

28th April, 2021

Ms Abbie Galvin
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Online public submission

cc. Hon Robert Stokes MLA, Minister for Planning and Public Spaces
Hon Dominic Perrottet MLA, Treasurer
Peter Achterstraat AM: productivityfeedback@treasury.nsw.gov.au
Stephen Walters, Chief Economist Treasury: [REDACTED]

Explanation of Intended Effect – new State Environmental Planning Policy (Design and Place)

Summary of Urban Taskforce Recommendations

	Recommendation
Broad Recommendations	1. Urban Taskforce recommends that an independent analysis is undertaken by NSW Treasury (not a consultant hired by DPIE) on the cost implications of the changes associated with the EIE suite of documents.
	2. Urban Taskforce strongly recommends that the current process of consultation stop, pending the analysis by Treasury, so any change can be assessed against the cost.
	3. Urban Taskforce recommends that a revised EIE and any drafted SEPP, prior to it being placed on public exhibition, be subject to an independent regulation review by the NSW Productivity Commission and/or NSW Treasury.
Principles and approach of the Design and Place SEPP	4. Urban Taskforce recommends that a Design and Place SEPP and any associated guidelines exclude additional prescriptive controls. A final SEPP package should instead contain principles and well-articulated outcomes for industry professionals to utilise design expertise and innovation in delivering market responsive homes and places for employment.

	5. In preparing any SEPP, Urban Taskforce recommends, focussed attention be given to affordability and feasibility with the scope of terms included in the glossary being inclusive of such considerations. NSW Treasury, with the support of the NSW Productivity Commission, should take the lead in undertaking this review.
Application of the new SEPP	6. Urban Taskforce recommends that once the scale of 'precincts' and 'significant development' is resolved, given the significance of the sites and capacity to deliver new homes and/or jobs, these development scales be categorised as State Significant Development to be assessed by the State as opposed to Local Government.
Design Processes	7. The proposal to require ALL buildings of 3 or more storeys, and "precincts" and "significant" development to be designed by 'design professionals' is not supported. Further consideration needs to be given to the value add of an architect or designer in the context of the scope of development to be captured by this provision.
	8. Urban Taskforce recommends that a two tiered design professional accreditation scheme be developed. The scheme would set out that top tier design professionals do not require design review, but second tier design professionals would be required to have applications considered by design review panels.
	9. Irrespective of design thresholds, accreditation and review schemes, Urban Taskforce recommends the final guidelines for design review clearly address the management of process which has manifest is multiple appearances, significant delay, enormous additional cost, confusion and frustration among our members. Issues which must be clear addressed include: <ul style="list-style-type: none"> • The roles and responsibilities of Design Excellence Panels • The efficient management of conflicting advice between Council assessment officers and Design Review/Excellence Panels • The efficient management of conflicts between any of those listed in the points above and the approval panels.

Design Process (cont.)	10. Urban Taskforce recommends that Design Review panels are given a tighter mandate and a clearer agenda on what type and aspect of development projects they consider and are guided by a strong leader with only experienced and highly respected design professionals holding a 'chair' position.
Design and place considerations and proposed amendments to existing SEPPs	11. Urban Taskforce recommends that more thought needs to be given to how proposed minimum density prescriptions will apply to brownfield urban consolidation locations.
	12. Urban Taskforce recommends that minimum densities comfortably support housing target realisation and that industry be directly consulted in the development of minimum gross residential densities so that there is an informed discussion on the yield and feasibility consequences of the SEPP package.
Proposed Amendments to the Apartment Design Guide and SEPP 65	13. Urban Taskforce recommends the removal of minimum apartment sizes and unit mix prescriptions as these run counter to housing affordability and choice.
	14. In order to achieve greater housing diversity and affordable housing options, the ADG should remove or reduce the minimum unit size requirements.
	15. Urban Taskforce recommends that any SEPP needs to be explicitly clear on what, if any, are mandatory principles or considerations under the Plan and that the ADG is a guide NOT an instrument. This clarity is not evident in the current suite of documents.
	16. Urban Taskforce recommends the ADG be reviewed afresh with a new focus on: <ul style="list-style-type: none"> • Delivering the flexible and performance based document (as is alluded to in the Explanation of Intended Effect) to allow industry to respond to all sites within a diverse market • Responding to the specific comments and feedback from Urban Taskforce members relating to: <ul style="list-style-type: none"> - Building Form & Separation - Deep Soil - Landscaping & Greening - Mixed use development & street activation - Car parking - Apartment size and layouts - Bicycle parking and mobility storage - Sunlight and daylight access control - Shading and glare control - Ventilation - Communal open space

