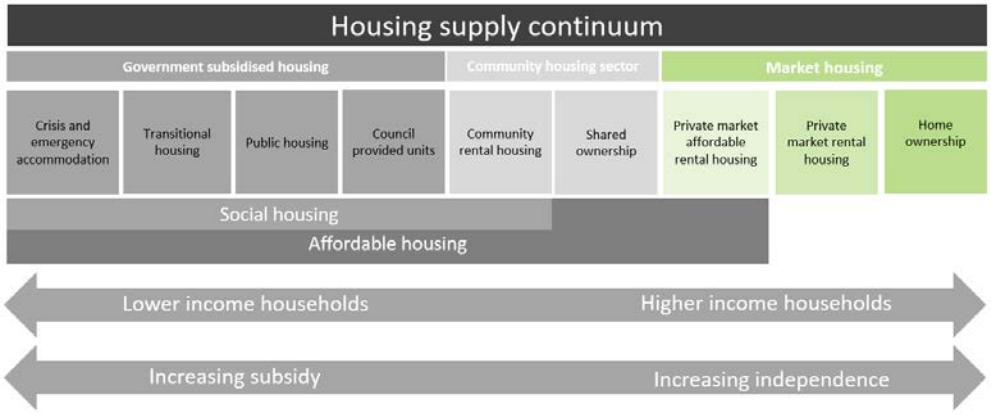
LGA	Homeless	Living in Social Housing	Severe Rental Stress[4]	Moderate Rental Stress[5]	Total Demand for SAH	Total Households	Demand % of Total households
Couple family with children	0	52	383	470	905	12,440	7%
Couple family with no children	0	101	578	464	1,142	9,460	12%
Group household	0	31	321	206	558	1,850	30%
Lone person household	262	675	622	186	1,744	8,562	20%
One parent family	0	153	268	183	604	3,000	20%
Other family	0	4	53	48	105	450	23%
Total	262	1,016	2,224	1,556	5,058	35,762	14%

Source: ABS Census 2016, ABS Homelessness Estimate (Cat. 2049.0), SGS Economics & Planning 2018

The housing continuum framework in Figure 13 helps understand the range of housing options available to the community and the households that benefit from their provisions or suffer when there is a shortfall of provision relative to demand.

On the left of the continuum are types of housing which require the deepest of subsidy. These include emergency shelters, transitional housing and social housing. These types of housing support households with no or very low incomes, are experiencing disadvantage, are homeless, have escaped family violence, have a disability, or must move for health reasons.

FIGURE 13 HOUSING SUPPLY CONTINUUM



Source: City of Sydney, 2015, Housing Issues Paper.

Student housing

SGS has previously undertaken research into student housing in Sydney which included consultation with student housing providers.

[4] Moderate, Low or Very Low-Income Households only. Other higher income households may be in rental stress, but the relative levels of Household income would exceed Income eligibility criteria.

The research found that whilst tertiary students behave like other resident groups in terms of their need for access to transport, open space and community facilities, they overwhelmingly prefer to locate near to the educational institution at which they are enrolled.

For this reason, LGAs which possess tertiary campuses – in particular major university campuses – tend to accommodate a disproportionate number of the resident student population of the city.

TABLE 5 CANADA BAY LGA TERTIARY STUDENTS – BY RESIDENT DWELLING TYPE

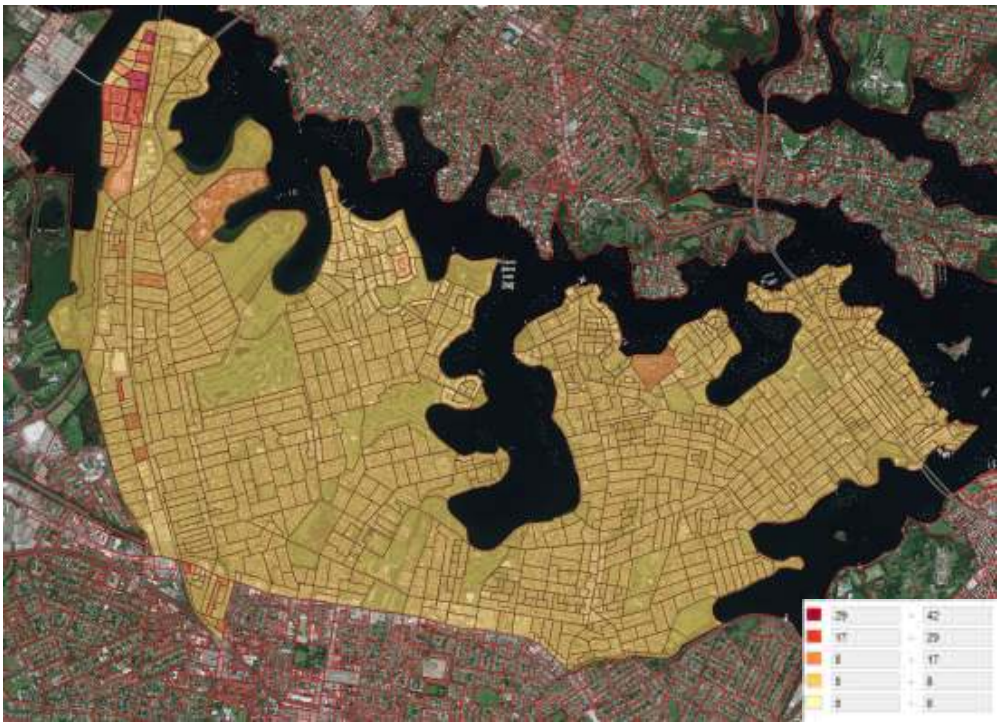
Dwelling type	Technical or Further Educational Institution (including TAFE Colleges)	University or other Tertiary Institution	Total
Separate house	454	2,285	2,739
Semi-detached	99	403	502
Flat or apartment in a one or two storey block	127	411	538
Flat or apartment in a three storey block	143	517	660
Flat or apartment in a four or more storey block	525	2,902	3,427
Flat or apartment attached to a house	-	8	8
House or flat attached to a shop, office, etc.	23	63	86
Not stated	3	22	25
Not applicable	11	19	30
Total	1,394	6,634	8,028

Source: ABS Census 2016

Nonetheless as shown in Table 5 there are still approximately 8,000 tertiary students in Canada Bay LGA, with the majority living either in detached houses (most likely at home with the parents) or in larger, more recently developed apartment blocks.

A significant proportion of the latter reside in the Rhodes West urban renewal area, which possesses good walking access to Rhodes station. The remaining minor clusters are all located somewhere along the only railway corridor in the LGA – highlighting the importance of public transport access for this demographic (Figure 14).

FIGURE 14 DISTRIBUTION OF STUDENT POPULATION ACROSS CANADA BAY LGA BY MESH BLOCKS[6]



Source: ABS 2016 Census TableBuilder (map view)

3.5 Key implications

The demographic and demand analysis in this section has identified a number of issues that require significant consideration within the Local Housing Strategy. These findings are summarised below, along with their implications for the strategy.

FIGURE 15 KEY IMPLICATIONS OF MAJOR FINDINGS IN THIS SECTION

#	Finding	Implications for housing strategy
1	Population growth rate of the past 10 to 15 years is expected to be sustained over the next 20 years given the planned urban renewal precincts available to the market.	Significant demand for dwelling growth in this LGA is a given for the next 20 years. The strategy needs to make use of the urban renewal precincts available and identify whether or not other opportunities in the municipality may be available (e.g. around stations).
2	The dominant age demographic in the LGA will still be in the 25 to 34 category, but the local population is ageing nonetheless.	Young professionals in the 25 to 34 age category will continue to value access to public transport and employment highly – so providing affordable dwellings that are appropriately located for this demographic is important. The more senior residents may value slightly different opportunities, including access to services and open space.
3	The local population is occupying a more diverse range of dwellings, with 20 percent of	This explains why such a significant proportion of dwelling demand in this LGA is for apartments (see finding 4 below).

[6] The shadings represent number of students in each mesh block

	apartments catering for families with children.	However, families do still need more space, so some emphasis on larger apartments should be given – in addition to providing more medium density opportunities where possible. Although many households have been able to adapt to smaller dwellings, it needs to be borne in mind that overcrowding of smaller dwellings will likely become increasingly common – whilst the considerable number of lone person and couples without children households continue to occupy detached dwellings and perpetuate the underutilisation of residential dwellings and land in the LGA.
4	88% of new demand for dwellings in the LGA by 2026 is likely to be for apartments.	With such a high volume of apartments forecast, it will be important for council to manage amenity outcomes to ensure affected areas remain liveable for existing and future areas.
5	Demand can be mediated by market conditions as much as preferences.	Despite all these predictions for high apartment demand, there is no doubt that many of these future households would still prefer to find semi-detached, row, terrace or townhouse dwellings instead – if they could afford it. Increasing the supply of that dwelling class is a metropolitan-wide challenge, but providing some more opportunity for those dwellings in Canada Bay could still make a marginal difference for some grateful families.

4. SUPPLY

Canada Bay possesses a diverse range of residential neighbourhoods and centres, which support a variety of dwelling types. In order to inform the future planning for housing in the LGA, a comprehensive analysis of Canada Bay's residential areas has been undertaken. The purpose of this section is to provide an understanding of the LGA's established housing areas and major development 'planned precincts' – leading to an analysis of where future growth may be accommodated.

4.1 Approach

A key element of planning for housing is the need to identify capacity for additional dwelling growth and how this aligns with the scale, type and location of projected housing demand.

The likely future housing growth distribution for additional housing was identified using an approach, which can be broadly summarised in three stages: housing demand analysis, housing capacity; and housing take-up. The steps taken in this approach are summarised in the diagram below.

FIGURE 16 HOUSING GAP ANALYSIS APPROACH OVERVIEW

This approach considers demand, supply and likely future take-up of capacity within the context of the current planning framework and policies. It also acknowledges the intertwined nature of demand and supply, including the imperfect nature of the housing market. This modelling helps understand, at a high level, the locations where there may be major differences between demand and supply, in order to underpin policy development and potential changes to planning controls to meet future housing needs.

In Section 3, we reviewed the demand component of the equation to gain an understanding of who we are planning for, how many of us there will be and what types of dwellings are likely to be required.

This section turns the attention to whether the established stock of housing and capacity within the current planning framework for additional housing to be provided in the LGA meets future housing demand requirements. It also investigates where opportunities and constraints for future growth based on changes to the planning framework may be achieved.

Section 5 then completes the gap analysis picture by aligning demand and capacity to understand how and where take-up will occur across the LGA.

4.2 A profile of the City of Canada Bay

Gateway to the Central City

The City of Canada Bay is located in the Inner West of Sydney, in close proximity to the Sydney CBD. This geographic position reflects its function as a gateway between the rapidly developing Central City (surrounding Parramatta) and the more established eastern District (including the Sydney CBD).

Canada Bay LGA currently provides homes for approximately 92,000 residents (ABS ERP) across the suburbs of Concord, Canada Bay, Drummoyne, Five Dock, Rhodes, Breakfast Point and Strathfield.

There is some significant variation in the suburbs of the LGA in terms of the size, built form, population and development potential characteristics. But overall, Canada Bay is an established municipality; which means there is less vacant land for development so any new development that occurs, whether it be residential, industrial, commercial, institutional or public open space, often requires the redeployment of residual employment land within the LGA for another use.

Mix of employment and residential land uses

The City currently contains a mix of residential, commercial, industrial and other land reserved for public/community uses. Over the past few decades, however, much of the LGA's employment lands have been turned-over to residential land uses. Logically (and further to the point in the paragraph above), this rapid rate of urban renewal cannot be sustained in the same manner indefinitely, even though in the short to medium term the proposals for the transformation of the Parramatta Road corridor will lead to this trend continuing.

Once the remaining urban renewal precincts are developed, further residential change within the LGA would therefore need to consider accessible locations within the established areas of the City. This report provides an analysis where those opportunities may lie.

Well-connected transport networks – particularly in the west

There is an established network of centres distributed across the LGA comprising a range of higher-order centres along with some smaller local centres.

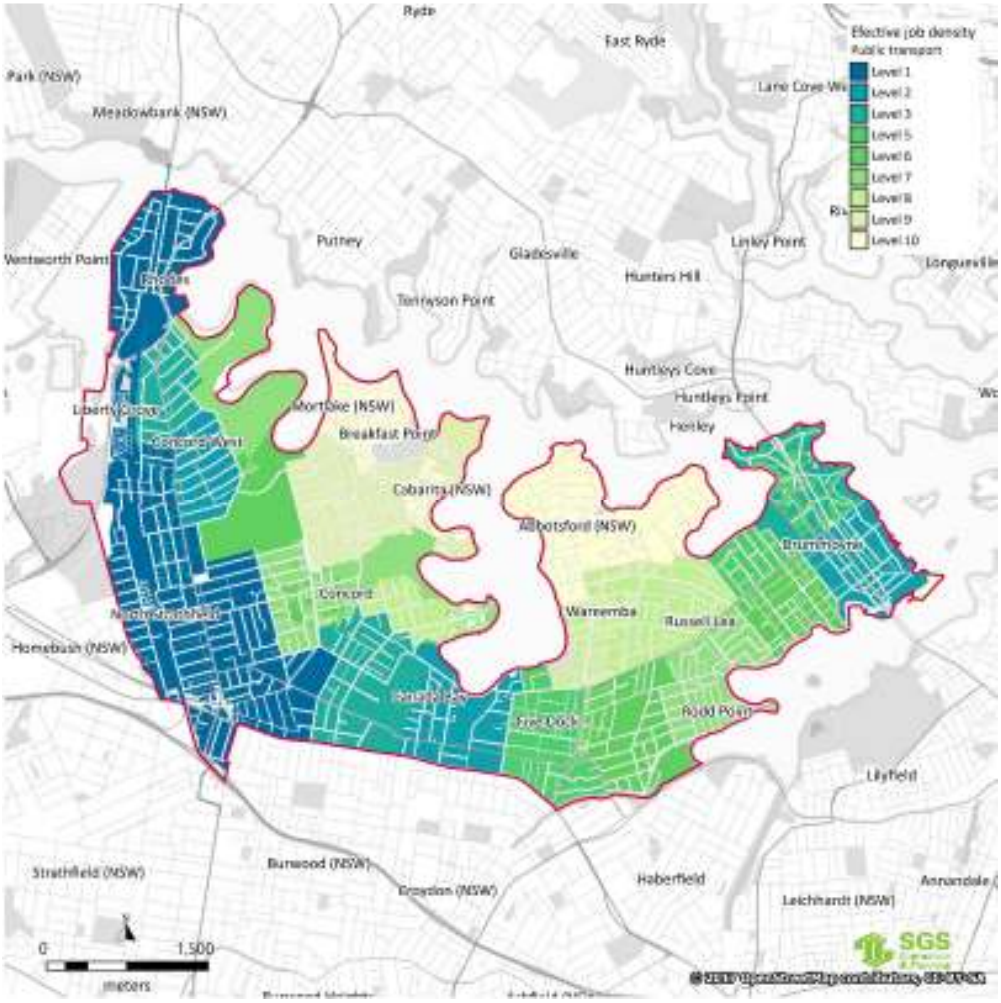
The City of Canada Bay is also generally well serviced by active, private and public transport:

- Major roads providing connections through the city include the Parramatta Road, Homebush Bay Drive and Victoria Road.
- Railway stations at Rhodes, Concord West and North Strathfield. There is also the potential for three Sydney Metro West stations to be located in the LGA, potentially turning either Concord West or North Strathfield into a major transport interchange hub as well as along Parramatta Road and at Five Dock.
- The suburbs located within the east of the LGA do not (currently) have easy access to the rail services and are therefore largely reliant on bus services for public transport access.

Figure 17 below compares different suburbs across the LGA in terms of public transport access. Blue patches indicate strong public transport access, green moderate and yellow poor. A higher weighting is given to station access than bus stop access, as more residents are likely to utilise the rail network frequently than the bus network.

The map shows that presently, the western third of the LGA possesses strong public transport access, with three railway stations at Rhodes, Concord West and Strathfield North. Most of the LGA is coloured in a shade of green, indicating reasonable access – mostly through connecting bus services. This pattern could shift slightly when Sydney Metro West's proposed station locations in the LGA are confirmed.

FIGURE 17 PUBLIC TRANSPORT ACCESS IN CANADA BAY LGA



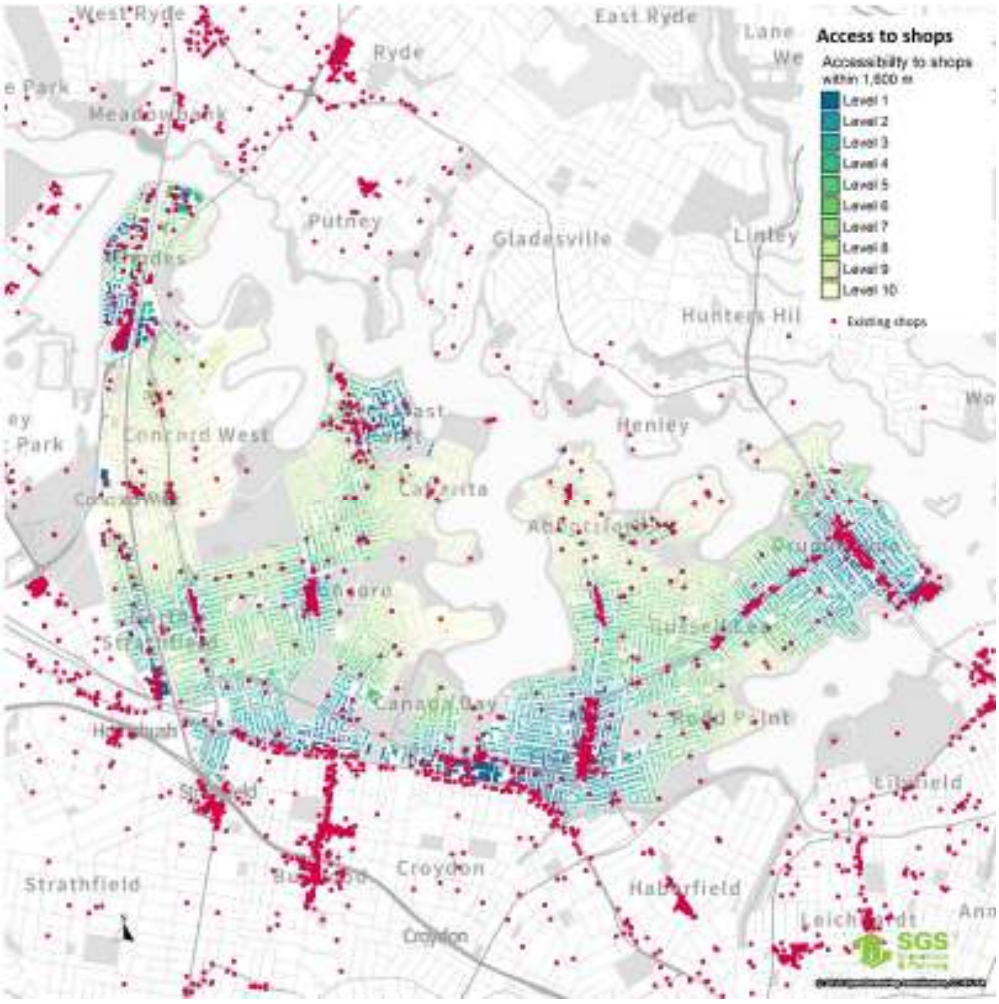
Strong network of centres

Canada Bay already possesses a vibrant and healthy network of centres.

Figure 18 is a dot density map which focuses on the distribution of and access to shops across the LGA. The red dots represent shops across the LGA, whilst the shadings refer to (walkable) access to shops for residential areas. Once again, blue patches indicate strong shop access, green moderate and yellow/white poor.

Almost all of the LGA possesses at least moderate access to shops via foot – which is a good outcome for a suburban context where usually, many residents can be expected to drive to even their local shops. From a shop/centre access perspective then, most of the LGA is quite well suited to residential living.

FIGURE 18 SHOP ACCESS



School access

Access to schools is an important consideration for most young families. Long travel distances to schools can create problems for families already under stress from long commutes to work and/or long work hours.

Some families may also be more likely to live in a larger apartment provided that the apartment block is located in close proximity to schools.

Figure 19 and Figure 20 show the areas that are best located for schools in the LGA. The red dots represent existing schools, noting that the Department of Education is likely to respond if the population grows significantly over the next 20 years.

Figure 19 focuses on access to Primary Schools. It shows a relatively even distribution of access, with Rhodes being a notable exception given the volume of development forecast there. Nonetheless, recent plans indicate that there is a State Government commitment to open a new school in that area.

FIGURE 19 PRIMARY SCHOOL ACCESS

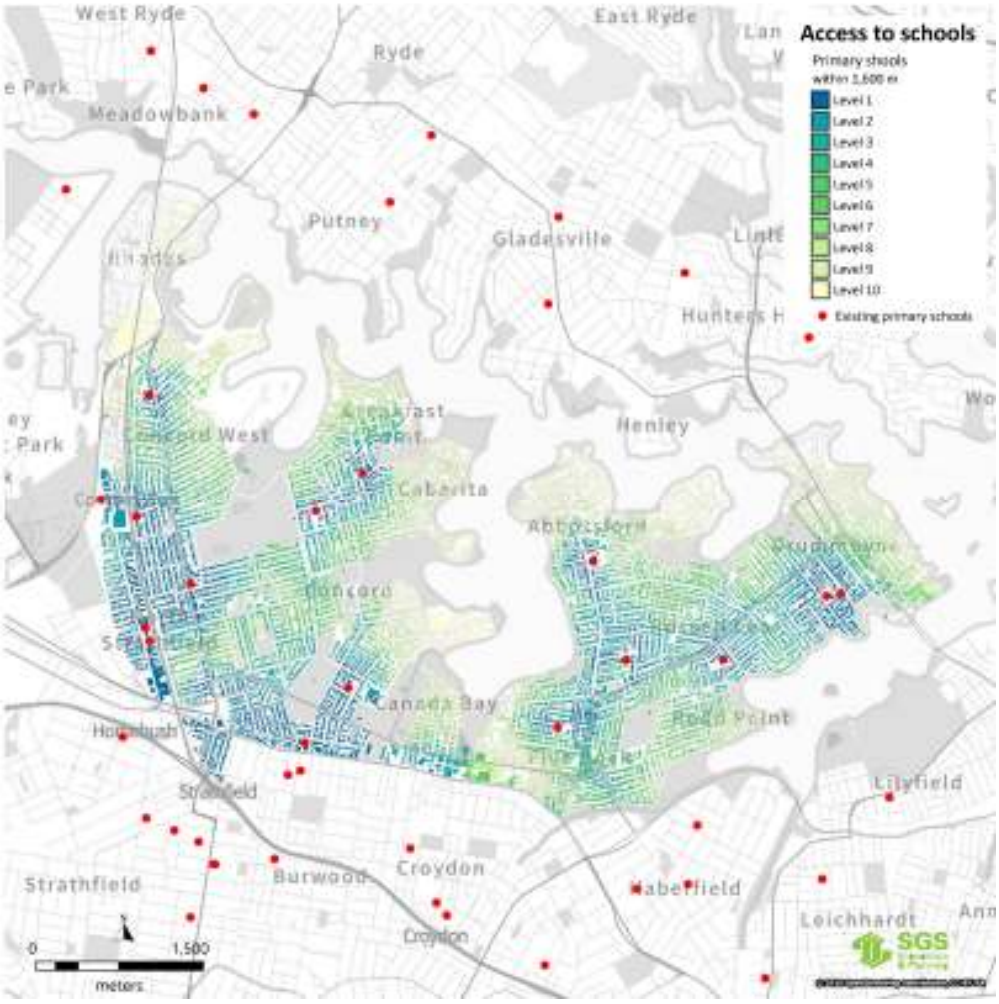
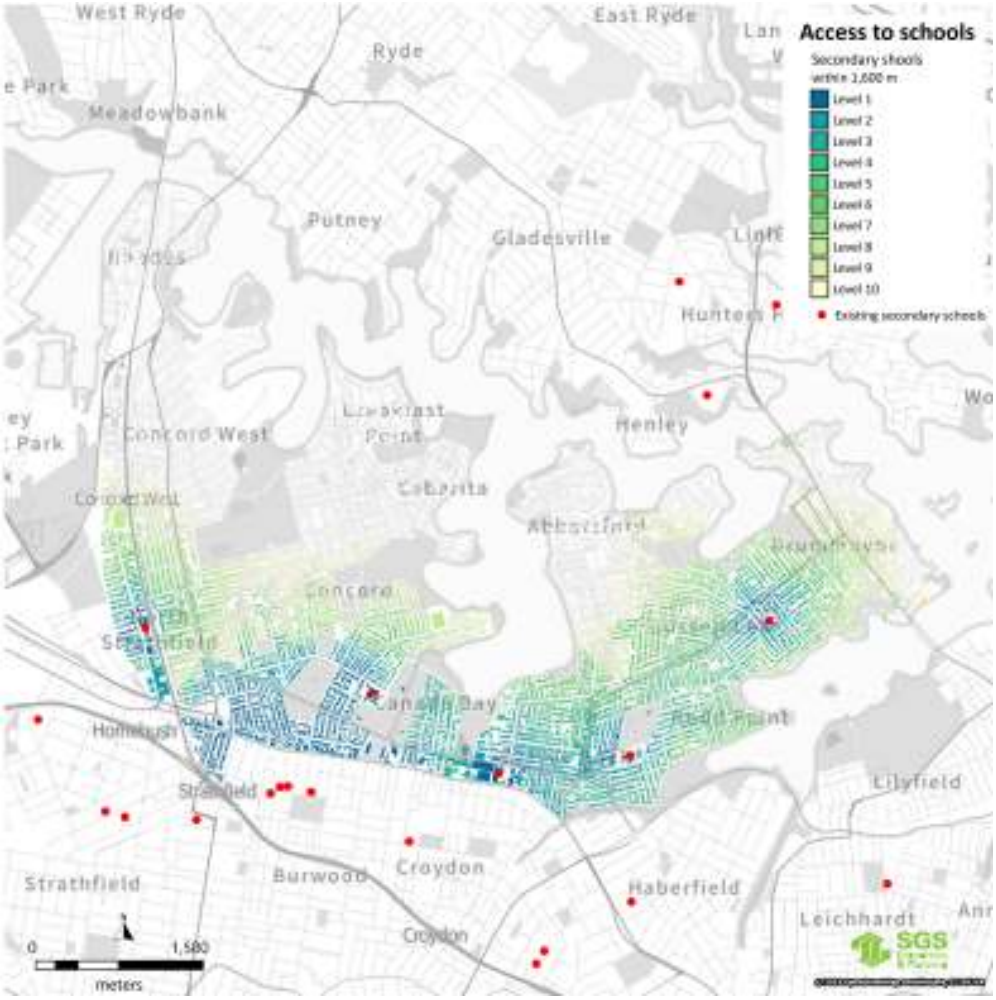


Figure 20 then maps access to secondary schools. The southern half of the municipality possesses access to a number of secondary schools across North Strathfield, Concord, Canada Bay, Five Dock and Russell Lea.

