

29 August 2021

Mr Marcus Ray
Deputy Secretary, Planning & Assessment
Attention: Housing Policy Team
Department of Planning, Industry and Environment,
Locked Bag 5022,
Parramatta NSW 2124.

Via Planning Portal

Dear Mr Ray,

RE: Draft Housing State Environment Planning Policy

The Urban Development Institute of Australia NSW (UDIA) is the leading industry body representing the interests of the urban development sector and has over 500 member companies in NSW. UDIA NSW advocates for the creation of liveable, affordable, and connected smart cities.

We welcome the opportunity to provide comment on the Draft Housing State Environmental Planning Policy (Housing SEPP) and we are supportive of the intent to streamline and simplify the planning framework to apply to housing across metropolitan and regional NSW, including the proposed consolidation of five (5) existing SEPPs into one instrument. This submission has been informed by the wealth of experience and expertise from our members and a cross committee working group of industry leaders in diverse, affordable and seniors housing.

UDIA has been a strong supporter of the policy to provide diverse housing opportunities through simplified planning pathways and incentives, however the draft Housing SEPP as exhibited appears contrary to this intent, with the proposed standards and reduced incentives likely to have a detrimental impact on feasibility for diverse, affordable and seniors housing models. UDIA analysis indicates that the draft Housing SEPP is likely to deliver the opposite effect to the intent of the Housing SEPP, losing ground already made. We implore Government to listen to the housing providers and industry experts who build these products, to undertake the required modelling and implement the recommendations outlined within this submission.

To ensure the SEPP retains the objective of promoting and retaining diverse housing opportunities, the following recommendations should be incorporated into the policy prior to it being finalised:

Policy Intent

- 1. Include a commitment to plan for the future housing needs and changing requirements of future communities, to ensure sites are not precluded by existing character considerations.**
- 2. The proposed introduction of new development standards needs to be tested from both a design perspective and to determine any impacts to commercial feasibility.**
- 3. Give further consideration to the way accessible locations are defined and the potential implications. The definition differs across metropolitan and regional NSW and across housing typologies. Accessible locations also vary between heavy rail, light rail and buses.**
- 4. The promotion of several guides into statutory controls should be reconsidered, particularly as many of these are outdated and are understood to currently be under review.**
- 5. Introduce a flexible assessment pathway to enable the adaptive re-use of serviced apartments/hotels, office and commercial buildings for affordable, diverse and seniors housing.**

Affordable housing

6. **The Apartment Design Guide, particularly as proposed to be legislated through the Draft Design and Place SEPP EIE, should not apply to boarding houses or any form of affordable housing.**
7. **Any new or more stringent design requirements will significantly impact on development feasibility. This is an extremely important consideration for affordable housing developments, where the capacity to pass on price increases to purchasers does not exist. This should be considered as part of the financial modelling being undertaken to support the Design and Place SEPP EIE.**
8. **A 10 year timeframe for properties to be held as affordable should be identified throughout the draft Housing SEPP which aligns with investment decisions and enables operators to deliver a pipeline of projects.**
9. **The prohibition of boarding houses from the R2 Low Density Residential Zone will exclude co-operative housing (which relies on boarding house as a land use term) from the market as they cannot compete in higher density zones, due to high land values. This must be reversed to allow boarding houses and co-operative living in the R2 zone.**

Diverse Housing

10. **The cumulative impact of development, design, and resilience (bush fire) standards for secondary dwellings must be modelled to understand the impacts on financial feasibility.**

Seniors Housing

11. **Resolve the conflict between existing LEP provisions and the draft Housing SEPP provisions which will become mandatory for all Seniors developments. Detailed options are provided within the body of the submission.**
12. **The proposal to amend the definition of Seniors to increase the minimum age to access housing from 55 to 60 years old should not proceed.**
13. **The prohibition of seniors from the R2 Low Density Residential zone should be reversed. This will significantly affect the potential for new low density seniors housing and stymie renewal of existing retirement villages.**
14. **Clarification is required as to whether Chapter 3, Part 3 (Retention of existing affordable rental housing) captures retirement living, which is classified as in fill affordable housing.**
15. **Vertical village bonuses should be permissible in any zone where shop top housing is permitted. Incentives are key to new initiatives and adjustments are required to ensure they deliver feasible results.**
16. **The impacts of onerous development standards and guidelines on the financial feasibility of seniors living projects must be considered to ensure this does not tip the scales against seniors' developments and result in less housing for our ageing population. This must be modelled with the results released prior to the finalisation of the policy.**

This submission does not make comment on all aspects of the draft Housing SEPP, but rather has focus only on the areas where UDIA believes there is immediate need for attention and where amendments are needed to ensure the intent of the policy is delivered.