New Urban Design Guide	<p>17. To allow industry to have a full understanding of the cost and time implications of the UDG as proposed Urban Taskforce recommends that any future exhibition materials provide further information on roles and responsibilities with regards to:</p> <ul style="list-style-type: none"> • Green space - provision, maintenance and interface with Rural Fire Service requirements • Connecting with Country • Planning for energy water and waste needs
Sustainability in residential buildings – BASIX	<p>18. Urban Taskforce recommends that, in the interests of sustainable and feasible building outcomes, the proposed changes to any proposed changes to BASIX are extended to include broad incentives to achieve increased sustainability outcomes and also specifically includes:</p> <ul style="list-style-type: none"> • Incentivising adaptive re-use of existing buildings by allowing for additional floor space and height where the existing building envelope is primarily retained • Allowing for the use of electric instantaneous hot water units as an alternative to gas instantaneous units. Gas units generally require external ventilation and can be counter to good design outcomes • An independent cost benefit and housing affordability analysis undertaken by NSW Treasury
Relationship with other planning instruments and policies	<p>19. Urban Taskforce recommends that any new SEPP – both instrument and guidelines:</p> <ul style="list-style-type: none"> • Be carefully reviewed to ensure alignment with the EP&A Act and the Standard Instrument LEP • Ensures phrases and wording used are outcome focussed and clearly defined • Includes no reference to additional prescription and considerations to land covered by the Aerotropolis SEPP <p>20. The Urban Taskforce opposes the ADG being extended to Build to Rent developments. Urban Taskforce recommends DPIE undertakes research and engagement with development industry investing in the Build to Rent product to better understand resident and tenure statistics and the feasibility of delivering this development.</p>

Detailed Submission

Dear Ms Galvin

I write in relation to the Explanation of Intended Effect– new State Environmental Planning Policy (Design and Place SEPP) prepared by the Department of Planning, Industry and Environment (DPIE), which has been made available for industry comment until 28th April 2021.

The Urban Taskforce and our members have a consultation session scheduled with you as the key author of the Explanation of Intended Effect (EIE) on 30th April 2021. This session may result in additional comments and/or amendments to this submission. We also note the additional feedback that is likely to be generated from DPIE's on-going industry engagement program on the development of the Design and Place SEPP. This additional engagement is welcomed.

The EIE for the new SEPP proposes many additional prescriptive layers which will add complexity and drive up the cost of delivering new development in NSW. Before moving forward with the Design and Place SEPP, a critical missing element in the analysis and work undertaken to date needs to be addressed. An independent review must be undertaken by NSW Treasury of the cost implications of the proposed changes. This could save a lot of time and angst and should occur before further work is undertaken.

The Urban Taskforce is concerned that despite assurances from the Minister that this would be an exercise which increases flexibility and improves the available stock of housing at all price points across all markets, DPIE is proposing adding layers of prescription to the NSW Planning System when precisely the opposite has been called for by the NSW Productivity Commission.

There is currently a significant shortage in housing stock available on the market. Urban Taskforce recognises the need for on-going improvements in apartment design – but we urge you to let the market dictate what level of amenity is apt for each development. Prescription and regulation undermines the market and adds to cost. These are the clear lessons from the NSW Productivity Commission's reviews. This is particularly relevant in the context of NSW' post COVID-19 economic recovery.

The Chief Economist of the NSW Treasury, Stephen Walters, has clearly identified that post COVID-19, Sydney's CBD will not return to pre-COVID employment levels. The clear resolution from the CBD summit, attended by both the Treasurer and the Minister for Planning, was a call for the planning system to be allow for flexible uses of buildings in strategic centres across Greater Sydney and changes of use to facilitate conversions of some buildings to apartments - as has happened successfully throughout the world.

If this change is to occur through the adaptive re-use of existing buildings, it will be imperative, the planning framework is as flexible as possible. The EIE does not herald this level of flexibility. COVID-19 demands a fundamental re-think and to date, this has not occurred.