FIGURE 20 SECONDARY SCHOOL ACCESS



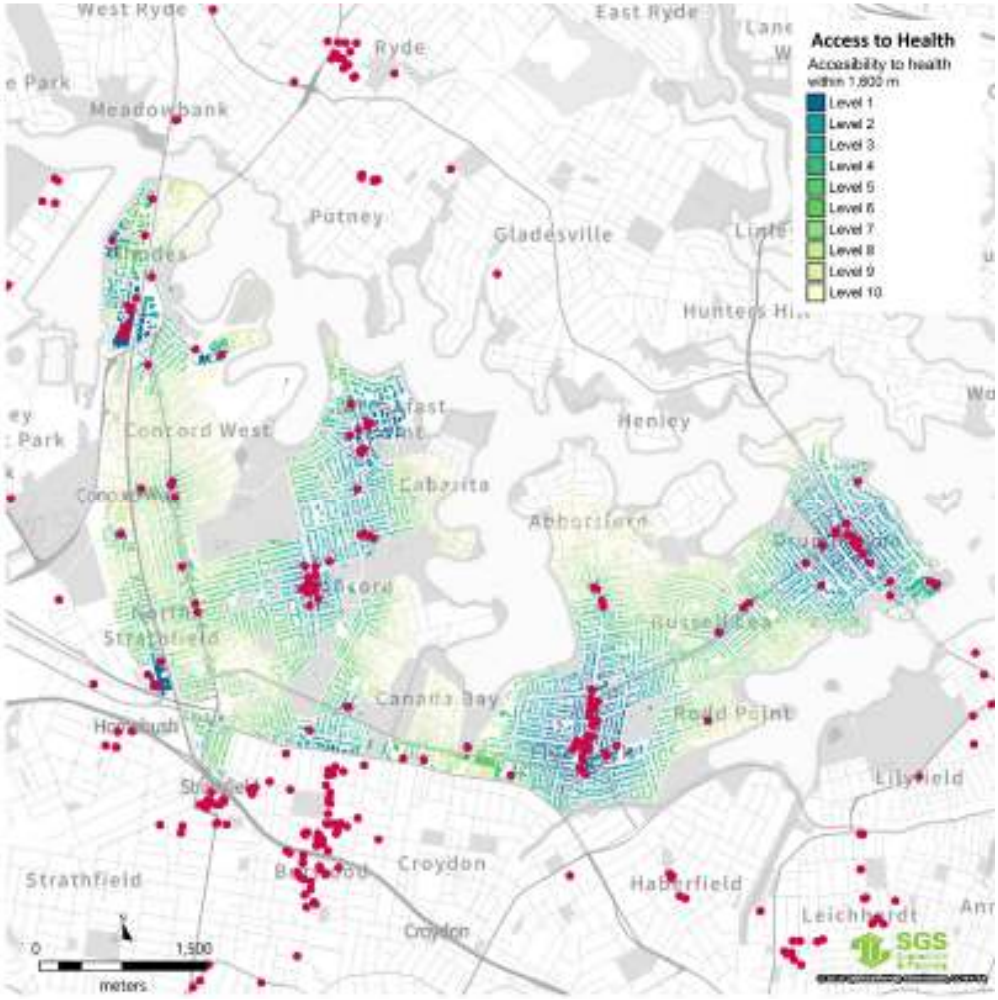
Access to health facilities

Figure 21 maps the access to health facilities in the LGA. Although all sections of the community would need to access health care services from time to time, this is generally a more important consideration for senior residents.

The presence of Concord hospital to the LGA's north-western corner is significant, and represents the main attractor, particularly for residents that are likely to require relatively frequent visits to the hospital and associated services.

Many of the LGA's centres also contain a significant presence of allied health and general practitioners.

FIGURE 21 HEALTH ACCESS



If all these factors (public transport access, shop access, school access, access to health care and social infrastructure) are combined, we can conceptualise an overall ranking for residential liveability across the LGA. This is discussed at the end of this section in more detail.

4.3 Existing supply

Method

The remainder of this section focuses on housing capacity in the LGA and the potential opportunities and constraints to unlocking some of that potential capacity in specific development areas.

To understand potential capacity, it is important to first understand the existing stock of housing in the LGA. The ABS Census captures an estimate of existing dwelling stock as of Census night (August 9th) 2016. Development in the pipeline can then be added to that stock to gain an estimate of existing supply.

From there Section 4.4 focuses on assessing a type of housing capacity called 'Theoretical Maximum Yield'. That is, if all developable lots in the LGA were developed to their maximum yield under the four fundamental assumptions of property development (physically possible, legally permissible, economically feasible and maximally productive). There is a four-step

process described there which walks through the assessment to arrive at theoretical capacity in the LGA under existing planning controls.

Census night 2016

The official stock of housing in Canada Bay as of Census night 2016 is shown below. Note this dataset includes both occupied and unoccupied dwellings in the LGA.

TABLE 6 DWELLING COMPOSITION IN CANADA BAY LGA ON ABS CENSUS NIGHT 2016

	Census night (9/8/16)[7]
Detached	13,549
Semi Detached	3,423
Apartments	19,235
Other	376
Total	36,583

Pipeline (2016 to 2018 Growth)

Analysis of development pipeline data Table 7 (Cordell Connect) indicates that in the two years since the last census (from August 2016 to August 2018), hundreds of dwelling completions (column B in the table below) and dwellings approvals (column D) have occurred in the LGA – mostly for apartments, but not an insignificant number of semi-detached dwellings as well.

The far right column (column E) also gives the most likely estimate of confirmed dwelling stock in the LGA by the end of 2018.

TABLE 7 DWELLING COMPOSITION 2016 TO 2018 – PIPELINE DEVELOPMENT

	A. Census night (9/8/16)	B. Completions 9/16 to 8/18	C. Census + Completions 8/18 (A + B)	D. Approvals (Pipeline) 9/17 to 8/18	E. Census+ Completions+ Approvals (2018) (C + D)
Detached	13,549	-73	13,476	-62	13,414
Semi Detached	3,423	146	3,569	124	3,693
Apartments	19,235	822	20,057	844	20,901
Other	376		376		376
Total	36,583	895	37,478	906	38,384

Source: ABS Census; Cordell Connect

4.4 Total maximum theoretical yield assessment

Housing capacity is an estimate of the quantum of housing that could be accommodated in an area. It is based on existing planning controls and recent housing supply trends. It is a theoretical assessment of the maximum number of dwellings that could be developed, and is intended to be indicative rather than absolute.

Figure 22 below charts the 4-step process for determining the volume of dwelling capacity in the LGA. The logical flow is to firstly identify current and future residential land before filtering out all the lots which are unlikely to be developed/redeveloped. Then based on

[7] Total dwellings (occupied + unoccupied)

planning controls, we determine the volume of yield possible at a lot level. Finally, existing dwelling stock is subtracted from this total yield to determine net housing capacity (growth).

FIGURE 22 PROCESS FOR ARRIVING AT NET HOUSING CAPACITY

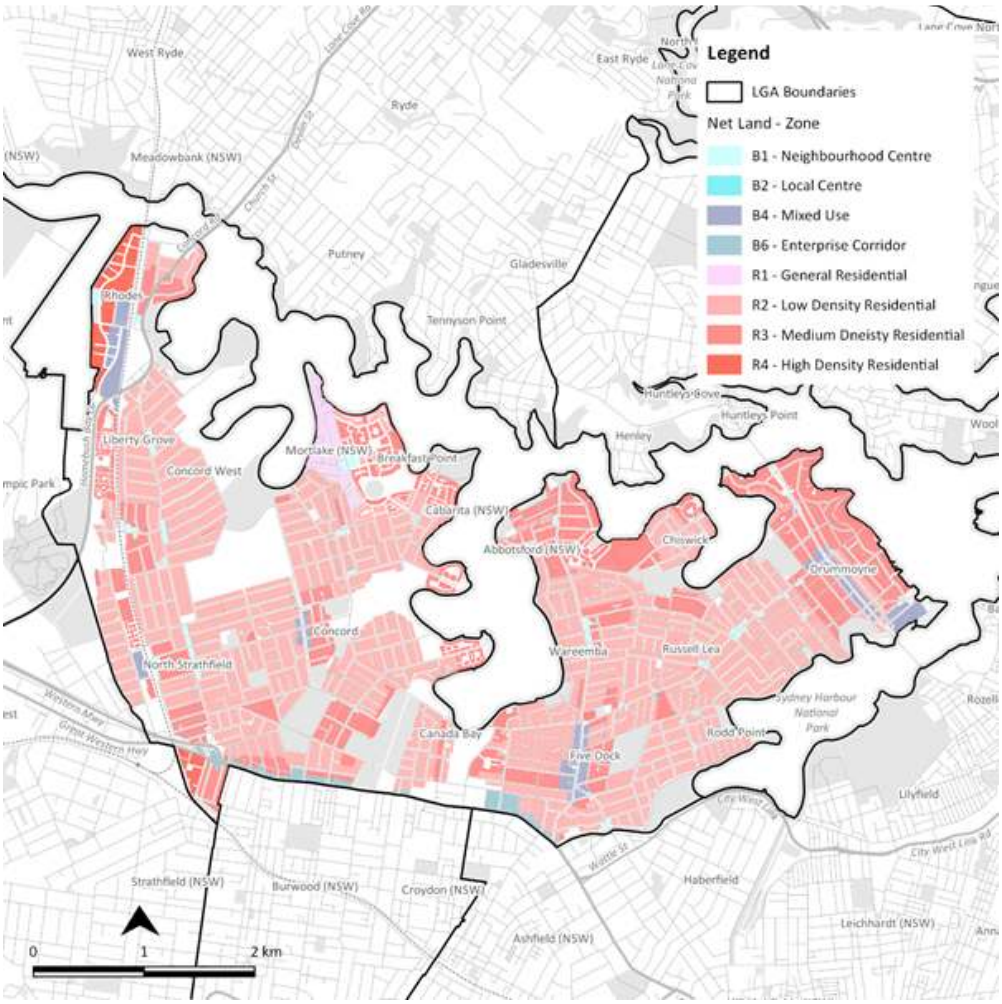
Each step is described in more detail below for Canada Bay LGA.

Step 1: Net land area identification

Net land refers to total land where residential development is permitted, minus the land that cannot be developed for residential purposes e.g. roads and footpaths. The capacity calculation is conducted on a lot by lot basis with only lots where residential development is permissible considered, and so parts of the public domain are automatically excluded.

The result of this first step is shown below, with excluded land coloured white and grey, with the remainder coloured according to their zoning.

FIGURE 23 NET LAND - RESIDENTIAL AND MIXED USE ZONED LAND AREA IN CANADA BAY LGA, EXCLUDING PERMANENT FIXTURES



Step 2: Available land assessment

Available land represents any land that has the potential to accommodate additional housing in Canada Bay LGA. It is derived from the net land, from which lots unlikely to be developed are excluded.

Designation of a lot as available land does not mean that development is necessarily feasible or that property owners are ready or willing to develop these sites. Typically, only a small portion of available lots are likely to be developed in any one year. There are also likely to be site-specific attributes which may affect the development potential of some sites, but which cannot be included in an LGA-wide capacity analysis.

Land Exclusions

Lots may be zoned to permit residential development, and included in the net land area, but may not have capacity for additional dwellings due to environmental constraints, existing development or site-specific constraints. Those lots which are unavailable for development or unlikely to be developed are excluded based on the following criteria.

Small Lots

Sites with small lots are generally either not allowed to develop under the planning controls or are difficult to develop. Lots zoned R2 low density residential or R3 medium density residential were excluded if the lot size was less than 450 sqm or the frontage was less than 14m.

Heritage Items

Heritage items under the Canada Bay LEP were excluded. Heritage conservation precincts were excluded except for the Concord centre in Majors Bay Road where some shop top housing development has occurred and is likely to continue in the future.

Strata developed lots

Strata developed lots are less likely to be redeveloped due to their distributed ownership structure. In addition, the value of the land and existing development Is high due to the number of dwellings they contain, and so redevelopment would need to deliver a greater return to be viable than development on other land. For this reason, strata-subdivided lots were excluded from comprehensive redevelopment.

Manually excluded lots

The following kinds of sites were excluded manually based upon a desktop audit of lots in the LGA by SGS:

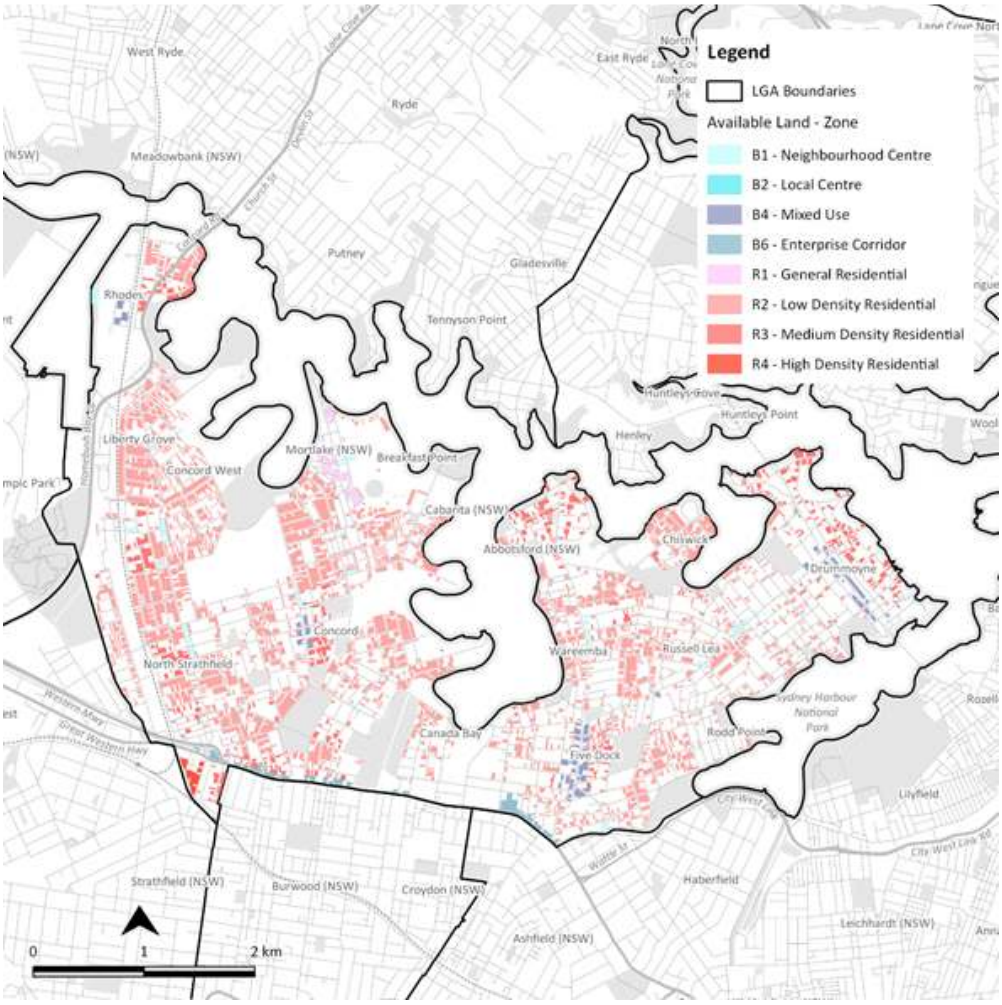
- Lots which are zoned for residential development, but which contain substantial existing managed accommodation developments, or partly commercial developments, and
- Lots in business centres in which residential development is permissible, but which have been developed for large-scale retail or business use.
- Existing facilities which are assumed to be fixed in place over the next 20 years, including schools, large places of worship, aged care facilities and major infrastructure items.

The location of all available land is shown in Figure 24 below, and the amount of land available and excluded is shown in Table 8.

TABLE 8 AMOUNT OF LAND IN HECTARES WHICH IS AVAILABLE FOR DEVELOPMENT AND WHICH IS EXCLUDED FOR EACH REASON IN THE CANADA BAY LEP

Zone	Developable land	Heritage Conservation Areas	Heritage Items	Excluded Land-uses	Strata Developments/Apartments	Small Lots
B1	9.34	0.99	0.53	0	2.76	0
B4	13.96	0	2.15	3.28	18.35	0
B6	7.97	0	3.28	0	1.91	0
R1	5.9	0	0	0.5	9.11	0
R2	257.68	44.58	31.96	6.7	50.54	313.42
R3	46.1	21.07	17.43	6.54	179.17	59.02
R4	3.39	0	0	0	20.39	0

FIGURE 24 AVAILABLE LAND BY ZONE



Step 3: Potential yield assessment

Potential yields were calculated for the available land using a series of yield assumptions depending upon each lot's zone, size, frontage, location, development standards and constraints. Where possible the assumptions used were developed from Canada Bay Council's planning controls or local development data. These assumptions are discussed below.

Where a floor space ratio (FSR) control has been used to determine potential yield, an assumption of an average of 85sqm of developed floorspace per dwelling has been used. This is similar to the average floorspace per dwelling reported in the BASIX data for the Canada Bay LGA available from the Department of Planning and Environment.

Yield Assumptions

R1 Zones

The R1 zone applies only to Mortlake in which major development of the remaining industrial site is occurring. The yield of these sites was assessed based upon the site area and floor space ratio control in the Canada Bay LEP 2013, with the implication that these sites would be developed as residential flat buildings.

Mortlake also contains low density separate dwellings interspersed with industrial uses. The properties on which these houses typically have small frontages and lot sizes less than the 450sqm cut-off used to determine available land in the R2 and R3 zones. Development of

these sites would not be possible without significant amalgamation, and so they would be unlikely to be redeveloped as residential flat buildings. Instead it has been assumed that each of these sites would be developed individually with yield based upon the Canada Bay LEP 2013 and Canada Bay DCP 2013:

- If the site area is greater than 800sqm and the frontage greater than 20m, a residential flat building or multi-dwelling housing could be constructed with yield based upon the FSR control
- If a residential flat building or multi-dwelling housing cannot be constructed but the site area is greater than 450sqm and the frontage greater than 14m, a dual occupancy could be constructed with a yield of two dwellings.

R2 Zones

A lot in the R2 low density residential zone is likely to have an existing dwelling on it in this established urban area. In this case, the number of dwellings could be increased by development of a dual occupancy. Attached dual occupancies are permitted with lot sizes of at least 450sqm under cl 4.1A of the Canada Bay LEP 2013. The Canada Bay DCP 2013 specifies that dual occupancies require a frontage of at least 15m.

In this case, the construction of a dual occupancy would increase the number of dwellings from one to two.

R3 Zones

A greater range of housing types are permissible in the R3 zone, including multi-dwelling housing and residential flat buildings. Which dwelling typologies are developable on any given site will depend upon site-specific constraints. In some cases, a site may be too small to be developed by itself, but development may be possible through amalgamation with adjoining sites.

Potential dwelling yield in the R3 medium density residential zone has been calculated based upon the dwelling density standards in the Canada Bay DCP 2013, which sets the minimum site area per dwelling in each part of the LGA. Where a dwelling density standard was not available the yield was estimated based upon the floor space action control from the Canada Bay LEP.

R4 Zones

All the developable land zoned R4 in Rhodes has already been developed, and so the only remining R4 land which can be developed is in the Strathfield Triangle. In this area capacity numbers provided by Council based upon more detailed modelling has been used.

Business Zones

It has been assumed that sites in centres with business zoning will be developed for the purpose of shop top housing with commercial and retail uses on the ground floor. To reflect this, 50% of each site area was dedicated for floor space for commercial use (an effective commercial FSR of 0.5:1), with the remining allowable floorspace used to calculate residential yield.

This is a relatively large amount of commercial space as much of the ground floor of developments is likely to be used for building entrances and servicing spaces. This percentage provides a conservative assumption of dwelling capacity and reflects capacity for the accommodation of some non-residential uses above ground level.

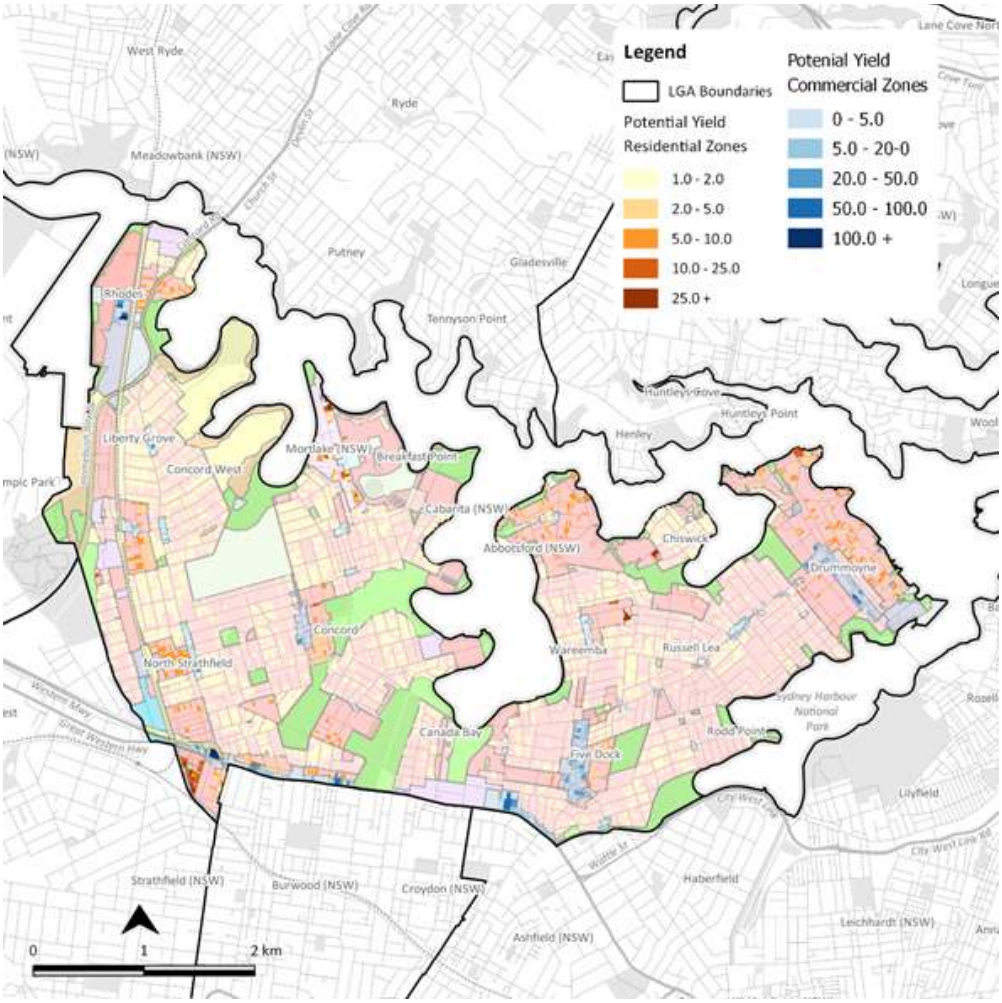
Results

The results of the potential yield assessment are Figure 25. The potential yields are strongest in and around centres and urban renewal precincts, with a relatively even distribution elsewhere in infill areas.

