

16 October 2020

A/Director of Eastern and South District  
NSW Department of Planning, Industry and Environment  
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Via email: [brendan.metcalf@planning.nsw.gov.au](mailto:brendan.metcalf@planning.nsw.gov.au) ; [rhodesprecinct@planning.nsw.gov.au](mailto:rhodesprecinct@planning.nsw.gov.au)

Dear Brendan,

**RE: UDIA NSW Submission on the Draft Rhodes Precinct Place Strategy**

UDIA is pleased for the opportunity to make a submission to the Draft Rhodes Precinct Place Strategy (the Draft Strategy).

The Urban Development Institute of Australia (UDIA) NSW is the peak body representing the interests of the urban development industry in New South Wales. We represent over 500 member companies that are directly involved in the industry including developers, consultants (engineering, planning, legal, environmental, design) and local government, for the goal of Liveable, Affordable & Connected Smart Cities.

UDIA supports the Department's master plan approach for the Rhodes precinct where it prioritises active transport, integrated infrastructure and density with a human scale. UDIA supports the recognition of affordable housing as critical infrastructure as a foundational policy statement and one of the top objectives of the Strategy listed as Objective 4. UDIA NSW holds a well recognised policy position on the importance of liveable, affordable and connected cities for the benefit Sydney's ongoing social and economic sustainability.

UDIA believes the revitalisation of the eastern portion of the Rhodes Peninsula has the capacity to assist with Sydney's post-COVID economic recovery. However, the private sector investment needed to deliver this recovery will be dependent on the Precinct having the right level of development controls, together with sufficient flexibility to ensure feasibility of development. The UDIA is concerned about the overly prescriptive and restrictive development controls that, in the latest iteration of the draft Strategy, which are likely to render many sites unfeasible for redevelopment.

The Draft Plans recently exhibited do not appear to take into consideration or respond to major key issues raised by landowners during the landowners' consultation process. There were four clear primary objectives for the declaration of Rhodes as a Priority/Planned Precinct almost five years ago - to deliver **new jobs, housing, open space and upgraded infrastructure** in a Strategic Centre.

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Despite this being the third time since 2017 that DPIE has exhibited plans for the Precinct, it is UDIA's view that if the Draft Plans were to be made in their current form, they would fail to deliver on all of these objectives.

The present Draft Plans will likely sterilise development and fail to deliver jobs, housing and infrastructure in the Precinct for the foreseeable future and, at worst, are a lost opportunity to provide density together with new open space near railway infrastructure, which is critical for the 30-Minute global city objectives set out in the Greater Sydney Regional Plan.

UDIA asks the Department to further consult with landowners to devise a plan for the Rhodes Precinct that is both feasible and achievable, and will deliver on the Government's original objectives.

Over the past 5 years, extensive consultation with the Rhodes community has highlighted key items of concern for the community include the following:

1. **Inadequate existing open space**, in particular, the need for new off leash dog parks, sports fields and cultural gardens;
2. **Insufficient parking** – the current and past parking controls have led to shortfalls in resident and visitor parking leading to increasing challenges in obtaining on-street parking;
3. **Need for larger units with views** – terrace houses are considered to be an unaffordable and inappropriate product for land in a Strategic Centre that is flanked on both sides by water views. Moreover, as identified in recent research by the Greater Sydney Commission, many people are increasingly working from home and there is a need to accommodate home office space;
4. **View loss** – residents obviously remain concerned about potential loss of views arising from new development, which can be managed equitably by strategic locations for new towers;
5. **Urgent need for a school** - over 1,000 school age children currently live in Rhodes without a local school; and
6. **Transport infrastructure upgrades** to deal with increased demands on transport infrastructure as a consequence of urban renewal.

### **Overly-prescriptive and excessive development controls**

Contrary to the feedback from industry on previous draft plans for the Rhodes Precinct, the current draft Strategy still includes some of the overly-prescriptive controls such as the mandated maximum car parking rates and unit mix maximum or minimum percentage rates. We also believe it is unrealistic to prescribe City of Sydney Category A parking rates for a suburban strategic Centre with only one railway station.

This puts Rhodes in a position to have the tightest central Sydney CBD parking rates in a transport-rich environment served by multiple heavy rail stations, multiple Metro stations, multiple light rail stops and two major ferry terminals.

Further, the excessively small average dwelling size adopted – around 80sqm across all dwelling types – is inconsistent with the market and with the GSC post-COVID-19 guidelines ‘City-shaping for a COVID-19 Recovery’. The UDIA contends that provision of car parking and unit mix should be responsive to the needs of local market demographics.

Specific objection is raised to the proposed design excellence provisions of minimum tower separation of 40m for towers above 20 storeys and the sun access protection requirements. These provisions are excessive and will render some sites unfeasible for development. The UDIA **recommends** that tower separation and sun access controls respect the ADG and be considered as part of site specific, merit-based impact assessments and not mandated under the SEPP.

The Department proposes a 25% canopy cover target will apply to the precinct, and a 25% green view index, meaning 25% of what is seen at street level will be green. We are seeking greater clarity for these controls particularly in conjunction with the need for greater densities to realise effective use of the ground plane for open space. The Strategy proposes to apply ‘Missing Middle’ housing typologies, including Torrens Title terrace houses and townhouses, within a few hundred metres of the station.