UDIA is also collating a number of case studies for the Department's consideration which illustrate the concerns highlighted within this submission. To meet the exhibition period timeframes, we will provide these as a separate addendum.

Departure from the intent of the policy to promote diverse and affordable housing

The draft Housing SEPP as exhibited, is a departure from the intent of the policy to promote diverse and affordable housing. It is imperative that the policy is future looking and provides a sustainable framework for diverse and affordable housing typologies. It also needs to recognise that people want to stay in their community and age in place; while younger generations still hold on to home ownership, which will be key to their financial stability in their later years.

As currently drafted, the Housing SEPP is arguably protecting the status quo, contrary to the intent of the policy to enable diverse housing typologies. An obvious example of this is requiring consent authorities to consider local character, which is a 'soft' restriction on new housing types. This is likely to materially restrict supply and result in the phasing out of certain typologies or exclusion of particular social cohorts who desperately need housing.

UDIA recommends that the draft Housing SEPP includes to the development of a plan for the future housing needs and changing requirements of future communities. This will ensure that the diverse, affordable and seniors housing products are encouraged and not further hindered by overly restrictive standards or character considerations.

UDIA Recommends:

- 1. Include a commitment to plan for the future housing needs and changing requirements of future communities, to ensure sites are not precluded by existing character considerations.**

Pervasive issues with the Draft Housing SEPP

There are several issues that are consistent across the entire draft Housing SEPP that need to be rectified prior to the policy being finalised. While UDIA is generally supportive of standardisation as a means of achieving consistency and certainty, it is not appropriate in all instances. In this regard, the standardisation of development standards for diverse and affordable housing is not supportive for market operators. The one size fits all approach does not promote innovative market led solutions, which are essential in the industry to ensure they can remain viable.

Prioritisation of design and amenity over feasibility and affordability

The draft SEPP as exhibited prioritises design and amenity ahead of feasibility and affordability. Industry is inherently aware of the need to design diverse affordable and seniors housing to meet the needs of purchasers. It is these purchasers and residents who will determine the design which best suit their needs and the housing that is within their financial means. Neither the draft Housing SEPP, nor the information released with the policy, identifies how feasibility or affordability have been considered. It is imperative that the impact of new or more stringent design requirements are modelled prior to the finalisation of the Housing SEPP and that this information is released publicly to understand their impacts.

UDIA Recommends:

- 2. The proposed introduction of new development standards needs to be tested from both a design perspective and to determine any impacts to commercial feasibility.**

The relationship of the Draft Housing SEPP with other policies

The relationship between the development standards in the draft Housing SEPP and the EIE for the draft Design and Place SEPP, which is also undergoing redrafting, requires careful review and consideration. The relationship between the two draft policies is currently unclear. Any new design requirements or more

stringent design requirements will significantly impact on development feasibility. This is an extremely important consideration for diverse, affordable and seniors housing developments, where the capacity to pass on price increases to purchasers does not exist. This should be considered as part of the financial modelling being undertaken to support the Design and Place SEPP.

Definition and intent of accessible locations

Further consideration needs to be given to the way accessible locations are defined and the potential implications. The definition differs across metropolitan and regional NSW and across housing typologies. Accessible locations also vary between heavy rail, light rail and buses. The policy should ensure the definitions have been discussed with Transport for NSW and ensure they do not place unrealistic expectations on bus servicing provisions. Furthermore, the definition of accessible locations across all housing typologies severely limits sites available in lower density zones for lower scale affordable and seniors' projects. Accessible areas and sites are more likely to have other higher value competing land uses. Outside Greater Sydney, 400 metres to a business zone in regional centres is also more likely to attract higher value land uses.

UDIA Recommends:

- 3. Give further consideration to the way accessible locations are defined and the potential implications. The definition differs across metropolitan and regional NSW and across housing typologies. Accessible locations also vary between heavy rail, light rail and buses.**

Promotion of guides into statutory controls

The promotion of several guides into statutory controls is also questioned, particularly as many of these are outdated and are understood to currently be under review. These include the Seniors Living Policy: Urban Design Guidelines for Infill Development (Department of Infrastructure, Planning, and Natural Resources, 2014) referred to in clause 18.

