



Draft Gosford Local Environmental Plan 2009 and  
Draft Development Control Plan 2009

Submission of the Urban Development  
Institute of Australia NSW  
- Central Coast Chapter

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## ANNEXURE

## 1. INTRODUCTION

This submission has been prepared by the Central Coast Chapter of the Urban Development Institute of Australia NSW (UDIA NSW) to provide feedback from the development industry to Gosford City Council in its undertaking of amendments to the draft Gosford Local Environmental Plan 2009 (LEP) and draft Development Control Plan 2009 (DCP). It is intended that this feedback will support Council in the process of implementing the principal goals and objectives of the Central Coast Regional Strategy and Council's objectives to provide affordable housing in the City.

In general terms, UDIA NSW has some significant concerns with the draft planning instruments as proposed. UDIA NSW is concerned that the LEP does not provide sufficient scope for Council to meet the objectives of the Central Coast Regional Strategy, and critically, will reduce the future urban development potential of the region at a time when housing pressures are intensifying.

UDIA NSW has offered a range of recommendations that are intended to provide constructive input into the LEP process, and looks forward to engaging with Council to address the headline issues for the future of the Gosford LGA. UDIA NSW would welcome the opportunity to expand on any of the points raised in this submission.

### 1.1 Overview of Likely Population Growth on the Central Coast

The State Government is expecting Sydney to have a population of 6 million by 2036 – an increase of 1.7 million above the 2006 Census. 760,000 more jobs and 770,000 more homes will be required to accommodate the additional population. Housing affordability has become a critical issue and will remain so if action is not taken to increase the supply of housing.

On the Central Coast the NSW State Government adopted the Central Coast Regional Strategy in 2008. Its main goals are to accommodate an additional 100,000 people in 56,000 new dwellings and to create 45,000 new jobs by 2031. The Strategy estimates that Gosford LGA's share of the future growth will be an additional 30,000 people in 16,500 new dwellings and the need for an additional 18,000 jobs.

As the plan covers a 25 year period, 2006 to 2031, the proposed 16,500 additional dwellings averages 660 new dwellings per year or 3300 new dwellings every five years. Due to the recent economic downturn it is unlikely that that target has been reached during the past five years resulting in the need for a greater supply of housing during the remaining 20 year period if the estimate in the Strategy is to be achieved.

The recently released *Metropolitan Strategy Review – Sydney Towards 2036* indicates that the Central Coast population estimate for 2036 provides for an additional 120,000 people in comparison with the target of 100,000 for the year 2031. It is noted that the Central Coast Regional Strategy is due for review in 2013.

The Strategy encourages a diversity of housing types and increased housing supply in existing areas, particularly by increasing densities of development in and adjoining centres. Targets for increased densities were up to 800 metres around Erina Town Centre and 400-600 metres around other smaller centres.

The draft Gosford Local Environmental Plan 2009 and draft Gosford Development Control Plan 2009 have been prepared by Gosford City Council over a period of approximately five years to replace the existing planning instruments and development control plans operating within the City. The implementation of many of the challenges set out in the CC Regional Strategy are clearly within the power of Gosford City Council, particularly those relating to the encouragement of private sector development and the conservation of the environment.

## 1.2 Format of the Submission

This submission has been set out to address each of the main topics included in the Central Coast Regional Strategy, as follows:

- Population and Housing
- Economy and Employment
- Environment, Heritage, Recreation and Natural Resources

The principal challenges, goals and objectives of the CC Regional Strategy are addressed below with comments on the ability of the draft LEP to have a positive influence on plan implementation.

The Central Coast Chapter of UDIA has reviewed the documents to assess how effectively the draft plan is likely to achieve the principal challenges of the Central Coast Regional Strategy that was adopted by the NSW State Government in 2008.

## 2. POPULATION AND HOUSING

### 2.1 Challenges, Goals and Objectives of the Central Coast Regional Strategy

The Central Coast Regional Strategy has an overall goal of accommodating an additional 100,000 people in 56,000 new dwellings between 2006 and 2031. 30% of the proposed growth amounting to an additional 16,500 dwellings is to be accommodated in the City of Gosford. The Strategy aims to provide 6,000 dwellings in the Gosford Regional City, 8500 in association with town centres, villages and neighbourhoods and 2,000 as infill development. Notwithstanding that no new major greenfields sites were proposed in the City of Gosford, the Strategy does provide for infill development that will undoubtedly require the rezoning of lands that are currently in some form of rural or scenic protection zone.

The CC Regional Strategy requires Councils to undertake a detailed assessment of their urban areas to accommodate the projected population to ensure that sufficient zoned capacity is available to meet the dwelling growth to 2031 and beyond. In particular the Regional Strategy encourages the development of:

- Low to mid-rise living opportunities (up to six storeys, where appropriate) in and around the core of town centres (up to 800 metres) with lower rise development surrounding the core.
- Medium density and a focus on town house and villa development in close proximity to village centres (up to 400-600 metres from the centres);
- Up to three storey residential development including shop-top housing, town houses and villas as well as detached houses up to 150 metres from neighbourhood centres.

### 2.2 Demand for Residential Development in the City of Gosford

#### 2.2.1 *Proposals for Housing Development in the Draft Gosford LEP/DCP 2009*

There is no evidence in the draft Gosford LEP 2009 that Gosford City Council has undertaken a detailed assessment of the City's urban areas to show how it will accommodate projected population growth up to the year 2031 and beyond. The only supporting document relating to residential development that has been placed on public exhibition is the undated "*Draft Gosford Residential Strategy*". This document is based on the draft CC Regional Strategy that proposed a future population growth of 64,250 people rather than the finally adopted figure of 100,000 people.

