

ORDINARY MEETING OF COUNCIL TO BE HELD ON TUESDAY, 20 FEBRUARY 2024 AT 7:00PM LEVEL 3, COUNCIL CHAMBER

LATE AGENDA

NOTE: For Full Details, See Council's Website – <u>www.kmc.nsw.gov.au</u> under the link to business papers

MM.3 Housing Policy Update

File: S14427

This Mayoral Minute follows MM1 and GB1 from the 5 February 2024 Extraordinary Meeting of Council to provide an update (for noting) on local activity regarding the State Labor Government's proposed housing policy.

Although councillors had met with the Department of Planning on 24 January to discuss the Transport Oriented Development ('TOD') SEPP, we have yet to receive written answers to the questions that we had raised. Particular questions include:

- 1. Further information on the underlying assumptions and modelling about why Roseville, Lindfield, Killara and Gordon were selected while other train stations closer to the city were not. This information is said to be cabinet-in-confidence.
- 2. Housing targets for each TOD centre.
- 3. Further information on how it is possible to build 6-7 storeys (or 8-9 storeys with affordable housing) while respecting the fabric of a Heritage Conservation Area.

As per point E of the 5 February 2024 GB1 resolution, letters were written to each NSROC council stating Ku-ring-gai's position on the housing policies. NSROC met on 15 February where it decided to advocate for a deferral on the Low and Mid-Rise Housing SEPP as well as the TOD SEPP so that councils can undertake strategic planning, upzone areas themselves, and demonstrate how they will meet the housing targets within an agreed timeframe.

As per point F of the 5 February 2024 GB1 resolution, letters were written to each Sydney metro council, urging them to carefully assess the implications of the housing policies and seek change if considered appropriate.

A housing survey conducted by the council had over 5,300 responses. Approximately three quarters of survey respondents were against the housing policies in their current form, with just over a fifth in support and the remainder undecided. I had expected that if we filter for apartment residents, or filter for the younger demographic, it would produce a very different outcome but the 75%/22%/3% split remained approximately the same for these sub-groups. The survey indicates that there are strong concerns in the community for increased density to be appropriately supported by the delivery of infrastructure and amenities.

A meeting originally scheduled on 15 February with Paul Scully MP (Minister for Planning) had been deferred by his office to 29 February.

Last week, the Premier publicly stated that he is willing to meet with Mayors to talk about housing. In response, a letter has been issued to request a meeting, ask for a deferral of the SEPPs, and seek a constructive way forward (refer to Attachment 1).

Council staff continue to implement all other points stated in the 5 February 2024 GB1 resolution.

Recommendation:

That Council notes and receives this Mayoral Minute

CONFIDENTIAL BUSINESS TO BE DEALT WITH IN CLOSED MEETING

c.1 Lindfield Village Hub - Confidential Update

File: S12165-4-6

In accordance with the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*, in the opinion of the General Manager, the following business is of a kind as referred to in sections 10A(2)(c), 10A(2)(d)(i), 10A(2)(d)(ii) & 10A(2)(g), of the Act, and should be dealt with in a part of the meeting closed to the public.

Section 10A(2)(c) of the Act permits the meeting to be closed to the public in respect of information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

The matter is classified confidential because it deals with the proposed acquisition and/or disposal of property.

It is not in the public interest to release this information as it would prejudice Council's ability to acquire and/or dispose of the property on appropriate terms and conditions.

Section 10A(2)(d) of the Act permits the meeting to be closed to the public for business relating to commercial information of a confidential nature that would, if disclosed:

- (i) prejudice the commercial position of the person who supplied it, or
- (ii) confer a commercial advantage on a competitor of Council, or
- (iii) reveal a trade secret.

This matter is classified confidential under section 10A(2)(d)(i) because it deals with tenders. Tender details, should they be revealed, may result in commercial disadvantage to parties involved in the tender process. Some information provided to Council by tenderers is provided on the basis that Council will treat it as commercial in confidence.

It is not in the public interest to reveal details of these tenders or the assessment process. Tenderers have provided sensitive information about their operations in the confidence that their details will not be made public by Council. The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to Council's decision.

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- (i) prejudice the commercial position of the person who supplied it, or
- (ii) confer a commercial advantage on a competitor of Council, or
- (iii) reveal a trade secret.

This matter is classified confidential under section 10A(2)(d)(ii) because it would confer a commercial advantage on a competitor of the Council.

Section 10A(2)(g) of the Act permits the meeting to be closed to the public for business relating to advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

This matter is classified confidential under section 10A(2)(g) because it contains advice concerning a legal matter that:

- (a) is a substantial issue relating to a matter in which the Council is involved
- (b) is clearly identified in the advice, and
- (c) is fully discussed in that advice.

It is not in the public interest to release details of the legal advice as it would prejudice Council's position in court proceedings.

Report by Acting General Manager

John McKee GENERAL MANAGER

Item MM.3MM.3

MAYORAL MINUTE

HOUSING POLICY UPDATE

This Mayoral Minute follows MM1 and GB1 from the 5 February 2024 Extraordinary Meeting of Council to provide an update (for noting) on local activity regarding the State Labor Government's proposed housing policy.

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Council staff continue to implement all other points stated in the 5 February 2024 GB1 resolution.

