

TRANSPORT ORIENTED DEVELOPMENT PROGRAM



NSW Department of Planning, Housing and Infrastructure (DPHI)



THE AARON BOLOT 2023 AWARD FOR RESIDENTIAL ARCHITECTURE - MULTIPLE HOUSING

IGLU SUMMER HILL | BATES SMART

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Submission: Transport Oriented Development Program

INFORMATION ABOUT THE INSTITUTE

- The Australian Institute of Architects (Institute) is the peak body for the architectural profession in Australia. It is an independent, national member organisation with more than 14,000 members across Australia and overseas.
- The Institute's vision is: *Everyone benefits from good architecture.*
- The Institute's purpose is: *To demonstrate the value of architecture and support the profession.*
- At the time of this submission the NSW Chapter President is Adam Haddow FRAIA and the Executive Director NSW is Lisa King.

Contact details for this submission:

Australian Institute of Architects

ABN 72 000 023 012

Tusculum

3 Manning Street

Potts Point NSW 2011

Name: Reece Agland | National Advocacy and Policy Manager

Email: reece.agland@architecture.com.au

The Australian Institute of Architects recognises the unceded sovereign lands and rights of Aboriginal and Torres Strait Islander peoples as the First Peoples of these lands and waters. This recognition generates acknowledgement and respect for Aboriginal and Torres Strait Islander Countries, Cultures and Communities, and their ways of being, knowing and doing. Caring for Country practices including architecture and place shaping have existed on this continent since time immemorial.

The Institute recognises a professional commitment to engage and act meaningfully through reciprocal partnership and relationships with Aboriginal and Torres Strait Islander peoples. Together we will support and develop the emergence of new possibilities for our shared future.

Recommendations

Recommendation 1: Affordable housing produced under the TOD program to be retained in perpetuity.

Recommendation 2: Affordable housing percentage for sites taking advantage of bonus height and FSR provisions should start at 15%, with regular uplift in the requirement until it reaches 30% in 2030.

Recommendation 3: Affordable housing contribution for housing developments produced under the TOD program be increased in increments to 10% by 2030.

Recommendation 4: The zone around the identified transport hubs should be increased, subject to local conditions, and extended from 400 metres to 800 metres.

Recommendation 5: Ensure the height and FSR is correctly calibrated. Choose from the following options:

- Increase height: 2:1 = 21m and 3:1 = 31m
- Reduce FSR: 16m = 1.7:1, 21m = 2:1

And that the Standard Instrument be amended to:

- Option 1: Allow lift overruns, roof terraces, roof forms and plant to exceed LEP heights by 4.5m. This could be achieved by amending the architectural roof feature clause.
- Option 2: Amend heights in LEP to allow 4.5m Ground + 3.2m upper levels.
- Option 3: Replace height in metres with number of storeys – tangible outcome.
- Option 4: Amend the definition of height to be measured to the “underside of the ceiling of the uppermost habitable level”

Recommendation 6: The government should set a recommended minimum site area of 1800 metres or a minimum frontage of 25m, with any project on a smaller site than this, setting out how they can still meet all requirements within that footprint.

Recommendation 7: TOD program projects be subject to minimum tree canopy and deep soil requirements for developments.

Recommendation 8: The State government set up design competitions for local precincts where the government controls the site.

Recommendation 9: The State government establish an interest-free loan facility allowing LGA access to development contribution money while development is progressing, ensuring local amenity is improved contemporaneously with development.

Recommendation 10: Heritage and local character remain a factor in consideration of TOD program development applications.

INTRODUCTION

Addressing the housing shortage in Australia is one of the paramount policy conundrums we face. The Australian Institute of Architects (the Institute) welcomes the NSW government's commitment to prioritising housing policy. The Institute has reviewed the Transport Oriented Development (TOD) program and believes that it provides a welcomed designed focus approach to developing housing along existing transport corridors.