With the exception of small areas proposed for increased residential density around the Umina Beach, Ettalong and Woy Woy Centres, resulting from Council's adopted "*Peninsula Urban Directions Strategy*" (PUDS), no new initiatives for increased residential densities or areas for infill development are included in the draft LEP.

#### 2.2.2 *Estimates of Housing Development in the "Draft Gosford Residential Strategy"*

In Appendix 1 of its undated *Draft Gosford Residential Strategy* Gosford City Council has made the following assumptions for residential growth to the year 2031. That:

1. 6,000 dwellings will be constructed in the City Centre.
2. 6,268 dwellings will be constructed in the vicinity of the Erina and Woy Woy Town Centres, village centres and neighbourhood centres.
3. 2,657 potential new dwellings will be constructed in Infill Areas.

The likelihood that the estimates of potential new dwellings set out in Appendix 1 can be achieved in the period to 2031 is highly questionable on the following grounds:

- no current evidence indicates that the potential residential growth in the City Centre can be achieved in the given timeframe. Data has not been released showing actual numbers of dwellings constructed in the City Centre during the past five years, to provide a potential guide to possible future development;
- there is a lack of information from Council as to how the figures for potential residential development in and adjoining other centres have been calculated other than to indicate that *“Areas around Centres that are zoned R2 development is to consist of dual occupancies”* and *“Average 50% Take-up of land in Centres (other than Gosford) for land”*. As the draft Gosford LEP 2009 has deleted dual occupancies from the R2 Residential Zone the basis for the estimates in Appendix 1 must be severely compromised and as a result may no longer be achievable;
- the estimate of 6,268 dwellings in and around centres is 2,232 dwellings short of the requirement in the Regional Strategy for an additional 8,500 dwellings to be constructed in those areas by 2031;
- the assumption that ‘100% Take-up of infill land, will take place is highly speculative and unlikely as it is nearly always the case that a small number of lots remain vacant for a long period of time; and
- the infill development assumption relies on the construction of 1250 dual occupancies which have since been deleted from the R2 Residential Zone.

The likelihood of achieving 2,000 dwellings in existing zoned infill areas is therefore very unlikely. Based on these factors, it is clear that Council needs to provide appropriately zoned land for additional residential development in areas close to centres (in addition to Gosford City Centre) and in “infill areas” within the City.

UDIA NSW contends that housing choice is being severely curtailed as a result of the following proposals included in the draft LEP and draft DCP:

- deletion of dual occupancies from the R2 Low Density Zone, all Rural Zones, including Villages, and all Environmental Zones. The replacement of dual occupancies in those zones by ‘secondary dwellings’ is an unsatisfactory substitute for dual occupancies due to the very restricted size of secondary dwellings (60m<sup>2</sup>). This dwelling size will only appeal to a small demographic in the community and will not address demands for new housing in any substantial way;
- restrictions on the height of dwelling houses from the current maximum height of 10m to 8.5m. This will have severe implications for the construction of two storey dwelling houses on sloping sites;
- restriction of the height of residential flat buildings in areas currently zoned 2(b) from 10m to 8.5m. This will similarly have severe restrictions on the ability to develop two storey town houses and residential flat buildings on sloping sites;
- elimination of the so-called ‘bonus lot’ provisions for subdivision in the existing 7(c2) Zones. This will reduce choice of rural-residential housing that has proven to be an appropriate form of residential development over a period of more than 30 years;
- the Chapters of the Draft DCP relating to Single Dwellings and Ancillary Structures (Chapter 3.1), Dual Occupancy Development (Chapter 3.2) and Multi Dwelling Housing and Residential Flat Buildings (Chapter 3.3), Residential Subdivision

(Chapter 3.4) and Subdivision of Rural and Environmentally Zoned Land (Chapter 3.5) contain various provisions that conflict with the provisions of the draft LEP and are therefore likely to severely constrain the economic viability of residential development in the City. In particular the proposals in the draft DCP relating to Multi Dwelling Housing and Residential Flat Buildings will create great difficulties for local developers who rely on being able to carry out small-scale developments in a cost-effective manner;

- the use of the phrase *“To ensure development is compatible with the desired future character of the areas covered by this zone”* in the Objectives of the R1 General Residential Zone and the objective of other zones in the LEP is likely to result in continuing conflicts over its meaning, particularly in areas that are undergoing transition from low density to higher density residential development;
- the rationale for various provisions relating to Lot Sizes, Rural Subdivision, Heights of Buildings and Floor Space Ratios as set out in Clauses 4.1, 4.2, 4.3 and 4.4 remain unclear. An explanation needs to be provided together with an assurance that all such development standards are capable of being flexible in terms of Clause 4.6 of the draft LEP;
- there is no rationale provided for restricting the ability to place a dwelling house on a rural allotment less than the minimum size shown on the Lot Size Map, if that lot is deemed to be commercially viable; and
- Clause 4.1A is unwieldy by relying on lots being outlined in blue. There needs to be greater flexibility by enabling any land in the zone to be capable of subdivision, provided it contributes to the achievement of the Coastal Open Space System. The merit of any proposed subdivision would then be judged by the consent authority.

### **2.2.3 Affordable Housing**

‘Affordable housing’ is defined as:

*“Housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument”.*

In the State Environmental Planning Policy (Affordable Rental Housing) 2009 a household is taken to be a very low income household, a low income household or a moderate income household if the household:

- (a) has a gross income that is less than 120 per cent of the median household income for the time being for the Sydney Statistical Division (according to the Australian Bureau of Statistics) and pays no more than 30 per cent of that gross income in rent, or
- (b) is eligible to occupy rental accommodation under the National Rental Affordability Scheme and pays no more rent than that which would be charged if the household were to occupy rental accommodation under that scheme.