TABLE 9 POTENTIAL YIELD OF LAND IN CANADA BAY BY ZONE (HA)

Zone	B1	B4	B6	R1	R2	R3	R4	Total
Potential Yield	885	2,990	719	312	4,019	2,587	3,126	12,366

FIGURE 25 POTENTIAL DWELLING YIELDS ACROSS CANADA BAY (OVERLAYED ON EXISTING ZONES)



Step 4: Net capacity

Net housing capacity is the capacity for new dwellings in excess of the current dwelling stock. Net housing capacity was calculated for every lot by subtracting the number of existing dwellings on the lot from the estimated dwelling yield. The number of existing dwellings was calculated based upon dwellings of each type recorded in the 2016 census supplemented by more recent development.

The net capacity of the Parramatta Road Planned Precincts and Rhodes East has been added based upon reported capacity totals. This development is not currently permissible, but strategies to deliver it have been committed to and finalised.

Net capacity is shown in Figure 26 at a small area (mesh block) level. The yield is evenly distributed across the LGA, although there is some significant clustering observable at Rhodes, Parramatta Road, North Strathfield, Concord and Five Dock.

FIGURE 26 NET CAPACITY BY MESH BLOCK (ABS GEOGRAPHY)

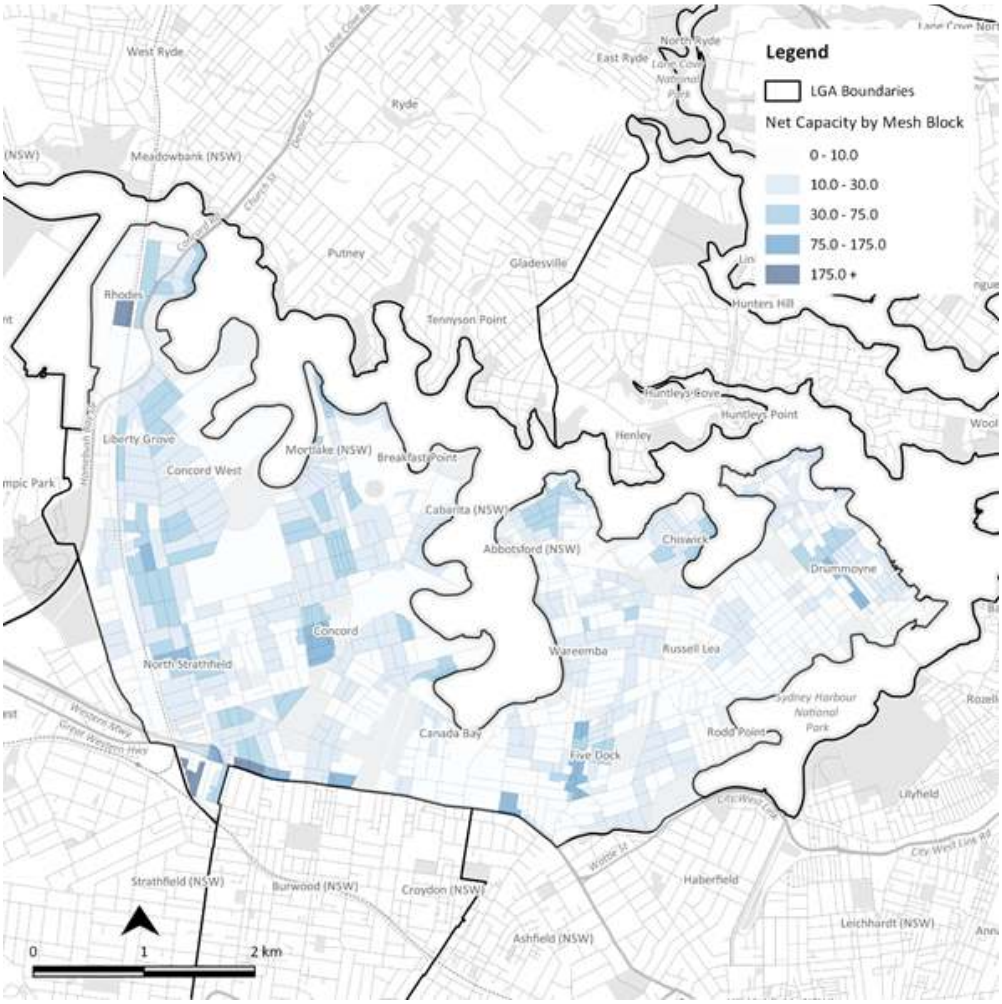


Table 10 shows the net housing capacity across the LGA based upon zone and dwelling type. This shows that there is substantial capacity for high density residential dwellings, and that most of this capacity comes for major planned development precincts. If development of these precincts does not occur, housing capacity in the LGA will be substantially lower.

Focusing development in major precincts would allow the retention of the suburban character in much of the LGA while still accommodating many new dwellings. However, it risks not delivering a diversity of dwelling types and placing significant strain on infrastructure in the few development precincts.

The dominance of high density dwellings in planned development precincts underlines the need to ensure that the apartments delivered in these developments are suitable for the needs of Canada Bay's community in the future and that they cater to a range of household types.

TABLE 10 NET HOUSING CAPACITY IN THE CANADA BAY LGA BY ZONE AND DWELLING TYPE

	Type	Zone	Dual Occupancies	Medium Density	High Density	Total
Existing Planning Controls	Infill (residential zones)	R1	24		228	312
		R2	3,738			3,738
		R3		2,048		2,048
		R4			730	730
	Infill Subtotal		*3,762*	*2,048*	*1,018*	*6,828*
	Centres (business zones)	B1			742	742
		B4			2,641	2,641
		B6			138	138
	Centres Subtotal				*3,521*	*3,521*
Planned development precincts	Rhodes East				4,200	4,200
		Homebush			276	276
		Kings Bay			3,351	3,351
		Burwood			1,061	1,061
	Parramatta Road Later Stages			1,617	604	2,221
	Development precincts subtotal			*1,617*	*9,492*	*11,109*
Total Canada Bay LGA			**3,762**	**3,665**	**14,032**	**21,459**

Total Capacity in the LGA

The quantitative results of the capacity analysis are shown in the table below. It suggests that if all urban renewal precincts, shop-top housing in centres and lower density subdivisions were to be fully developed, Canada Bay LGA could accommodate 58,600 dwellings.

Of course this is a highly theoretical number as in reality, some lots may not be feasible for development whilst other land owners may just opt to continue with the existing use of the land rather than maximise economic yield of that site for development.

TABLE 11 TOTAL OVERALL CAPACITY IN CANADA BAY LGA

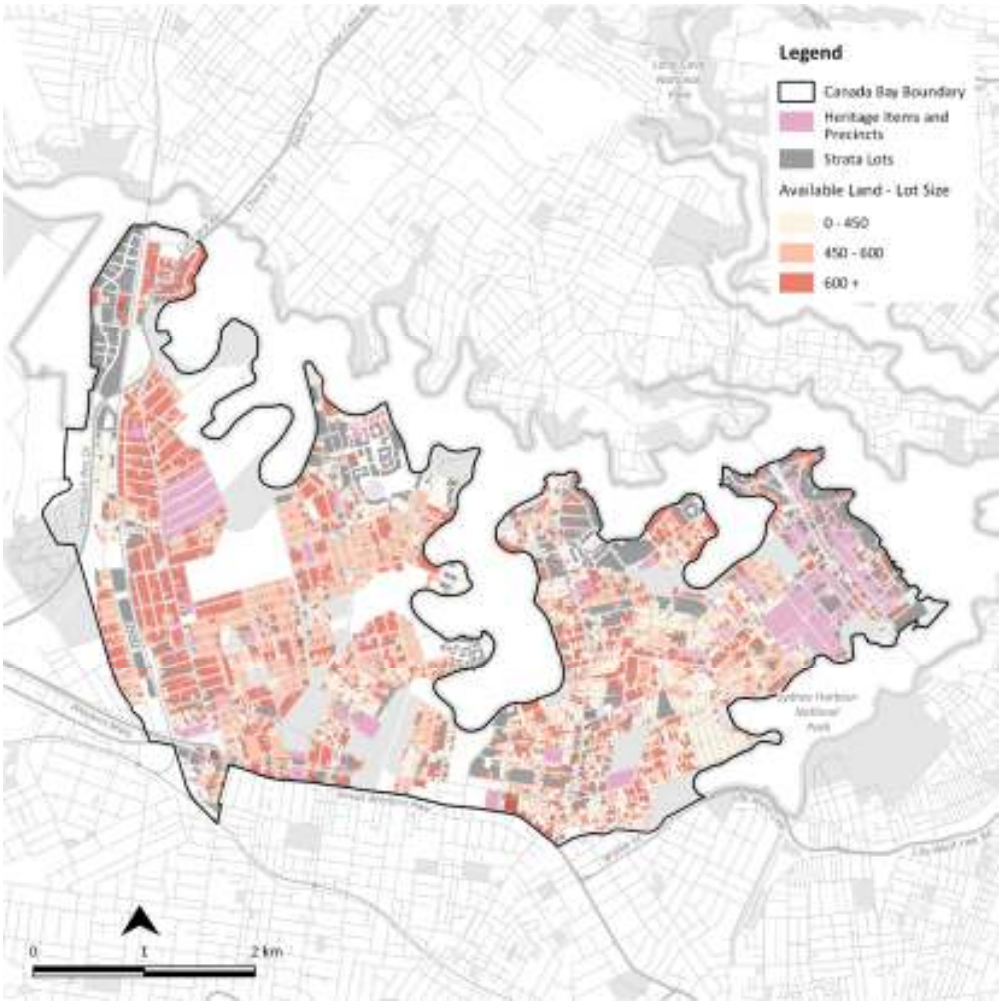
	A. 2016 Census	B. Current (2018)	C. Total theoretical capacity (stock)	D. Total theoretical capacity (growth from 2018)
Detached	13,656	13,521	12,700	-800
Semi-detached	3,384	3,654	11,100	7,400
Apartments	19,217	20,883	34,900	14,000
Total	**36,258**	**38,059**	**58,600**	**20,600**

Note that the total theoretical capacity number in Table 11 of 20,600 dwellings is slightly different from theoretical capacity total in Table 10 of 21,459. This is mainly due to Table 11 accounting for the (likely) loss of 800 detached dwellings which are currently located on possible development sites. The rest of the difference is due to a rounding differential.

Finally Figure 27 gives a picture of net land across the LGA, with lots which contain heritage items or are in heritage precincts (pink) and strata titled lots (grey) excluded. Lot sizes over 450sqm are coloured dark orange shades and are developable, while those over 600sqm would permit manor houses under the medium density housing code (which is currently excluded from Canada Bay Council) and are the best lots for multi-unit developments. Lots with an area less than 450 sqm cannot be developed without significant site amalgamation.

The size of lots, along with exclusion of heritage and strata-titled lots would not be redeveloped, provides a picture of the places in Canada Bay in which there is an opportunity for development of suburban areas without site amalgamation. There are many areas in which there are significant opportunities in the western half of the LGA, particularly along the northern line. There are few areas with concentrations of large lots in the eastern half of the LGA, which also contains a greater number of strata subdivided lots.

FIGURE 27 NET LAND – WITH EXCLUSIONS FOR STRATA LOTS AND HERITAGE PRECINCTS



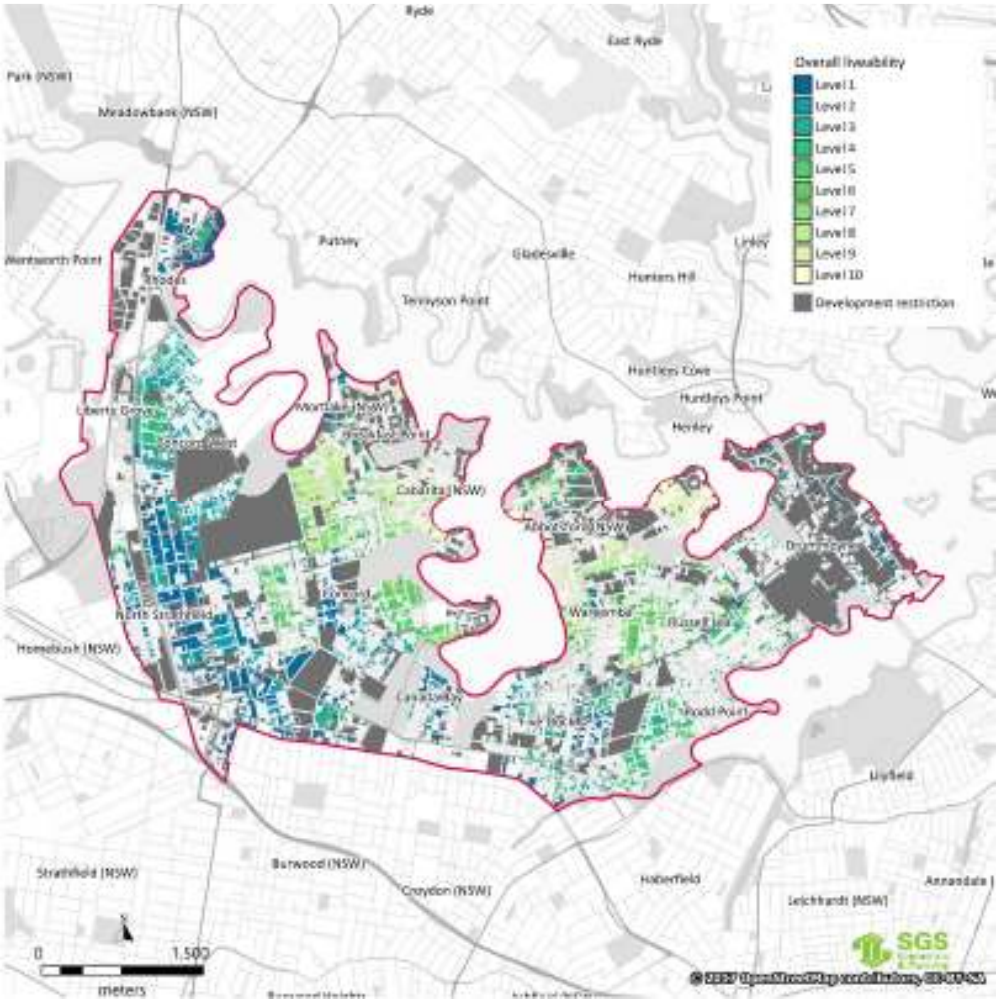
At this point it is also possible to overlay the previous analysis of access to public transport, shops, health and education; arriving at an LGA-wide understanding of liveability for areas where residential development could currently occur.

This is shown in Figure 28, where all the sites which are unsuitable for development have been greyed out and small lots shaded white.

What this map shows is that blue shaded areas to the south and west of the LGA are where development should be prioritised if access to all those key services and infrastructure is an

important consideration. Some areas further north and east could be de-prioritised for development in that regard, maintaining amenity levels for the residents that already reside in those neighbourhoods.

FIGURE 28 OVERALL LIVEABILITY 'RATING'FOR DEVELOPABLE AREAS ACROSS CANADA BAY LGA



Notwithstanding the analysis presented in this section, it is nonetheless important that social infrastructure provision complements future development.

4.5 Development areas

The question from here turns to where potential yield could be unlocked in specific parts of the LGA. In order to understand how this could be done, it is important to first divide the LGA into distinguishable development areas based on similar precinct-level characteristics. These areas can then be analysed in more detail for potential development opportunities and constraints.

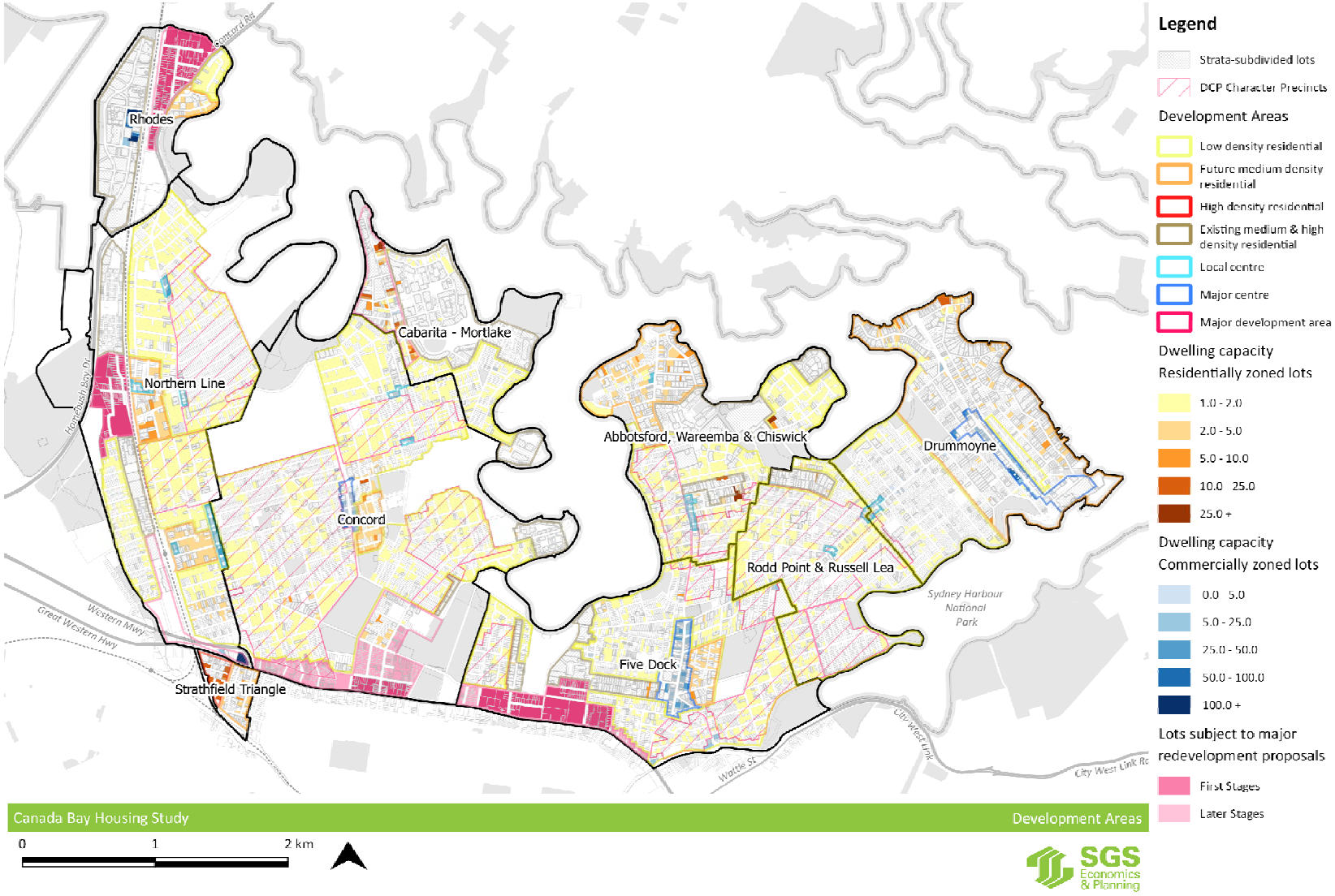
Forty-four (44) development area precincts have been identified across the Canada Bay LGA. The LGA was first divided into broad precincts composed of various suburbs which capture established Major Centres across the LGA and their surrounding hinterlands. Following this each precinct was divided into the following development areas:

1. Major centres, with large amounts of retail and service provision and significant dwelling capacities sit within commercially zoned lots

2. Local centres, with smaller amounts of retail and services provision and less dwelling capacity within commercially zoned lots
3. Future medium density residential areas where the existing planning controls and lot characteristics are likely to generate some opportunities for medium density development,
4. Existing medium and high density residential areas, which already possess a dominant pattern of medium and/or high density development but in there is very little capacity for further residential intensification,
5. Low density residential areas, where there may be some capacity for dual occupancy development under existing planning controls, but established character and streetscapes are not expected to change, and
6. Identified urban renewal precincts, including Rhodes East, the Parramatta Road classified major development precincts and Mortlake. The Burwood, Strathfield and Homebush Precinct is currently under investigation by the Department of Planning and Environment but as no amended controls have been released, this has not been included.

Figure 29 below maps out these development areas across the Canada Bay LGA. More detailed maps show the development areas in each broad precinct in the following section.

FIGURE 29 44 DEVELOPMENT AREAS ACROSS CANADA BAY LGA



4.6 Opportunities and constraints across Canada Bay LGA

Now that the development areas have been defined, it is possible to analyse the potential opportunities and constraints in these areas. These are discussed below for each group of suburbs in the LGA.

Abbotsford, Wareemba and Chiswick

Abbotsford, Wareemba and Chiswick contain several low-density residential areas with limited capacity under current planning controls for intensification. The varied and generally small lot sizes in these areas limit the capacity for future intensification of these areas. There are also several existing apartment precincts, and there is some capacity for further medium density development in Abbotsford.

FIGURE 30 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN ABBOTSFORD, WAREEMBA AND CHISWICK

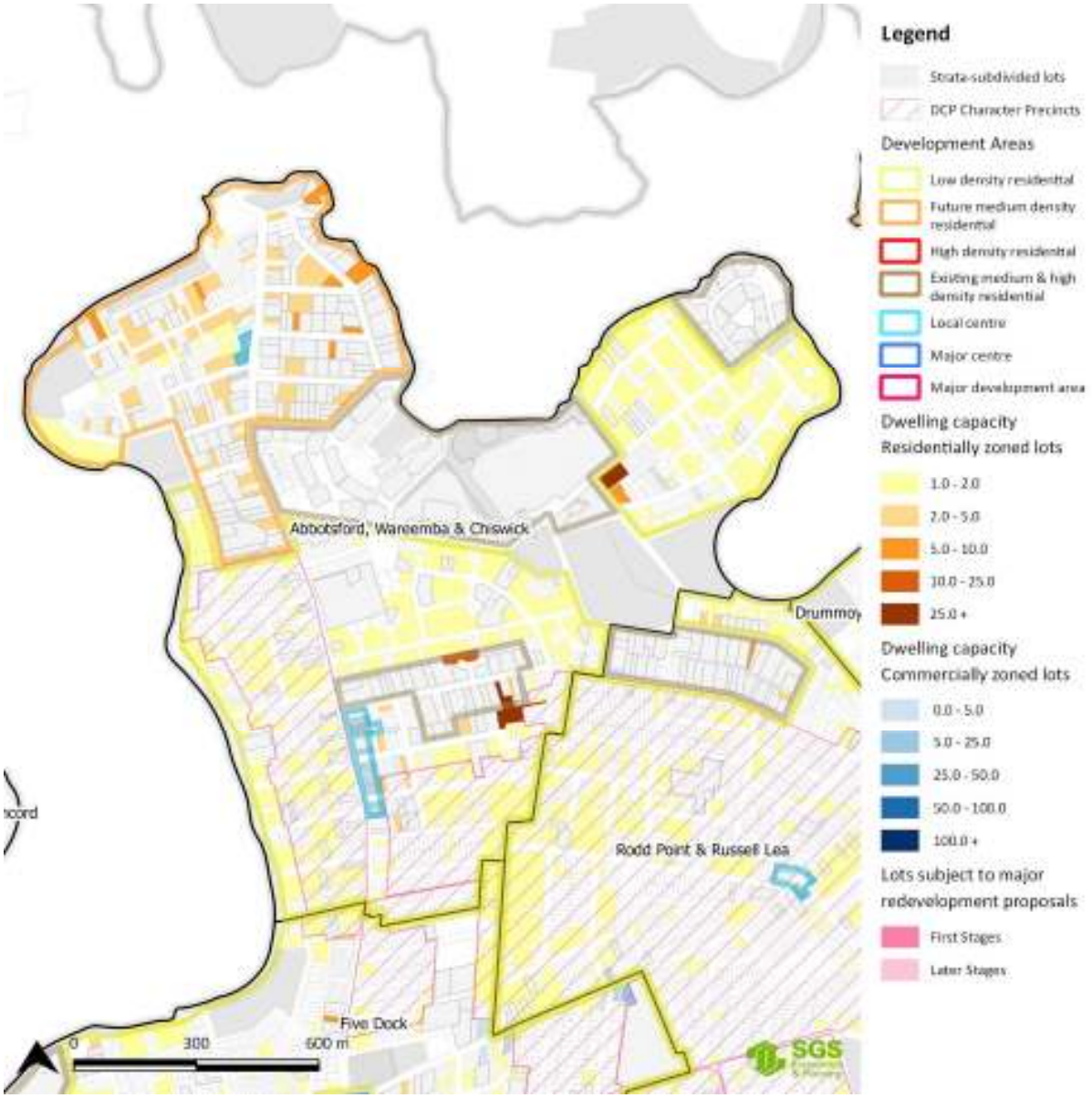


TABLE 12 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN ABBOTSFORD, WAREEMBA AND CHISWICK

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Abbotsford, Wareemba, Chiswick	Existing Medium & High Density Residential	Minimal	Most larger lots already occupied by existing multi-unit or strata titled developments	19
Abbotsford, Wareemba, Chiswick	Local Centre	Minimal	Most lots in this centre already contain a storey of shoptop housing above the ground floor shopfronts, so the theoretical yield associated with adding an extra storey through redevelopment may not be sufficiently feasible	76
Abbotsford, Wareemba, Chiswick	Low Density Residential	Some opportunities in the form of single lot subdivisions which would add one dwelling per lot.	All developments need to respect existing character which means even two storey townhouses would need to be consistent with the established single storey streetscape.	552
Abbotsford, Wareemba, Chiswick	Future Medium Density Residential	The zoning here (medium density) means some opportunities for low-rise apartments up to 8.5m	Most lots unsuitable, but some opportunities do exist.	405

FIGURE 31 THE WAREEMBA LOCAL CENTRE

FIGURE 32 HIGH DENSITY HOUSING IN CHISWICK

Source: Google Street View 2019

Cabarita - Mortlake

There are several large high density ares in the precincts stretching from Cabarita to Mortlake. This includes the Cabarita Cove Development, the Mirvac development in Cabarita, Breakfast Point and smaller developments in Mortlake. Mortlake is zoned for high density residential redevelopment and has some capacity for additional development.