The Explanation of Intended Effect, if implemented, will have a catastrophic impact on the feasibility of development. Attachment 1 contains Urban Taskforce members' cost and impact analysis of the proposed Design and Place SEPP and guidelines on existing development projects. Broad consensus from Urban Taskforce members is that the impact to development costs (or lost yield) is in the order of 15-35%. This is the last thing the NSW economy needs.

Urban Taskforce recommends that an independent analysis is undertaken by NSW Treasury (not a consultant hired by DPIE) on the cost implications of the changes associated with the EIE suite of documents. Urban Taskforce members are both surprised and disappointed that this detailed analysis has not already been undertaken.

Increasing the costs of delivering new development will seriously impact the industry's capacity to create much needed new jobs and homes, with the likely consequence being exacerbation of the existing housing affordability crisis and/or other States and Territories flourishing - at NSW's expense - by presenting more attractive investment opportunities and more affordable homes for new home purchasers. On this basis, the **Urban Taskforce strongly recommends that the current process of consultation stop, pending the analysis by Treasury, so any change can be assessed against the cost.** The Urban Taskforce provides recommendations at the beginning of this submission to assist you and the NSW Government with urgent matters for review of the ADG and in the development of the planning policy and instrument.

1. Principles and approach of the Design and Place SEPP

The Urban Taskforce supports a principle based approach and the proposal to "move away from a system governed entirely by prescriptive controls".

However, the Design and Place SEPP and accompanying guidelines, by including additional prescription, actually runs counter to this outcome.

While the Explanation of Intended Effect suggests the policy is "performance based", many of the planning and design matters to be considered are "mandatory" and prescriptive. For example: "All housing in urban areas of new precincts is to be within a 5 minute walk of public open space."

Urban Taskforce recommends that a Design and Place SEPP and any associated guidelines exclude additional prescriptive controls. A final SEPP package should instead contain principles and well-articulated outcomes for industry professionals

to utilise design expertise and innovation in delivering market responsive homes and places for employment.

While the Explanation of Intended Effect does touch on housing affordability, supply and development feasibility; this area requires extensive re-consideration as part of the Design and Place SEPP instrument drafting and exhibition. In preparing any SEPP, **Urban Taskforce recommends, focussed attention be given to affordability and feasibility** with the scope of terms included in the glossary being inclusive of such considerations. **NSW Treasury, with the support of the NSW Productivity Commission, should take the lead in undertaking this review.**

2. Application of the new SEPP

The recognition of the contribution of development at a “precinct” and “significant” scale is broadly supported. Such development should have an efficient assessment pathway that is reflective of the contribution to the economy and community. **Urban Taskforce recommends that once the scale of ‘precincts’ and ‘significant development’ is resolved, given the significance of the sites and capacity to deliver new homes and/or jobs, these development scales be categorised as State Significant Development to be assessed by the State** as opposed to Local Government. This is particularly important given the housing supply shortages we currently face and the associated rapid price escalation.

3. Design Processes

The proposal to require ALL buildings of 3 or more storeys, and “precincts” and “significant” development to be designed by ‘design professionals’ is not supported. Further consideration needs to be given to the value add of an architect or designer in the context of the scope of development to be captured by this provision. For example, what is the difference in terms of outcome of an application for a 50 lot subdivision or an industrial building in an industrial area being prepared by an architect as opposed to another industry professional?

The Urban Taskforce has serious concerns about the efficacy of existing design review processes and in this context is concerned about the proposal to extend design review to a broader range of developments. This is particularly the case if design professionals are required to prepare plans for a broader range of development types. Our concerns relate to the additional time associated with this process; the sometimes questionable value added through this process; and the additional costs associated with these processes (they are often duplicated and involve multiple iterations).

Currently, most developments of scale prepared by Urban Taskforce members are designed by top-tier design professionals. For these top tier designers to have their work reviewed by mid-tier architects and designers as part of a design review

process is duplicative, results in substantially longer approval times and sometimes has questionable benefits in terms of built form and place outcomes.

We accept that developments of scale and significance are not always designed by top tier design professionals and in these instances a design review process may be appropriate. Accordingly, ***Urban Taskforce recommends that a two tiered design professional accreditation scheme be developed***. The scheme would set out that top tier design professionals do not require design review, but second tier design professionals would be required to have applications considered by design review panels.

