Building Community Acceptance for Community Housing:

Background Report Part 3 - PRUTA

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NSW Federation of Housing Associations Inc & Urban Growth NSW under the NSW Community Housing Industry Development Strategy

by

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Executive Summary

Introduction

This document forms Part 3 of the *Background Report* of *Building Community Acceptance for Community Housing*.

The Parramatta Road corridor, which connects Sydney CBD to Sydney's second CBD, Parramatta, is a priority area for the long term growth and improvement of Sydney. UrbanGrowth NSW is leading an integrated project team and collaborating with councils along the corridor to deliver the Parramatta Road Urban Transformation Strategy. The strategy will be the NSW Government's 30 year plan for how the corridor will grow and bring new life to local communities living and working along the corridor.

This part of the *Background Report* focuses on the Parramatta Road Urban Transformation Area as a discrete area of inquiry for the study. In particular, it is important to understand the extent and nature of housing need, the demographic and housing context, and the ability of the market to provide affordable housing taking into account future plans for redevelopment, and thus the extent to which these areas will need to be the subject of planning intervention to provide affordable housing.

This analysis provides a further context to the empirical part of this study with regard to current and future affordable housing need, the vulnerability to of these areas to community acceptance of affordable housing development, and the need for particular actions to overcome lack of acceptance in the area.

Demographic and Housing Affordability Trends

1.1.1 Demographic Trends

The suburbs, local government areas and eight urban renewal Precincts along the Parramatta Rd corridor are quite diverse in terms of demographic and housing market trends.

In aggregate, areas along the corridor are at or below the median for the ABS (2011) SEIFA Index of Relative Socio-economic Disadvantage, with areas generally becoming more disadvantaged as one progresses west along the corridor. Nonetheless, there are pockets of significant disadvantage in most Precincts related to social housing, concentrations of lower cost private rental, and older more disadvantaged historical populations and recently arrived and migrant families, including in areas with the most advantaged profiles overall.

In aggregate, suburbs and SA1s (small Census areas) fronting the Parramatta Road Urban Transformation Area (PRUTA) corridor have a much higher than average rate of flats and units and private rental than Greater Sydney; but a relatively low level of social housing (only 4.1% of occupied private dwellings compared with 5.1%), with Leichhardt, Camperdown and Homebush Precincts having a particularly low level of social housing.

1.1.2 Housing Affordability

At the time of the 2011 Census, PRUTA Precincts and related suburbs were, in aggregate, providing a lower than average proportion of private rental accommodation that was affordable to very low and low income households; despite the much higher proportion of flats and units compared with Greater Sydney, and the age and relatively low amenity of apartments in some of these areas. The only area with a higher than average proportion of stock affordable to very low income households in 2011 was Auburn Precinct, while Taverners Hill and Camperdown had a very low proportion of such stock.

Auburn and Granville were the only areas that were relatively well supplied with rental stock affordable to low income households, whilst Homebush, Taverners Hill and Camperdown had a very low proportion of such stock affordable. Not surprisingly, levels of housing stress among very low and low income renters are very high in most of these areas.

More recent rental and purchase data show a worsening situation, with median priced strata dwellings advertised for rent in early 2016 (as a conservative proxy for newly constructed stock) now much less affordable in many of these areas.

Real (CPI adjusted) increases in median purchase prices in suburbs around the eight PRUTA Precincts between 2010 and 2015 indicate that there has been considerable pressure on strata dwellings across the area, with well above average real increases in the price of strata dwellings in suburbs around Annandale/Stanmore and Leichhardt/Petersham, and in Lidcombe, Auburn and Burwood/Concord. As such, there is clearly strong market pressure at the lower end of the market, as well as within more premium areas.

Importantly, there were **no housing products** in the first, second or third quartiles that would have been affordable to very low or low income purchasers in suburbs along the Parramatta Rd corridor in 2015, and only a limited range of products in a few suburbs that would have been affordable to moderate income purchasers (in Granville and Auburn).

Our linear regression analysis indicated that 'cost' *could* be reduced and, in some cases 'affordability' increased, for new build products in *some* areas. The major impact on the **cost of purchase** of strata dwellings across the board would be addressed by a reduction in parking requirements, strata area and limiting dwellings to one bathroom.