FIGURE 33 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN CABARITA - MORTLAKE

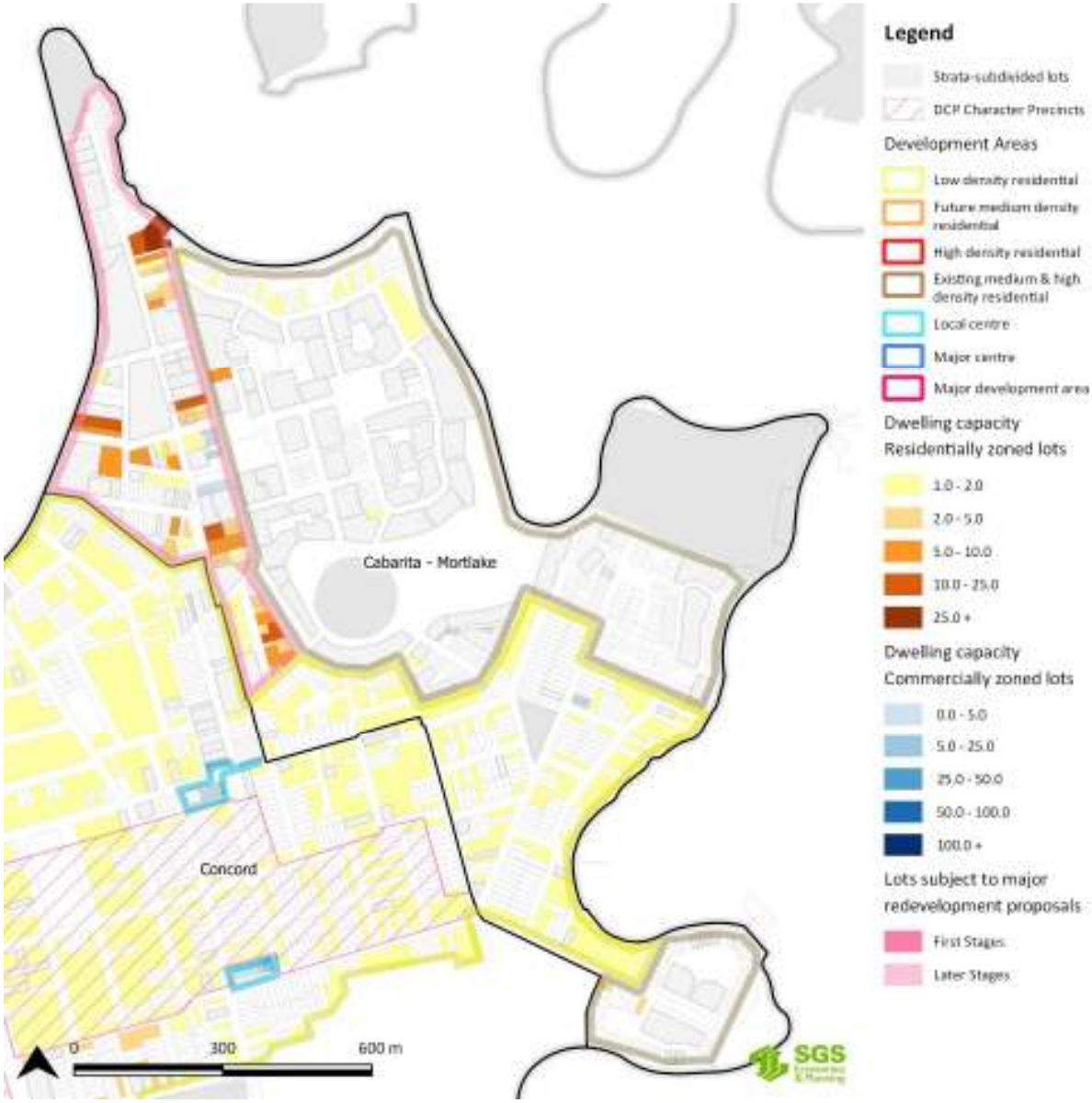


TABLE 13 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN CABARITA - MORTLAKE

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Cabarita, Mortlake	Existing Medium & High Density Residential	None	This is the Breakfast Point development area and the Mirvac development in Cabarita which is now fully developed.	37
Cabarita, Mortlake	Low Density Residential	Some opportunities in the form of single lot subdivisions which would add one dwelling per lot.	All developments need to respect existing character which means even two storey townhouses would need to be consistent with the established single storey streetscape.	134
Cabarita, Mortlake	Major development area	There are some opportunities for additional residential flat buildings in Mortlake	Most lots unsuitable and there are some dwelling houses which are on small lots and would be difficult to redevelop, but some opportunities do exist.	310

FIGURE 34 HIGH DENSITY APARTMENT DEVELOPMENT IN BREAKFAST POINT

FIGURE 35 HIGH DENSITY REDEVELOPMENT INTERSPERSED WITH LIGHT INDUSTRIAL USES IN MORTLAKE

Source: Google Street View 2019

Concord

Most of Concord contains low density residential neighbourhoods, and much of this area is protected by a DCP character precinct. There is some capacity for further development in the Majors Bay Road centre, although it is subject to a heritage precinct, and in the medium density residential zone adjacent to it. A Parramatta Road Urban Transformation Strategy Precinct is located in the southern part of Concord, and a Sydney Metro West station is proposed on Burwood Road near Parramatta Road.

A recent planning proposal was submitted for the ex-Bushells site. If approved, this would rezone the site from an industrial use to a residential use with multi-unit development.

FIGURE 36 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN CONCORD

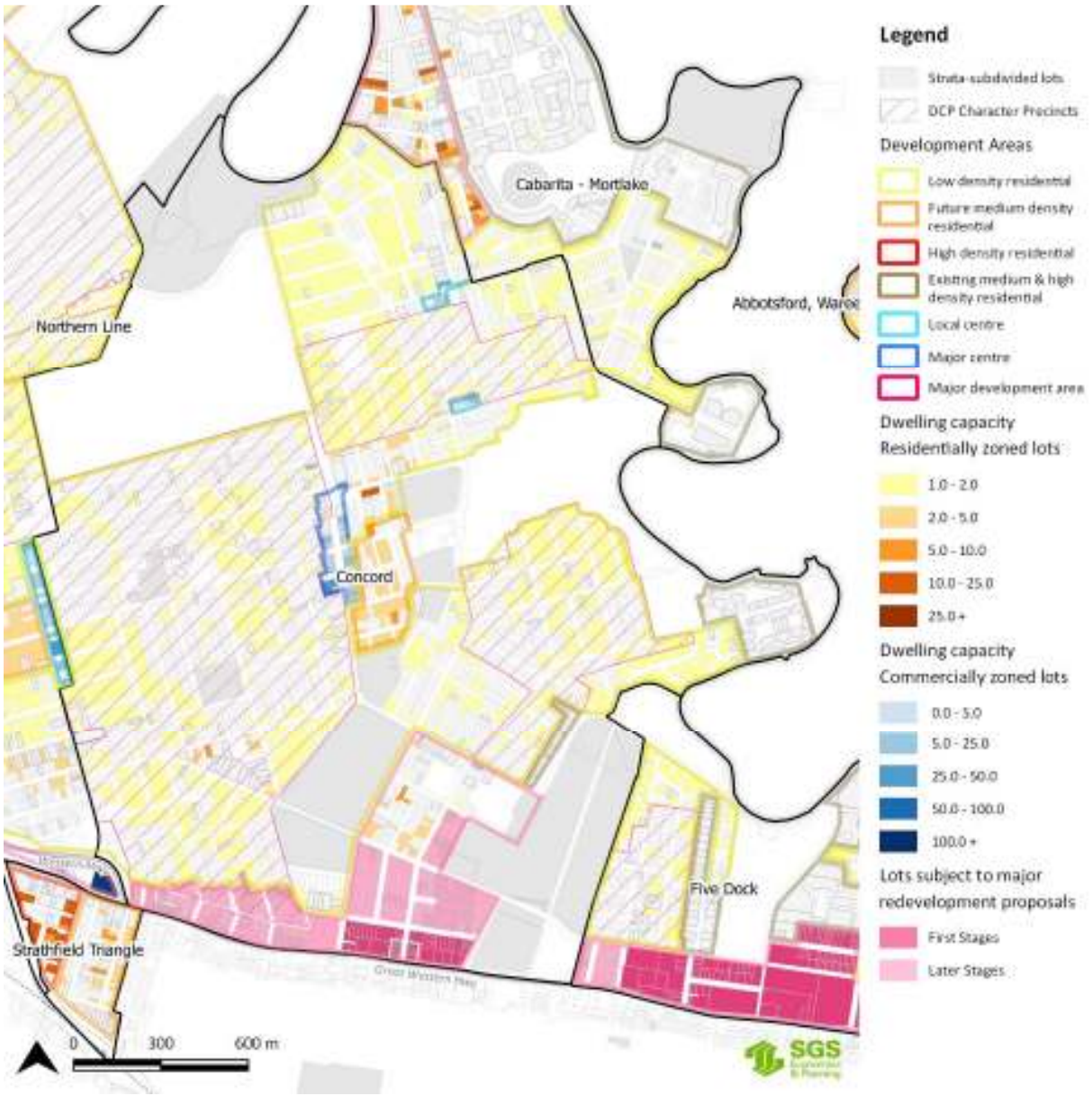


TABLE 14 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN CONCORD

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Concord	Existing Medium & High Density Residential	None	All lots towards the end of Burwood Road have been developed into Strata titled apartments/flats.	4
Concord	Local Centre	Minimal	Much of the Brays Street Local Centre has recently been developed for one or two storeys of shop top apartments. Many lots in Cabarita Centre already contain a storey of shoptop housing above the ground floor shopfronts, so the theoretical yield associated with adding an extra storey through redevelopment may not be sufficiently feasible	58
Concord	Low Density Residential	Some opportunities in the form of single lot subdivisions which would add one dwelling per lot.	All developments need to respect existing character which means even two storey townhouses would need to be consistent with the established single storey streetscape.	1,396
Concord	Future Medium Density Residential	Some capacity for redevelopment of existing housing. This precinct is well located next to the Majors Bay Road Centre and an open space corridor	A significant increase in numbers of dwellings may require site amalgamation due to the sizes of the existing lots	197
Concord	Major Centre	The Western side of this centre contains many lots which could theoretically be redeveloped for medium density apartments.	The Eastern side of the centre is full of shop top housing, so there would be limited yield associated with potential redevelopments.	264
Concord	Major development area (PRUTS)	Significant apartment development expected both in the first and second stage releases, with the first stage (by 2026) towards the eastern end of this precinct.		2,833

FIGURE 37 APARTMENT DEVELOPMENT IN THE MAJORS BAY ROAD CENTRE

FIGURE 38 LOW DENSITY RESIDENTIAL HOUSING IN CONCORD

Source: Google Street View 2019

Drummoyne

Drummoyne contains a major centre along Victoria Road which is surrounded by mixed apartment and low-density residential development. Further west in Drummoyne is predominately low-density residential development but on relatively small lots. There is some remaining dwelling capacity under current planning controls for the Drummoyne centre, but little capacity in the residential zones.

FIGURE 39 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN DRUMMOYNE

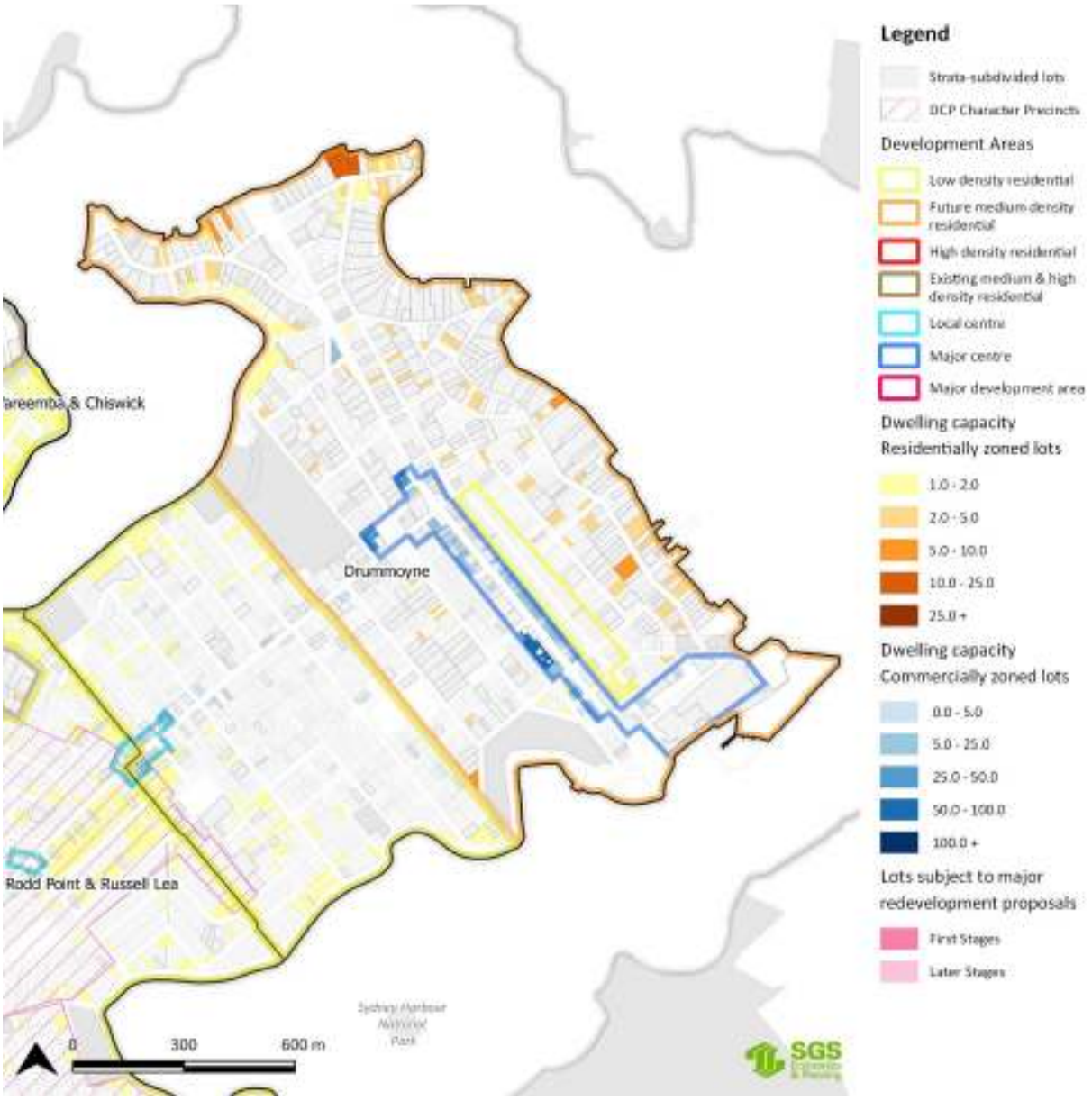


TABLE 15 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN DRUMMOYNE

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Drummoyne	Low Density Residential (adjoining Victoria Road)		Heritage precinct – no development opportunities are expected here.	-
Drummoyne	Local Centre	Some lots in the Lyons Road Local Centre could be redeveloped to accommodate some shop top housing	Other lots already possess single storey shop top housing so there would be limited yield associated with potential redevelopments.	37
Drummoyne	Low Density Residential	Some opportunities in the form of single lot subdivisions which would add one dwelling per lot.	All developments need to respect existing character which means even two storey townhouses would need to be consistent with the established single storey streetscape.	95
Drummoyne	Major Centre	Long sprawling Centre along Victoria Road already the subject of significant apartment development, particularly along the south-western side of the Road. Most remaining opportunities can therefore be found along the north-eastern side.		484
Drummoyne	Future Medium Density Residential	The zoning here (medium density) means some opportunities for low-rise apartments up to 8.5m	Large heritage precinct.	348

FIGURE 40 LOW DENSITY RESIDENTIAL HOUSING ON RELATIVELY SMALL LOTS IN DRUMMOYNE

Five Dock

Five Dock contains a major centre surrounded by some high-density and predominately low-density housing. There are some walk-ups and high density precincts west of the Five Dock Centre.

Five Dock contains a Parramatta Road Urban Transformation Precinct and a Sydney Metro West station is proposed for the Five Dock Centre.

FIGURE 41 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN FIVE DOCK

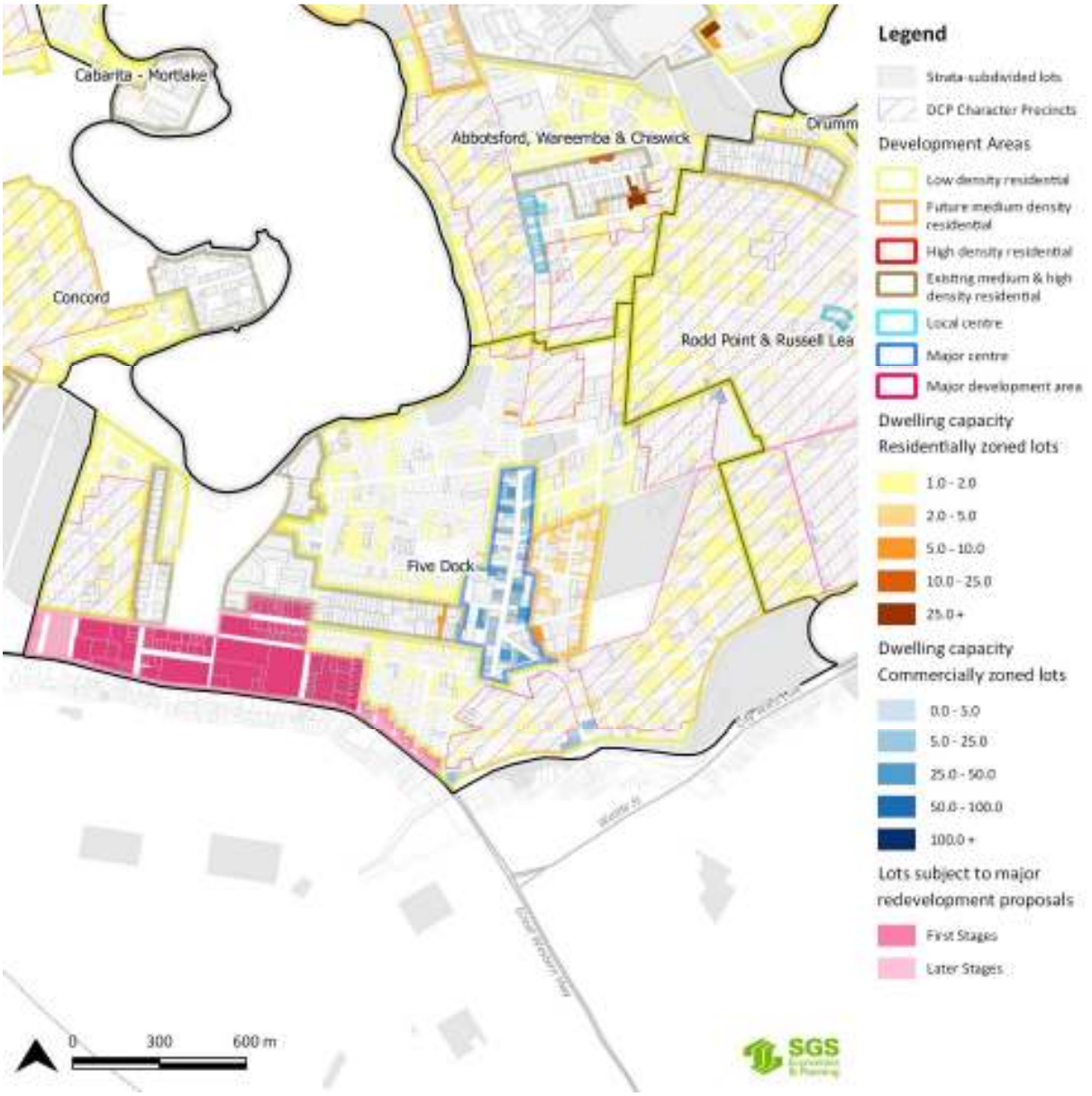


TABLE 16 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN FIVE DOCK

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Five Dock	Existing Medium & High Density Residential	Minimal	Most larger lots already occupied by existing multi-unit or strata titled developments	22
Five Dock	Low Density Residential	Some opportunities in the form of single lot subdivisions which would add one dwelling per lot.	All developments need to respect existing character which means even two storey townhouses would need to be consistent with the established single storey streetscape.	532
Five Dock	Major Centre	This is a large and thriving centre which is very attractive for potential apartment dwellers. There are a number of sites scattered throughout the municipality which can accommodate some significant development.	Some lots already turned over to apartment development	954
Five Dock	Future Medium Density Residential	Most medium density opportunities lie to the east of the centre, although unlikely to yield significant volumes of dwellings.	Area does already contain a fair share of townhouse developments.	119
Five Dock	Major development area (PRUTS)	Significant apartment development from PRUTS areas expected both in the first and second stage releases, with the first stage (by 2026) towards the western end of this precinct.		3,644

FIGURE 42 THE FIVE DOCK CENTRE CONTAINS SOME SHOP-TOP HOUSING DEVELOPMENT WITH A CONSISTENT SCALE WITH OLDER RETAIL AN COMMERCIAL BUILDINGS

FIGURE 43 THERE IS HIGH DENSITY RESIDENTIAL DEVELOPMENT BETWEEN THE SHOPS ALONG GREAT NORTH ROAD AND THE SURROUNDING RESIDENTIAL DEVELOPMENT, ALTHOUGH IN SOME CASES THE INTERFACE BETWEEN THESE IS POOR

Northern Line

The Northern Line area consists of the suburbs of North Strathfield, Concord West and Liberty Grove which are situated around the train stations of North Strathfield and Concord West. Rhodes Station is also located on the Northern Line, but will be discussed separately.

The southern part of this area contains a Parramatta Road Urban Transformation Strategy Precinct. A Sydney Metro West Station is proposed near the existing North Strathfield Station.

