

Diverse and well-located housing reforms

We want your feedback on proposed changes to the planning system to increase the capacity for more diverse low- and mid-rise housing in well-located areas near existing services and infrastructure.

Housing the people of our state is the NSW Government's top priority.

We are committed to delivering more high-quality, well-located homes near transport, services and open spaces.

Under the National Housing Accord, the NSW Government has committed to providing an additional 377,000 homes by 2029. Sydney is one of the least-dense global cities. An overwhelming amount of our homes are detached, single homes, and under the existing planning controls this is unlikely to change.

Currently, low-rise housing types like terraces, townhouses and manor houses are only permitted in 6% of low-density residential zones across Sydney – this zoning is referred to as R2. And many medium-density residential zones - known as R3 zoning - don't allow mid-rise housing.

We need to build up, not out. But we need to do this in areas that are already well serviced by transport and amenities. More low- and mid-rise housing will help to fill the gap between detached homes and high-rise apartments.

Impact on local communities

These changes will increase the capacity for new homes close to transport and town centres so people can quickly and easily get to where they want to go. And more people will live within walking distance of supermarkets, restaurants and public spaces.

The proposed reforms will also help developers build different types of homes such as the 'missing middle' – up to 6 storey residential apartment buildings – to meet the changing and future needs of NSW households.

The proposed changes are expected to create capacity for up to **112,000 new homes by 2029**. This represents 30% of the homes NSW needs to build to meet its Housing Accord target. These new homes will help address the housing crisis currently facing the people of NSW.

Low- and mid-rise housing

Low-rise housing is generally 1- to 2-storey, dual occupancy, multi-dwelling housing (such as terraces and townhouses) and manor houses (see Figure 1).

Figure 1. Typical low-rise building types



Mid-rise housing (Figure 2) is generally 3 to 6 storey residential flat buildings or shop-top housing.

Figure 2. Typical mid-rise building types



Housing in ‘well-located areas’

‘Well-located areas’ are defined as those areas close to existing train, metro and light rail stations and town centre precincts.

Putting more homes in these areas leverages the existing infrastructure and will increase the different types of homes available close to transport and amenities. This will make housing more affordable and provide more housing choice so people can stay where they want to live near families and friends.

Summary of the proposed reforms

These reforms will deliver a wider range of housing choice for our growing communities, especially in areas that have good transport connectivity.

In the Six Cities region, the precincts affected by the reforms will be within:

- 800 metres walking distance of a heavy rail, metro or light rail station
- 800 metres walking distance of land zoned E2 commercial centre or SP5 metropolitan centre
- 800 metres walking distance of land zoned E1 local centre or MU1 mixed use but only if the zone contains a wide range of frequently needed goods and services such as full-line supermarkets, shops and restaurants.

Low-rise housing

The reforms propose to promote key low-rise (up to 2 storeys) housing types by:

- allowing:
 - dual occupancies on all land zoned R2 in NSW
 - manor houses on land zoned R2 within station and town centre precincts
 - multi-dwelling housing on land zoned R2 within station and town centre precincts
- introducing new standards for building height, lot size and floor space ratios
- introducing new provisions to enable subdivision under the development approval pathway for multi-dwelling housing (terraces) and dual occupancies.

Mid-rise housing

The reforms propose to increase development of mid-rise (3 to 6 storeys) housing types by:

- making residential flat buildings permissible in the R3 zone within station and town centre precincts
- introducing new standards for building height, floor space ratios and more to support small apartments
- setting different standards for ‘inner’ station and town centre precincts (within 400 metres), and ‘outer’ station and town centre precincts (within 400 to 800 metres) to ensure appropriate density transition
- applying the proposed standards to shop-top housing where it’s currently allowed within station and town centre precincts, except in the R2 zone
- introducing standalone controls to vary the requirements of the Apartment Design Guide so that small apartment buildings are well-designed and have excellent amenities.

A list of different zones and their objectives is available on [the NSW Legislation website](#).

Implementing the reforms

Currently, each council has its own rules for what kind of homes can be built in their area.

The NSW Government will introduce a state environmental planning policy to enact the changes. At the same time, it will encourage councils to add these types of dwellings to their own planning rules. If a council's planning rules match or go further than the state policy, then this new NSW Government policy will not apply.

Have your say

Your feedback will help us better understand the views of the community and will inform the proposals discussed.

The plans will go out for public feedback in early December.