For the purposes of the SEPP (Affordable Rental Housing) 2009 the City of Gosford is located within the Sydney Region. The NSW Centre for Affordable Housing states that for the financial year 2008-09, the gross median annual income for the Sydney metropolitan region is considered to be \$63,000. On that basis a household with an annual income of \$75,600 should not be spending more than 30% of its gross income on rent i.e. \$22,680. The NSW Housing website has a plan of the percentage of Affordable Private Rental for the Greater Metropolitan Region which indicates that in the City of Gosford 60-80% of private rental

accommodation is affordable for a household earning the 40<sup>th</sup> percentile of Sydney household income.

Gosford City Council adopted an Affordable Housing Strategy in April 2005, which was amended in July 2009. Goal 3 of the Strategy is to provide opportunities for additional and appropriate affordable housing. Council staff have recently interpreted the Strategy to mean that for all new rezonings for residential development Council should be able to have 10% of all dwellings dedicated to Council free of cost for management by a Community Housing Provider in perpetuity.

Information from NSW Housing relating to the existing provision of affordable housing in the City of Gosford and a letter from Gosford City Council outlining its proposal for requiring the dedication of 10% of all future residential development to Council in perpetuity for affordable housing are included as Annexure A to this submission.

The letter from Council includes an assessment of the potential cost of a residential flat development. Based on that data the analysis assumes that a block of 10 dwellings would cost \$2,882,291, or \$288,229 per dwelling. If one dwelling were to be dedicated to Council it would be the equivalent of an additional Section 94 contribution of \$288,229 spread over the nine remaining dwellings, ie \$32,025 per dwelling. Such an impost would likely have the effect of making all of the remaining nine dwellings un-affordable under the definitions of affordability.

The feasibility in Council's letter does not appear to include GST costs or the cost of providing headworks and augmentation contributions for water and sewerage works. The inclusion of these costs would create an even greater burden on the remaining dwellings if 10% of dwellings were to be dedicated to Council free of cost. The letter does not attempt to assess the likely cost of requiring the dedication of a detached dwelling house or dual occupancy dwelling in a future 'infill' rezoned area.

In view of the large amount of existing private rental accommodation available in the City of Gosford, the proposal by Council to require the dedication of 10% of dwellings in new rezoned land to be provided free of cost would have a disadvantageous effect of distorting the market for affordable housing and adversely impact the development of dwellings on new rezoned land in comparison with existing land zoned for residential development.

UDIA NSW contends that Council should be taking steps to increase the overall supply of land for increased residential densities in proximity to centres and in suitable infill areas. Failure to rationalise the additional financial demands being placed on the development industry is likely to have a significant negative impact on overall housing affordability. Other arrangements for the provision of affordable housing can be explored. Such options include the provision of affordable housing within developments granted higher floor space ratios.

### **2.2.3 Seniors Housing**

The draft LEP does not provide a clear indication of where Seniors Housing is to be permitted, having regard to the provisions of State Environmental Planning Policy (Seniors Living) 2004. At the 2006 Census both the Central Coast and the City of Gosford were recorded as having nearly 30% of its population 55 and over compared with approximately 24% for Australia as a whole. The Central Coast continues to be a popular area for retirement due to its proximity to Sydney, mild climate and attractive scenic character.

A draft Report on *Demand for Low and High Care Residential Aged Care* 2009 was considered by Gosford City Council at its meeting held on 26 May 2009. The report notes that, while there is currently an adequate supply of residential aged care to meet demand in Gosford, there is a high demand for aged accommodation in places such as the Woy Woy Peninsula and the Eastern Coastal area.

Estimates of the future growth of residents reaching the age of 70 plus in the period to 2031, as set out in Figure 5 of the report, indicate that the coastal areas of Forresters Beach, Wamberal, Terrigal, Avoca and North Avoca; Gosford, West Gosford; Woy Woy, Blackwall; Umina Beach; and North Gosford, Wyoming are the areas with the highest increases in aged persons. The logical amalgamation of the three areas located on the Peninsula, namely Woy Woy/Blackwall, Ettalong/Booker Bay and Umina Beach have by far the largest combined total of persons in the 70+ age group in the City of Gosford.

The report notes that there are few, if any, large appropriately zoned sites suitable for new greenfield developments in the urban areas of Gosford. Consequently, based on current zonings and opportunities for development pursuant to the State Environmental Planning Policy for Seniors Living, there are very limited opportunities for the development of larger aged care accommodation in the City. Site amalgamations are unlikely to be viable due to the small size of many lots, particularly on the Woy Woy Peninsula, and the cost of amalgamating areas of a reasonable size.

The report states that new developments are currently averaging 80-100 places, roughly at a ratio of 50/50 for low and high care accommodation. Single storey developments are the most cost effective to operate in terms of labour. The large land area requirements for a single storey facility make their provision in Gosford difficult in existing urban areas and there are currently no areas in rural areas east of the Sydney-Newcastle Freeway due to the preponderance of zoning all rural areas as Scenic Protection or Environmental Conservation areas where the SEPP Seniors Living prohibits such developments.

Notwithstanding the very high demand for aged accommodation on the Woy Woy Peninsula, as indicated in Figure 5 of the report there is a severe constraint on the availability of suitable sites capable of accommodating 80-100 places. Similarly the Eastern Coastal urban areas are also in effect fully developed and adjoining rural lands are zoned for environmental protection which excludes the development of aged accommodation.

As a result of the high continuing demand for residential aged care facilities in the City of Gosford and the severe constraints in identifying suitable locations for such developments, the report included a recommendation that *“Council consider planning mechanisms in the review of the Gosford Residential Strategy for the enabling of land to be made available for residential care facilities.”*

UDIA NSW endorses the need to investigate suitable sites for such developments.