FIGURE 44 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY ALONG THE NORTHERN LINE

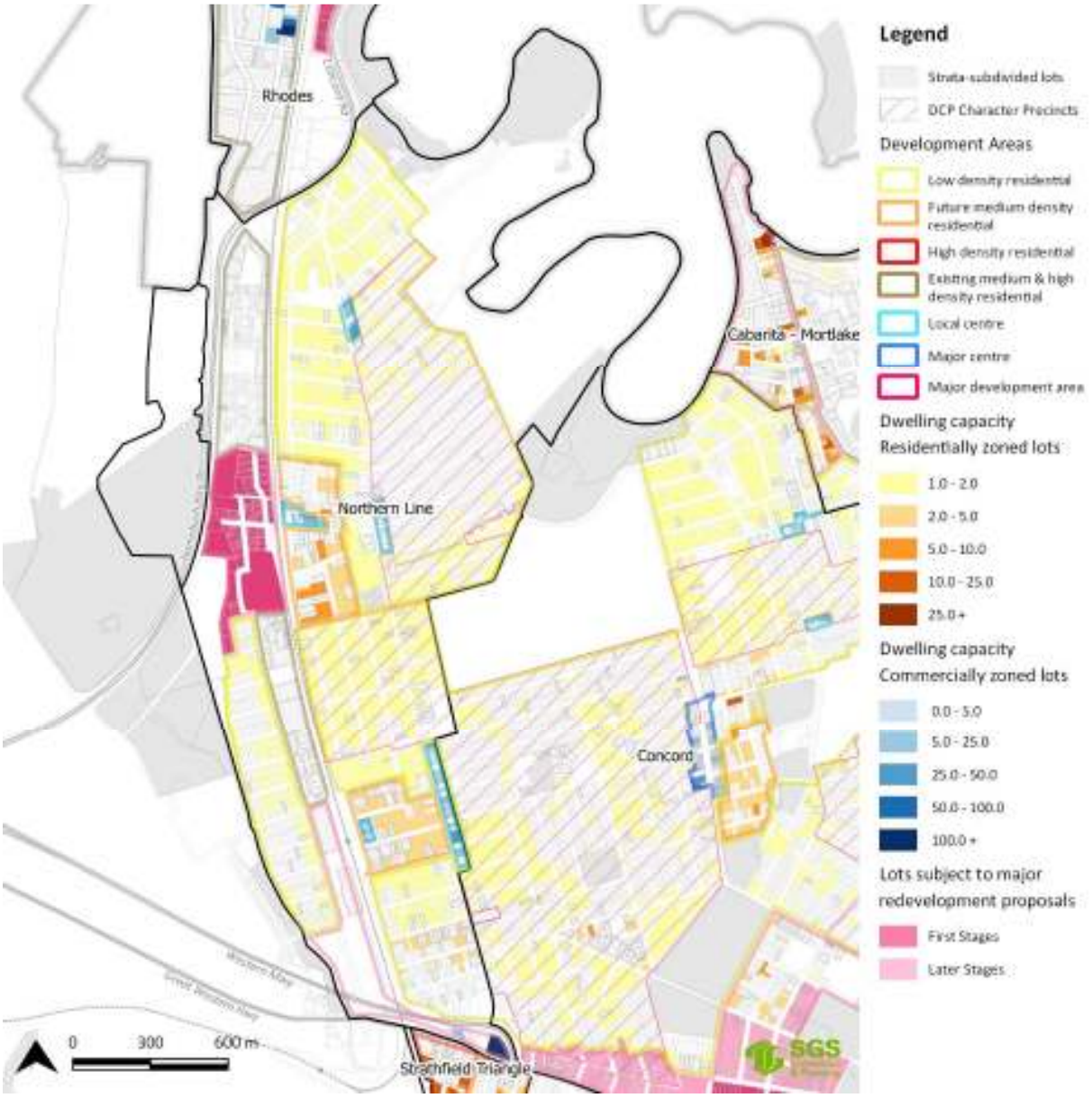


TABLE 17 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS ALONG THE NORTHERN LINE

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Northern Line	Existing Medium & High Density Residential	None	Existing strata titled developments	0
Northern Line	Local Centre	Opportunity for shop top apartment development on Concord Road. Some capacity for shop-top housing development in well-located centres adjacent to the train line		433
Northern Line	Low Density Residential	Some opportunity for minor subdivisions and semi-detached dwelling developments. Much of this development area has large lots that could permit medium density redevelopment in places located within 800m of train stations	Large heritage precinct near Majors Bay Reserve. Some other heritage precincts also scattered throughout. There is relatively little open space in much of the area between the train line and Concord Road.	951
Northern Lint	Future Medium Density Residential	Some capacity for additional dwellings. These areas are well located adjacent to local centers and train stations, with large lot sizes that could make redevelopment without amalgamation possible.	There is relatively little open space near these areas.	457
Northern Line	Major development area	The area west of Concord West Station is expected to accommodate some significant apartment development over the next 20 years.		405

FIGURE 45 WALK UP APARTMENTS IN CONCORD WEST

FIGURE 46 OLDER LOW DENSITY HOUSING IN CONCORD WEST. THERE IS A RELATIVELY CONSISTENT CHARACTER MADE OF UP HOUSING SIMILAR TO THIS

FIGURE 47 THE CONCORD WEST LOCAL CENTRE

Rhodes

Most of the Western side of Rhodes is developed for high-density residential and commercial purposes. A precinct has been planned on the eastern side of the Railway Line which will contain additional high-density development. There is also some suburban housing on the eastern side of Concord Road which is not proposed to be redeveloped.

FIGURE 48 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN RHODES

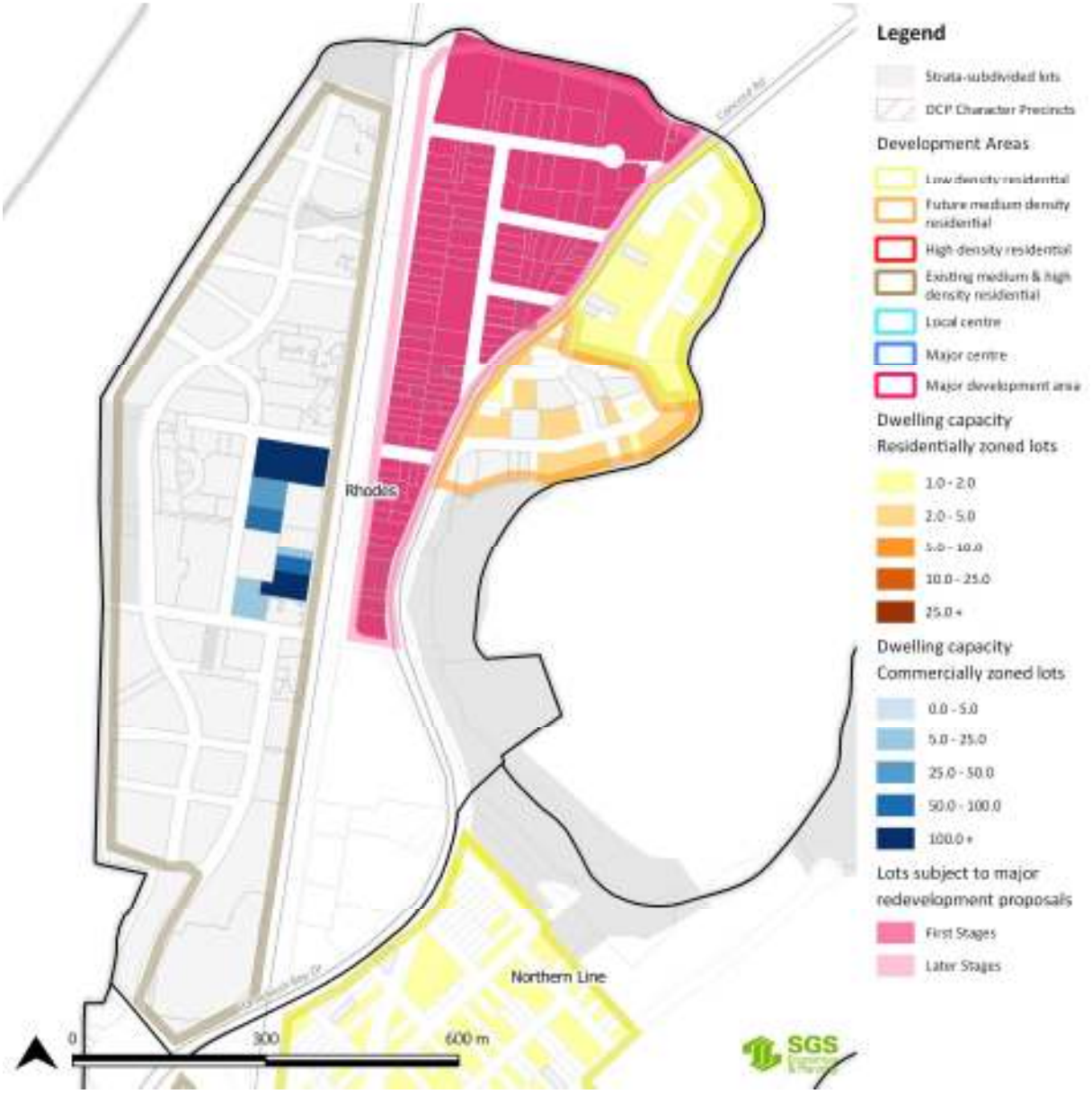


TABLE 18 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN RHODES

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Rhodes	Existing Medium & High Density Residential	Some sites west of Rhodes station are expected to accommodate significant apartment development under the Rhodes East.		1,157
Rhodes	Low Density Residential	Pocket of land near Uhrs Point where there are larger lots available.	Currently zoned for low density.	46
Rhodes	Major Development	This is the Rhodes East urban renewal precinct where 3,600 dwellings are expected over the next 20 years.		4,200
Rhodes	Major development area	Pocket of land near Uhrs Point where there are larger lots available.		94

FIGURE 49 HIGH-DENSITY HOUSING IN RHODES ON THE WESTERN SIDE OF THE RAILWAY STATION

Rodd Point and Russell Lea

Almost all of the Rod Point and Russell Lea suburbs is occupied by low-density housing, creating a relatively consistent suburban character. Most of this area is covered by DCP character precincts.

FIGURE 50 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN RODD POINT AND RUSSELL LEA

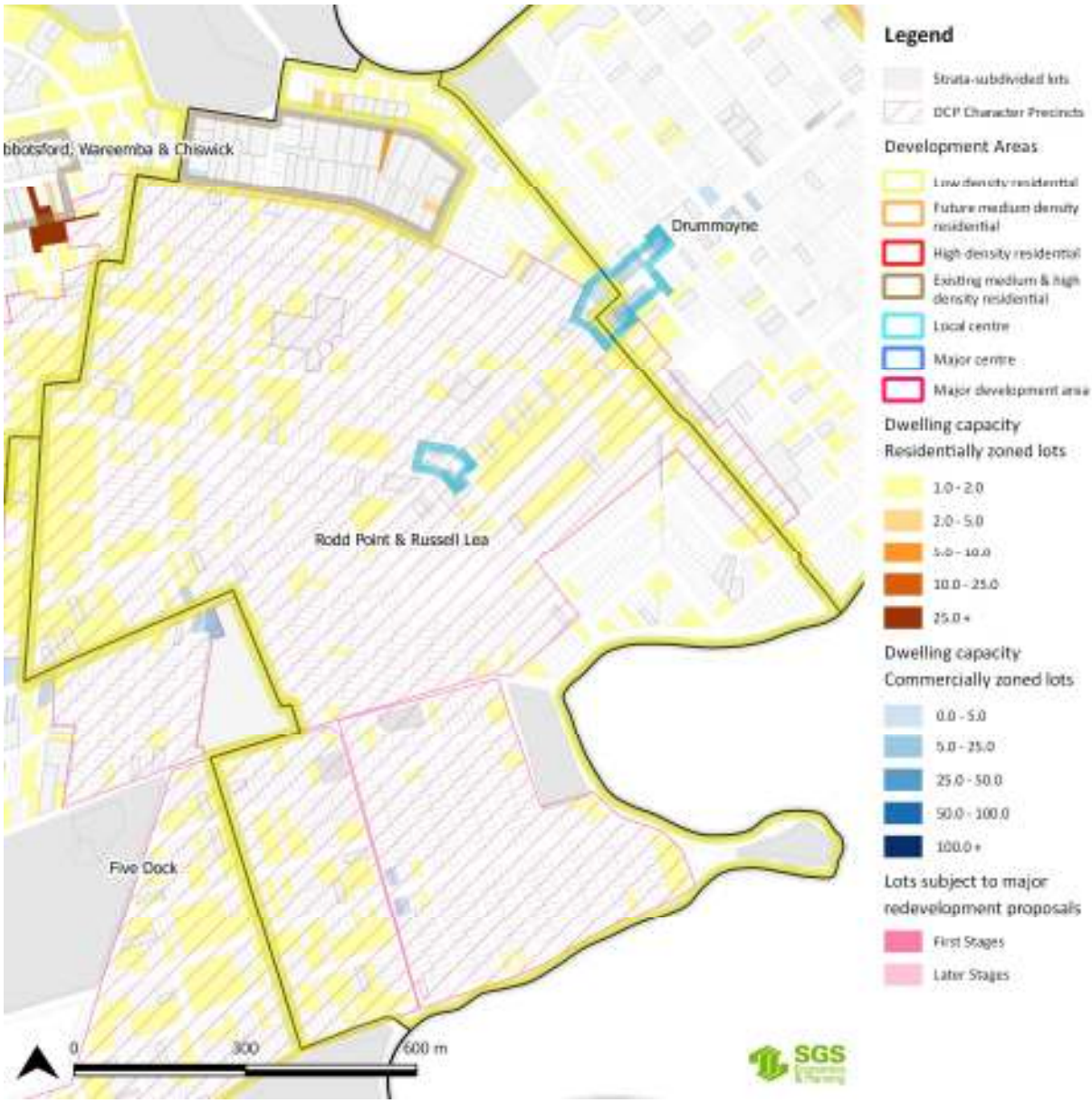


TABLE 19 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN RODD POINT AND RUSSELL LEA

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Rodd Point, Russell Lea	Existing Medium & High Density Residential		All strata titled lots in this pocket of land	12
Rodd Point, Russell Lea	Local Centre	A couple of sites at the corner of Lyons Road and Russell Street could be redeveloped in the future for shop top housing		22
Rodd Point, Russell Lea	Low Density Residential	Some opportunities for semi-detached development to the west and north of this area.	The southern part of this character area is constrained by small lots (under 450sqm).	373

FIGURE 51 LOW DENSITY RESIDENTIAL HOUSING IN RUSSELL LEA

Strathfield Triangle

The Strathfield Triangle contains two distinct halves: west of Leicester Avenue is a precinct undergoing high-density residential redevelopment, while the remainder of this area has a suburban character and is zoned to permit medium density residential redevelopment, with some capacity under current planning controls.

FIGURE 52 FUTURE DEVELOPMENT AREAS AND DWELLING CAPACITY IN THE STRATHFIELD TRIANGLE

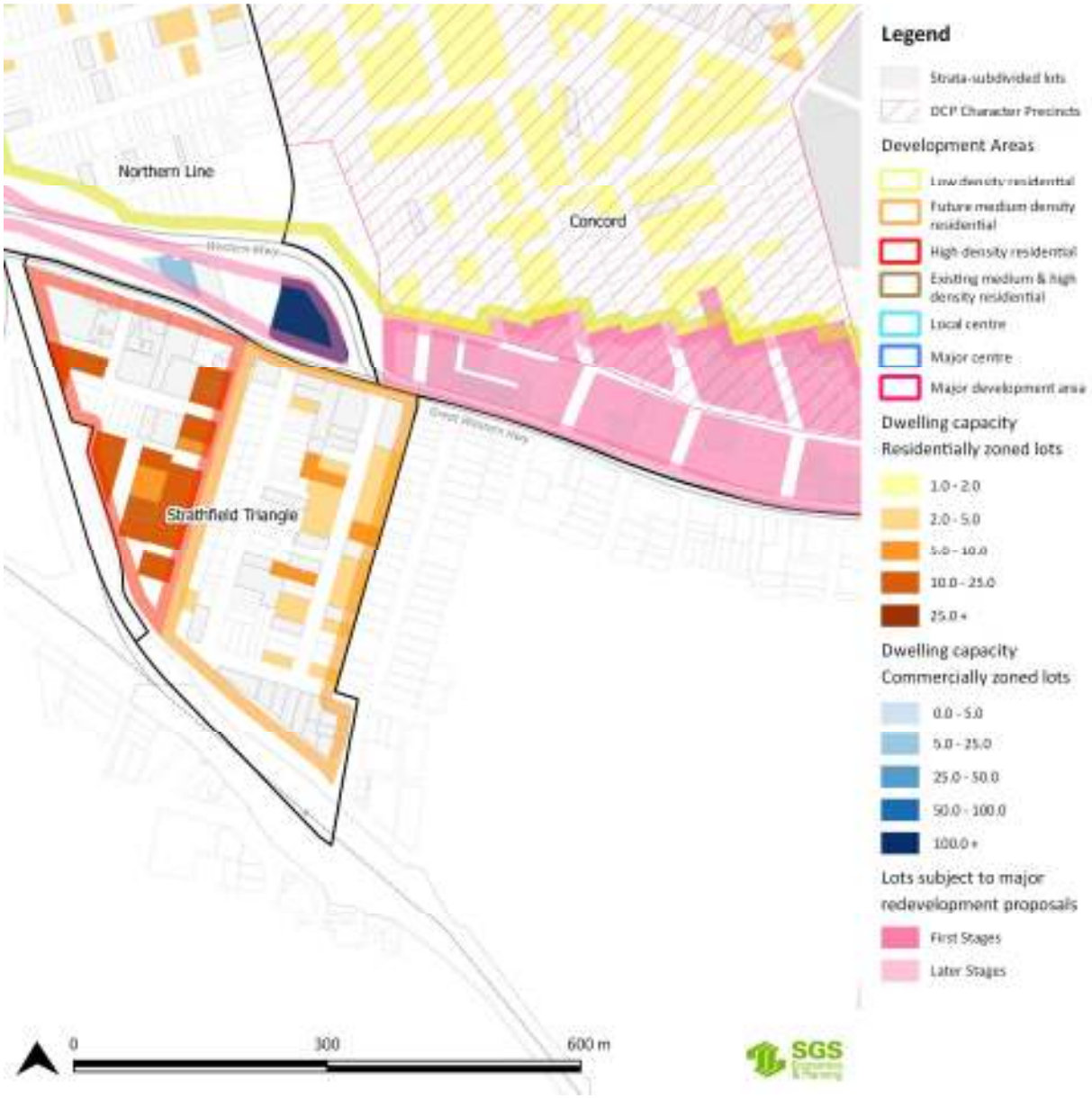


TABLE 20 OPPORTUNITIES AND CONTRAINTS IN FUTURE DEVELOPMENT AREAS IN THE STRATHFIELD TRIANGLE

Suburb	Development Area	Opportunities for housing development	Constraints	Net Housing Capacity
Strathfield Triangle	High Density Residential	This precinct has been identified for significant apartment development to the tune of over 1,300 dwellings over the next 20 years.		730
Strathfield Triangle	Medium Density Residential	To the east of the precinct, medium density development expected as the lot sizes are slightly smaller (more in the 450 to 600m range).		83

FIGURE 53 HIGH DENSITY HOUSING IS BEING BUILT IN THE STRATHFIELD TRIANGLE. AS THIS OCCURS MANY SITES CLOSER TO STRATHFIELD TRAIN ARE VACANT OR UNDER CONSTRUCTION

FIGURE 54 THE EASTERN PART OF THE STRATHFIELD TRIANGLE HAS A MORE SUBURBAN CHARACTER

4.7 Key implications

The supply analysis in this section has uncovered a number of issues which require significant consideration for the Local Housing Strategy. These findings are summarized below, along with their implications for the strategy.

FIGURE 55 KEY IMPLICATIONS OF MAJOR FINDINGS IN THIS SECTION

#	Finding	Implications for housing strategy
1	Some parts of this LGA (Strathfield North, Five Dock) will possess very high levels of accessibility to transport infrastructure and jobs (and may be further enhanced by Sydney Metro West Stations). However, some of these areas also possess low access to social infrastructure (which is logical given that these were not residential areas in the past).	It is no accident that the major proposed urban renewal areas are in close proximity to these highly accessible areas. Nonetheless, if the housing strategy was to identify further opportunities for growth, there would need to be some consideration of access to social infrastructure and open space for existing and new residents around the Concord West and Strathfield North Stations.
2	This LGA has a strong network of local and major centres, which means that most residential areas are highly walkable to shops and some services.	The other opportunity would then be to potentially increase dwelling yields in or around those centres. Feasibility testing is required to understand whether such a measure is likely to be effective if it were to be implemented.
3	Theoretically, the LGA is positioned to accommodate up to 21,400 new dwellings under existing controls. 14,000 apartments, 7,400 semi-detached (from Table 11). For a range of reasons discussed in this section, not all of these dwellings can be developed over the next 20 years.	Most of those apartments may well be developed and sold within the next 20 years – the exception might be in centres, where feasibility testing needs to be undertaken to understand whether some of those sites could be developed for more shop top housing – and if not, whether small tweaks to planning controls could work. In terms of semi-detached dwellings, historical development rates over the past decade suggest that the LGA is likely to grow at approximately 100 semi-detached dwellings per year (particularly in the short to medium term out to 2026). If that rate continues to 2036, only 2,000 of those theoretical 7,400 semi-detached dwellings would be developed by 2036 (or about 700 to 2026) – a relatively low proportion. The strategy could therefore look into opportunities for increasing the rate at which these semidetached dwellings are brought to market in the LGA.

5. HOUSING FORECAST

Sections 3 and 4 analysed demand and capacity in isolation to some extent. Across those two chapters, a 'business as usual' trajectory for dwelling demand was established alongside a theoretical maximum capacity number for all three major dwelling types.

The next step is determining 'realised housing supply' which is an estimate of the housing capacity that could be taken up by demand in a particular time period. This is the focus of this section.

5.1 Approach

Figure 56 below shows how housing capacity is used in conjunction with housing demand to produce take-up forecasts. Capacity informs the overall level of dwelling stock which the LGA can accommodate, whilst demand then informs whether this capacity will be filled – and when this is likely to occur by (or how quickly).

This is driven by a variety of factors which include dwelling demand, housing type preferences, development feasibility and historical development rates.

FIGURE 56 DEMAND, CAPACITY AND TAKEUP (GROWTH FORECAST)

The dynamic between supply and demand also needs to be considered for different sub-markets in different parts of the LGA. While there is significant demand for apartments, this may also be realised via medium density and/or semi-detached dwellings.

The *demand* for different housing types is then assessed against the *capacity* for different housing types in each suburb.

Allocation of LGA-wide demand occurs across the LGA's suburbs to scale with the volume of capacity available in each suburb. There is an element of randomisation to this process – however, it is merely modelling how development might occur across what is a large LGA.

Future feasibility analysis will inform a more refined distribution of this modelling, where more feasible areas will be prioritised first in this allocation process as more feasible sites are generally (but not always) of a higher probability to be developed.

5.2 Base Case Scenario

The projected realised housing take-up is shown in Table 21 below.

From 2018 to 2026, there is a projected take-up of 5,500 new apartments and 500 new semi-detached dwellings across Canada Bay LGA, with an expected reduction of 400 detached

dwellings (as part of redeveloping lots of multi-unit dwellings) bringing the net growth of dwellings across the LGA down to 5,600 dwellings overall in the eight year period[8].

The growth in semi-detached dwellings has been forecast off historical take-up rates. Based on this historical take-up trajectory, there would be a minor undersupply for semi-detached dwellings in the LGA of around 200 dwellings in the semi-detached category. Council could therefore explore some minor short to medium term interventions in order to facilitate the development of more semi detached dwellings around the LGA to better meet demand. The forecast shortfall figure of 200 dwellings is relatively small, so there is no need for drastic measures.

TABLE 21 REALISED HOUSING TAKE-UP (SUPPLY) 2016-2036

	Detached	Semi-detached	Apartments	Total
2016	13,700	3,400	19,200	36,300
Current (2018)	13,500	3,700	20,900	38,100
2021	13,300	3,900	22,600	39,900
2026	13,100	4,200	26,400	43,700
2031	12,900	4,400	30,700	48,000
2036	12,700	4,700	34,900	52,300
Theoretical Maximum Capacity (Section 4)	12,700	10,900	34,900	58,600
2026 Demand (Section 3)	13,100	4,400	26,000	43,900
Result by 2026	Equilibrium	Undersupplied by ~200	98.5% occupancy by 2026	Undersupplied by ~200
2036 Demand (Section 3)	12,700	5,400	32,700	51,200
Result by 2036	Equilibrium	Undersupplied by ~700	93.7% occupancy by 2036	97.9% occupancy by 2036

There are also a few important long term considerations here.

Firstly, significant take-up of apartment dwelling capacity would be required to meet demand. Some centres in the LGA have seen little apartment or shop-top housing development in recent years, but take-up in the major urban renewal precincts – where most of the apartment capacity is located and take-up is traditionally strong – should mean that this is not a major issue.

Second, the fact that all apartment capacity is taken up over the next 20 years (and given there are limited additional brownfield areas left in the LGA) suggests that there is little potential for more apartment growth post-2036 – and the LGA will be essentially have exhausted this option to accommodate additional housing.

The exception would be in the semi-detached category, where much of the theoretical capacity in the LGA may remain undeveloped by 2036. However, many of these lots may be difficult to turn over in the long run for a variety of reasons, so the gap between theoretical maximum and take-up by 2036 is partly notional.

[8] For ease of interpretation, these figures have been presented as rounded numbers, so some slight misalignment of up to 100 dwellings is possible when adding and subtracting rounded numbers.

As has been the case over recent decades, families who may have occupied detached dwellings are now trading off to smaller dwellings such as townhouses, and in many cases even to apartments. It is reasonable to assume this trend will continue. There is certainly sufficient capacity for apartments being proposed. As a result, some families looking to live in a townhouse in Canada Bay will need to either look at different suburbs for townhouses (depending on price) or shift to an apartment in Canada Bay. While there is capacity for townhouses in Canada Bay, under existing planning controls and development trajectories (take-up rates), there may be a slight undersupply in meeting the projected demand. This may be an area to investigate for changes to the current planning framework as part of the housing strategy.

The results are then charted below, showing where dwelling yield is occurring across the LGA. As expected, the major urban renewal precincts (labelled "Major Development" in the chart) are expected to accommodate the majority of development. Canada Bay also possesses several well-established centres, so dwelling yields in the "Centres/Centre Core" category are reasonable.

