



Mr Dominic Johnson
General Manager
Mosman Council
PO Box 211
SPIT JUNCTION 2088

Dear Mr Johnson

Mosman Local Housing Strategy

Thank you for submitting Mosman 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 an understanding of the current and future housing needs of the Mosman LGA. We acknowledge that Council seeks to provide all new housing in the LGA by utilising capacity under existing controls.

I can confirm that I have approved Mosman Council's LHS, dated June 2020. My decision reflects the analysis undertaken to comply with the comprehensive strategic planning framework and the evidence base to inform your LHS to deliver 300 dwellings for the period 2021-26.

In doing so, I have determined that:

- The LHS acknowledges the need for housing supply, including the 6-10 year housing target, however commitment to identifying future growth areas is required.
- 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 are required.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs.
- The LHS is consistent with the Northern District Plan, subject to the requirements identified below.

My approval of the LHS is subject to the following requirements:

1. Council to establish approaches for medium-density and seniors housing to determine whether future changes to the LEP and/or DCP are required to incentivise or encourage housing diversity and diversity of housing typologies.

2. Council is to commence a masterplan or accommodate a developer-led planning proposal with good planning outcomes for the Spit Junction. A planning proposal can be submitted to the Department for Gateway determination by or before December 2022. The Department identifies that this place planning opportunity has the potential capacity to support Council to achieve its 6-10 year (2021-2026) housing targets set by the Greater Sydney Commission. This work should be completed in consultation with TfNSW and recognize opportunities to revitalise the Military Road Corridor arising from the B-line, Beaches Link and Western Harbour Tunnel. The masterplan should explore opportunities to encourage a modal shift from private vehicle to active and public transport and other opportunities to improve function, amenity and accessibility considering the NSW Government's 'Movement and Place Framework' approach.
3. Council is to work with North Sydney Council and TfNSW to masterplan the Military Road Corridor, including the Cremorne Centre, to create future housing capacity to contribute to the longer-term 20-year strategic housing target for the District.
4. Council is to prepare and commence working towards a comprehensive work program and implementation plan for the LHS within four months of this approval being granted by the Department 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 Mosman's Housing pipeline.
5. Council is to update its implementation plan/work program to provide specific actions in relation to its commitment to review DCP controls for adaptable and universal housing, and the resultant potential supply, including consultation with the community and housing providers to understand the suitability of controls and their implementation, particularly in the context of an ageing population. This is to be submitted within four months of the approval being granted.
6. 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 Mosman's housing needs over the medium to long-term.
7. 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.
8. Although not explicitly detailed in Mosman's LHS, Council's proposal to rezone its existing scenic protection area to E4 Environmental Living is considered to form part of the LHS. Council's planning proposal is to include:
 - An explanation of the likely impact of the proposed E4 zone on Council's ability to deliver the GSC's 6-10 year housing target;
 - A plain-English explanation of how the development rights of individual landowners will change under the proposed E4 zone;

- A copy of the 2018 Spackman Mossop Michaels Scenic Amenity Study referenced in Council's original planning proposal identifying the special scenic qualities of Mosman's R2 low-density residential land; and
 - A mapping overlay showing areas of high scenic quality as well as other environmental constraints such as steep slopes, threatened species and endangered ecological communities to inform Council's justification for why the Mosman foreshore area differs from other foreshore areas in Sydney.
9. 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 the Council's LHS (as revised and current).
10. Council is to update or revise the Local Housing Strategy to inform its Local Strategic Planning Statement following the making of a future District Plan.

Any planning proposals for new housing development will be assessed against Mosman Council's 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 LHS

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:

- Implementation of a review system in achieving the LHS.
- Approaches for medium-density and seniors housing to determine whether future changes to the LEP and/or DCP are required to incentivise or encourage housing diversity and diversity of housing typologies.
- Specific actions relating to Council's commitment to review the DCP controls for adaptable and universal housing, including consultation with the community and housing providers to understand the suitability of controls and their implementation.
- Work program to consider more specific areas for medium density housing taking into account the state infrastructure projects.
- The preparation of an Affordable Housing Contribution Scheme.
- Master planning the Spit Junction.
- Master Planning the Military Road Corridor, including the Cremorne Centre, in consultation with North Sydney Council and TfNSW.