### **2.3 Recommendations for Residential Development in the City of Gosford**

As noted in Section 1 of this submission, the Central Coast Regional Strategy is due for review in 2013 at which time it is likely that a further increase in additional population will need to be provided, based on the indicative target included in the State Government’s recently released *Metropolitan Strategy Review – Sydney Towards 2036*.

UDIA NSW considers that it is imperative that actions be taken to implement the existing Regional Strategy in the current Gosford Local Environmental Plan 2009, if adequate and affordable housing is to be provided in the City. The plan should therefore incorporate actions to achieve additional residential development in a variety of forms, as provided in the Regional Strategy.

UDIA therefore urges Council and the Department of Planning to incorporate the following provisions in the adopted Local Environmental Plan and Development Control Plans relating to residential development:

1. As a matter of urgency, establish a Technical Working Group comprising development practitioners and consultants and Council staff to review Chapter 3 of the DCP and relevant clauses of the draft LEP to ensure that proposed development standards and development controls are capable of achieving economically viable and cost-effective residential development.
2. Permit attached and detached dual occupancies and semi-detached dwellings in all residential and village zones with the ability to subdivide such developments either under Torrens Title, Strata Title or Community Title, whichever is appropriate in the circumstances of the approved development. Note: Wyong, Cessnock and many other Councils in NSW permit the subdivision of dual occupancies in order to provide affordable housing for owner/occupiers or renters.
3. Permit “secondary dwellings” to have a maximum area equivalent to 50% of the combined total dwelling floor area on a lot. Note: Cessnock Council has adopted a 50% figure rather than 20%, as proposed in the draft Gosford LEP.
4. Restore the maximum height of dwelling houses in all zones to 10m in order to provide flexibility in design, particularly on sloping sites.
5. Restore the maximum height of dwelling houses and residential flat buildings in the existing 2(b) zoned areas to 10m in the proposed R1 Zone.
6. Restore the maximum height of residential flat buildings in the existing 2(c) zoned areas to 12m in the proposed R1 Zone.
7. Delete the “blue line” in Clause 4.1A and amend Clauses 4.1A and 4.1B, applying to lands in the proposed E3 Zone, to provide for subdivision of any allotment in the zone below the minimum lot size on the Lot Size Map, where it contributes to the achievement of the Coastal Open Space System. The merit of any proposed subdivision would then be judged by the consent authority. Provide for a simple, standard agreement to be available for owners wishing to seek approval for such subdivisions.
8. Identify areas surrounding the existing Erina Town Centre, village centres and neighbourhood centres for increased residential densities and heights in accordance with the goals of the CC Regional Strategy. Lands to the north of Terrigal Drive and south of Karalta Road in particular form part of the “core” of the Erina Town Centre. These areas are suitable for rezoning to higher density as part of the adopted Gosford LEP 2009.
9. Identify areas for infill residential development as part of the adopted Gosford LEP. UDIA is aware that a number of proposals for such development have been lodged with Council. These submissions should be assessed for inclusion as part of the adopted Gosford LEP.
10. Identify potentially suitable areas of rural land adjoining existing urban areas for seniors housing and aged care facilities, where shortages have been identified.
11. Delete the proposal by Council staff to require the dedication of 10% of all new dwellings constructed in rezoned areas for “affordable housing” in favour of taking immediate steps to provide additional residential supply in the City in accordance with the need to accommodate an additional 16,500 dwellings by 2031. Restoration of dual occupancies in all residential and rural areas of the City would make a significant contribution to the provision of affordable housing.

### 3. ECONOMY AND EMPLOYMENT

#### 3.1 Challenges, Goals and Objectives of the CC Regional Strategy

The CC Regional Strategy has an overall goal of creating at least an additional 45,000 jobs between 2006 and 2031, of which an additional 18,000 jobs are to be created in the City of Gosford. The employment capacity targets for Gosford are 6000 jobs in the Regional City of Gosford, 9000 jobs associated with other centres and 3000 jobs located in employment lands.

#### 3.2 Proposals for Economic and Employment Lands Development in the Draft Gosford LEP/DCP 2009

##### 3.2.1 Objectives for Economic Growth

Gosford Council's Vision 2025 aims to:

- Facilitate the creation of new jobs and employment opportunities;
- Foster the development of a broader-based, more robust economy so there is a wider choice of jobs that are better paid, sustainable and secure.

These objectives are consistent with the aims of the recently released *Regional Economic Development and Employment Strategy* (REDES) to create higher self-containment and more local employment.

During the past three years Council has focussed heavily on the preparation of the Master Plan for the Gosford City Centre as a means to encourage the revitalisation, growth and development in the Regional City. While revitalisation of the City Centre is an important component of growth in the City this focus has regrettably resulted in Council largely ignoring opportunities for encouraging economic growth and development in other parts of the City.

##### 3.2.2 Revitalisation of the Gosford City Centre

Notwithstanding that encouragement of growth in the City Centre is an important issue it was recognised in the *Draft Economic Development Program 2008/10* (Gosford City Council, April 2008), accompanying the draft Gosford LEP 2009 as a supporting document, that "*The Regional City Centre cannot currently be described as a regional strength. It is more clearly an opportunity for major economic development given its position, its major station on the eastern seaboard's main rail line and prospects for urban redevelopment*"

The report further states: "*Once the CBD begins to re-establish its regional significance with a vibrant waterfront and cultural centre, it will become an increasingly major element in the development of the economy and generation of new jobs.*"

The Urban Development Institute of Australia (UDIA) prepared the following comments on the *Draft Masterplan for the Renewal of Gosford City Centre*. It noted that:

- the primary focus of the Draft Masterplan is to lead revitalisation and economic recovery of the City through the creation of a public realm; the provision of infrastructure; and a strong implementation plan; and
- with the exception of the waterfront, the Masterplan largely supports and affirms the existing planning regulatory framework implemented through Gosford City Centre LEP 2007.