Although providing benefit in terms of increased affordability to some moderate income households in a few areas, even under such optimistic scenarios **the benefit would be relatively narrow in its impact, and will not make such products affordable to the vast majority of low and very low income households, nor to most moderate income households in most areas.**

A snapshot of all rental properties advertised for rent in relevant suburbs during the week commencing 15 February 2016 is also telling. It indicates that **Boarding House accommodation provides the only opportunity for affordable rental to very low income households in the PRUTA, with a very limited supply of such stock.** Low income households can affordably rent a one bedroom apartment or bed-sit in Granville, Auburn, Lidcombe and Annandale-Stanmore as well as a boarding house room where available; although affordable rental for low income households needing anything larger is not available.

Moderate income households have greater choice, being able to affordably rent a one bedroom apartment or bed-sit in all areas; a two bedroom apartment or house in all areas except Leichhardt-Petersham and Annandale-Stanmore; and a three bedroom apartment or house in Granville, Auburn and Lidcombe.

Again, a very narrow range of affordable rental choice is available for very low and low income households within these markets, and virtually none for low and very low income families; and rental is also constrained for moderate income families in most areas.

Policy Implications

1.1.3 Overview

As noted, there are extremely limited opportunities to provide affordable purchase housing for any very low or low incomes households and most moderate income households, under current market arrangements in PRUTA Precincts. Opportunities to rent affordably for those most in need of affordable housing are likewise highly constrained, and clearly worsening.

The ongoing displacement of very low and low income people, and inability to accommodate incoming low and moderate income households including key workers, is a significant risk of redevelopment of these areas, noting again the relatively low level of social housing in many of these areas.

As such, significant planning intervention through mechanisms available will be required for virtually any affordable housing to be created in these areas in the future.

The primary planning mechanisms available involve capturing a reasonable and equitable share of uplift in land values resulting from rezoning or significant changes to controls - either through mandating development contributions for affordable housing through s94F of the Act (inclusionary zoning/contributions plan); or seeking contributions for affordable housing as a public purpose under s93F of the Act through a voluntary planning agreement.

Development partnerships between government, community housing providers and potentially the private sector on government land within the PRUTA will also be an effective strategy in the housing market context.

Mandating or encouraging certain types of dwellings, to be delivered through the market, will also have some benefit to a relatively narrow range of moderate income households.

Proactively addressing community opposition to future affordable housing developments, or any other avoidable constraint to increasing such stock in the PRUTA Precincts, in particular of smaller strata dwellings and New Generation Boarding Houses, will also be critical.

1.1.4 Economic Modelling of Opportunities for Land Value Capture and Incentive-Based and Mandatory Mechanisms in PRUTA

Preliminary economic modelling has been carried out to estimate the expected profit from the redevelopment of existing housing and existing residential flat buildings for varying height development across the precincts as proposed in the *Draft Parramatta Road Urban Transformation*

Strategy (September 2015). In addition, factors influencing the market delivery of affordable housing have been analysed. The following opportunities for the delivery of affordable housing have been identified:

- Mandating a proportion of smaller strata dwellings with limited parking and one bathroom through relevant planning instruments is unlikely to represent a major impost on redevelopment in PRUTA Precincts and may provide affordable housing for some smaller households in most precincts.

- Provision of boarding houses is expected to provide the only opportunity for affordable private rental for very low income households.

- Considering mechanisms to capture an equitable and reasonable share of land value uplift resulting from planning actions under s94F and/or s93F, potential contributions have been calculated in a preliminary way. Depending on the allowable height, contribution rates have been calculated based on a 50:50 sharing between affordable housing and the developer of value uplift above a 'normal' profit of 10%.

    - For Granville Precinct, an affordable housing levy does not appear to be sustainable, and the economics of redevelopment are likely to be adverse with the exception of six and eight storey development in areas of existing separate housing. It should also be noted that this is one of two precincts where the market is expected to deliver affordable housing to moderate income households.

    - For the Auburn Precinct, redevelopment of light industrial, commercial and residential flat buildings and existing housing at the proposed heights is unlikely to be supported economically, at least in the short term, and so there is expected to be little or no opportunity for affordable housing contributions.

    - For the Homebush Precinct, a general levy of 10-15% of saleable area (between one apartment in seven to one apartment in ten) appears sustainable.

    - For the Burwood Precinct, a general levy of 15% (one apartment in seven) appears sustainable, although such a levy will discourage three storey development to some extent.

    - For the Kings Bay Precinct, a general levy of 15% (one apartment in seven) appears sustainable, although such a levy might discourage three storey development to some degree.

    - For the Taverners Hill Precinct, a general levy of 15% of saleable area appears sustainable in this precinct. While such a levy might discourage three storey development, such development is marginal in this precinct because of the density of existing housing, and would be expected to proceed only with further increases in height.