Irrespective of design thresholds, accreditation and review schemes, ***Urban Taskforce recommends*** the final guidelines for design review clearly address the management of process which has manifest is multiple appearances, significant delay, enormous additional cost, confusion and frustration among our members. Issues which must be clear addressed include:

- The roles and responsibilities of Design Excellence Panels
- The efficient management of conflicting advice between Council assessment officers and Design Review/Excellence Panels
- The efficient management of conflicts between any of those listed in the points above and the approval panels.

Urban Taskforce recommends that Design Review panels are given a tighter mandate and a clearer agenda on what type and aspect of development projects they consider and are guided by a strong leader with only experienced and highly respected design professionals holding a 'chair' position.

The governance models for design review as undertaken by the Commission for Architecture and the Built Environment (CABE) in the UK and the National Capital Design Review Panel in the ACT have been suggested by some Urban Taskforce members as worthy of consideration.

Urban Taskforce members have also suggested that complying projects should not be subject to design review. The suggestion is that if a project is non-compliant with controls, and instead reliant on meeting the stated principles of the SEPP, the design review would be an appropriate way of testing the meeting of the principles. Either you choose the complying pathway (no review) or you seek the advice and scrutiny of a review panel.

4. Design and place considerations and proposed amendments to existing SEPPs

The EIE suggests that target minimum gross residential densities “based on location and transport access” will be developed for residential zones. In the interests of development feasibility, any minimum gross residential densities will need to be ambitious. The proposed baseline of 15 dwellings/ha is standard existing practice in

growth area planning. **This is NOT ambitious** and will need to be revisited in the context location specific metrics.

The Urban Taskforce is greatly concerned that minimum gross residential densities could be used by some councils as a tool to discourage new development. For example, if minimum *densities* are exceeded on an adjoining or near-by site they could use this to argue that the additional density proposed in an application is not required. ***Urban Taskforce recommends that more thought needs to be given to how these proposed minimum density prescriptions will apply to brownfield urban consolidation locations.***

Urban Taskforce recommends that minimum densities comfortably support housing target realisation and that industry be directly consulted in the development of minimum gross residential densities so that there is an informed discussion on the yield and feasibility consequences of the SEPP package.

5. Proposed Amendments to the Apartment Design Guide and SEPP 65

Urban Taskforce members are **very concerned** about many of the proposed changes to SEPP 65 and the Apartment Design Guide (ADG).

The proposed amendments to SEPP65 demonstrate a lack of recognition of the demographic profile and differing needs of, or attractors to, apartment dwellers. This is the area that requires the most work before it can proceed.

The EIE is correct in asserting that the proportion of families residing in apartments, is growing, but the household profile of NSW apartment dwellers is still diverse with:

- Lone persons making up 31 per cent
- Couples with no children comprising 25 per cent
- Couples with children making up 17 per cent
- 8 per cent of apartments are lived in by “groups” of people
- 7 per cent of apartment households comprise single-parent families¹

This diversity of apartment dwellers means any planning regime needs to be flexible to allow the industry to respond to market preferences and needs.

Urban Taskforce recommends the removal of minimum apartment sizes and unit mix prescriptions as these run counter to housing affordability and choice.

In order to achieve greater housing diversity and affordable housing options, the ADG should remove or reduce the minimum unit size requirements. This would be more in line with international standards where smaller units are permissible.

¹ City Futures Centre, 2021, Australasian Strata Insights 2020, University of NSW

While the proposed changes to SEPP 65 and the ADG may appeal to some sections of the apartment market – such as the upper-middle classes and wealthy who are seeking larger apartments with premium facilities - the changes will be to the detriment of those seeking a more affordable housing home.

Attachment 1 details the significant impact on the cost of delivering new homes to the market under the proposed changes. This before and after review is an example of the work NSW Treasury should be doing in addressing each of the of the proposed changes to SEPP 65 and the ADG against Urban Taskforce recommendations and advice. It is imperative that Government's analysis be undertaken independently and not by a consultant engaged by the DPIE. As the Treasury analysis is likely to find, the impacts on feasibility will likely result in the industry no longer delivering apartment dwelling supply to some sections of the market and/or extra costs being passed on to the new home buyer.

The cost of a new apartment in Victoria is significantly lower than in NSW² despite directly comparable construction costs. Victorian architects and developers are not burdened by minimum apartment sizes and thus see the production of innovative solutions which exhibit quality architectural design at affordable prices.