UDIA NSW does not make any comment in relation to the spatial framework or the Draft Masterplan's general design framework discussed in Chapters 2 and 3 of the document, other

than to say that four design principles relating to connectivity; activation; access and movement; and sustainability generally reflect the constraints and opportunities applicable to any strategic planning exercise undertaken for the Gosford City Centre.

The principal focus for UDIA NSW is the adoption of an implementation plan and a suitable governance model to achieve revitalisation of the city centre through public and private sector investment. In January 2007 UDIA NSW made a submission to Gosford City Council and the Department of Planning in relation to the key actions considered necessary to achieve revitalisation of the Gosford City Centre, a copy of which is enclosed:

- UDIA NSW considers that the identification of issues and the recommendations of that submission remain central to achieving revitalisation of the Gosford City Centre; and
- it is noted that some of the 2007 UDIA NSW recommendations aimed to create an investment environment which gives Gosford a competitive advantage over other centres have been addressed in part in the Draft Masterplan (.e.g. developing the waterfront as a key economic driver, and realising underutilised public assets). However, other recommendations relating to town planning controls and funding and development levies have not been addressed in the Draft Masterplan.

It is likely to be the case that, in order to achieve economically viable development, development proposals for major new buildings within the City Centre will be unable to comply with all applicable development standards and design guidelines of the City Centre LEP/DCP 2007 and will seek the Council's support for reasonable variations to certain controls/guidelines. UDIA NSW considers that it would assist redevelopment of the City Centre if the Draft Masterplan was to indicate preparedness by the consent authority to exercise the flexibility in the application of planning controls provided by Clause 24 of LEP 2007 in order to encourage the early start of catalyst projects for redevelopment in the City Centre.

Finally, the commitment in the Draft Masterplan to the preparation of an Implementation Plan and the review/adoption of a new governance structure to oversee the implementation of the Masterplan, are supported and are considered fundamental to achieving the revitalising the city centre. UDIA NSW would recommend adoption of a 'Development Corporation' model similar to that adopted for the governance of successful major urban renewal projects undertaken in Newcastle and Sydney.

It is noted that, in spite of the adoption of the City Centre Master Plan there are no proposals to amend the development controls within the City in the draft Gosford LEP 2009.

### ***3.2.3 Proposals in the Draft Gosford LEP 2009 Likely to Impact on Employment Generation Other than in the City Centre***

#### **Business Zones**

The draft LEP proposes to create additional business zonings in the form of B1 Neighbourhood Centre and B2 Local Centre to replace the current 3(a) Business (General) Zone and B4 Mixed Use, B5 Business Development and B6 Enterprise Zone to replace the current 3(b) Business (Special) Zone. The reasons for creating additional zones is not fully explained other than to suggest the need for creating a 'hierarchy' of centres.

In reality the creation of additional zones is questioned as the principal objective of economic development in the City of Gosford should be to encourage the creation and maintenance of jobs and employment. UDIA NSW takes the view that this can be best achieved by minimising the number of zones in which employment generating activities can take place so

that, within reason, there is a maximum choice on the part of people setting up new businesses or enlarging existing businesses as to where they locate.

On that basis it would appropriate to:

- encourage small start-up businesses in existing or new homes, where they are not likely to result in significant loss of amenity. Thus home occupations are allowed without consent in any dwelling, as they do not employ outside staff. Home businesses should be permitted with consent in any dwelling (ie in any form of residential accommodation) in any zone and home industries should be permitted with consent in the curtilage of any dwelling house in any zone. It is noted that the draft LEP does not refer to “home businesses” as uses permissible with consent. UDIA NSW considers that ‘home businesses’ should be included in all zones where dwellings exist;
- establish a wide range of permissible business and light industrial uses in all centres outside Gosford City Centre to cater to the needs of the local population thereby encouraging local employment. Thus there is no perceived need for B1 and B2 to be separate zones;
- establish a wide range of permissible business and light industrial uses in the areas peripheral to centres where uses are likely to locate that do not need a City Centre or local centre address. The 3(b) Business (Special) Zone was established many years ago for that purpose and it has been extremely successful in generating employment in a wide range of business activities. On that basis the proposed B4, B5 and B6 Zones should be amalgamated into one Zone aimed at encouraging ‘mixed use development’; and
- establish one industrial zone, as proposed in the draft LEP, for encouragement of a wide range of general and light industrial uses, warehousing and storage uses and associated industrial retail outlets that are more appropriately located in an industrial zone. Many light industrial uses and other uses that would not have significant impacts on the environment or amenity should be equally permissible in both the industrial and business zones.

**UDIA NSW urges Council to amalgamate the business zones to a maximum of three zones, as follows:**

- **B2 Local Centre for all local centres in the City;**
- **B3 Commercial Core for the City Centre;**
- **B4 Mixed Use for all ancillary business areas.**

#### **Caravan Parks along the Hawkesbury River**

The draft Gosford Local Environmental Plan 2009 proposes to rezone all of the existing caravan parks along the Hawkesbury River, with one exception, from 7(c5) Scenic Protection – Tourist to the proposed E2 Environmental Conservation Zone. Such a rezoning of the land would have a significant impact on the value and future use of the caravan parks for tourist/recreational activities.