RECOMMENDATION:

That Council notes and receives this Mayoral Minute

Councillor Sam Ngai **Mayor**

Attachments: A1

A1^C Letter from Mayor to Premier Minns - proposed housing policy 2024/055804 the changes

ATTACHMENT NO: 1 - LETTER FROM MAYOR TO PREMIER MINNS - PROPOSED HOUSING POLICY CHANGES

ITEM NO: MM.3

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Reference: S14427 20 February 2024

The Hon. Chris Minns, MP Premier of NSW GPO Box 5341 SYDNEY NSW 2001

Dear Premier

As Mayor of Ku-ring-gai, I am following up your radio interview statement last week that you are willing to talk to any Mayor regarding housing, and I am seeking an opportunity to meet.

I agree that with this housing crisis, each council (including ours) has a role to play in supporting greater density and I am keen to get it done right.

Prior to a potential meeting, it is also helpful to call out three key facts which differentiate Ku-ring-gai's situation from that of other councils.

1. The Loss of Enabling Infrastructure and Homes in Lindfield

It is important for the State to recognise that its investment in infrastructure has a multiplier effect in building homes, and that similarly the withdrawal of funding has a multiplier effect in delaying the delivery of homes.

To improve the liveability of Lindfield, Council had plans to deliver a much-needed library, community centre, park, and a few hundred shop-top homes near the train station before the end of this decade. While working as quickly as possible, Council was constrained by the procurement provisions of the Local Government Act which were exacerbated by the pandemic.

Despite this setback, Council was about to sign a deal in December 2023 to make this happen when just one day before the signing, the State withdrew \$9.8m of funding which put the entire project (including the delivery of a few hundred homes this decade) in jeopardy. Since then, construction cost escalations have brought the delivery of infrastructure and homes further out of reach.

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The \$9.8m wasn't just about the delivery of a carpark. With the multiplier effect, it was directly linked to the investment of hundreds of millions from the public and private sector to deliver infrastructure, amenities, and homes in the form of the Lindfield Village project. After the commencement of this project, the amenities would have had a further multiplier effect by spurring the build of additional homes nearby.

The proposed Transport Oriented Development SEPP also has the effect of spurring the build of additional homes in Lindfield, however, it is a developer-led process that does not bring in the walking-distance infrastructure and amenities that otherwise would have made Lindfield a great place to live.

To ensure the delivery of homes this decade, I would look forward to a discussion regarding the revival of the Lindfield Village project.

2. The Timing of the Transport Oriented SEPP

Another reason Ku-ring-gai has reacted more strongly is that it is one of the few councils to be getting the TOD SEPP (Phase 2) imminently with minimal planning and consultation to support. The table below summarises the impacts of this year's three housing proposals.

	Description	Timing & Consultation	Planning & Funding
Transport Oriented Development Accelerated Precincts (Phase 1)	8 priority high growth hubs supporting 47,800 homes	Rezones to occur Sep 2024 to Nov 2024 √Consultation to begin Q2 2024	Masterplans in place, with infrastructure supported by √\$520m of state funding
Transport Oriented Development SEPP (Phase 2)	31 well-located stations supporting 138,000 homes Includes Roseville, Lindfield, Killara and Gordon Station in the Ku-ring-gai LGA	Rezones to occur April 2024 XNo prior community consultation	Existing masterplans do not support the magnitude of proposed uplift XNo funding for infrastructure (in fact, \$9.8m was withdrawn as above)
Low and Mid-Rise Housing SEPP	All R2 and R3 zones in NSW	Rezones to occur second half of 2024 Community feedback process in progress	Existing masterplans may not support magnitude of uplift

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ATTACHMENT NO: 1 - LETTER FROM MAYOR TO PREMIER MINNS - PROPOSED HOUSING POLICY CHANGES

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While Ku-ring-gai supports more housing near transport hubs, we believe that planning for infrastructure needs to be put in place prior to the rezone. Plans do exist for some of our hubs, but not to the intensity stated in the proposed SEPP. The plans need to be revised to support uplift.

Roseville and Killara do not yet have supermarkets.

Existing plans also create future open spaces within walking distance at town centres, however valuations for acquiring private land have escalated dramatically since the SEPP announcement and the land acquisition required to deliver open space is now out of reach.

We also have road bottlenecks that need to be alleviated. Some residents wait 20 minutes to get past a traffic light.

Developers will not build parklands or widen roads, it is the role of government. And we wish to collaborate with the State so that the uplift in housing can be successful. We ask that the TOD SEPP be postponed until the relevant infrastructure planning and funding is put in place.

3. The Uncertainty Regarding Heritage

In our brief meetings with the Department, we have raised questions regarding the future of our Heritage Conservation Areas. Their response has been that while SEPPs (along with their non-refusal standards) will override existing LEP and DCP controls, heritage considerations can still be considered by council when assessing each development.

We do not understand how densities of 6-7 storeys (8-9 with affordable housing) can be supported while still respecting the heritage and the fabric of the area. The Department has not given us a straight answer to date, and we would appreciate a response so that we can alleviate the concerns of local residents.

I look forward to working with you on these matters.

Kind Regards

Sam

Councillor Sam Ngai Mayor of Ku-ring-gai Council sngai@krg.nsw.gov.au / 0436 655 543

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