UDIA Recommends:

- 4. The promotion of several guides into statutory controls should be reconsidered, particularly as many of these are outdated and are understood to currently be under review.**

Adaptive re-use as infill for affordable housing types

The draft Housing SEPP should consider adaptive re-use as infill for affordable housing typologies. The adaptive re-use of serviced apartments/hotels, office and commercial buildings for affordable, diverse and seniors housing have positive environmental, social and economic benefits. However, these buildings generally struggle to meet the requirements of the ADG and therefore there needs to be flexible in the way it is applied (or not applied). Consideration should also be given to the ADG objectives for re-use projects rather than addressing prescriptive measures. UDIA acknowledges that this approach would require a merit assessment be undertaken and that challenges described elsewhere throughout this submission regarding local character would need to be balanced by assessing officers. It is evident that new measures need to be considered to support these housing typologies and this proposal is a viable way of achieving increased supply.

UDIA Recommends:

- 5. Introduce a flexible assessment pathway to enable the adaptive re-use of serviced apartments/hotels, office and commercial buildings for affordable, diverse and seniors housing.**

Affordable Housing

Development and design standards impact on feasibility

The financial feasibility for affordable housing is marginal and if the draft Housing SEPP proceeds as exhibited, it could unintentionally drive the affordable housing sector out of the market. This sector's fragility is particularly impacted by high land values, where land is not already owned, and materially increase construction costs caused by various design requirements, including increased limitations on floorplate population, ventilation and amenity requirements within the ADG. This has been further restricted in the Draft Design and Place SEPP EIE controlling product size and number of units per floor; and which for Residential Flat Buildings (RFB) cannot be built to feasible thresholds.

The ADG, particularly as proposed to be legislated through the Draft Design and Place SEPP EIE, should not apply to boarding houses or all forms of affordable housing at all. The planning system needs to recognise the significant contribution that boarding houses and affordable housing to make the city function and accordingly, these typologies should not be burdened with additional development costs that jeopardise feasibility or disproportionately impact on land values.

UDIA notes that the draft Housing SEPP is highly prescriptive and arguably discourages innovative design or the ability to respond to market preferences. The proposed introduction of new development standards needs to be tested from both a design perspective and to determine any impacts to commercial viability. By way of one example, Clause 17 identifies a range of non-discretionary development standards for infill affordable housing, an applicant would need to demonstrate compliance with the following development standards as part of a DA (including a subdivision):

- a minimum 450m² site area (note: this is much larger than Landcom's typical compact product);
- 30% landscaped area;
- 15% deep soil zone of which at least 65% has to be at the rear of the property;
- 70% of all dwellings need to achieve at least 3 hours of solar access between 9am and 3pm in mid-winter to living rooms and private open spaces;
- specific car parking rates (which are different for a social housing provider versus a private developer);
- floor areas that comply with the Apartment Design Guide, Low Rise Housing Diversity Code or as identified within the draft Housing SEPP, depending on the typology proposed; and,
- must be used as affordable housing for minimum 15 years and managed by a registered community housing provider.

It is self-evident that the list of development standards is overly onerous and will severely impact on the ability of an affordable housing development to remain financially feasible. While ensuring affordable housing is appropriately designed to meet the needs of the residents is a sound objective, the policy as drafted is likely to adversely impact feasibility, reducing the supply of new affordable housing and deliver the opposite effect to the intent of the Housing SEPP.

UDIA Recommends:

- 6. The Apartment Design Guide, particularly as proposed to be legislated through the Draft Design and Place SEPP EIE, should not apply to boarding houses or any form of affordable housing.**
- 7. Any new or more stringent design requirements will significantly impact on development feasibility. This is an extremely important consideration for affordable housing developments, where the capacity to pass on price increases to purchasers does not exist. This should be considered as part of the financial modelling being undertaken to support the Design and Place SEPP EIE.**

Timeframe for properties to be held as affordable housing

UDIA notes that there are inconsistencies throughout the Draft Housing SEPP around the tenure of affordable housing. It varies between 10 years, 15 years and in perpetuity depending on the typology proposed. A 10-year timeframe should be identified throughout the Housing SEPP, which aligns with investment decisions and enables operators to go on to the next project. The requirement to retain products in perpetuity prioritises policy makers' ambitions to protect supply and provides mechanism to avoid re-stocking but does not acknowledge the commercial realities of delivering affordable housing.