LHS Reviews and Updates

A review and update process will provide an opportunity to align Council's LHS and Local Strategic Planning Statement (LSPS), together with the housing targets and diversity outlined in the District plan, ensuring a cohesive strategic planning framework is in place for Mosman LGA.

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.

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

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

Should you have any further questions, please do not hesitate to contact me on 8275-1128.

Yours sincerely



Amanda Harvey
Executive Director
Local Strategies and Plan Making

11 June 2021

Encl: Advisory Notes



Mosman 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
General	
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">• The implementation of a monitoring review system and establish a targeted approach for medium-density and seniors housing to determine whether future changes to the LEP and/or DCP are required to incentivise or encourage housing diversity and diversity of housing typologies.• Specific actions in relation to its review of DCP controls for adaptable and universal housing, including consultation with the community and housing providers to understand the suitability of controls and their implementation.• The preparation of 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.• Master planning the Spit Junction.• Master planning the Military Road Corridor, including the Cremorne Centre, in consultation with North Sydney Council to create future housing capacity to contribute to the longer-term 20-year strategic housing target for the District.



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"> • Strategic merit and case for change • Robust demographic evidence • Demand analysis and economic impacts • Infrastructure delivery and funding to be borne by the proponent • Stakeholder consultation and outcomes • Sustainability and resilience • Social and affordable housing contribution
Community and Stakeholder Engagement	<p>Outline and 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"> • Ongoing consultation with TNSW and North Sydney Council in relation to the opportunities for revitalizing the Military Road Corridor arising from the Beaches Link and Western Harbour Tunnel, exploring opportunities to encourage a modal shift from private vehicle to active and public transport and other opportunities to improve function, amenity and accessibility considering the NSW Government's 'Movement and Place Framework' approach. • Ongoing consultation with North Sydney Council in relation to planning for the Cremorne and Neutral Bay centres. • Ongoing consultation and collaboration with councils of the North District and community housing providers to support the delivery of affordable housing.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Consultation with SINSW	<p>Consultation between Council and SINSW should occur:</p> <ul style="list-style-type: none"> • Prior to the finalisation of any future strategy or planning proposal that proposes significant increases in the number of dwellings; and • When Council is aware of deviations in the following: <ul style="list-style-type: none"> ○ The number of lots or dwellings altering from planning proposal estimates/ strategic plans. ○ A population demographic that deviates from the planning profile, either with more or less families with children. ○ Rates of development and dwelling take-up varying from planned release programs or forecast residential take-up rates. <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	Incorporate the findings and outcomes of latest studies, policies and State-led precinct plans prepared since the publication and release of the LHS.
Data	
Clarification of 6-10 year and 10-20 year housing target	<p>Revisions to the LHS should provide a breakdown of how the 6-10 year target will be achieved, including when and where anticipated supply will be delivered and explain market take-up rates.</p> <p>If the planning proposal relating to foreshore and scenic areas is to progress, Council should also clearly outline how it will affect the delivery of housing diversity and/or the achievement of the housing targets.</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>
Dwelling Diversity	
Affordable Housing Contribution Scheme	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.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<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 regarding 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>
Planning proposal to rezone existing Scenic Protection Area to E4 Environmental Living.	<p>Although not explicitly detailed in Mosman's LHS, Council's proposal to rezone its existing scenic protection area to E4 Environmental Living is considered to form part of the LHS. Council is to resubmit its planning proposal and include:</p> <ul style="list-style-type: none">• An explanation of the likely impact of the proposed E4 zone on Council's ability to deliver the GSC's 6-10 year housing target;• A plain-English explanation of how the development rights of individual landowners will change under the proposed E4 zone;• A copy of the 2018 Spackman Mossop Michaels Scenic Amenity Study referenced in Council's original planning proposal identifying the special scenic qualities of Mosman's R2 low density residential land; and• A mapping overlay showing areas of high scenic quality as well as other environmental constraints such as steep slopes, threatened species and endangered ecological communities to inform Council's justification for why the Mosman foreshore area differs from other foreshore areas in Sydney.