While the DPIE stresses that the proposed provisions in the revised ADG will be a 'guide', bitter experience of the current ADG tells us, these provisions will be used by many councils as strict controls to stifle new development opportunities. **Urban Taskforce recommends that any SEPP needs to be explicitly clear on what, if any, are mandatory principles or considerations under the Plan and that the ADG is a guide NOT an instrument.** This clarity is not evident in the current suite of documents.

Many of the proposed controls in the revised ADG are NOT POSSIBLE to achieve.

In fact, many proposed provisions work against each other. As an example, "Deeper Balconies" work against "achieving required solar access". The deeper the balcony, the less possible it is for sunlight to reach living spaces under the balcony. Under current provisions industry has the flexibility to design balconies to a specific depth, that based on the building elevation's aspect, will still allow for solar access into the unit below. This is case in point as to why the SEPP should be principle based and flexible (as DPIE and the Minister for Planning, Hon Rob Stokes MLA, said it would be) – to allow for the industry to innovatively respond to market preferences and the characteristics of a particular site.

Urban Taskforce recommends the ADG be reviewed afresh with a new focus on:

- Delivering the flexible and performance based document (as is alluded to in the Explanation of Intended Effect) to allow industry to respond to all sites within a diverse housing market
- Responding to the specific comments and feedback from Urban Taskforce members relating to:

² UDIA & Core Logic, Residential Developer Market Intelligence – Q4 2020

- Building Form & Separation
- Deep Soil - Landscaping & Greening
- Mixed use development & street activation
- Car parking
- Apartment size and layouts
- Bicycle parking and mobility storage
- Sunlight and daylight access control
- Shading and glare control
- Ventilation
- Communal open space

This feedback is detailed in **Attachment 2**.

6. Proposed new Urban Design Guide

The Urban Design Guidelines (UDG) articulates the desire for more areas to be provided towards open space and community facilities. As a precinct quality improvement aspiration, the Urban Taskforce supports this.

However, Urban Taskforce members also have significant concerns about the implications of the new (UDG) on greenfield development and funding and maintenance responsibilities and safety requirements of providing green space and places. If these costs and responsibilities are not reasonably shared by government(s) and developers, the burden of these costs will be unreasonably borne by the new home buyer.

Urban Taskforce supports the establishment of a green canopy – but this will benefit all of Sydney and particularly those in Western Sydney. It is reasonable that those who have already bought homes where canopy has not been required (or has been destroyed) also contribute the revitalisation of the lungs of the city. Further, the concept of more open space and planting will need to be mindful of Rural Fire Service requirements of no trees within Asset Protection Zones.

Urban Taskforce members also have concerns about how “connecting with Country” will work in practice - particularly alongside the traditional Aboriginal Cultural Heritage Assessment process outlined under the National Parks and Wildlife Act. The Connecting with Country draft framework identifies the need to consult with knowledge holders, but knowledge holders are not defined, unlike Registered Aboriginal Parties.

Urban Taskforce members generally support the guidance on how precincts can address energy, water and waste needs. However, our consistent experience has been that service authorities do their own planning and have the final say on how servicing is provided, **so this guidance is best supplied to service authorities and not development proponents.**

To allow industry to have a full understanding of the cost and time implications of the UDG as proposed **Urban Taskforce recommends that any future exhibition materials provide further information on roles and responsibilities with regards to:**

- **Green space - provision, maintenance and interface with Rural Fire Service requirements**
- **Connecting with Country**
- **Planning for energy water and waste needs**

7. Sustainability in residential building – BASIX

Urban Taskforce broadly supports the overarching principle to minimise impacts on natural systems and the proposed flexibility offered by an independent merit assessment pathway in lieu of completing a standard BASIX assessment. The EIE is supported in stating that BASIX compliance can be challenging on many sites. Accordingly, a more flexible approach that allows trade-offs and innovative solutions is supported and should be pursued.

However, if the Government is genuinely committed to encouraging optimum sustainability outcomes, development incentives should also be explored. Without incentives, furthering sustainability outcomes becomes an additional cost, impacting the affordability of new homes.