FIGURE 57 COMPOSITION OF DWELLING GROWTH ACROSS DIFFERENT TYPES OF DEVELOPMENT AREAS IN THE LGA (2018 TO 2036)

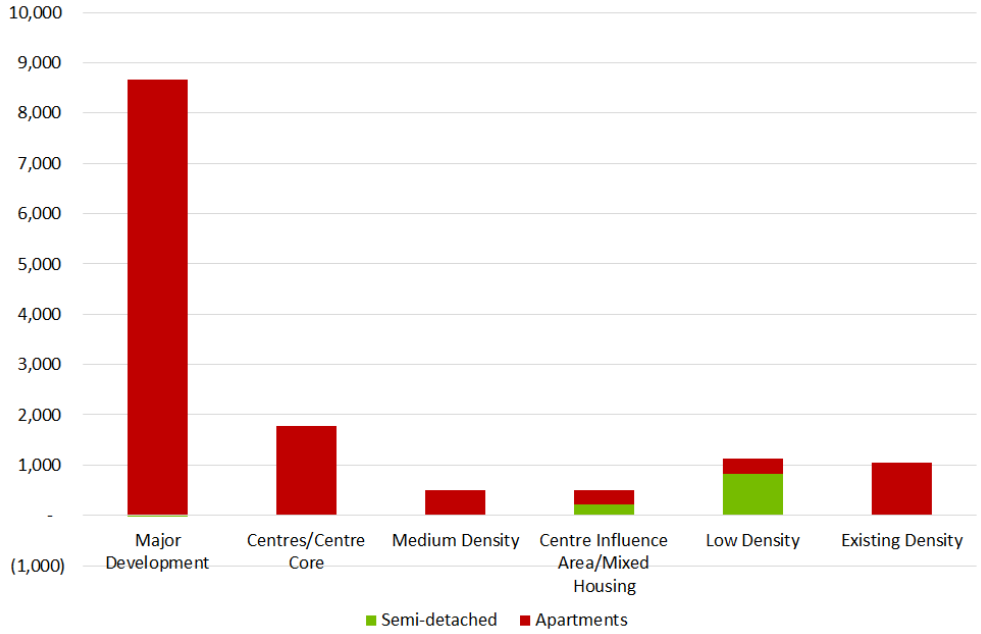


Table 22 then presents an alternative depiction of this take-up forecast – delineation of dwelling categories by size of dwellings, with number of bedrooms per dwelling as the proxy/measure (i.e. the more bedrooms in a dwelling, the larger the dwelling is in terms of floorspace quanta).

What this breakdown shows is that over half (60%) of the undersupply for semi-detached dwellings in 2026 will be in the three-bedroom category, with two bedroom (25%) the next most common. These are fairly standard sizes for terrace, townhouse, row, duplex and other such dwelling types.

TABLE 22 REALISED HOUSING TAKE-UP BY DWELLING SIZE

		2016	2018	2026	2036	2026 Demand (Section 3)	Result by 2026	2036 Demand (Section 3)	Result by 2036
Detached	One bedroom	30	30	30	30	30	-	30	-
	Two bedrooms	1,310	1,290	1,250	1,210	1,250	-	1,210	-
	Three bedrooms	6,140	6,050	5,870	5,690	5,870	-	5,690	-
	Four or more bedrooms	6,220	6,130	5,950	5,770	5,950	-	5,770	-
Semi	One bedroom	40	50	50	60	50	-	70	(10)
	Two bedrooms	1,010	1,100	960	730	1,010	(50)	840	(110)
	Three bedrooms	1,890	2,060	2,490	2,940	2,610	(120)	3,380	(440)
	Four or more bedrooms	450	490	700	960	730	(30)	1,110	(140)
Apartments	One bedroom	1,980	2,150	3,270	5,630	3,220	50	5,260	370
	Two bedrooms	11,840	12,890	16,360	21,910	16,110	250	20,470	1,440
	Three bedrooms	5,090	5,540	6,460	7,120	6,360	100	6,650	470
	Four or more bedrooms	290	310	310	340	300	-	320	20

5.3 Provisional housing targets

As discussed in Section 2, Canada Bay LGA is (like other Councils across Greater Sydney) required to produce dwelling targets for the Greater Sydney Commission's approval.

Based on the analysis in this report, some reasonable preliminary targets for this LGA could be:

- 43,700 dwellings in total in the LGA by the year 2026. This would represent growth of:
  - 5,600 new dwellings from 2018 to 2026 or
  - 3,800 new dwellings from 2021 to 2026
- 52,400 dwellings in total in the LGA by the year 2036. This would represent growth of:
  - 14,300 new dwellings from 2018 to 2036 or
  - 12,500 new dwellings from 2021 to 2036

Council's 5 year target has effectively already been met. The 2026 number above will help SGS and Council come to an understanding of an evidence based 10 year housing target. Whilst the 2036 forecast number is an approximate estimate only, and serves a purpose only in so far as it informs Council of the likely number of dwellings it may be able to contribute towards a 2036 District level target.

Given the misalignment between semi-detached dwellings and apartments, it is also recommended that this study explores mechanisms and strategies for increasing/accelerating the potential delivery of semi-detached, row, terrace or townhouse dwellings in the LGA.

6. AFFORDABILITY

6.1 Mortgage and rental stress in Canada Bay LGA

Approximately 1 in 5 households with a mortgage in Canada Bay pay more than 1/3 of their income on their mortgage. This percentage varies substantially across the LGA, and is greatest in areas with large amounts of recent apartment development, most likely as dwellings in these areas are newer. Rental prices across the Canada Bay LGA area unaffordable for a household on the average income for the LGA. Surrounding areas including Ryde, Burwood and Strathfield are more affordable.

TABLE 23 MORTGAGE STRESS IN SUBURBS IN THE CITY OF CANADA BAY

Suburb	Median Household Income (weekly)	Median Mortgage Repayment (monthly)	% of mortgaged households in mortgage stress
Strathfield (triangle)	1,658	2,040	39.7%
Rhodes	1,693	2,200	37.6%
Breakfast Point	2,175	2,700	25.6%
Mortlake	2,228	2,600	24.1%
Chiswick	2,220	2,600	21.9%
Concord	2,078	2,500	19.5%
North Strathfield	1,969	2,167	17.5%
Canada Bay	1,989	2,500	17.3%
Abbotsford	2,006	2,600	16.9%
Concord West	2,072	2,500	16.5%
Drummoyne	2,353	2,900	16.3%
Five Dock	2,077	2,617	15.5%
Wareemba	2,043	2,676	13.5%
Russell Lea	2,148	2,800	13.1%
Liberty Grove	2,207	2,075	11.2%
Cabarita	2,559	3,000	3.8%
Rodd Point	2,298	2,882	3.2%
Total (Canada Bay LGA)	*2,061*	*2,500*	*21.2%*

Source: ABS Census 2016

6.2 Housing demand assistance modelling

Introduction

Aim

Household financial stress, which drives demand for Social and Affordable Housing (SAH), is influenced by a range of factors, ranging from macroeconomic conditions (such as demographics, employment, and wages) to the operation of our cities and the housing market (supply and location of housing stock). It is important to have a clear understanding of the definition of *total demand* for SAH. Households who are in need of SAH are those who, due to financial stress (and potentially other issues), are either:

- Unable to access market housing (including homeless persons)
- Have low household incomes and spend a high proportion of this income on rent (i.e. are experiencing rental stress)

Importantly, this definition excludes those who are homeowners, and are experiencing mortgage stress[9].

Once total demand is known, the quantum of unmet demand must consider the existing stock of social and affordable housing, along with expected changes such as:

- Investment in social or affordable housing stock
- The loss of affordable housing due to the National Rental Affordability Scheme (NRAS) ten-year subsidies ending

Method

At present (i.e. 2016, for this analysis), demand for SAH is classified by three key cohorts. These are:

- Households who are in moderate rental stress (i.e. low income and spending between 30% and 50% of their income on rent) or severe rental stress (i.e. low income and spending greater than 50% of their income on rent)
- Homeless households, who in 2016 (Census night), were outside the private market for dwellings[10]
- Households residing in social housing. These households are both in need of, and being provided with SAH, and are therefore a component of total demand

These cohorts are he further filtered using the income band definitions as set out in the NSW affordable Housing Ministerial Guidelines for the 2016-17 year, the closest version to the 2016 census. These guidelines set Household Income band based on the number of persons living in a household by level of income (Very Low, Low, Moderate), Table 24 Identifies these income bands.

TABLE 24 NSW AFFORDABLE HOUSING GUIDELINES HOUSEHOLD INCOME BAND BY HOUSEHOLD SIZE

Household Members	Very Low	Low	Moderate
Single Adult	$25,000	$40,000	$59,900
Additional Adult (18+)	$12,500	$20,000	$30,000
Each Additional Child (Under 18)	$7,500	$12,000	$18,000

Source: NSW Affordable Housing Ministerial Guidelines 2016-17

[9] This cohort is typically excluded, as these households have the option of liquidating their asset and entering the rental market

[10] These households are clearly in need of SAH, but would not be identified as being in rental stress as they are homeless (i.e. 0% of income is spent on rent)

The definitions have been distributed across Household and Family Types from the 2016 census for the Greater Sydney GCCSA to identify Household Income Bands by Household Size and Family Composition, shown in Table 25 below.

TABLE 25 HOUSEHOLD INCOME BANDS BY HOUSEHOLD AND FAMILY COMPOSITION

Household and Family Composition	Very Low	Low	Moderate
Couple family with no children	$39,436	$63,098	$94,547
Couple family with children	$52,064	$83,302	$124,853
One parent family	$38,260	$61,216	$91,724
Other family	$78,587	$125,739	$188,508
Lone person household	$25,000	$40,000	$59,900
Group household	$43,186	$69,098	$103,547
Other household	$78,839	$126,143	$189,114

Source: ABS Census 2016, NSW Affordable Housing Ministerial Guidelines 2016-17 and SGS Economics and Planning, 2019

Using ABS Census data, the total demand for SAH in 2016, as defined above, can be estimated. The Census attributes considered are presented in Table 26. The model supplements these with data extracted from the 2016 estimate of homelessness (ABS cat. 2049.0).

TABLE 26 CENSUS ATTRIBUTES

Variable	Use
Weekly rent	Weekly rent is used to identify households spending a large proportion of their income on rent.
Weekly household income	Weekly household income is used to identify households spending a large proportion of their income on rent.
Household type	Lone person, Group household, or several family sub-types. The appropriate housing response for households in need of SAH will vary based on household type.
Tenure type	Used to differentiate between home-owner households, rental households, social housing households, and households with no tenure types (includes homeless households).
LGA	Spatial component used to show distribution of SAH demand across NSW

Source: SGS Economics and Planning, 2018

Following this, the SGS model estimates the demand for SAH from 2021 to 2036, which requires the following key assumptions:

- Growth in the number of households, by type and location, are assumed to follow DPE projections
- Unless otherwise stated, new households assume the 2016 distribution across all attributes. For example, newly formed lone person households in Penrith (obtained

from previous step) will assume the 2016 distribution across the attributes of equivalised income, tenure type, total income, and rent expenditure

Detailed definitions and methodological details for the three cohorts can be found in Appendix 1.

Current and Future Demand SAH

Introduction

In 2016, demand for social and affordable housing within the City of Canada Bay be 5,058 dwellings. The majority of this demand stems from households in rental stress, or those currently residing in social housing.

Overall, demand for SAH in Canada Bay is expected to grow by approximately 770 dwellings to 2026 and up to 1,997 additional dwelling will be demanded between 2016 and 2036, resulting in a total demand of 7,056 dwellings (i.e. 14% of all dwellings in Canada Bay).

Sensitivity tests, which correspond to improving and worsening rental affordability, imply the following lower and upper bounds for growth in SAH demand by 2036:

- Improving affordability: Total SAH demand growth of 1,831 dwellings
- Worsening affordability: Total SAH demand growth of 2,139 dwellings

Current demand

In 2016, there was demand for 5,058 social and affordable housing dwellings within Canada Bay. Table 27 presents this demand, disaggregated by current tenure and Household type.

Compared to Greater Sydney, households in Canada Bay are less likely to need SAH (14% and 17% of existing households, respectively). Demand for SAH in Canada Bay is primarily driven by the 3,780 households currently experiencing rental stress, of which 2,224 are experiencing severe rental stress. The current 1,016 Canada Bay Households Living in social housing also contributes to the higher expressed demand.

Table 28 also presents median rents in 2016 for City of Canada Bay.

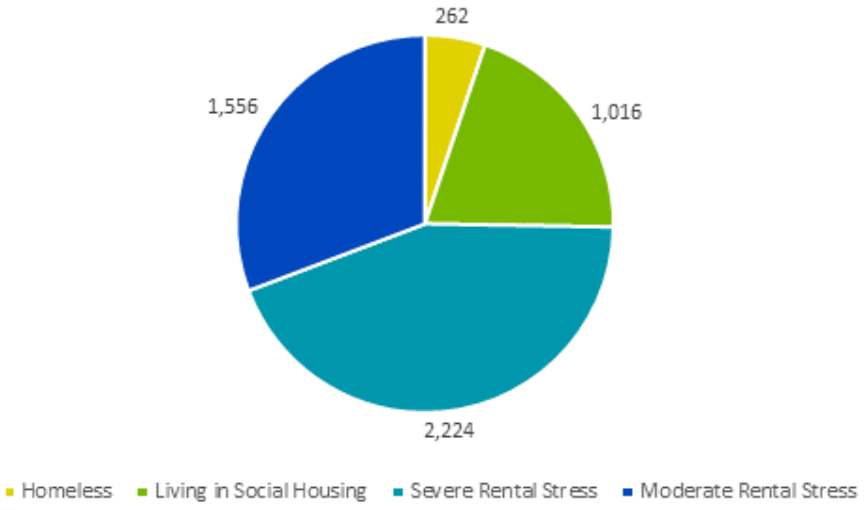
TABLE 27 CURRENT DEMAND FOR SAH, BY COHORT

LGA	Homeless	Living in Social Housing	Severe Rental Stress[11]	Moderate Rental Stress[12]	Total Demand for SAH	Total Households	Demand % of Total households
Couple family with children	0	52	383	470	905	12,440	7%
Couple family with no children	0	101	578	464	1,142	9,460	12%
Group household	0	31	321	206	558	1,850	30%
Lone person household	262	675	622	186	1,744	8,562	20%
One parent family	0	153	268	183	604	3,000	20%
Other family	0	4	53	48	105	450	23%
Total	262	1,016	2,224	1,556	5,058	35,762	14%

Source: ABS Census 2016, ABS Homelessness Estimate (Cat. 2049.0), SGS Economics & Planning 2018

[11] Moderate, Low or Very Low-Income Households only. Other higher income households may be in rental stress, but the relative levels of Household income would exceed Income eligibility criteria.

FIGURE 58 CURRENT DEMAND FOR SAH, BY COHORT



Source: ABS Census 2016, ABS Homelessness Estimate (Cat. 2049.0), SGS Economics & Planning 2018

TABLE 28 CITY OF CANADA BAY MEDIAN RENT (2016)

LGA	One Bedroom	Two Bedrooms	Three Bedrooms	Four + Bedrooms
City of Canada Bay	$530	$630	$910	$1,295

Source: FACS Rent and Sales Report, Issue 116

Boarding houses

From the groups identified in Table 27, Lone Person Households who are either Homeless (262) or under Severe Rental Stress (622) have traditionally been considered suitable candidates for accommodation in boarding houses.

So whilst the presence of genuine boarding houses may have waned over time for various reasons, the underlying demand and need for such dwellings remains. A research paper published by the UNSW City Futures Research Centre for the Southern Sydney Regional Organisation of Councils (SSROC) found that an increasing proportion of boarding houses across Greater Sydney were no longer available at a sufficient discount for the stock to be considered affordable housing to those in need. In particular, larger boarding houses (containing over 60 dwellings) were most commonly used as student accommodation.

Whilst there are elements of this problem that are beyond Council's control, it is important that the planning system does what is possible to facilitate and encourage the development of affordable accommodation for those individuals that are most in need. More pertinently to the Local Housing Strategy, Council should also look to direct boarding houses towards locations with great access to infrastructure, services and economic opportunities. In the Canada Bay case, these locations are most likely to be found in around the major railway stations to the west. Finally, the boarding house definition should be tightened to ensure that the provision is for dwellings that provide genuine affordable housing for the groups that it was intended for – as opposed to international students for example.

Future demand

Over the 20-year period spanning from 2016 to 2036, the City of Canada Bay is expected to accommodate a significant proportion of NSW's population growth. This in turn drives demand for SAH. As presented below, demand for SAH is expected to grow by approximately

2,000 households. This represents an average annual growth rate of 1.7%, compared to an annual growth of 1.5% across NSW.

Table 29 expresses this forecast demand, disaggregated by household type. Lone person households have the fastest growth *rate* of demand for SAH. This is consistent with trends across NSW, as the ageing of the population (as the largest driver) leads to more lone person households overall, combined with the lower incomes of such households. However, in absolute terms, families with children exhibit the greatest growth in demand and remains the largest cohort of households requiring SAH.

TABLE 29 FORECAST DEMAND FOR SAH, BY HOUSEHOLD TYPE

Household Type	2016	2021	2026	2031	2036	Change	AAGR
Couple family with children	905	959	1,028	1,108	1,180	275	1.3%
Couple family with no children	1,142	1,168	1,295	1,434	1,573	431	1.6%
Families with children (sub-total)	**2,047**	**2,127**	**2,323**	**2,541**	**2,753**	**706**	**1.5%**
One parent family	558	527	573	618	663	105	0.9%
Other family	1,744	1,860	2,090	2,352	2,613	869	2.0%
Group household	604	664	725	805	886	282	1.9%
Lone person household	105	105	117	128	140	35	1.4%
Total	**5,058**	**5,283**	**5,827**	**6,445**	**7,056**	**1,997**	**1.7%**

Source: DPE Household Forecasts 2016, SGS Economics and Planning 2018

The above analysis presents a base case, which is the expected demand for SAH if the distributions of household incomes and rents remain constant, relative to each other. In other words, it is assumed that rents do not grow faster than income, or vice versa. However, in reality, the evolution of these variables will be influenced by a variety of factors ranging from macroeconomic conditions to housing policy and infrastructure investment[13]. Table 30 examines the forecast demand for SAH under two alternate scenarios, which are defined as follows:

- **Improving affordability**: Household incomes grow by 1.0% per annum, relative to rents. Over a 20-year period (i.e. at 2036), incomes would have grown by 20% relative to rents
- **Worsening affordability**: Household rents grow by 1.0% per annum, relative to incomes. Over a 20-year period (i.e. at 2036), rents would have grown by 20% relative to incomes

Under the improving affordability scenario there is expected to be demand for 630 additional dwellings between 2016 and 2026, with total demand under this scenario reaching approximately 1,000 dwelling in 2036. In comparison under worsening affordability conditions, by 2026 there will be demand for 890 new affordable housing dwellings with total demand reaching 2,189 by 2036.

TABLE 30 FORECAST DEMAND FOR SAH – SENSITIVITY TESTS

Scenario	2016	2021	2026	2031	2036	Change	AAGR
Base	5,058	5,283	5,827	6,445	7,056	1,997	1.7%

[13] E.g. Improving the accessibility of an area can significantly alter property values and rents

Improving affordability	5,058	5,154	5,686	6,291	6,889	1,831	1.6%
Difference	0	-129	-140	-154	-166		
Worsening affordability	5,058	5,393	5,947	6,576	7,197	2,139	1.8%
Difference	0	110	120	131	142		

Source: DPE Household Forecasts 2016, SGS Economics and Planning 2018

Supply of SAH

Current supply of social and affordable housing

The existing supply of social and affordable housing in the City of Canada Bay is primarily provided through public housing, community housing, and the NRAS. In 2016, Canada Bay had a stock of 1,187 social and affordable housing dwellings across these three providers, with public housing comprising the majority. Table 31 presents this current supply of Social and Affordable Housing in City of Canada Bay.

TABLE 31 EXISTING SOCIAL AND AFFORDABLE HOUSING SUPPLY (2016)

LGA	Public Housing	Community Housing	NRAS	Total
Canada Bay (A)	816	331	40	1,187

Source: ABS Census 2016, NRAS Quarterly Performance Report Dec 2016, AIHW National Housing Assistance Data Repository 2017, SGS Economics and Planning, 2018

Projected changes in social and affordable housing

With regard to planned developments, the availability of data from public sources is limited. There are no known SAHF or Communities Plus projects announced in the area, however any new development can be expected to have a expire after a 10 year period in line with the Affordable housing SEPP legislation. The affordable housing targets identified by the GSC would potentially apply in the LGA.

An alternative avenue of collecting data regarding possible additional supply via for instance AHSEPP and other mechanisms may be the individual councils and community housing providers[14].

The phasing out of NRAS funding (it involves a 10-year subsidy on new housing) may result in the conversion from affordable to full market rental dwellings and an associated reduction in the supply of affordable housing. The extent to which this conversion will actually occur is uncertain. It is anticipated that ownership status of NRAS dwellings may play a role, with dwellings owned by CHPs more likely to be retained as affordable stock. Table 32 shows the expected number of NRAS dwellings within Canada Bay under the following assumptions:

- All NRAS incentives that have not yet been realised (as at December 2017) will be delivered by 2021
- All NRAS dwellings will be lost from the pool of affordable housing once their 10-year subsidy expires

TABLE 32 NRAS DWELLINGS

LGA	2016	2021	2026
Canada Bay (A)	40	40	0

Source: NRAS Quarterly Performance Reports December 2018

[14] The current timing and scope were limited and this was not accommodated

6.3 Key implications

Currently there is a gap between the demand for affordable rental housing and the current supply. This will be a matter that needs to be considered in the development of the housing strategy, and would suggest that a target in the order of 5% for affordable rental housing as part of new development alone will not necessarily fill this gap.

7. ISSUES AND OPPORTUNITIES

7.1 Key issues and opportunities

The housing issues that will inform the preparation of a housing strategy have been identified through this report. These include:

District planning proposes continued focus on major urban renewal areas

The GSC District Plan requires the accommodation of significant additional housing, located in major development precincts along the Parramatta Road Corridor and at Rhodes East planned precinct. This will lead to the continued supply of higher density apartments, particularly in the short to medium term. Council has completed more detailed analysis of the yield expectations from the Parramatta Road precincts to inform the analysis of future capacity for housing provision.

Sydney Metro West will impact where future housing demand & location

The projection of housing demand for the Canada Bay LGA has been prepared with consideration of the projections at an LGA level by the DPE (similar to medium scenario projections), but has also considered the estimate resident population and development activity that has happened more recently that when the DPE projection was prepared.

The city shaping transport infrastructure investment will potentially impact on future demand for housing and the location of this housing in Canada Bay LGA. The location of three stations is still to be determined. However, recent reports suggest one station will connect at North Strathfield to the existing heavy rail line, a station will service the Parramatta Road Corridor redevelopment in a location near Burwood Road, and a station will be located at the Five Dock town centre.

In addition, there is a requirement for Council to nominate a 6-10 year target for housing provision, including how the LGA will accommodate a share of future District growth, as part of preparing a local housing strategy. The District housing target to 2036 is an additional 157,500 dwellings. The share of future housing demand that locates in Canada Bay LGA will be impacted by the decisions on the Sydney Metro West station locations.

Canada Bay's population has a changing household structure and age profile

The demographic change in the LGA that has been identified in this report includes an increase in couples only households and increases in other smaller household types. In addition, there is an increase in the older age cohorts, aged 55 and over as well as a 75% increase in persons aged 75 and over.

This will have an impact on housing needs, that may not be able to be best accommodated through a growth only in higher density apartments in the major development urban renewal precincts.

There has also been an observable trend of couple families with children occupying smaller dwellings (apartments, two bedroom dwellings). This has presumably been due largely to the unavailability of larger dwellings at affordable price points. There is therefore some undersupply of larger apartments (large two or three bedrooms) and smaller semi-detached dwellings (two or three bedrooms).

Housing affordability remains a major challenge for Canada Bay households

Affordability in regard to households purchasing a dwelling, as well as for housing related stress in the rental market, are a significant issue to address now and in the future. The analysis identifies that there is a considerable number of households in severe rental stress who require more affordable housing options, and this demand for affordable rental housing will continue in the future. For example, in 2016 42% of households renting in the LGA experienced rental stress when rental levels were considered against household income. This affordability has an impact on lower income households, who could be key workers, sole parents or students. The lack of diversity of housing between the extremes of higher density apartments and low density detached housing is also having an impact on housing affordability.

The current planning control framework has capacity to accommodate future growth

The analysis of future housing provision in this report shows that Canada Bay LGA is on target to accommodate 5,600 net new dwellings between 2018 and 2026. This would take the LGA's total number of dwellings up to 43,700 by 2026.

Under the current LEP and DCP controls and including the future capacity proposed for the major urban renewal precincts, it is possible for Council to accommodate this short and medium term housing demand, whilst also accommodating a proportion of the 20-year Eastern District Plan housing targets. However, there is the opportunity to look at changes to the planning framework which will encourage more of this future housing to locate in accessible locations to mass public transport (i.e. rail stations) as well as within and within walkable catchments of traditional centres. Opportunities in and around centres on heavy rail stations in the west of the LGA should be investigated for encouragement of future renewal in this more accessible location. There is also the opportunity to establish a planning framework that will encourage the creation of a diversity of housing types, particularly low-medium density and semi-detached housing in a form that will compliment the character of established residential neighbourhoods. All of these opportunities should be cognisant however, of the social infrastructure and open space needs that are associated with significant volumes of dwelling and population growth in local areas.