UDIA Recommends:

- 8. A 10 year timeframe for properties to be held as affordable should be identified throughout the draft Housing SEPP which aligns with investment decisions and enables operators to deliver a pipeline of projects.**

Floor space incentives

The incentives proposed within the Draft Housing SEPP are not as facilitative as they could be. For example, under clause 16, an additional 0.5:1 FSR would be permitted on sites with an existing FSR of 2.5:1 or less (i.e. a maximum of 3:1) subject to 50% of all GFA being provided as affordable housing. An applicant would be entitled to a 0.5:1 FSR bonus but would need to provide 50% of its development as affordable housing. For sites with a FSR greater than 2.5:1, a 20% increase in permissible floor space is available but again, 50% of the entire development needs to be provided as affordable housing. These incentives should be modelled to ensure they do in fact encourage affordable housing, or the policy will fail.

Local character considerations

The proposed introduction of local character requires further clarification and consideration with respect to affordable housing. Any requirement to address local character should have regard to future character and should be limited to built form and material palette. As currently drafted, local character assessment could be used to hinder certain typologies from being developed on the basis that they could be argued to be inconsistent with existing character.

Prohibition of boarding houses from the R2 Low Density Residential Zone

The prohibition of boarding houses from the R2 Low Density Residential Zone will cut co-operative housing from the market, which relies on boarding house as a land use term, as they cannot compete in higher density zones due to high land values. This is a perverse outcome is contrary to the intent of the policy. This prohibition should be reversed.

UDIA Recommends:

- 9. The prohibition of boarding houses from the R2 Low Density Residential Zone will exclude co-operative housing (which relies on boarding house as a land use term) from the market as they cannot compete in higher density zones due to high land values. This must be reversed.**

Diverse Housing

Diverse housing products play an important role in the housing market in NSW and support the economic, environmental and social functioning of the city and regions. UDIA supports the intent of the policy to promote secondary dwellings, group homes and co-living housing. However, we feel that the policy as drafted, will have the opposite effect and is likely to further restrict these diverse housing products.

Secondary dwelling standards

The minimum lot requirements outlined in clause 48 of 450m² will preclude secondary dwellings on smaller lots and particularly those that have a rear lane and narrow frontage. This is currently a commonly delivered product. This lot size requirement would essentially preclude the award-winning Thornton development, Maitland NSW from proceeding given the lot sizes delivered in that development.

Bush fire prone land requirements for secondary dwellings

The provisions under clause 53 bushfire prone land are extensive. While the risk to residents needs to be assessed and considered, the cumulative impacts of these requirements also need to be calculated to ensure they do not effectively render developments unviable. Economic modelling of the cumulative impact of the standards on secondary dwellings should be undertaken.

UDIA Recommends:

10. The cumulative impact of development, design, and resilience (bush fire) standards for secondary dwellings must be modelled to understand the impacts on financial feasibility.

Co-living housing

The Draft SEPP appears to further restrict co-living products. It unduly prohibits co-living development in the R2 Low Density Residential Zone. Clause 65 of the Draft SEPP also reverts to LEP standards instead of the Code SEPP minimum lot sizes for Co-living product types. UDIA notes that many Councils are now amending their Standard Instrument LEPs to prohibit Manor Houses and the use of the Medium Density Code SEPP, therefore limiting co-living products completely. The State needs to take the lead in supporting these housing products and set state-wide objectives where local governments unduly restrict certain housing typologies which are greatly needed by the community.

Retention of existing affordable rental housing

Clarification is required as to whether *Chapter 2, Part 3 - Retention of existing affordable rental housing*, applies to retirement living which is classified as in fill affordable housing.

Seniors Housing

The policy, as exhibited, will reduce the opportunity to create new seniors housing to meet market expectations and growing demand. The draft Housing SEPP needs to be repositioned to promote all forms of seniors housing, including but not limited to hostels, independent living units (ILU), vertical villages and residential care facilities.

Draft SEPP provisions would become mandatory for all Seniors development

UDIA members have undertaken a legal review and have confirmed that the draft Housing SEPP provisions would become mandatory for all Seniors development, even where Seniors housing is permitted under an existing LEP. Currently, the Courts have confirmed that if you are not relying on the Seniors SEPP for permissibility, you can ignore the policy entirely. The issue with mandatory application is that in many cases where Seniors is permitted, particularly in higher order and business zones, the LEP and DCP would provide more generous development standards and controls than the Housing SEPP. As the Draft Housing SEPP controls would prevail over the LEP, this triggers what may be a series of significant Clause 4.6 variations for a range of development standards in the Draft Housing SEPP such as height, setbacks, deep soil etc. A satisfactory resolution of this issue is required prior to finalisation of the Housing SEPP, to either: limit the

application of the Housing SEPP to development which elects to utilise it (as is the current situation) or enable the flexible application of the Housing SEPP provisions in circumstances where local controls exist.