The existing 7(c5) zoning enables the caravan parks to be used for the following purposes with consent:

*Advertisements; Bed and breakfast accommodation; boat fuelling, hiring, launching and servicing facilities; camping and caravan parks, child care centres; dams; dual occupancies-attached; dwelling houses; home industries; recreation establishments; restaurants; roads; utility installations.*

By contrast the proposed E2 Environmental Conservation Zone only permits the following purposes with consent:

*Bed and breakfast accommodation; Dwelling houses; Environmental facilities; Environmental protection works; Recreation areas; Roads, Waterbodies (artificial).*

UDIA NSW is concerned that the proposed rezoning will have an adverse impact on tourism along the Hawkesbury River at a time when such activities should be encouraged.

UDIA NSW notes that Central Coast Tourism is currently in the process of producing its first ever Central Coast Destination Management Plan 2010 – 2013, a strategic planning document that will identify key goals, objectives and strategic priorities for the tourism industry on the Central Coast. The plan will be produced in conjunction with the tourism industry, local government and the broader community through collective decision making and transparent planning.

The proposed zoning of existing caravan parks is not considered to be consistent with the LEP Practice Note PN 09-002 prepared by the Department of Planning to provide guidance to Councils on the environment protection zones.

### **Short Term Holiday Letting of Dwellings**

The draft Gosford Local Environmental Plan 2009 proposes to define ‘*short term holiday letting of dwellings*’ as an existing dwelling that provides temporary or short term accommodation on a commercial basis, but excludes hotel or motel accommodation, serviced apartments, bed and breakfast accommodation, tourist and visitor accommodation and backpacker’s accommodation.

It is noted that the definition is not included in the Dictionary at the rear of the draft LEP and that the use is not permissible in any existing zone. On that basis UDIA NSW assumes that while existing dwellings used for that purpose may continue, no other existing or future dwelling may be used for that purpose. There is no explanatory note regarding the future use of dwellings as short term holiday lettings accompanying the draft LEP.

A brief analysis of dwellings in the coastal areas of the City of Gosford has been undertaken, based on the 2006 Census. The analysis indicated that 5551 dwellings (22%) out of a total of 25,132 dwellings were unoccupied on Census night which was during the winter season. Assuming 10% of those dwellings would be vacant due to being for sale, it would be reasonable to assume that at least 5000 dwellings in the coastal area would be used as holiday homes. While not all would necessarily be available for short term holiday lettings, nevertheless the data indicates that a substantial number of dwellings in the Coastal area of Gosford would be used for that purpose.

Clearly visitors to these dwellings make a substantial contribution to a range of service industries in the coastal villages, particularly real estate agents, involved in renting the accommodation, restaurants, retail premises and other ancillary service industries, all of which are partially dependent on the visitors renting holiday homes for the viability of their owners and employees. On that basis, UDIA NSW supports the retention of short term holiday lettings for both existing and future. To date there has never been a requirement to development consent to use dwellings for that purpose and UDIA is of the view that that situation should continue.

### 3.3 Recommendations for Development of Employment Generating Activities in the City

#### 3.3.1 *Master Plan for Gosford City Centre*

UDIA NSW supports, in principle, efforts to revitalise the Gosford City Centre. Specific issues that need to be addressed urgently, as discussed in the previous UDIA submissions are:

- support for the establishment of a Development Corporation to encourage urban renewal comparable with the Honeysuckle Development at Newcastle and similar projects in the Sydney Metropolitan area;
- a review of the existing planning controls to encourage greater flexibility in the implementation of development standards; and
- a review of the current 4% levy to be comparable with the 1% levies adopted elsewhere, as a means to encourage development to take place, particularly for employment generating activities.

#### 3.3.2 *Employment Generating Activities Elsewhere in the City*

UDIA NSW makes the following recommendations with respect to the encouragement of employment generating activities in the City, other than in the City Centre.

- **Add 'Home Business' to the list of permissible uses in all zones where either existing or future dwellings occur as a means to enable residents to establish start-up businesses that comply with the definition of home business.**
- **Add 'Home Occupation' to the list of permissible uses without consent in all zones where either existing or future dwellings occur as a means to enable residents to establish start-up businesses that comply with the definition of home occupation.**
- **Give consideration to the amalgamation of Zones B1 and B2 and provide a wider range of potential uses as a means to encourage the establishment of businesses in local centres. The list needs to include 'light industries' in addition to other business uses.**
- **Give consideration to the amalgamation of Zones B4, B5 and B6, as there is little difference and they are all similar in intent to provide for the establishment of employment generating activities outside of centres. In particular the zone should be encouraging mixed use developments, including business activities, light industries and the opportunity for upper level residential development.**
- **Place all of the caravan parks along the Hawkesbury River either in the E4 Environmental Living Zone, expanded to include boat launching and boat repair facilities or the SP1 Special Activities Zone in which the same range of uses permissible in the 7(c5) Zone would be permitted.**
- **In view of the importance of short-term holiday letting of dwellings, particularly in the City's coastal areas, allow such uses without consent in all residential and other zones where dwellings exist or may be developed.**

## 4. ENVIRONMENT, HERITAGE, RECREATION AND NATURAL RESOURCES

### 4.1 Challenges, Goals and Objectives of the CC Regional Strategy

The key environmental challenges described in the CC Regional Strategy are:

- *Providing a sustainable long-term water supply.*
- *Providing a balance between future development and important conservation values.*
- *Improving identification, protection and enhancement of natural environments, including significant biodiversity corridors, regionally significant vegetation, coastal lakes and estuaries and landscape values.*
- *Managing stormwater to protect downstream receiving environments and identifying opportunities for sustainable use of this valuable resource.*
- *Improving understanding of Aboriginal cultural heritage values and incorporating this information within land use planning and natural resource management processes.*
- *Allowing for development and redevelopment while protecting significant cultural heritage.*
- *Accepting the value of rural lands as food-producing lands and ensuring the long-term protection of these assets.*
- *Managing natural hazards in new developments, including flooding, coastal erosion and inundation (including the impacts of climate change), land instability, bushfire and acid sulphate soils.*

### 4.2 Proposals for Environmental Conservation, Heritage, Recreation and Natural Resource Management in the Draft Gosford LEP/DCP 2009

The LEP Practice Note PN 09-002 prepared by the Department of Planning to provide guidance to Councils on the environment protection zones does not appear to have been given adequate consideration in the draft LEP. In particular UDIA NSW is concerned that the E2 Environmental Conservation Zone has been applied to areas of land within the City that clearly do not have significant ecological, scientific, cultural or aesthetic values requiring the highest level of protection, management or restoration.