Urban Taskforce recommends that, in the interests of sustainable and feasible building outcomes, the proposed changes to any proposed changes to BASIX are extended to include broad incentives to achieve increased sustainability outcomes and also specifically includes:

- **Incentivising adaptive re-use of existing buildings by allowing for additional floor space and height where the existing building envelope is primarily retained**
- **Allowing for the use of electric instantaneous hot water units as an alternative to gas instantaneous units. Gas units generally require external ventilation and can be counter to good design outcomes**
- **An independent cost benefit, feasibility and housing affordability analysis undertaken by NSW Treasury or the NSW Productivity Commission.**

8. Relationship with other planning instruments and policies

In revising a Design and Place SEPP instrument further consideration is needed on the alignment of the SEPP and guidelines with the EP&A Act and other planning instruments. This is a feature of the EIE which has drawn significant comment from Urban Taskforce' professional membership – notably planners and lawyers. All the resources are available within DPIE. It is therefore disappointing that more thinking on how each of the Acts will work, in practical terms (in Court and in front of Panels and decision makers), has not been undertaken.

The proposal that the Design and Place SEPP will “supplement” other SEPPs such as the Western Sydney Aerotropolis SEPP is not supported by the Urban Taskforce.

The Aerotropolis SEPP and the associated draft precinct plans already contain excessive prescription. To add the proposed Design and Places SEPP to the existing layers of prescription and controls applied to the Aerotropolis will risk the much needed jobs and housing being delivered in Western Sydney.

Urban Taskforce recommends that any new SEPP – both instrument and guidelines:

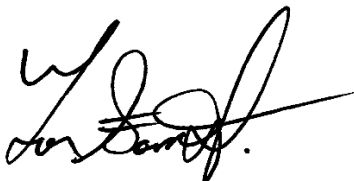
- ***Be carefully reviewed to ensure alignment with the EP&A Act and the Standard Instrument LEP***
- ***Ensures phrases and wording used are outcome focussed and clearly defined***
- ***Includes no reference to additional prescription and considerations to land covered by the Aerotropolis SEPP***

The Urban Taskforce opposes the ADG being extended to Build to Rent developments. Urban Taskforce recommends DPIE undertakes research and engagement with development industry investing in the Build to Rent product to better understand resident and tenure statistics and the feasibility of delivering this development.

The Urban Taskforce strongly supports an outcome of good design and great places. However, the delivery of good design and its contribution great places is best left to the designers and innovators in the development industry. Innovation - not the excessive regulation that is proposed in the Explanation of Intended Effect - will ensure successful design, the meeting of market demands and affordability outcomes.

Urban Taskforce recommends that a revised EIE and any drafted SEPP, prior to it being placed on public exhibition, be subject to an independent regulation review by the NSW Productivity Commission and/or NSW Treasury.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tom Forrest', with a stylized flourish at the end.

Tom Forrest
Chief Executive Officer

Attachment 1 – Cost Imposts and Impacts on Development

Project A – Large Mixed Use Development, Southern Sydney

	Description	Anticipated additional cost per dwelling
Loss of yield	-89 dwellings	119,954
Increase to construction cost	<ul style="list-style-type: none"> • Additional fixed items (fans, EV charging, sound insulation) • Increased bedroom sizes • Mandated ground floor non-residential • NCC 2022 & Livable silver • Unit mix, setbacks, deep soil 	137,074
Holding costs	Assumed extra time for approvals	23,283
	TOTAL Additional Cost per Dwelling:	\$280,311

Project B – High Density Residential Tower, Northern Sydney

	Description	Anticipated additional cost per dwelling
Loss of yield	-42	32,603
Increase to construction cost	<ul style="list-style-type: none"> • Additional fixed items (fans, EV charging, sound insulation) • Increased bedroom sizes • Mandated ground floor non-residential • NCC 2022 & Livable silver • Unit mix, setbacks, deep soil 	92,073
Holding costs	Assumed extra time for approvals	6,803
	TOTAL Additional Cost per Dwelling:	\$131,479

Project C – Southern Inner Sydney Mixed Use Development (up to 20 storeys)

	Description	Anticipated additional cost per dwelling
Loss of yield	-29	327,869
	TOTAL Additional Cost per Dwelling:	\$327,869

Project D –High rise development designed via an international design competition – Central Sydney

Stage 2 DA approved development unlikely to be approved under the proposed SEPP changes due to:

- Unit mix/occupancy metric to determine the percentage of communal open space – due to the CBD location- criteria was relaxed. Would not comply with proposed SEPP
- Deep soil zone comprises 7%
- Maximum number of apartments with no sunlight exceeding 15%
- Natural ventilation – only 52% of whole building would be naturally ventilated if alternative solutions are not considered and dual aspect is the only determining factor
- Fire stair not located on the façade with no natural light (it is located in the central core)
- Storage requirements in the basement would not be sufficient
- Floor plate exceeds 700sqm in the mid-high rise tower
- The tower is 24m from tallest neighbour
- Maximum number of apartments per core, per floor, has reduced to 8, approval is for 9 for the low rise component

Project E – Multi award winning development, Inner Sydney

Completed development unlikely to be approved under the proposed SEPP changes due to:

- Only 12% of site area was delivered as deep soil zone
- Storage requirements within the basement would fall short
- Ground floor is fully residential (it is proposed that 40% GF space to be allocated to non-residential uses)
- Bedrooms are generally below 12sqm (yield would be decreased with increase in bedroom sizes for 20% of apartments)

Attachment 2 – Detailed comments on proposed changes to the ADG

Consideration	Proposed Requirement	Comment
Building Form & Separation	<p>Criteria to restrict the maximum floorplate of a tower above 9 storeys to 700m² GFA and limited to 8 apartments per core.</p> <p>Above 25+ separation increases from 24m to 30m. (This is a 25% increase on Separation with zero mechanism to ensure allowable GFA is preserved).</p>	<p>This change represents a major cost impost (through the loss of yield on any given site) on the development community which will ultimately be borne by new apartment buyers.</p> <p>Together these 2 proposed changes <u>will severely restrict the production of new housing on many well located sites</u>. This will significantly limit development potential on many infill sites thereby discouraging land consolidation and investment in renewal.</p> <p>Where is the evidence that suggests buildings with greater than 700sqm GFA contributes less to design and place? Many award-winning buildings suggest otherwise.</p> <p>There is no analysis that suggests a building separation of 30m (as opposed to 24m) delivers greater amenity outcomes?</p> <p>This is a major change with major financial impacts and must be justified with an evidence base as well as explicit consideration of additional costs.</p>
Deep Soil - Landscaping & Greening	<p>Increase the minimum deep soil zones from 7% to 14% on small sites and up from 15% to 25% on large sites.</p> <p>Increase min. deep soil zones as a % of site area (a fixed minimum % within the range being considered below):</p>	<p>Again, this represents a significant cost and/or loss of yield.</p> <p>An 'increase in the percentage of deep soil to support green cover....' is a prescriptive solution without considering whether alternative means can achieve the objectives. The considerations should focus on the outcome of spaces capable of</p>

Consideration	Proposed Requirement	Comment
	<ul style="list-style-type: none"> • < 650 m2 min. 14–18% • 650–1500 m2 min. 14–18% • 1500–3000 m2 min. 14–18% • 3000 m2 min. 21–25% 	<p>supporting mature planting and providing stormwater management.</p> <p>Delivery of deep soil planting on mixed use developments is very difficult as these often have a podium to which communal open space is above to be available to the residential users.</p> <p>Provision of “green spaces” should allow for alternative solutions to satisfy landscape and stormwater objectives. This is especially relevant for mixed-use buildings. Increases in excavation for basements increases construction cost, impacts on ground water conditions and results in below ground floorspace that is not as easily adapted in the future</p> <p>Scalable deep soil zones are better delivered by Councils in the form of parks and reserves through government grants and rates revenue, and to a lesser extent funds collected under S7.11. It does not make sense to burden individual sites with the responsibility of delivering large swaths of deep soil areas.</p>
Mixed use development & street activation	40% of ground floor space must be dedicated to non-residential uses in R3 and R4 zones, and centres.	<p>This is a move towards prescription and away from principle.</p> <p>Non-residential uses should be encouraged but not mandated. Vacant ground floor premises make no contribution to “place”.</p>
Car parking	As a minimum, retain the link to the lower of rates in Guide to Traffic Generating Developments (RTA 2002	Consideration should be given to parking above ground screened by active uses in appropriate locations.