Developing housing along transport corridors provides benefits that include:

- allowing residents to minimise and hopefully even forgo the use of a car as a means of transport
- provide housing near to existing services
- increases the financial viability of local businesses
- reduced need for new roads

Design is the key to unlocking housing that is both affordable and somewhere people want to live. The Institute firmly believes in well-designed housing, not “any housing”, as a key part of solving the affordable housing problem.

Big Picture Principles

There is an opportunity for the TOD Program to emphasise broader place-making principles that create safe spaces and active precincts. Examples include streetscape activation, diversity of use, local community development, encouraging community participation and implied community ownership.

We recommend the government consider wider issues than just new housing development. Medium to higher-density residential developments and diverse land use zoning can promote the sustainable establishment of shops and recreational areas, thus promoting walkability. Uses such as cafes, alfresco dining, shops and parklets provide pauses along pedestrian journeys and activate streetscapes. It is important to consider whole journey planning when addressing walkability.

We recommend that TOD consider how these wider issues can inform TOD program outcomes, to make the places people want to live in, visit and have a thriving local community.

Cities such as Amsterdam, Copenhagen, Helsinki, Zurich, Hamburg and Vancouver have introduced urban design and integrated planning strategies to minimise urban car use and create exclusive pedestrian areas. Cities such as Hong Kong have created safe, highly activated underground walkways for pedestrians safe from traffic and weather.

A broader planning and urban design vision is recommended, one that prioritises pedestrian and active transport. These transport uses need to be factored into the overall plan for designs situated along transport nodes. It is also important that the train stations have adequate provisions for bike storage, including e-bikes, e-scooters and cargo-bikes. This will require a range of storage offerings that go beyond the traditional offerings.

While broadly in support of the TOD program and the government's plans to deal with housing, the Institute makes the following recommendations that we believe will improve outcomes for all.

A. 15-year sunset date on affordable housing provision

The Institute appreciates the government's need to ensure the commercial viability of its housing program; however, we believe that this is a unique opportunity to make real progress in affordable housing. Returning affordable housing too quickly to the commercial market risks recreating the problems we are seeing today in 15 years' time.

The alternative is to keep affordable housing in the system for life. The high upfront costs of affordable housing also make retaining for life more sensible long term.

Rather than returning affordable housing to the market in 15 years' time, the government should consider incentives that ensure such housing not merely remains affordable housing, but also remains viable. Regular 15-year update programs will ensure such housing remains relevant and ensures a longer life. Given the high upfront support for such housing and the high costs of replacing affordable housing with new builds, regular update programs will reduce the long-term costs of the government.

Recommendation 1: Affordable housing produced under the TOD program to be retained in perpetuity.

B. 15% affordable housing requirement for sites taking advantage of bonus height and FSR provisions.

The Institute supports the introduction of the 15% affordable housing requirement for sites taking advantage of bonus height and FSR provisions.

We believe all housing projects in NSW that take advantage of government support for including affordable housing should come with a requirement to deliver a percentage of residential GFA as affordable housing.

While we support the 15% requirement, we believe this requirement should see a regular uplift to bring affordable housing closer to market need. As such, we call on the government to consider introducing regular uplifts a minimum affordable housing provision of 30% is achieved in 2035.

Recommendation 2: Affordable housing percentage for sites taking advantage of bonus height and FSR provisions should start at 15%, with regular uplift in the requirement until it reaches 30% in 2030.

C. Mandatory contribution

While the proposed mandatory contribution of 2% is a good start, the Institute does not believe that it will provide sufficient funding required to address the scale of the problem and the government's housing targets.

The Institute appreciates the concerns raised by some in the construction sector about the costs of construction and the ability to provide housing to all, the reality is the scale of historic underinvestment in social housing is such that significant contributions are required to make up for that prior under-investment.