UDIA Recommends:

11. Resolve the conflict between existing LEP provisions and the draft Housing SEPP provisions which will become mandatory for all Seniors developments.

Change in minimum age from 55 to 60 to access Seniors Housing

The Draft Housing SEPP proposes to amend the definition of Seniors to increase the minimum age to access such housing from 55 to 60 years old. The FAQs being exhibited with the Draft Housing SEPP states that: "The minimum age threshold for Seniors is currently 55 years in the Seniors SEPP. This aligns with the 'preservation age' of the Superannuation Industry (Supervision) Regulations 1994. These regulations have recently been changed to increase the age that people can gain access to reserved superannuation funds from 55 years to 60 years in 2025. The Housing SEPP has been amended to align with the new age threshold."

UDIA does not support this change, and submits that the age should remain at 55, for reasons set out below:

- Access to super is not a planning matter. The justification provided in the FAQ for the proposed age increase raises a fundamental concern about the appropriateness of amending a long-standing State housing planning policy to align with a Commonwealth government financial regulation. There is no requirement that persons residing in Seniors housing must be self-funded retirees or on an Aged Pension and given the pressures to continue working well beyond 'traditional' retirement age, it is increasingly likely that residents will still be working. Tying it to superannuation access is therefore irrelevant.
- Seniors Housing provides important housing choice and supports financial goals for older people. The Seniors SEPP is currently aimed at housing for people who are at a stage in their life where they are considering downsizing. Retirement villages are an affordable housing option for many older people. This includes working older single people, particularly women.

The AHURI report 'Effective downsizing options for older Australians (February 2020)' research covered the 55+ age group. The research shows that downsizing, or 'rightsizing' as it is often termed, is an integral part of the current and future housing preferences of older Australians. The research found that 26% of over 55s had downsized, and a further 29% had considered downsizing. Older Australians perceive downsizing as more than just a reduction in dwelling size. Rather, it refers to internal and external spaces becoming more manageable, and a reduction in belongings. It also includes a financial benefit to the household.

Arbitrarily increasing the minimum age will create confusion and division. Changing the definition of Seniors will impact who can purchase or occupy Seniors dwellings going forward and will cause unnecessary confusion and division between different aged care facilities and seniors housing communities. Older villages could be occupied by 55 year old's, while alterations or additions to existing villages, or new villages, could only be occupied by 60 year old's.

To determine the maximum age for any village, it would be necessary to know the date of the lodgement of the DA for the original facility, as well as the date of the lodgement of any modifications or new DAs which may have extended the building or replaced existing conditions post-Housing SEPP commencement.

In relation to Residential Care Facilities, the proposed age increase will introduce a higher minimum age to occupation of the facility for aged persons. While it is 55 now, it is proposed to increase to 60, and may increase to 67 or more in the future, should the preservation age be increased again. This is in conflict with My Aged Care, which already provides subsidised aged care places for 50 years or older for Aboriginal or Torres Strait Islander people or those on a low income, homeless, or at risk of being homeless. The implications of this further increase should be carefully considered and subject to consultation with aged care providers and the Commonwealth government in relation to supply, demand and funding of aged care places.

As evidenced above, there is a complete absence of any clear planning basis to increase the age of persons who are able to access Seniors housing and care facilities and UDIA recommends the proposal to increase the age limit does not proceed.

UDIA Recommends:

- 12. The proposal to amend the definition of Seniors to increase the minimum age to access housing from 55 to 60 years old should not proceed.**

Seniors living should be permissible in the R2 Low Density Residential Zone

The Draft Housing SEPP as exhibited, would enable Councils to prohibit ILUs in the R2 Zone. UDIA recommends that government reconsider this exclusion and permit ILUs in the R2 Zone. Approximately two-thirds of LEPs across NSW already prohibit Seniors Housing in the R2 zone and the draft SEPP would only further reduce seniors housing supply if councils were given this option. When combined with the heritage conservation area and Metropolitan Rural Area (MRA) exclusions, the amount of land on which low to medium density seniors housing could be developed is severely curtailed. The exclusion from the R2 zone will also render countless existing ILU developments prohibited development and therefore reliant on existing use rights, a highly undesirable outcome which may restrict opportunities for renewal of outdated villages. This restriction does not recognise that Seniors living projects offer a range of care options from independent living through to dementia and high care in the same campus/project.