Providing a balanced housing strategy is a direction set by Council's Community Strategic Plan

Council's community strategic plan identifies directions including in a summarised form: developing a balanced housing mix; ensuring high quality housing and renewal; encouraging sustainable housing and design; as well as considering impact on the character of the area. The approach to achieving a balanced housing strategy that seeks to maintain character, including the character established by open spaces, vegetation and the views and access into the various bays around the LGA, whilst also accommodating a diverse range of housing types is a important policy direction when considering the development of a housing strategy vision and options.

Nonetheless it is clear that the local community's expectations are that the LGA's established areas of neighbourhood character are – if not preserved, then – at least respected by new development. Incremental medium-density development must therefore adhere to the height, scale and form of local streetscapes. There should be some opportunity apartment developments in major and local centres. State-planned urban renewal precincts around PRUTS, Rhodes East and potential Sydney Metro West Stations can then accommodate the bulk of remaining dwelling demand - particularly for higher density development.

8. LOCAL HOUSING STRATEGY

8.1 Introduction

Facilitating and managing future dwelling growth is a major priority for all Councils. Canada Bay is positioned in the Inner West of Greater Sydney, and is located in a strategic position along a major transport corridor between Parramatta and the Sydney CBD. Canada Bay's suburbs are therefore highly desirable residential postcodes, where high demand will need to be carefully managed to ensure that local liveability is not just sustained but also enhanced where possible.

As outlined in the project brief, the key objectives of this local housing strategy are to:

- Understand the type of housing that currently exists in the LGA;
- Respond to constraints and opportunities associated with the delivery of new housing (feasibility, heritage, local character, environmental, employment and infrastructure) to achieve the requirements of the Eastern City District Plan;
- Follow the process and reporting structure described in the Department of Planning and Environment's Local Housing Strategy Guideline.

8.2 Key findings from the background analysis

A. Significant demand for dwelling growth in this LGA is a given for the next 20 years. The strategy needs to make use of the urban renewal precincts available and identify whether or not other opportunities may be available (e.g. around stations).

> Policy Direction: Support the development of Rhodes Planned Precinct and Parramatta Road as urban renewal precincts, which offer significant dwelling yields. Support in this case should include the provision of social infrastructure, transport infrastructure and open space wherever new development would increase demand in the community

B. Young professionals in the 25 to 34 age category will continue to value access to public transport and employment highly – so providing affordable dwellings that are appropriately located for this demographic is important. The more senior residents may value slightly different opportunities, including access to services and open space.

> Policy Direction: Locate dwellings around transport, social infrastructure and open space. Even if the location has only one or two of those elements - dwellings could still appeal to some demographic groups.

C. A significant proportion of dwelling demand in this LGA is for apartments. However, families do still need more space, so some emphasis on larger apartments should be given – in addition to providing more medium density opportunities, where possible.

> Policy Direction: Encourage the development of low rise medium density developments around centres that possess good access to infrastructure and services. Where this is not possible, encourage the development of larger apartments of three or more bedrooms.

D. Although many households have been able to adapt to smaller dwellings, it needs to be borne in mind that overcrowding of smaller dwellings will likely become increasingly common – whilst the considerable number of lone person and couples without children households continue to occupy detached dwellings and perpetuate the underutilisation of residential dwellings and land in the LGA.

> Policy Direction: In low density neighbourhoods continue to approve the turnover of detached dwellings into 1 or 1.5 storey dual-occupancies.

E. With such a high volume of apartments forecast, it will be important for council to manage amenity outcomes to ensure affected areas remain liveable for existing and future areas.

> Policy Direction: Ensure that all new development adhere to and respect local character and streetscapes. This is particularly important for urban renewal precincts, where in some instances, there is a greater challenge given the volume of development expected.

F. Housing in this LGA (and more broadly around Metropolitan Sydney) is becoming less affordable – particularly for young families moving into larger dwellings with more than two bedrooms. Currently there is a gap between the demand for affordable rental housing and the current supply. A target in the order of 5% for affordable rental housing as part of new development alone will not necessarily fill this gap.

> Policy Direction: Ensure that new development provides for not just a diversity of dwelling types, but also a mandatory provision of affordable rental housing.

8.3 Multi Criteria Assessment Framework

TABLE 33 MULTI CRITERIA ASSESSMENT FRAMEWORK

Issue/opportunity	Policy objective response
The fundamental housing challenge in Sydney is the identification of appropriate opportunities to increase housing supply in established areas. Many of these opportunities in Canada Bay LGA have progressed in the form of State-led urban renewal plans.	Dwelling supply growth
The continued supply of high density dwellings could lead to an overwhelming supply of one and two bedroom dwellings. Meeting dwelling targets does not equate to meeting the breadth of market demand for the current and future local community.	Dwelling diversity
Any increase in local population needs to be accompanied by a commensurate investment in the provision of local infrastructure, facilities and amenity.	Improving liveability
The property market is a reasonable means for most households to access the dwellings of their choice and needs. However there are certain sections of the community (key workers, low income households etc.) which need additional support.	Housing affordability
Most residents of a working age will need access to employment opportunities. Access to train stations and by extension, employment dense areas is therefore an important consideration when planning for the location of new dwellings.	Access to opportunity
The function of planning for housing is to serve both existing as well as future residents. The strategy must therefore consider the impact of new development on existing neighbourhoods, particularly in terms of amenity.	Existing neighbourhoods

8.4 Multi Criteria Assessment of Options

TABLE 34 MULTI CRITERIA ASSESSMENT

Policy Objective	Indicator	Option 1 - Current approach	Option 2 - Local centre renewal
Dwelling supply growth	Increases overall dwelling yields; contributes to meeting short/medium/long term District Plan dwelling targets;	✓✓	✓✓✓
Dwelling diversity	A greater proportion of dwellings that are larger apartments or some form of semi-detached dwelling	✓	✓✓
Improving liveability	High quality living environments; access to community infrastructure; strong amenity outcomes	✓✓	✓✓
Housing affordability	Quality and quantity of affordable housing provision;	✓	✓✓
Access to opportunity	Improve accessibility to employment by increasing the number of dwellings which are accessible by public transport	✓✓	✓✓✓
Existing neighbourhoods	Protection of streetscapes and character in established neighbourhoods	✓✓✓	✓✓✓

8.5 Confirmation of Identified Options

These options have been developed to understand the implications of different planning policies:

Option 1 (current approach)

that keeps to current planning framework in the LEP, with the addition of the major planned precincts on Parramatta Road and Rhodes Planned Precinct. It should be acknowledged that even under this base case, there will be significant urban renewal and volumes of high density apartment development across the LGA. This base case is therefore not a 'Do Nothing' scenario for Council on the housing front.

Option 2 (Local centre renewal)

investigative changes to the planning framework to encourage a greater diversity of dwellings. The main objective here is to encourage more low to medium density dwellings in-and-around centres that have high accessibility, along with potentially larger apartments suitable for families in centres.

8.6 Vision Statement

"The City of Canada Bay will provide a diverse range of housing choice to meet the changing housing needs of residents as well as opportunities for increases in housing provision to support the growth of the Sydney region.

Additional housing will be provided in major redevelopment sites as part of the transformation and renewal of the Parramatta Road corridor, as well as part of the Rhodes Planned Precinct. These will incorporate high density residential areas with provision of apartments. The mix of apartments will include a range of sizes from smaller one-bedroom apartments to larger 3-4 bedroom apartments suitable for families. Social infrastructure, particularly the provision of open space and parkland, will be expanded to meet the needs of the growing populations.

In addition to increasing the overall supply of housing, Canada Bay will diversify the type of housing. This diversification will be located around local centres that provide walkability to services and shops whilst also being located with access to public transport networks, particularly rail. This will provide a range of medium density housing forms, including low rise apartments, attached and multi-unit dwellings to meet changing housing needs of residents over their lifecycle.

Areas of identified character will be protected, with planning controls to ensure that the scale and design of infill development complements and builds on this existing character. Affordability of housing will be addressed through the requirement for major redevelopment sites to provide affordable housing that can be managed by community housing providers. This will allow key workers and households on low-moderate incomes to live within the City of Canada Bay, and retain social and economic diversity.

Housing will be accessible, adaptable and diverse and will cater for people at all life stages, including an aging population.

Additional housing will contribute towards meeting the needs of Sydney's growing population, with corresponding upgrades in infrastructure to support this additional activity, and to manage increased congestion and levels of use. This will include provision of new and upgraded social infrastructure as part of centres, whilst also providing improved walking and cycling facilities as well as open space and parkland."

8.7 Key Housing Priorities

1. Large-scale urban renewal to deliver high density housing in the form of apartments as outlined under State Government plans

2. Ensure that high density dwelling yields are comprised of sufficient dwelling diversity

3. Local centres are planned to provide opportunities for alternative low and moderate-scale housing, within walking distance of services and access to public transport

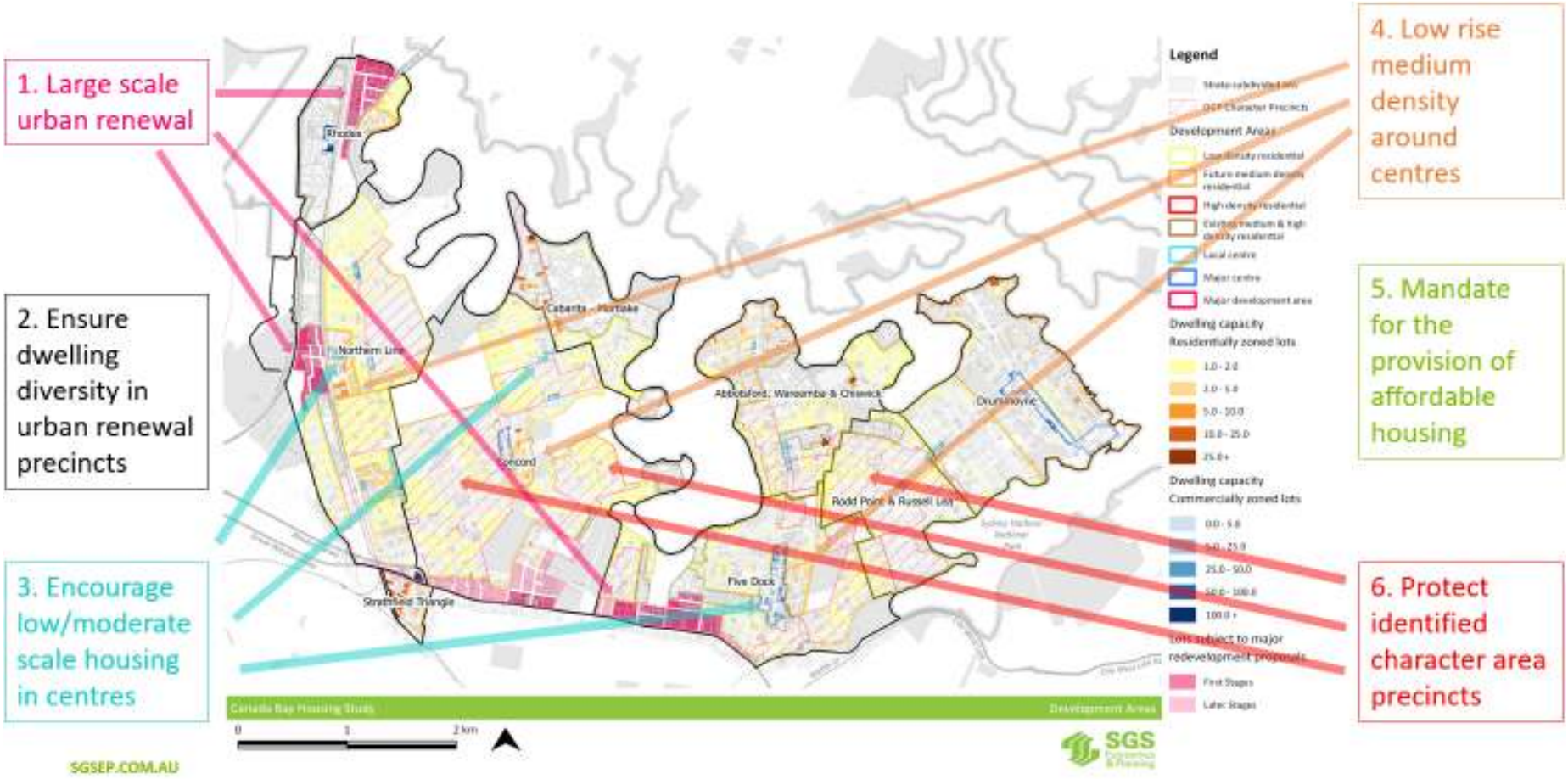
4. Housing diversity and choice to be further addressed by infill development around centres in the form of low-rise medium density, to provide a wider range of housing forms whilst being respectful of local neighbourhood character

5. Ensure that housing in the LGA provides opportunities for key workers, low income households and other groups through the requirement the private sector provide affordable housing as part of larger redevelopment

6. All character areas be identified and protected, with sensitive infill development, as part of retaining a diversity of housing types and residential streetscapes

The priorities are spatially laid out in Figure 59.

FIGURE 59 KEY HOUSING PRIORITIES



8.8 Actions

1. Large-scale urban renewal to deliver high density housing in the form of apartments as outlined under State Government plans

- Develop the Parramatta Road Urban Transformation Precincts and the Rhodes Planned Precinct as higher density apartment development areas in the short to medium-term.
- Work with the NSW Government to seek provision of affordable rental housing for key workers as part of the major development precincts, particularly in close proximity to the Concord Hospital.
- Ensure that plans for the provision of social infrastructure for these major development areas address the needs of these new communities, particularly addressing open space provision in the North Strathfield area, and that this matter is addressed in development contribution plans.

2. Ensure that apartment dwelling yields are comprised of sufficient dwelling diversity

- Encourage the development of larger apartments in centres and urban renewal precincts
- In some cases there may be merit in approving aged care/seniors living residential developments or apartments to encourage more multi-generational living in the precincts
- In some cases there may be merit in approving student accommodation (if the applications are incoming) to encourage a greater diversity of students living in close proximity to the public transport network, along with greater diversity of residents.

3. Local centres are planned to provide opportunities for alternative low and moderate-scale housing, within walking distance of services and access to public transport

- Develop detailed local area plans (LAPs) for local centres and surrounding local renewal areas, that are the basis for planning framework changes that promote medium density and infill development to diversify housing types
- Develop a staged program for the preparation of LAPs and planning control changes, with the program to include local centres with high accessibility including: Concord West, North Strathfield and Five Dock
- Establish a local centres renewal framework that identifies mixed use town centres, core residential areas with opportunities for low to mid-rise apartments, and a wider mixed housing precinct with opportunities for a diverse range of low-rise medium density developments (up to two storeys).

4. Housing diversity and choice to be further addressed by infill development around centres, based on planning controls that are feasible, to provide a wider range of housing forms whilst being respectful of local neighbourhood character

- Ensure a diversity of housing forms, through development of a guidelines for appropriate housing provision as well as ensuring that Council's DCP has controls that promote greater diversity of housing
- Ensure that there is a regular review of production of more diverse housing types, and a review of development feasibility of council's planning controls

5. Ensure that housing in the LGA provides opportunities for key workers, low income households and other groups through the requirement the private sector provide affordable housing as part of larger redevelopment

- Develop an affordable housing scheme under SEPP 70 for inclusionary zoning for the provision of affordable housing as part of major redevelopment sites as well as part of rezoning of others lands to more intensive residential zones in the LGA
- Identify a target for affordable housing based on an assessment of affordable housing demand, and consideration on the impacts on development feasibility prior

to rezoning of major sites – with an aspiration that a minimum 5% target of new dwelling floorspace is achieved
- Council work in partnership with community housing providers to manage affordable housing supply, but to also seek government grants and subsidies for additional affordable housing provision
- Council work in partnership with state government land and housing corporation to review current social housing provision, and collaborate for the renewal of housing in the LGA
- Over time, increase the provision of social housing as a discrete sub-set of affordable housing provision

6. Character areas be identified and protected, with sensitive infill development, as part retaining a diversity of housing types and also residential neighbourhoods
- Identify through a character study areas for protection due to local character, including community values studies

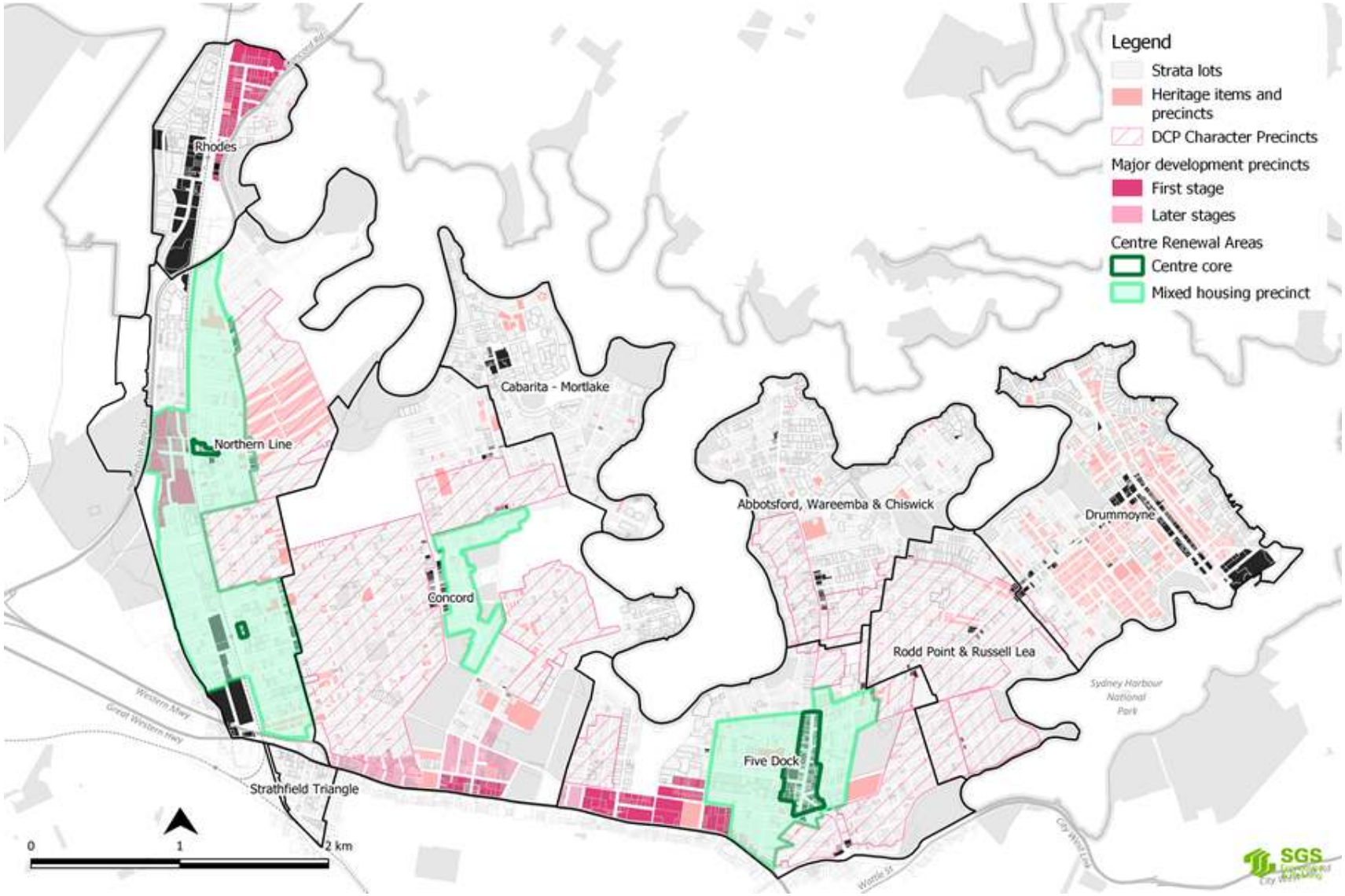
8.9 Centre Renewal Precincts

Under the project option (Option 2), changes to the planning framework are proposed as shown to encourage a greater diversity of dwellings.

The main objective here is to encourage more semi detached dwellings in-and-around centres that have high accessibility in the mixed housing precincts. This will be achieved through low rise medium density developments of no greater than two storeys in height.

These Centre Renewal Precincts are shown in Figure 60.

FIGURE 60 CENTRE RENEWAL PRECINCTS



8.10 Proposed Development Controls

Housing Typologies: Five Dock

FIGURE 61 FIVE DOCK

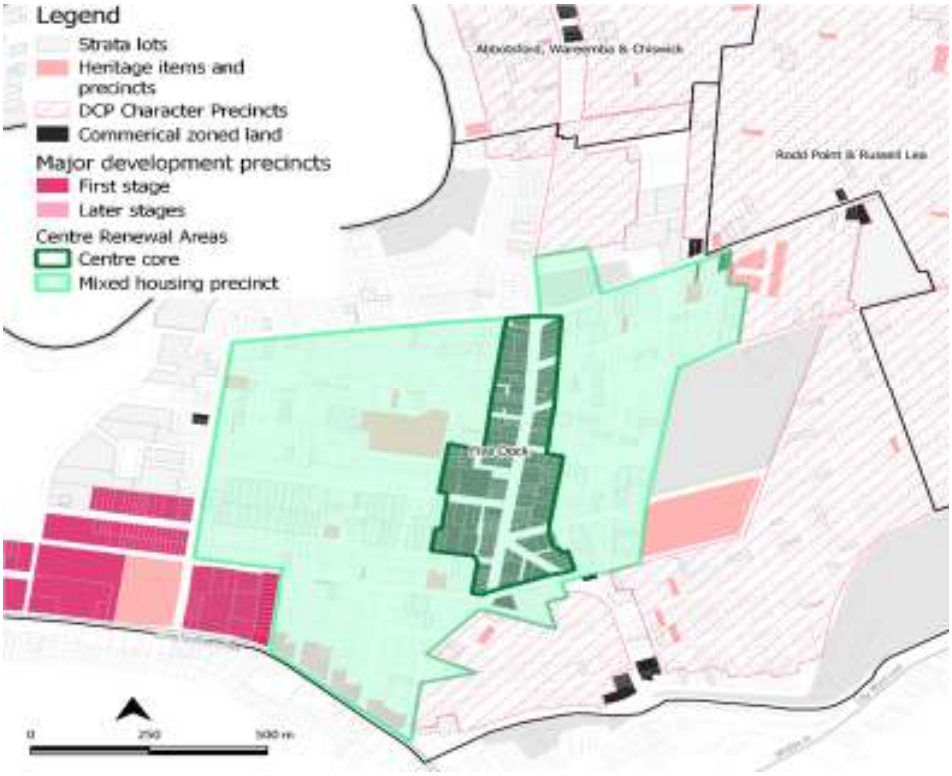


TABLE 35 HOUSING TYPOLOGIES: FIVE DOCK

Centre Core

Desired Character	Recommendations	Controls
▪ Area surrounding the commercial core ▪ Active street frontages.	▪ Family Friendly Apartments should be encouraged in locations that have rear lane access. ▪ It is recommended that the proportion of family friendly apartments (2 or more bedrooms) respond to the needs of Canada Bay. ▪ Where possible family friendly apartments should be located on ground level.	▪ B4 Mixed Use Zone The maximum building height is to be in accordance with The Canada Bay LEP

Mixed Housing Precinct

Desired Character	Recommendations	Key Controls
▪ Facilitate development that addresses and supports a diverse range of housing typologies.	▪ Ensure that garages and driveways do not dominate the street. This will soften the impact of densification	▪ Rezone R2 Low Density areas to R3 Medium Density. ▪ Height of buildings maximum of 2 storeys. Opportunity to accommodate a 3rd storey could be explored, subject to satisfactory urban design outcomes and the delivery of terrace typologies. ▪ Add Manor Houses into the permitted with consent land use table

Housing Typologies: Concord West

FIGURE 62 CONCORD WEST

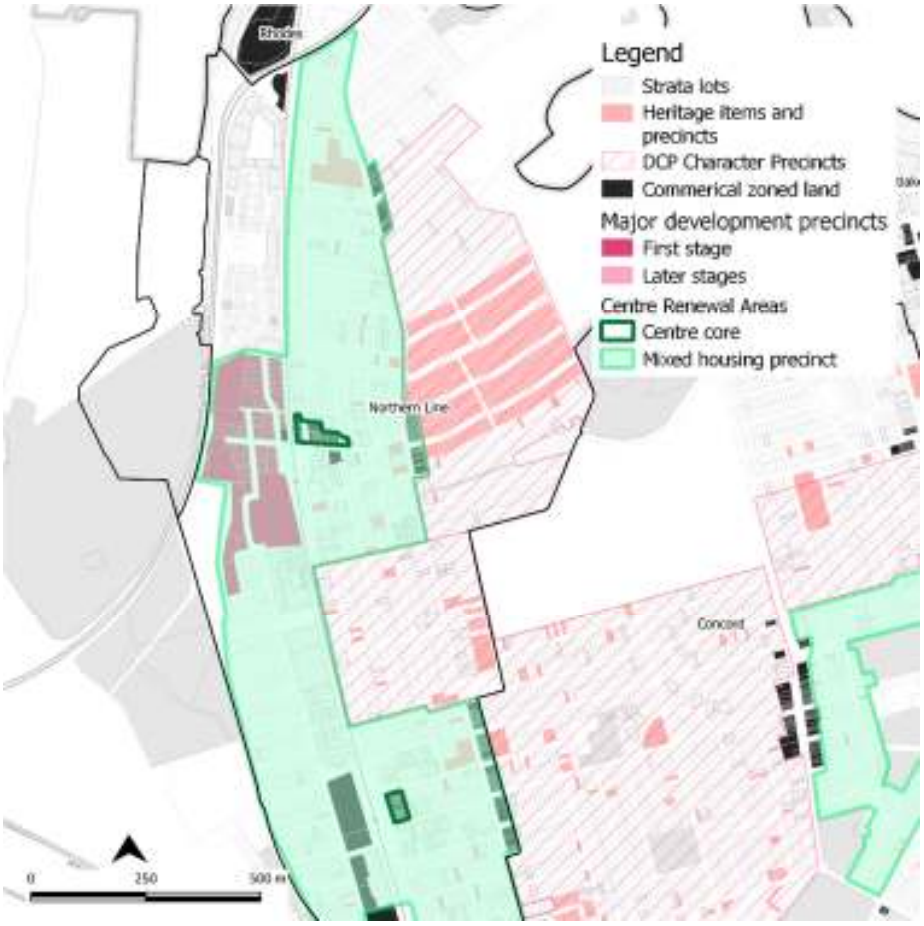


TABLE 36 HOUSING TYPOLOGIES: CONCORD WEST

Centre Core

Desired Character	Recommendations	Controls
▪ Active street frontages in the commercial centres.	▪ N/A	▪ B1 Neighbourhood Centre

Mixed Housing Precinct

Desired Character	Recommendations	Key Controls
▪ Facilitate development that addresses and supports a diverse range of housing typologies.	▪ Ensure that garages and driveways do not dominate the street. This will soften the impact of densification. ▪ Ensure that the planning framework encourages and facilitates the development of terraces.	▪ Rezone R2 Low Density areas to R3 Medium Density. ▪ Height of buildings maximum of 2 storeys. Opportunity to accommodate a 3rd storey could be explored, subject to satisfactory urban design outcomes and the delivery of terrace typologies. ▪ Add Manor Houses into the permitted with consent land use table.