The Institute would like to see a regular uplift in this figure, particularly as supply constraints and inflationary pressures on the construction sector begin to wane. The Institute believes that the target figure should be 10%, particularly in areas where there is substantial uplift in land value as a result of changes in planning controls.

Recommendation 3: Affordable housing contribution for housing developments produced under the TOD program be increased in increments to 10% by 2030.

D. Program precincts – 400 metre rule

The Institute believes that there is capacity to increase the zone for which higher density and height are to be included from the currently proposed 400m from one of the stations. We believe that the demand and capacity for housing are such that the 400m zone should be, subject to local conditions, increased out to 800m. This would make the most of the existing infrastructure, still be within walkable distance of transport, whilst significantly increasing the housing that would be made available.

Recommendation 4: The zone around the identified transport hubs should be increased, subject to local conditions, and extended from 400 metres to 800 metres.

E. Height & FSR Limits

While the Institute supports the need to improve the height requirements for mid-rise housing, we are concerned that strict rules on height or FSR provide insufficient flexibility to develop effective solutions that are both of a high design standard and commercially viable.

Feedback from our members as a result of their practical experience is that the allowance of 2:1 in 16m height limits and 3:1 in a 21m height limit will cause ongoing problems relating to fitting the FSR within allowable heights. They believe that the current LEP height limits across NSW cannot deliver the FSR's imagined.

Strict adherence to such rules will also likely lead to ongoing challenges at the Land and Environment Court and/or the need for a significant number of 4.6 variations to be drafted and supported. We do not believe this is a welcome outcome, nor what the government is seeking to achieve.

Generally, a rule of thumb is 0.3–0.35:1 for each storey. For example, a 5-storey building would accommodate an FSR of 1.5–1.75: (depending on the landscaping required). Some of the options our members have canvassed have included changing the height limit of 2:1 from 16m to 21m and 3:1 from 21 to 31m and removing height limits for projects outside of heritage areas.

Recommendation 5: Ensure the height and FSR is correctly calibrated. Choose from the following options:

- Increase height: 2:1 = 21m and 3:1 = 31m
- Reduce FSR: 16m = 1.7:1, 21m = 2:1

Further, we recommend broader changes to the way that height is calculated in the planning system in NSW. The current definition of height, combined with the requirement to deliver quality built form with adequate ceiling heights, active roof terraces, and improved insulation and waterproofing, conflicts with height requirements that are 20-30 years old. The number of cl 4.6 variations required to justify very minor height non-compliance bog down the planning system with unnecessary justifications.

We recommend that the Standard Instrument be amended to:

- **Option 1:** Allow lift overruns, roof terraces, roof forms and plant to exceed LEP heights by 4.5m. This could be achieved by amending clause 5.6 the Architectural roof feature.
- **Option 2:** Amend heights in LEP in R4, E1 and MU1 zones to allow 4.5m Ground + 3.2m upper levels.
- **Option 3:** Replace height in metres with number of storeys – tangible outcome.
- **Option 4:** Amend the definition of height to be measured to the “underside of the ceiling of the uppermost habitable level.”

F. Minimum site area requirements

The Institute understands the desire to achieve flexibility by recommending that minimum site sizes be removed. While, in theory, this may allow for more sites to become viable options for development, the reality is that once you factor in issues such as service provisions and frontage, there is a de facto site limit. Our members have indicated that a site under 1800 metres would be difficult to build on.

There may be situations where a smaller site may be viable, and some flexibility should be built into minimum site requirements; it is important that consolidation should be considered to allow the amalgamation of smaller sites into more viable lot sizes.

Recommendation 6: The government should set a recommended minimum site area of 1800 metres or a minimum frontage of 25m, with any project on a smaller site than this, setting out how they can still meet all requirements within that footprint.

G: Tree canopy

Whilst there is a need to address housing, this cannot be at the expense of ensuring that housing is fit for living. This requires minimum requirements in relation to tree canopy and deep soil requirements. Trees provide natural shading, areas for local wildlife and reduce the heat sink effect that often accompanies large housing developments.