UDIA Recommends:

- 13. The prohibition of seniors from the R2 Low Density Residential zone should be reversed. This will significantly affect the potential for new low density seniors housing and stymie renewal of existing retirement villages.**
- 14. Clarification is required as to whether Chapter 3, Part 3 (Retention of existing affordable rental housing) captures retirement living, which is classified as infill affordable housing.**

Vertical Villages

Vertical village bonuses should be permissible in any zone where shop top housing is permitted to ensure that vertical villages are encouraged in a range of town centres, mixed use and business zones where RFBs are typically prohibited.

UDIA Recommends:

- 15. Vertical village bonuses should be permissible in any zone where shop top housing is permitted. Incentives are key to new initiatives and adjustments are required to ensure they deliver feasible results.**

Floor Space Ratios disincentivise seniors housing

The 0.5:1 default FSR on land without FSR standards will act as a disincentive for Seniors housing, such as in R4 High Density Residential zones, and many R3 Medium Density Residential and R1 General Residential zones, where prevailing built form and density controls result in development far in excess of a 0.5:1 FSR. There is no opt out of the provision, should you meet the requirements (i.e. RFBs permissible and 2,000sq/m site), so an ILU development in an R4 High Density Residential zone without an FSR would have a 0.75:1 FSR forced upon it, essentially resulting in the opposite of the intent of the provision.

Prescriptive standards will limit seniors housing

The Seniors housing provisions outlined in clauses 67-100 may hinder development by reducing the areas where the Housing SEPP is applicable, providing ill-conceived incentives with limited application and through overly prescriptive development standards. For example:

- a minimum lot size of 1,000m² and 20m road frontage is required.
- in residential zones where residential flat buildings are not permitted, Seniors housing will be limited to 9m height and 2 storeys.
- for independent living units, a maximum FSR of 0.5:1, 30% landscaped area, 15% deep soil zone and private open space requirements (clause 97).

The cumulative impact of these provisions must be modelled to ensure that they do not adversely impact development feasibility, effectively sterilising seniors housing in NSW.

UDIA Recommends:

- 16. The impacts of onerous development standards and guidelines on the financial feasibility of seniors living projects must be considered to ensure this does not tip the scales against seniors' developments and result in less housing for our ageing population. This must be modelled with the results released prior to the finalisation of the policy.**

Strict compliance with guidelines will limit seniors housing

The strict application of the Seniors Living Policy: Urban Design Guidelines for Infill Development to exemplar projects delivered in the last 5-10 years would mean those projects would never have been delivered.

The UDIA National winner for Seniors Living & Aged Care - The Terraces at Paddington, and finalist The Royce at Penrith, are both examples of residential aged care facilities and ILUs in the one project. Both projects have the residential aged care facilities integrated into the structure, as are the hotel services.

The Royce has all its open space in an internal courtyard, which is sheltered. But it has little if not nil deep soil planted landscaping. Both of these projects are highly successful developments and highly regarded by residents and families but demonstrate how prescriptive guidelines, including the need for deep soil planting may render development unviable. Additional space for deep soil will result in a loss of yield as the basement car parks needs to be tighter or deeper.

The impacts of the guidelines on the financial feasibility of projects must be considered to ensure this does not tip the scales against Seniors' developments and result in less housing for our ageing population.

Amendment of other environmental planning instruments

UDIA welcomes the inclusion of residential care facilities as State significant development under the State Environmental Planning Policy (State and Regional Development) 2011. However, the requirement for the residential care facility component of the proposed development to have a value of at least 60% of the capital

investment value of the proposed development, is onerous and does not support the trends for co-location with ILUs or mixed-use developments. It is recommended that the percentage should be for any combination of Seniors housing for ILUs and residential care facilities.

Conclusion

UDIA remains supportive of the original policy's intent to promote and support diverse, affordable and Seniors housing products. However, we are greatly concerned that the Draft Housing SEPP as exhibited is a significant departure from this intent and if implemented, will significantly hinder the supply of these housing typologies. We implore Government to listen to the housing providers and industry experts who build these products, to undertake the required modelling and implement the recommendations outlined within this submission.

Thank you for the opportunity to make a submission. Please contact Michael Murrell, Planning Policy Manager at mmurrell@udiansw.com.au or 0413 221 195 with any questions.

Yours sincerely,



Steve Mann
Chief Executive
UDIA NSW