Housing Typologies: North Strathfield (Metro Station)

FIGURE 63 NORTH STRATHFIELD (METRO STATION)

TABLE 37 HOUSING TYPOLOGIES: NORTH STRATHFIELD (METRO STATION)

Centre Core

Desired Character	Recommendations	Controls
▪ Active street frontages in the commercial centres. ▪ Increased densities around the train station.	▪ N/A	▪ B1 Neighbourhood Centre

Mixed Housing Precinct

Desired Character	Recommendations	Key Controls
▪ Facilitate higher density outcomes. ▪ Encourage development that responds to the existing character of the area.	▪ Ensure that garages and driveways do not dominate the street. This will soften the impact of densification. ▪ Ensure that the planning framework encourages and facilitates the development of terraces.	▪ Rezone R2 Low Density areas to R3 Medium Density. ▪ Height of buildings maximum of 2 storeys. Opportunity to accommodate a 3rd storey could be explored, subject to satisfactory urban design outcomes and the delivery of terrace typologies. ▪ Add Manor Houses into the permitted with consent land use table.

Housing Typologies: Concord

FIGURE 64 CONCORD

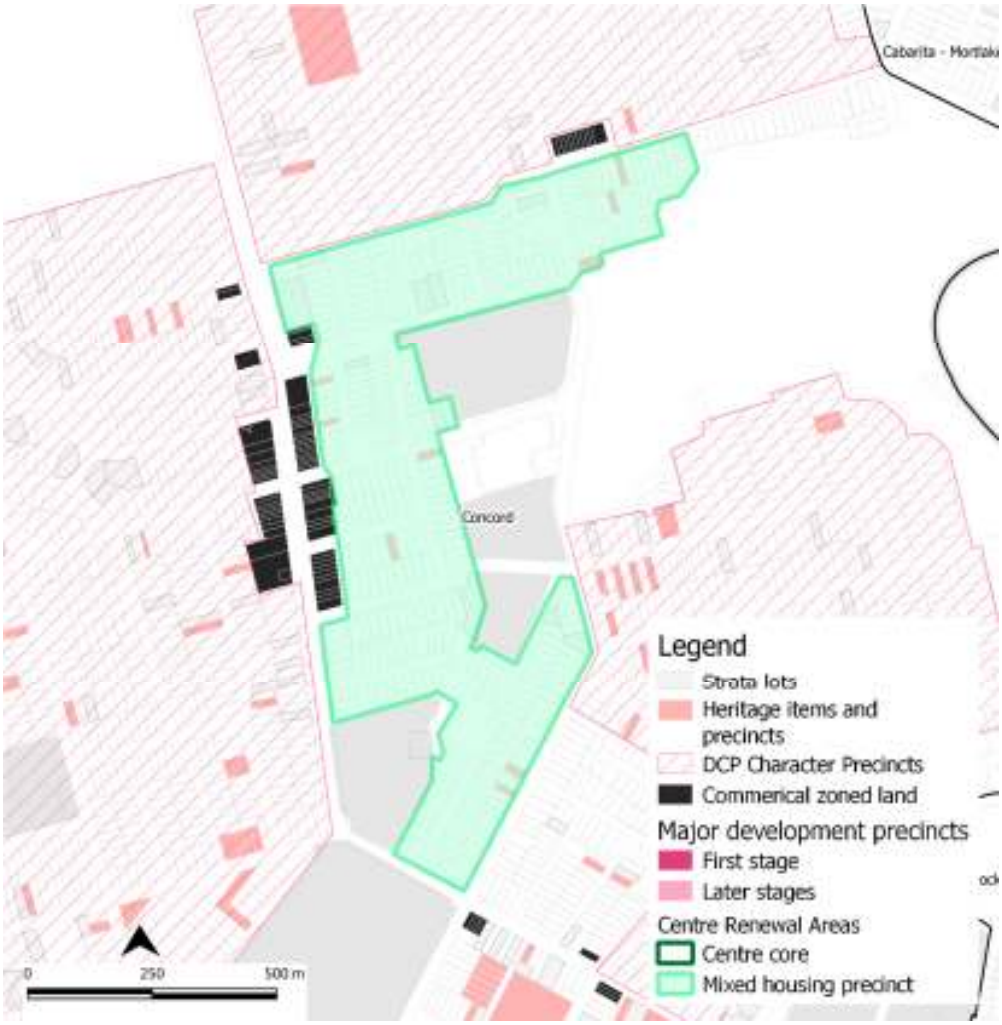


TABLE 38 HOUSING TYPOLOGIES: CONCORD

Mixed Housing Precinct

Desired Character	Recommendations	Key Controls
▪ Allow density increases in the low density areas in the form of terraces, dual occupancies (attached), multi dwelling housing and manor houses. ▪ Allow greater density increases and intensification along the open space corridor.	▪ Ensure that garages and driveways do not dominate the street; this will soften the impact of densification. ▪ Ensure that the planning framework encourages and facilitates the development of terraces	▪ Rezone R2 Low Density areas to R3 Medium Density. ▪ Height of buildings maximum of 2 storeys. Opportunity to accommodate a 3rd storey could be explored, subject to satisfactory urban design outcomes and the delivery of terrace typologies. ▪ Add Manor Houses into the permitted with consent land use table.

Future density increases in major precincts/centre core areas should encourage development that reflects the needs of the community.

> Action: Council could investigate policy guidelines to encourage family friendly apartments in centre core areas and major precincts.

Case Study: Vancouver City Council

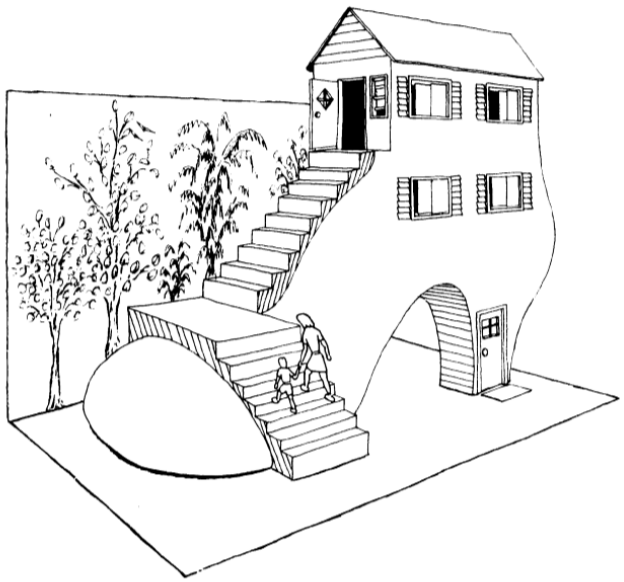
Vancouver City Council created **High Density Housing for Families with Children Guidelines** to improve the liveability of high density housing for families with children. The policy was adopted by council in 1992 and applies to all new dwellings that have 75 and more units per hectare in density. Specific objectives and guidelines ensure that there is an appropriate mix of apartments, common open space, hierarchy of spaces, outdoor play areas for children, passive surveillance.

Example: "Objective: Children of all ages should have easy access to appropriately located, designed and landscaped outdoor play areas suited to their developmental and play need.

Criteria: Total outdoor play area should range in size from 130 m² to 280 m². This can be achieved in one or more locations. See third point in following discussion. Outdoor play areas should be situated to maximize sunlight access. There should be a minimum of 2 hours of sunlight between the hours of 10:00 a.m. and 5:00 p.m. on December 21st. Adequate artificial lighting should be provided"

HIGH-DENSITY HOUSING FOR FAMILIES WITH CHILDREN GUIDELINES

Adopted by City Council March 24, 1992



Source: Vancouver City Council, 1992

Future density increases in major precincts/centre core areas should encourage development that reflects the needs of the community

> Action: Council could investigate policy guidelines to encourage family friendly apartments in centre core areas and major precincts.

Source: The Conversation 2018

Source: The Guardian, 2018

Source: The Conversation 2018

Source: Vancouver City Council 2016

The Family Room: Housing Mix Policy for Rezoning project case, family units are recognised as those units who have more the 2 bedrooms. The policy required the housing mix of rezoning projects to increase there mix from 25 to 35% which facilitated the appropriate amount of housing stock to cater for the housing needs of Vancouver's raised the targets of family units.

"Those policies recognise the importance of socialising opportunities for all ages, prescribing enough family units to give children peers to play with, and play space for preschool ages, elementary and teenage kids. Overlooking teenagers, it says, is a mistake – they should be provided with informal spaces for ball games" (the Guardian, 2018).

Centre Core: Mixed use Development Built Form outcomes

Case Study: Frenchman's Road Randwick

Source: Domain, 2017

> The Centre Core area should facilitate Mixed Uses. In this case, the ground floor retail space provides street activation.

Mixed Use Development – Frenchman's Road Randwick 17 dwellings, 3 retail shops and basement car parking for 23 vehicles. Lot size: 1100m2			
	Randwick LEP and DCP	Frenchman's Road Development Randwick	Does Canada Bay planning framework support this example?
Zone	B1 Neighbourhood Centre	B1 Neighbourhood Centre	✓
Height of Buildings	12m	10m	✓
FSR	1.5:1	1.5:1	✓
Lot width	-	5m	-
Minimum subdivision size	400sqm	-	✓
Minimum site width	-	-	-
Car parking	-	23 car parking spaces.	

Case Study: Five Dock

Source: Google Maps, 2019

> Encourage 3 bedroom ground floor apartments with rear lane access.

Mixed Use Development –Great N Road Five Dock Lot size: 1500m2			
	Planning Controls	Development	Feasible under current planning controls?
Zone	B4 Mixed Use Zone	B4 Mixed Use Zone	✓
Height of Buildings	15m	Approximately 15m	✓
FSR	2.5:1	Approximately 2.5:1	✓
Lot width	-	35m	✓
Minimum subdivision size	400sqm	1500sqm	✓
Minimum site width	-	-	-

Mixed Housing Precinct: Terrace Housing Built Form Outcomes

Case Study: East Melbourne Victorian Terrace

Source: Domain, 2017

Source: Google Maps, 2019

This Victorian terrace is a classical example of how density can be increased in a sympathetic manner. The narrow nature of the terrace (lined by the red band) ensures that the bulk and scale does not negatively impact on the streetscape.

"*Successful medium density recognises the context, the size of surrounding lots, the slope of the land and shape of the site and the landform*" (PIA, 2018).

East Melbourne Victorian Terrace: 370m2		
	East Melbourne Victorian Terrace	Does Canada Bay planning framework support this example?
Zone		X
Height of Buildings	2 storeys (9m)	✓
FSR	0.75:1	-
Lot width	7.5	X
Minimum subdivision size	-	X
Minimum site width	-	X
Car parking	Rear double garage	✓

Mixed Housing Precinct: Terrace Housing Built Form Outcomes

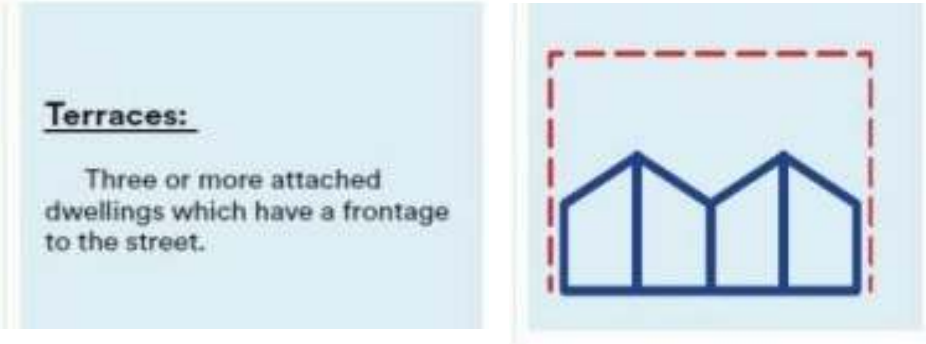
Case Study: Erskineville

Source: Domain, 2017

Ashmore Precinct Terraces – 165-175 Metters Street, Erskineville Lot size: 136m^2			
	Sydney LEP and DCP	Ashmore Terraces Development	Does Canada Bay planning framework support this example?
Zone	B4 Mixed Use Zone	B4 Mixed Use Zone	X
Height of Buildings	2 storey + attic (9m)	2 storeys + attic (9m)	✓
FSR	1.25:1	Approximately 0.95:1	X
Lot width	Not adopted	5m	X
Minimum subdivision size	450sqm	-	X
Car parking	1 space at rear	1 car parking space at rear	No specific requirements for terrace housing dual occupancies currently require a max of 1 space per dwelling

Source: Google Maps, 2019

As highlighted by the green box above, the Torrens Title Terraces in Erskineville are sympathetic to the existing subdivision pattern. This type of density is recommended in areas that are within 800 metres of train stations. The design is low rise and has a minimal impact on the streetscape whilst diversifying the housing stock.



Source: Department of Planning and Environment, 2018

Case Study: Abbotsford Townhouses

Source: Google Maps, 2019

Source: Realestate.com

Townhouses (multi dwelling housing):

- suitable for large lots with 2 storey height restrictions.
- 529-531 Great N Road is an example of townhouses that have underground carparking.
- This is feasible for this typology and ensures that driveways do not dominate the streetscape.

Abbotsford Townhouses – 529-531 Great North Road Abbotsford Lot size: 1200sqm			
	Canada Bay LEP and DCP	**Abbotsford Townhouses**	**Does Canada Bay planning framework support this example?**
Zone	R3 Zone	R3 Zone	✓
Height of Buildings	2 storey (9m)	2 storey (9m)	✓
FSR	0.5:1	0.5:1	✓
Lot width	Not adopted	35m	✓
Minimum subdivision size	800sqm	-	✓
Minimum site width	20m	35m	✓
Car parking	See below table	-	✓

Minimum parking rates for all other areas	
Dwelling type/ size	Number of car parking spaces
Small dwelling	1 space
Medium dwelling	1.5 spaces
Large dwelling	2 spaces
Visitors	0.5 spaces per dwelling

Source: City of Canada Bay, 2017

Mixed Housing Precinct: Dual Occupancy (attached) Houses - Built Form Outcomes

Case Study: Half a House, Randwick

Source: Half a House - Trias Architect, 2019

"*Half A House argues for considerate and gradual density in our suburbs. Rather than standing out, or towering tall, it deliberately stitches in to its context. As a proposal, it asks questions about how we can improve density within suburbia, without sacrificing beauty, elegance or craft*" – Trias Architect, 2019

Attached Dual Occupancy– Example from the Medium Density Design Code 2 Dwelling dual occupancy			
	Canada Bay LEP and DCP	Half a House	Does Canada Bay planning framework support this example?
Zone	R2 Low Density Residential	R2 Low density Residential	✓
Height of Buildings	2 storey (9m)	1 storey (6.5m)	✓
FSR	0.5:1	0.5:1	✓
Lot width	15	20	✓
Minimum lot size	450sqm	Approx. 600sqm	✓
Minimum site width	-	N/A	-
Car parking	-	1 car parking space per dwelling	✓

Mixed Housing Precinct: Manor House

Case Study: DPE Manor House

Source: Planning and Environment, 2017

DPE Manor House – Example from the Medium Density Design Code 2 Dwelling Manor House (strata) Lot size: approximately 400m2			
	Canada Bay Planning Controls	**DPE Manor House**	**Does Canada Bay planning framework support this example?**
Zone	R2 Low Density Residential	R2 Low density Residential	✓
Height of Buildings	2 storey	2 storey	✓
FSR	0.5:1	Approximately 0.5:1	✓
Lot width	15m site width	27m	✓
Minimum subdivision size	400sqm	390sqm	✓
Minimum site width	-	N/A	-
Car parking	-	Car parking provided in the form of a garage.	X

- The manor house is a useful housing typology and should be permissible in the land use table.
- Manor houses are usually 3 or 4 dwellings in a building where each dwelling is attached to another common dwelling by a common wall or floor Manor Houses are useful on corner lots and are suited to lots with rear lane access to accommodate garages and car parking.
- To ensure feasibility car parking should be provided above ground.
- Typically a lot width of 15 metres is required to achieve the appropriate setback.
- The building is no more than 2 storeys high.
- The manor house creates accessible ground floor units and is a sympathetic solution to achieving increased densities in low density suburbs.

Mixed Housing Precinct: Infill Development

A greater diversification of housing stock is needed across the Canada Bay Local Government Area.

This Manor house design by Madigan Architecture, **converts two existing low density detached homes into four separate units.**

The design is an innovative solution for housing diversification and should be encouraged in the Mixed Housing Precinct. This design is also permissible in the R2 Low Density Residential areas across the Canada Bay LGA.

Source: Madigan Architecture, 2019

8.11 Summary

Canada Bay's planning framework supports and facilitates the development of attached and detached dual occupancies as well as townhouses.

Despite this, Manor Houses and Terrace houses are not supported by current controls.

The planning framework has the potential to facilitate the development of diverse housing typologies.

Key Recommendations:

- Add manor houses to the land use table the R3 Medium Density zone.
- Reduce subdivision lot size to facilitate the development of Torrens titled terrace development. Anecdotal evidence suggests that there is an increase in the demand for Torrens title development.
- The minimum site width should also be revised if the council would like to encourage the development of terrace housing.
- Council could investigate policy guidelines to encourage family friendly apartments in centre core areas and major precincts.
- Policies and legislation should facilitate considerate and gradual density in the suburbs. This can be achieved through clear and concise planning controls which encourage innovative and sympathetic design.

8.12 Modified Capacity

Under the centres renewal framework a range of development types would be expected in the Mixed Housing Precinct.

With a mix of dual occupancies, townhouses, terraces and manor houses, an average density of 50 dwelling/hectare of developable land could be expected in the Mixed Housing Precinct.

If lots of area greater than 450 sqm were able to be developed in the Mixed Housing Precinct, the theoretical housing capacity of these areas would go from 1,487 dwellings to 4,045 dwellings (an addition capacity of 2,558 medium-density dwellings)

Centre 'cores' would be expected to redevelop in line with their current controls, so no additional dwelling capacity would be created in these areas. These areas could host public domain improvements commensurate with their status of local centres in the middle of gradual renewal precincts.

The table below shows the approximate density assumptions that are expected to be achieved in the centre core and mixed housing precincts – which are then reflected in the dwelling forecasts for these areas.

TABLE 39 DENSITY ASSUMPTIONS IN THE CENTRE CORE AND MIXED HOUSING PRECINCTS

		Dual Occupancies (2 storey)	Townhouses	Terraces	Manor houses	Shop top housing / mixed use (2 storey)	Walk up flats (3 storey)	Shop top housing / mixed use (4 storey)	Apartment block (4 storey)	High rise apartments
Centre Renewal Areas	Centre core (1)					*	*	*	*	
	Mixed housing precinct (2)									
Approximate Density (dw/ha)		40	60-70	60-70	60-70	60	80-140	60-120	100-150	150+

* Note that permissibility and height controls in the centre core would be unchanged from current controls

8.13 Modified Housing Forecast

If development of medium density dwellings was encouraged, development rates would be expected to increase from current levels.

The table below shows the dwelling forecast for the LGA under the base case (Option 1) and the Centre Renewal Framework (Option 2).

An estimate of increased demand for medium density dwellings is given by the number of 2 storey apartments and attached dwellings built between 2011-2016: 225 per year.

If medium-density development rates increased from 50 to 225 dwellings per year, approximately 1,220 additional medium density dwellings would be built between 2016-2036 in Canada Bay LGA.

Under this scenario, most development would still be apartments in major precincts, but more development would occur along the Northern Line and near Concord and Five Dock.

Note that there is no difference between the two options in terms of total dwelling numbers – the difference lays in dwelling types, with more medium density being generated under the second option to assist with improving dwelling diversity across the LGA.

TABLE 40 CANADA BAY LGA DWELLING FORECAST UNDER THE TWO OPTIONS

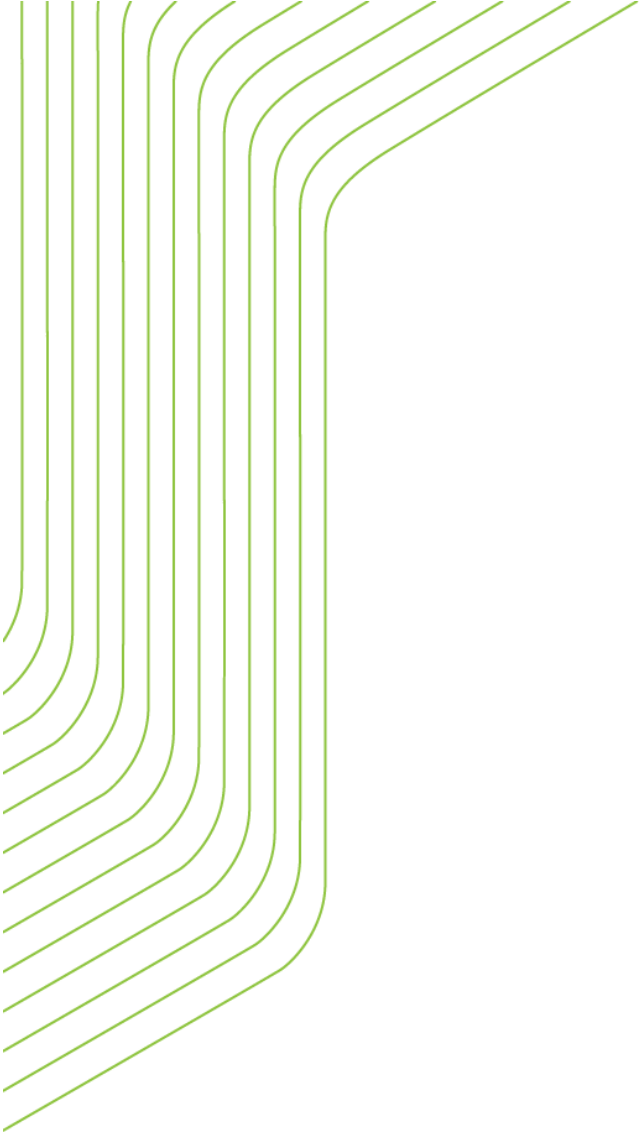
	Dwelling Type	Change in dwellings 2016-2026	Change in dwellings 2026-2036
Base case (Option 1)	Apartments	5,130	8,190
	Separate Houses	-400	-510
	Medium density	1,020	1,020
	Total	5,750	8,700
Centre renewal (Option 2)	Apartments	4,320	7,360
	Separate Houses	-810	-900
	Medium density	2,240	2,240
	Total	5,750	8,700
Difference (Option 1 vs Option 2)	Apartments	-810	-830
	Separate Houses	-410	-390
	Medium density	1,220	1,220
	Total	0	0

8.14 Modified Housing Forecast: LGA Wide Dwelling Targets

Based on the analysis in this strategy, housing targets for this LGA would be:

- 43,700 dwellings in total in the LGA by the year 2026. This would represent growth of 5,600 new dwellings from 2018 to 2026
- 52,400 dwellings in total in the LGA by the year 2036. This would represent growth of 14,300 new dwellings from 2018 to 2036

Those figures are regardless of which of the two options put forward in this document are implemented.



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