The preparation of the draft LEP does not appear to have carried out an assessment of areas that should not be included in the E2 Zone. It is the view of UDIA NSW that the following areas should be excluded from the E2 zone:

- lands which have been previously cleared of native vegetation and have been principally for domestic gardens, grazing and/or more intensive agricultural purposes for a period greater than 12 months;
- lands which comprise small allotments with areas from, say 1000m<sup>2</sup> to approximately 2-3 hectares, which are either developed with dwelling houses and ancillary domestic uses or are currently vacant, but are capable of being used for domestic purposes. There are many such areas in the rural sections of the City which do not qualify for the “environmental conservation” zoning. These lands may already be rural-residential lots created to enable previous parts of the land holding to be dedicated as part of Council’s Coastal Open Space System. Other lands along the Hawkesbury River, currently zoned 7(c6) Scenic Protection Residential are currently small

residential lots created by historic subdivisions with little, if any, conservation value; and

- lands which have been previously developed for special uses, such as the caravan parks along the Hawkesbury River and various agricultural holdings on the Plateau Area.

As indicated in the Practice Note, such lands should be included in other more appropriate zones, such as the E3 Environmental Management Zone. In Gosford some such areas may be more appropriately located in the RU1 or E4 zones.

UDIA NSW is concerned that the E4 Environmental Living Zone is described in the Practice Note as the zone that should be used to accommodate low impact residential development. On that basis the zone should contain lands that are currently zoned 7(c2) Rural Small Holdings while the lands in the 7(c3) Scenic Protection – Tourist Accommodation Zone would be more appropriately placed in the E3 Environmental Management Zone.

UDIA NSW supports the need to maintain the ability for landowners to be able to dedicate or make contributions for the acquisition and management of lands in Council's COSS scheme as it has been a very successful means to accommodate a transfer of development rights for the benefit of landowners and the community at large over a period of more than 30 years.

UDIA NSW would prefer to see a more flexible system to achieve a continuation of the goals of the current "bonus lot provisions" in IDO 122. Rather than nominating specific properties by means of the 'blue line' referred to in Clause 4.1A it would be preferable to delete the 'blue line' shown on the Lot Size Map and apply the clause to all lands in the proposed E3 Zone. Council would then have the flexibility to determine a proposed subdivision of less than 2 hectares on the merits of the case and to be satisfied that the proposal assists Council in achieving the planning principles of COSS.

UDIA NSW also considers that Council should prepare a simple, standard deed of agreement for use where 'bonus lot' subdivisions are approved.

UDIA NSW recognises and supports, in principle, the separation of communities in the City of Gosford by rural, scenic areas and the conservation of areas of high ecological and scenic value. However it also recognises the need to make land available for public and semi-public institutional uses, such as churches, schools, seniors housing and similar uses that may not be able to be accommodated in residential areas due to the amount of land required. In those instances UDIA NSW supports the consideration of individual proposals based on the merits of the particular location to provide services for the local community and at a density that is consistent with the environmental zoning of the land.

#### **4.3 Recommendations for Management of the Environment, Heritage, Recreation and Natural Resources in the City**

UDIA NSW makes the following recommendations with respect to the environmental protection zones in the draft LEP:

- **Council carry out an immediate review of lands within the proposed environmental protection zones with a view to excising lands which do not contain high ecological, scientific, cultural or aesthetic values, such as cleared lands, lands used primarily for domestic or agricultural purposes and small lots that have either been developed for residential or rural residential purposes or have the potential for such uses.**

- **Council give consideration to placing the current 7(c2) and 7(c6) zoned lands in the E4 Environmental Living Zone and the current 7(c3), 7(c4) and 7(c5) zoned lands in the E3 Environmental Management Zone.**
- **Council is urged to delete the ‘blue line’ from the Lot Size Map and to make Clause 4.1A more flexible. Council is also urged to produce a simple, standard Deed of Agreement for use in connection with such subdivisions.**

## 5 CONCLUSION AND RECOMMENDATIONS

### 5.1 Conclusion

The City of Gosford has experienced significant growth for the past 30 years. The principal rezonings for the development of greenfields sites took place during the 1980s as a result of the implementation of the Central Coast Structure Plan. The current pattern of development with a number of relatively distinct communities, serviced by local centres and the three main centres of Gosford City Centre, Erina and Woy Woy provides the basis for the future planning of the City.

In general terms, UDIA NSW has some significant concerns with the draft planning instruments as proposed. UDIA NSW is concerned that the LEP does not provide sufficient scope for Council to meet the objectives of the Central Coast Regional Strategy, and critically, will reduce the future urban development potential of the region at a time when housing pressures are intensifying.

UDIA NSW has offered a range of recommendations that are intended to provide constructive input into the LEP process, and looks forward to engaging with Council to address the headline issues for the future of the Gosford LGA. UDIA NSW would welcome the opportunity to expand on any of the points raised in this submission.

