



Mr Steven Head  
General Manager  
Hornsby Shire Council  
PO Box 37  
HORNSBY NSW 1630

Dear Mr Head

### **Hornsby Shire Council - Local Housing Strategy**

Thank you for submitting Hornsby Shire Council's Local Housing Strategy (LHS) to the Department.

The Department commends Council on preparing a robust evidence base to support its LHS, providing Council with a clear understanding of the housing needs of the Hornsby local government area and a strong commitment to strategic planning.

I can confirm that I have determined to approve Hornsby Shire Council's LHS adopted by Council in November 2020. My decision reflects the analysis undertaken to develop a comprehensive strategic planning framework and an evidence base to inform your LHS and deliver 3,800 dwellings for the period 2021-26.

In doing so, I have determined that:

- The LHS addresses housing supply, including the 6-10 year housing target, to be delivered mainly through capacity under existing planning controls, the Cherrybrook State Significant Precinct and the Hornsby Town Centre Review and subsequent planning proposal(s).
- The LHS addresses the need for housing diversity, although commitment to further actions for delivery are required.
- The LHS addresses housing affordability, although commitment to further actions for delivery is required.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs.
- The LHS is consistent with the North District Plan, subject to the requirements identified below.

My approval is subject to the following requirements:

1. Council is to update its implementation plan to reflect the status of current strategic planning work and the requirements of this approval of the LHS within three months and to share this with the Department.

This is to ensure that the Department and other State agencies have a clear understanding of the roles and responsibilities required to deliver Hornsby Shire's housing pipeline.

2. Council is to monitor and review the supply and delivery of housing, in particular to track its performance against the 6-10 year housing target and to evaluate what additional medium density and seniors housing continues to be delivered. A monitoring and review system will ensure that appropriate mechanisms can be identified and implemented to meet Hornsby Shire's housing needs over the medium to long-term.
3. Council is to commit to a work program to identify areas for expansion of the R3 Medium Density Housing Zone and implement these changes. This may be completed in conjunction with a proposal to apply local character areas, with the option to seek to limit the application of the Low Rise Housing Diversity Code to specific areas of the LGA.
4. Council is to exhibit a master plan for the Hornsby Town Centre by 31 July 2021 and submit a planning proposal with any relevant controls required to support rezoning part or all of the masterplan to the Department for Gateway determination by or before July 2022. The Hornsby Town Centre master plan is considered necessary to support housing supply and delivery over the 6-10 year period and beyond.
5. Council is to prepare an Affordable Housing Contribution Scheme that commits Council to examining the feasibility of levying affordable housing contributions for any new planning proposals that would result in development uplift or an increase in land value.
6. The direction and strategic planning approaches endorsed in State-led precinct plans are to prevail in the event of any inconsistency with this approval and/or Council's LHS (as revised and current).

Any planning proposals for new housing development will be assessed against Hornsby Council LHS, the requirements above and advisory notes attached. Any State Government policy changes that may occur in the future are to prevail in the event of any inconsistency.

### *Implementing your Local Housing Strategy*

The State Government is committed to reducing the time taken to complete planning proposals that support housing delivery by tailoring the steps in the process to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage.

To meet these commitments, a detailed implementation plan is required. This should reflect a comprehensive work program for all strategic planning work Council commits to undertake to implement its LHS, and should include but not be limited to:

- The current status of the Hornsby Town Centre review and path to implementation;
- Status, timing, roles and responsibilities for the Cherrybrook Station Precinct and Cherrybrook State Significant Precinct;

- Investigating the feasibility of affordable housing contributions for future growth areas including Hornsby Town Centre, the Cherrybrook Station Precinct and the Pennant Hills Corridor.
- Investigation, planning and implementation required for the expansion of the R3 Medium Density Housing Zones. This may be completed in conjunction with a proposal to implement local character areas and limit the application of the Low Rise Housing Diversity Code.
- Investigation and a place-based planning approach for the Pennant Hills Corridor in consultation with TfNSW.

### *Local Housing Strategy Reviews and Updates*

We strongly recommend that Council review and revise (where required) its LHS before the Local Strategic Planning Statement (LSPS) is required to be reviewed by the Greater Sydney Commission. This will help best inform the next update to the LSPS.