Such land uses are inconsistent with market demand, are uneconomic and unaffordable because of the underlying land value, and will consume a disproportionate land area on the ground plane, preventing the creation of new open space throughout the community.

### **Feasibility implications of significant changes to earlier drafts**

The UDIA is concerned by changes to the distribution of density across the precinct, from those proposed in the 2018 Rhodes Revised Precinct Plan, which were discussed with major land-owners in 2019. This unanticipated change in direction creates uncertainty for investors and, as a consequence, may impede the vision for Rhodes being realised by limiting and/or delaying the development of key sites and the subsequent delivery of local infrastructure – including new open space, a primary school and new community facilities, along with much needed new homes and employment opportunities.

We also acknowledge that the SIC plans will need to be made out clearly and upfront to provide certainty for developers to invest further in the economic development of the Rhodes precinct.

UDIA **recommends** further engagement with key landowners to ensure feasible development outcomes so that the revitalisation and potential of the Rhodes Peninsula can be realised.

## Addressing affordability with industry support

Based on 2016 data, Canada Bay had a deficit of 3,871 social and affordable dwellings. The forecasted potential maximum affordable housing forecast of 213 dwellings in the Rhodes precinct falls short of addressing the existing demand, and providing housing for the cohort identified as homeless in 2016.

Recommendations on affordable housing:

1. Affordable housing should be provided in standalone fit-for-purpose buildings which enables operational efficiencies to be realised which reduces the costs of providing affordable housing;
2. Affordable housing should be in perpetuity. This is in line with UDIA NSW Housing Diversity SEPP EIE ([linked here](#));
3. Broadly, UDIA believes there should be some clearer strategy to create industry incentives around affordable housing, for example development concessions (such as density bonuses, etc), accelerated approval pathways, or partnerships with CHPs.

## Clarification on housing typologies and demand assumptions

We believe DPIE has erred in the Strategy with the strong bias towards medium density as a very high level of medium-density /attached dwelling demand has not been identified. This has not been backed up by feasibility analysis and could result in reduced delivery if the developments are not feasible. We believe the assumptions are not aligned with industry expectations and feasibility models, particularly those related to the suggested 'high/low and 'missing middle' strategy.

The Census table below shows that two-thirds of Rhodes households in 2016 were family households, and that proportion has continued to rise since 2016, as the growing population has matured and moved into larger apartments.

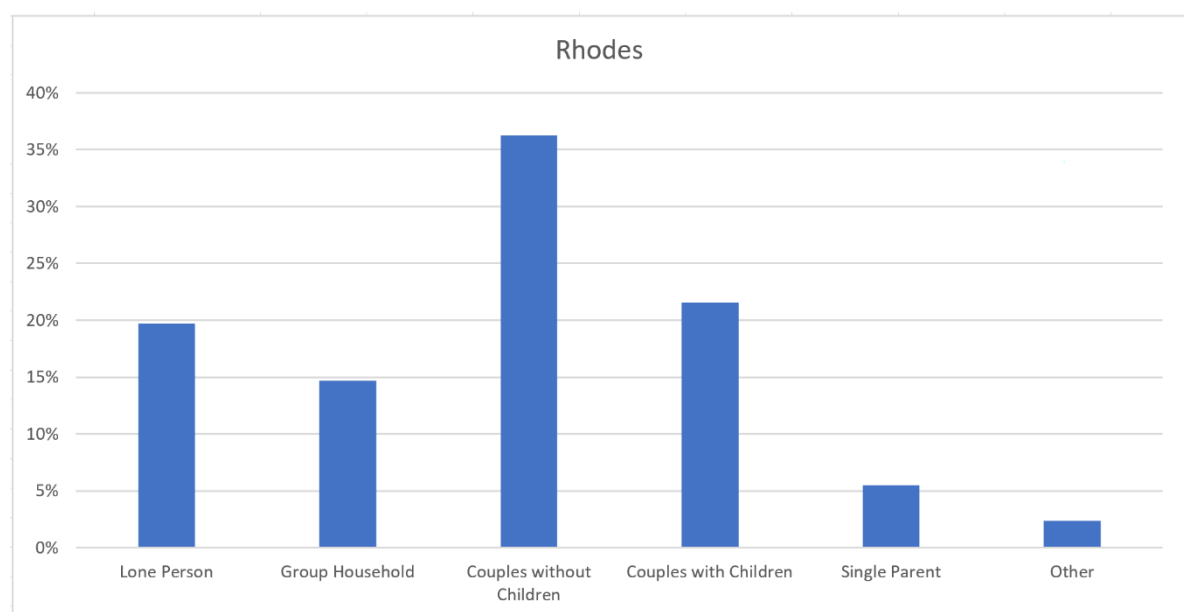


Figure 1: Source ABS 2016; UDIA NSW

## Conclusion

UDIA is helping create Liveable, Affordable and Connected Smart Cities in line with the polycentric city model for Greater Sydney. We believe the Eastern City still has much to contribute to the growth of Sydney as a global, future city. But in order for industry to effectively and sustainably support the future housing supply of our cities, we recommend that our concerns are addressed.

Please contact Mr Kit Hale on 02 9262 1214 or [khale@udiansw.com.au](mailto:khale@udiansw.com.au) to arrange a meeting to discuss any further matter related to this submission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Steve Mann', with a stylized, flowing script.

Steve Mann  
Chief Executive Officer  
UDIA NSW