Consideration	Proposed Requirement	Comment
	<p>or its replacement, the Guide to Traffic Impact Assessment) or council rates, and supplement this with:</p> <ul style="list-style-type: none"> • a reduced minimum parking rate and/or a maximum parking rate that applies to a list or map of locations that meet certain criteria, and/or • an ability by applicants to reduce the parking rate by undertaking certain action. 	<p>Flexibility and options are required but are not currently provided for.</p> <p>Limiting below ground excavation reduces cost and below ground environmental impacts, could reduce the requirement for artificial light and ventilation and potentially provides floorspace that could be more easily converted in the future.</p>
Apartment size, features and layouts	<p>A requirement to provide 20% of 2 or more bedroom units as 'family units' - 12m² bedrooms for all bedrooms.</p> <p>Minimum depths for apartments increase from 0m to 1m for studios, and from 2m to 2.4m for 2 bedroom apartments.</p> <p>Storage increased per unit - but reduced proportion to be provided in the apartment.</p> <p>Requirement of sound insulation being provided to bedrooms.</p>	<p>Mandates for bigger bedrooms and deeper balconies – restrict innovative design, particularly on smaller sites – with significant cost implications.</p> <p>Building envelope setbacks will need to be reduced to accommodate the proposed requirements of deeper balconies and larger bedrooms. Otherwise, a further significant impact on yield will arise. Urban Taskforce is disappointed that these types of practical considerations have not already been considered.</p> <p>Increased storage in basements will further limit capacity for deep soil.</p> <p>Sound insulation to bedrooms walls is overly prescriptive and add to the costs of delivery of affordable apartments for families.</p>

Bicycle parking and mobility storage	<p>1 bicycle space must be provided per bedroom (i.e., 3 bedroom apartments will have to provide 3 secure spaces).</p>	<p>This is too prescriptive and too onerous. Flexibility is required. Sydney is not Copenhagen or Amsterdam (flat with a small population) and this type of prescriptive social engineering is strongly opposed. The market will determine if people want bike racks or spaces and the private sector will adapt.</p> <p>Any reduced and more flexible requirement for bike parking will need to be allowed as racks. Group cages as space(s) per unit is too onerous and will put more pressure on basement areas.</p>
Sunlight and daylight access control	<p>Making a mandatory requirement and looking to increase.</p>	<p>The requirement for solar access must be properly tested to understand if it promotes better outcomes for all apartment dwellers. For example, a cleaner who works night shifts and has an income that is below the median wage, is unlikely to want to pay for a north facing apartment.</p> <p>Urban Taskforce prefers a less prescriptive approach which will result in choice in price and in amenity for consumers. Reducing the number of east-facing and west-facing single aspect units penalises particular site orientations and may work against key amenity drivers such as the capturing of views, vistas and breezes.</p> <p>Many sites are not suited for apartments to orient buildings lengthways east-west as this can lead to overshadowing issues to the south. Therefore, maximising apartments oriented within 15 degrees of north may conflict with other solar access and amenity considerations</p>

		<p>The way solar is measured also discourages full length balconies as living rooms need to be brought forward to the façade to obtain solar access onto the glazing surface.</p> <p>This is yet another area where principles are welcome, but prescription is opposed.</p>
Shading and glare control	No glazing below 1m	<p>"No glazing below 1m" is extraordinarily prescriptive and is counter to the desire by many to have floor to ceiling windows to capture views or sunlight.</p> <p>Some Urban Taskforce members suggest a tall but narrow window would normally perform better than the same amount of glazing oriented horizontally.</p>
Ventilation	Ceiling fans and natural cross ventilation to 70% of apartments	<p>The proposal to increase the number of cross-ventilated apartments above 70% <i>will be close to impossible to achieve</i> on many sites.</p> <p>Studios shouldn't be subject to the same cross ventilation requirements as larger apartments as they are not as deep and therefore can achieve similar air velocity into the small space through single sided ventilation as what a larger unit would achieve through cross flow ventilation. For studios other design factors should be considered such as: depth of veranda, number / size and configuration of windows / doors etc.</p> <p>Installation of ceiling fans should be an option available to apartment dwellers – not mandated. A better option is to ensure that there are sufficient power points and wiring in apartments so that the occupier can</p>

		easily install or plug in a cooling device of their choice and budget.
Communal Open Space	Replace the site area metric with a unit mix/occupancy metric	<p>Communal open space should focus less on prescriptive size, and more on function and quality of space and acknowledge rooftops and podiums should have useable function and communal activity, daylight and value for the residents.</p> <p>This should be a matter of market choice.</p>