It will also provide Council with the opportunity to improve and clarify aspects of the LHS. The advisory notes enclosed provide specific guidance on matters that Council is encouraged to consider when updating the LHS. The Department will expect these same matters to be addressed in planning proposals and will be reinforcing them through Gateway determinations as an interim measure in the absence of the LHS review process.

Once again, I would like to take this opportunity to acknowledge the significant amount of work your team has undertaken to develop the LHS. Please be advised that the LHS will be published on the NSW ePlanning Portal alongside the letter of approval and advisory notes.

Should you have any further questions, please contact Carina Lucchinelli, Specialist Planner on 9274 6563.

Yours sincerely



**Amanda Harvey**  
**Executive Director**  
**Local Strategies and Plan Making**

13 May 2021

Encl: Advisory Notes



# Hornsby Local Housing Strategy

## Advisory Notes

The following advisory notes identify the further work Council will need to undertake to strongly position future planning proposals and further iterations of the Local Housing Strategy (LHS). The advisory notes provide specific guidance on matters that Council is encouraged to consider when next updating the LHS. The Department will expect these same matters to be addressed in planning proposals and will be reinforcing them through Gateway determinations as an interim measure until the LHS is further updated in accordance with the approval requirements and these notes.

Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
<b>General</b>	
Implementation	<p>Future iterations of the LHS should be underpinned by an implementation plan with a priority work program, clearly defined roles, responsibilities and definitive timeframes with risks and dependencies identified. This is encouraged to be informed by resourcing and budgets to demonstrate how housing targets will be delivered.</p> <p>The implementation plan should specifically address:</p> <ul style="list-style-type: none"><li>• The current status of the Hornsby Town Centre review and path to implementation;</li><li>• Status, timing, roles and responsibilities for the Cherrybrook Station Precinct and Cherrybrook State Significant Precinct;</li><li>• Investigating the feasibility of affordable housing contributions for future growth areas including Hornsby Town Centre, the Cherrybrook Station precinct and the Pennant Hills Corridor.</li><li>• Investigation, planning and implementation required for the expansion of the R3 Medium Density Housing Zones. This may be completed in conjunction with a proposal to implement Local Character Areas and limit the application of the Low Rise Housing Diversity Code.</li><li>• Investigation and a place-based planning approach for the Pennant Hills Corridor in consultation with TfNSW.</li></ul>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Review and monitoring framework	<p>Revisions to the LHS may be required in response to significant changes in the LGA such as announcements on new infrastructure investment and employment opportunities, significant changes in projected population growth or updates to the LSPS.</p> <p>The framework should also review the supply and delivery of housing, including the 6-10 year housing target and targets for medium density and seniors housing.</p>
Making appropriate provision for any additional housing opportunities that may arise out of sequence	<p>The inclusion of a transparent and robust framework to consider additional opportunities will assist Council, the Department and other relevant agencies to assess proposals that are inconsistent with the LHS. It will also ensure that changes to land use or development controls do not take place without demonstrating strong strategic merit. Council is encouraged to develop a framework within which to consider such proposals, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Strategic merit and case for change</li> <li>• Robust demographic evidence</li> <li>• Demand analysis and economic impacts</li> <li>• Infrastructure delivery and funding to be borne by the proponent</li> <li>• Stakeholder consultation and outcomes</li> <li>• Sustainability and resilience</li> <li>• Social and affordable housing contribution</li> </ul>
Community and Stakeholder Engagement	<p>Incorporate findings of exhibition of LHS as well as relevant community and stakeholder engagement.</p>
Consultation and engagement with agencies	<p>Council is to continue consultation with the following agencies:</p> <ul style="list-style-type: none"> <li>• Work with DPIE, Landcom and other government agencies on the planning for government-owned land adjoining the Sydney Metro Northwest corridor at Cherrybrook Station Precinct.</li> <li>• TfNSW in relation to place based outcomes for the Cherrybrook Station Precinct, the Pennant Hills Corridor and Hornsby Town Centre</li> <li>• DPIE Planning Policy in relation to a potential planning proposal for Local Character Areas.</li> <li>• Sydney Water in relation to mains water and sewerage infrastructure in rural areas.</li> </ul>