Tree canopy not only creates a more pleasant environment in which to live, but also adds financial value to the property in the long term¹. Climate change means that our built environment is subject to higher heat extremes and for longer periods. Removing tree coverage and other forms of foliage and green spaces and replacing them with concrete

¹ AECOM A Brilliant Cities Report Value of Green Infrastructure 2017 p4

and glass makes these heat extremes even worse. Concrete, in particular, acts as a heat island effect, absorbing and retaining heat. Effective tree canopy can mitigate these.

These are not just “nice to have” features; they are essential to ensure that the housing we build is fit for human habitation, fits in with the local area and provides natural cooling. Minimum standards are required and should not be “traded against” other features, such as more affordable housing.

Recommendation 7: TOD program projects be subject to minimum tree canopy and deep soil requirements for developments.

H: Pattern Book

The Institute agrees that there are cost advantages to the use of pattern books and supports pattern books that are designed by architects and conform to all Australian standards. However, the reality is that simply adopting a pattern book approach risks not ensuring any project is designed to fit into its environment, that it is properly oriented for light and ventilation and that a design is fit for the location.

Rather, the Institute encourages the Government to instead set up design competitions for local precincts where the government controls the site. This would allow for greater flexibility, higher quality outcomes and designs that are contextual to their local environment and community rather than merely placed on top of them. These projects can become real-life demonstration projects where future homeowners can see and touch the good design outcomes. Competitions also improve public buy-in for development projects and help to alleviate concerns about what is exactly going to be built in their community.

Recommendation 8: The State government set up design competitions for local precincts where the government controls the site.

I. Local Government access to development contribution money

While locating projects close to existing transport hubs is a good means to make the most of existing infrastructure, the reality is there will still be the need for upgrades to local community services and infrastructure.

The Institute believes that the best outcomes would be achieved if those upgrades happened concurrently with the project delivery. Often, such programs come a long time after the development has finished. This causes friction as the services have not kept up with increased demand. It can also lead to local opposition to development as it will squeeze the existing infrastructure.

To ensure that this growth in local services happens at the same time as project development, the Institute believes that the State government should establish an interest-free loan facility so that LGA can access development contribution money earlier.

Recommendation 9: The State government establish an interest-free loan facility allowing LGA access to development contribution money while development is progressing, ensuring local amenity is improved contemporaneously with development.

J. Heritage and Local Community Character

While the Institute appreciates the desire to ensure that appropriate developments are not overtly constrained by existing and rigid community character and heritage overlays, we caution against a system that does not take these important issues into consideration.

Many cities around the world have lost much of their architectural merit and sense of community. Too often, these are replaced by large developments that are out of scale with the local environment and adopt designs that are indistinguishable from other cities. In the rush to new housing, the importance of character and history must not be thrown away.

People seek to live in an area precisely because its heritage and character are attractive to their lifestyle and needs. The cities where people want to live are those that retain a sense of identity and scale that works with their residents. Inappropriate development can lead to housing remaining unleased, local business closures and places where families and individuals do not feel comfortable travelling at night.

This will require a SEPP that has sufficient flexibility to ensure that as the areas being developed grow, they grow with their local community. It is important to ensure that 'heritage conservation areas' are not considered 'preservation' areas. It means appreciating the need to situate any development within the community it is located, understanding what makes a local community an attractive place to live and how those issues can be planned into new denser building designs and developments.

The NSW Heritage Office/Institute publication *Design in Context* provides good examples and creative responses that ensure heritage preservation, with modern requirements and needs.

New planning controls should be clear as to the values that are important, and also, where changes in scale are proposed, provide guidance on how the scale difference is managed. It is also noted that designs that are better integrated into their community are less likely to receive challenges to development applications or protests from local community groups.

Recommendation 10: Heritage and local character remain a factor in consideration of TOD program development applications.