### 5.2 Recommendations

#### 5.2.1 Public Enquiry

1. Having regard to the urgent need to ensure that the finally adopted Gosford Local Environmental Plan 2009 is capable of meeting the goals and objectives of the adopted Central Coast Regional Strategy, UDIA NSW urges the Department of Planning and Gosford City Council to establish an independent Public Enquiry to consider all submissions made to Council during the exhibition period.

The Public Enquiry would be established to provide a report to Council and the Department of Planning on steps required to finalise the LEP and, if necessary, to defer actions on certain issues pending further investigations to be carried by Council or the Department.

#### 5.2.2 Population and Housing

2. As a matter of urgency, establish a Technical Working Group comprising development practitioners and consultants and Council staff to review Chapter 3 of the DCP and relevant clauses of the draft LEP to ensure that proposed development standards and development controls are capable of achieving economically viable and cost-effective residential development.
3. Permit attached and detached dual occupancies and semi-detached dwellings in all residential and village zones with the ability to subdivide such developments either under Torrens Title, Strata Title or Community Title, whichever is appropriate in the circumstances of the approved development. **Note:** Wyong, Cessnock and many other Councils in NSW permit the subdivision of dual occupancies in order to provide affordable housing for owner/occupiers or renters.
4. Permit "secondary dwellings" to have a maximum area equivalent to 50% of the combined total dwelling floor area on a lot. **Note:** Cessnock Council has adopted a 50% figure rather than 20%, as proposed in the draft Gosford LEP.

5. Restore the maximum height of dwelling houses in all zones to 10m in order to provide flexibility in design, particularly on sloping sites.
6. Restore the maximum height of dwelling houses and residential flat buildings in the existing 2(b) zoned areas to 10m in the proposed R1 Zone.
7. Restore the maximum height of residential flat buildings in the existing 2(c) zoned areas to 12m in the proposed R1 Zone.
8. Delete the “blue line” in Clause 4.1A and amend Clauses 4.1A and 4.1B, applying to lands in the proposed E3 Zone, to provide for subdivision of any allotment in the zone below the minimum lot size on the Lot Size Map, where it contributes to the achievement of the Coastal Open Space System. The merit of any proposed subdivision would then be judged by the consent authority. Provide for a simple, **standard** agreement to be available for owners wishing to seek approval for such subdivisions.
9. Identify areas surrounding the existing Erina Town Centre, village centres and neighbourhood centres for increased residential densities and heights in accordance with the goals of the CC Regional Strategy. Lands to the north of Terrigal Drive and south of Karalta Road in particular form part of the “core” of the Erina Town Centre. These areas are suitable for rezoning to higher density as part of the adopted Gosford LEP 2009.
10. Identify areas for infill residential development as part of the adopted Gosford LEP. UDIA is aware that a number of proposals for such development have been lodged with Council. These submissions should be assessed for inclusion as part of the adopted Gosford LEP.
11. Identify potentially suitable areas of rural land adjoining existing urban areas for seniors housing and aged care facilities, where shortages have been identified.
12. Delete the proposal by Council staff to require the dedication of 10% of all new dwellings constructed in rezoned areas for “affordable housing” in favour of taking immediate steps to provide additional residential supply in the City in accordance with the need to accommodate an additional 16,500 dwellings by 2031. Restoration of dual occupancies in all residential and rural areas of the City would make a significant contribution to the provision of affordable housing.

### **5.2.3 Economy and Employment**

13. Support for the establishment of a “Development Corporation” to encourage urban renewal comparable with the Honeysuckle Development at Newcastle and similar projects in the Sydney Metropolitan area;
14. Review of the existing planning controls to encourage greater flexibility in the implementation of development standards;
15. Review of the current 4% levy to be comparable with the 1% levies adopted elsewhere, as a means to encourage development to take place, particularly for employment generating activities.
16. Add “Home Business” to the list of permissible uses in all zones where either existing or future dwellings occur as a means to enable residents to establish start-up businesses that comply with the definition of home business.

17. Add "Home Occupation" to the list of permissible uses without consent in all zones where either existing or future dwellings occur as a means to enable residents to establish start-up businesses that comply with the definition of home occupation.
18. Give consideration to the amalgamation of Zones B1 and B2 and provide a wider range of potential uses as a means to encourage the establishment of businesses in local centres. The list needs to include "light industries" in addition to other business uses.
19. Give consideration to the amalgamation of Zones B4, B5 and B6, as there is little difference and they are all similar in intent to provide for the establishment of employment generating activities outside of centres. In particular the zone should be encouraging mixed use developments, including business activities, light industries and the opportunity for upper level residential development.
20. Place all of the caravan parks along the Hawkesbury River either in the E4 Environmental Living Zone, expanded to include boat launching and boat repair facilities or the SP1 Special Activities Zone in which the same range of uses permissible in the 7(c5) Zone would be permitted.
21. In view of the importance of short-term holiday letting of dwellings, particularly in the City's coastal areas, allow such uses without consent in all residential and other zones where dwellings exist or may be developed.

#### **5.2.4 Environment, Heritage, Recreation and Natural Resources**

22. Council carry out an immediate review of lands within the proposed environmental protection zones with a view to excising lands which do not contain high ecological, scientific, cultural or aesthetic values, such as cleared lands, lands used primarily for domestic or agricultural purposes and small lots that have either been developed for residential or rural residential purposes or have the potential for such uses.
23. Council give consideration to placing the current 7(c2) and 7(c6) zoned lands in the E4 Environmental Living Zone and the current 7(c3), 7(c4) and 7(c5) zoned lands in the E3 Environmental Management Zone.
24. Council is urged to delete the "blue line" from the Lot Size Map and to make Clause 4.1A more flexible. Council is also urged to produce a simple, standard Deed of Agreement for use in connection with such subdivisions.

**ANNEXURE A**  
**AFFORDABLE HOUSING**