Consultation with SINSW	<p>Consultation between Council and SINSW should occur:</p> <ul style="list-style-type: none"> <li>• Prior to the finalisation of any future strategy or planning proposal that proposes significant increases in the number of dwellings; and</li> </ul>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<ul style="list-style-type: none"> <li>• When Council is aware of deviations in the following:               <ul style="list-style-type: none"> <li>○ The number of lots or dwellings altering from planning proposal estimates/ strategic plans.</li> <li>○ A population demographic that deviates from the planning profile, either with more or less families with children.</li> <li>○ Rates of development and dwelling take-up varying from planned release programs or forecast residential take-up rates.</li> </ul> </li> </ul> <p>This is to ensure SINSW specifically understands where growth, or changes to growth rates is occurring and can effectively respond by targeting appropriate resourcing to impacted Government schools.</p>
Interdependencies with relevant local evidence base	<p>Incorporate the findings and outcomes of latest studies, policies and State-led precinct plans prepared since the publication and release of the LHS, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Affordable Housing Discussion Paper</li> <li>• Coastal Management Plan for Hawkesbury Estuary</li> <li>• Rural Lands Study</li> <li>• Bushfire Risk Management Plan and Bushfire Management Strategy</li> <li>• Flood Management Plan</li> </ul>
Data	
Clarification of 6 to 10 year and 10-20 year housing target	<p>Revisions to the LHS should provide a breakdown of how the 6 to 10 year target will be achieved, including when and where anticipated supply will be delivered and explain market take up rates.</p> <p>Council should ensure that all population and dwelling forecasts are cross-checked against published DPIE projections to provide greater transparency. Additional guidance and support can be arranged with the Department’s Evidence and Insights division to resolve any variations in dwelling forecasts.</p> <p>The Department has identified that progression of a planning proposal for the Hornsby Town Centre Review is necessary to assist in the supply and delivery of Council’s 6 to 10 year housing target. In this context, Council should submit a planning proposal for the Hornsby Town Centre review by July 2022. The Department offers its assistance to accelerate the planning proposal through the Gateway and potential finalisation process.</p>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
<b>Dwelling Diversity</b>	
Medium Density Housing	Revisions to the LHS should identify mechanisms to deliver medium density housing, including details of baseline supply and demand studies, investigation of housing typologies and land suitability, and potential precinct plans.
Affordable Housing Contribution Scheme	<p>Council's LHS evidence base is considered sufficient to justify the preparation of a SEPP70 affordable housing contribution scheme. An LHS condition of approval is included for Council to prepare a scheme that sets out delivery and rent models, tenant eligibility criteria, tenancy allocation, asset ownership and management.</p> <p>Action 18 of the North District Plan requires Council to prepare an affordable housing contribution scheme. The scheme would be prepared in advance of any out-of-sequence planning proposals and sends a critical signal to the market regarding Council's strategic planning intentions with regard to affordable housing provision. It will also commit Council to examining the feasibility of affordable housing contributions for all new proposals that are likely to result in an uplift of land value. If feasible and appropriate, affordable housing contributions would be required by LEP provisions that implement the contributions scheme.</p> <p>The scheme should be prepared in accordance with the Greater Sydney Region Plan key parameters for successful implementation of Affordable Rental Housing Targets and the NSW Government's <i>Guideline for Developing an Affordable Housing Contribution Scheme</i>.</p>
<b>Local Character</b>	
	<p>Should Council wish to exclude limited areas from the Low Rise Housing Diversity Code (LRHDC) through local character areas, the LHS will need to provide a comprehensive evidence base in relation to the delivery of medium density housing.</p> <p>This should include:</p> <ul style="list-style-type: none"> <li>• Historical and forecast supply of medium density housing, including statistics on range of housing types approved over the last five years (DA and CDCs) and anticipated future take up rates.</li> <li>• Include recommended controls outlined in LHS for medium density in implementation plan, including current status and timeline for implementation.</li> <li>• Incorporate framework to monitor and review the delivery of medium density housing within the LGA.</li> </ul>