- For the Leichhardt precinct, a general levy of 10% of saleable area appears sustainable in this precinct. While such a levy might discourage three storey development, such development is marginal in this precinct because of the density of existing development, and would be expected to proceed only with further increases in height.

- For the Camperdown Precinct, a general levy of 10% appears to be sustainable in this precinct.

This is looked at in detail in Section 3.5 below.

2 Parramatta Rd Urban Transformation Area

2.1 Overview

Part 3 of the *Background Report* of the research project, *Building Community Acceptance for Community Housing*, focuses on the Parramatta Road Urban Transformation Area as a discrete area of inquiry for the study.

The Parramatta Road Urban Transformation Area is subject to a special urban and strategic planning framework, as set out below.

An overview of selected demographic and housing indicators for LGAs along the Parramatta Road Corridor is first provided as a context to this part of the study. This is followed by a review of selected demographic, housing and affordability indicators for the eight urban renewal precincts within the Urban Transformation Area.

Following this, a more detailed review of the demographic and housing context of each urban renewal precinct is provided. These form a context to the case studies of existing affordable housing developments relevant to the Transformation Area, detailed in Part 4 of the study.

An analysis of affordable housing opportunities and constraints in each of the precincts is then provided, including a preliminary assessment of the types of mechanisms and strategies that are likely to be most effective in creating affordable housing in the context of planned renewal of these areas.

2.2 Context of the Parramatta Road Urban Transformation Corridor

2.2.1 Overview of Parramatta Road Urban Transformation Area

As noted by UrbanGrowth NSW in relevant planning documents, the Parramatta Road corridor is characterised by 'chronic traffic congestion, loud noise and low quality commercial premises'.[1]

The corridor, which connects Sydney CBD to Sydney's second CBD, Parramatta, is a priority area for the long term growth and improvement of Sydney. UrbanGrowth NSW is leading an integrated project team and collaborating with councils along the corridor to deliver the Parramatta Road Urban Transformation Strategy. The strategy will be the NSW Government's 30 year plan for how the corridor will grow and bring new life to local communities living and working along the corridor.

[1] http://www.urbangrowth.nsw.gov.au/projects/parramatta-road

The vision is to transform Parramatta Road into a high quality multi-use corridor with improved transport choices, better amenity and balanced growth of housing and jobs. The full urban transformation of the corridor will deliver far-reaching benefits for Sydney.

Key outcomes of the Transformation Strategy are likely to include:

- Up to 70,000 people in 40,000 new homes over the next 30 years well-located to transport and services, with a diverse mix of housing types and choices
- Up to $28bn total development value over 20 years, bringing significant economic benefits to NSW
- A more productive business environment to support viable and prosperous businesses, with land for up to 50,000 new jobs over 30 years
- Eight precincts, which will accommodate a diversity of land uses and densities, supported by a range of active and public transport
- An integrated and legible network of open space and pathways to encourage pedestrian and cycle activity. [2]

2.2.2 Demographic and Housing Context of Parramatta Road Urban Transformation Area (PRUTA)

Key Demographic Indicators by LGA

Local Government Areas (LGAs) along the Parramatta Road Transformation Corridor tend to have much lower than average levels of overall disadvantage, with the exception of Auburn LGA which is in the 11th percentile for the SEIFA Index of Relative Socio-economic Disadvantage (ABS 2011).[3] The least disadvantaged areas are Leichhardt and Canada Bay LGAs on this measure (at around the least disadvantaged 10 percent of areas for NSW).

When looking at SEIFA Education and Occupation, all areas apart from Holroyd LGA are at the 70th percentile or above (that is, the most advantaged 30% of areas on this measure). Again, Leichhardt LGA is the most advantaged area in terms of education and occupational status, whilst Marrickville, Sydney and Canada Bay LGAs are all in the top 10% of areas.

A very different picture emerges when looking at SEIFA Economic Resources, with all areas apart from Canada Bay and Strathfield having a relatively low score on this measure, likely due to factors such as high rates of rental tenure, relatively low levels of car ownership, smaller dwellings, high rates of lone person households and other relevant indicators on this weighted index.

This is shown in more detail in the table below.

[2] http://www.urbangrowth.nsw.gov.au/projects/parramatta-road

[3] SEIFA Index of Relative Socio-economic Disadvantage (ABS 2011) combines 18 key indicators of disadvantage in a weighted index.

Table 2-1: Selected Socio-Economic Indicators by LGA

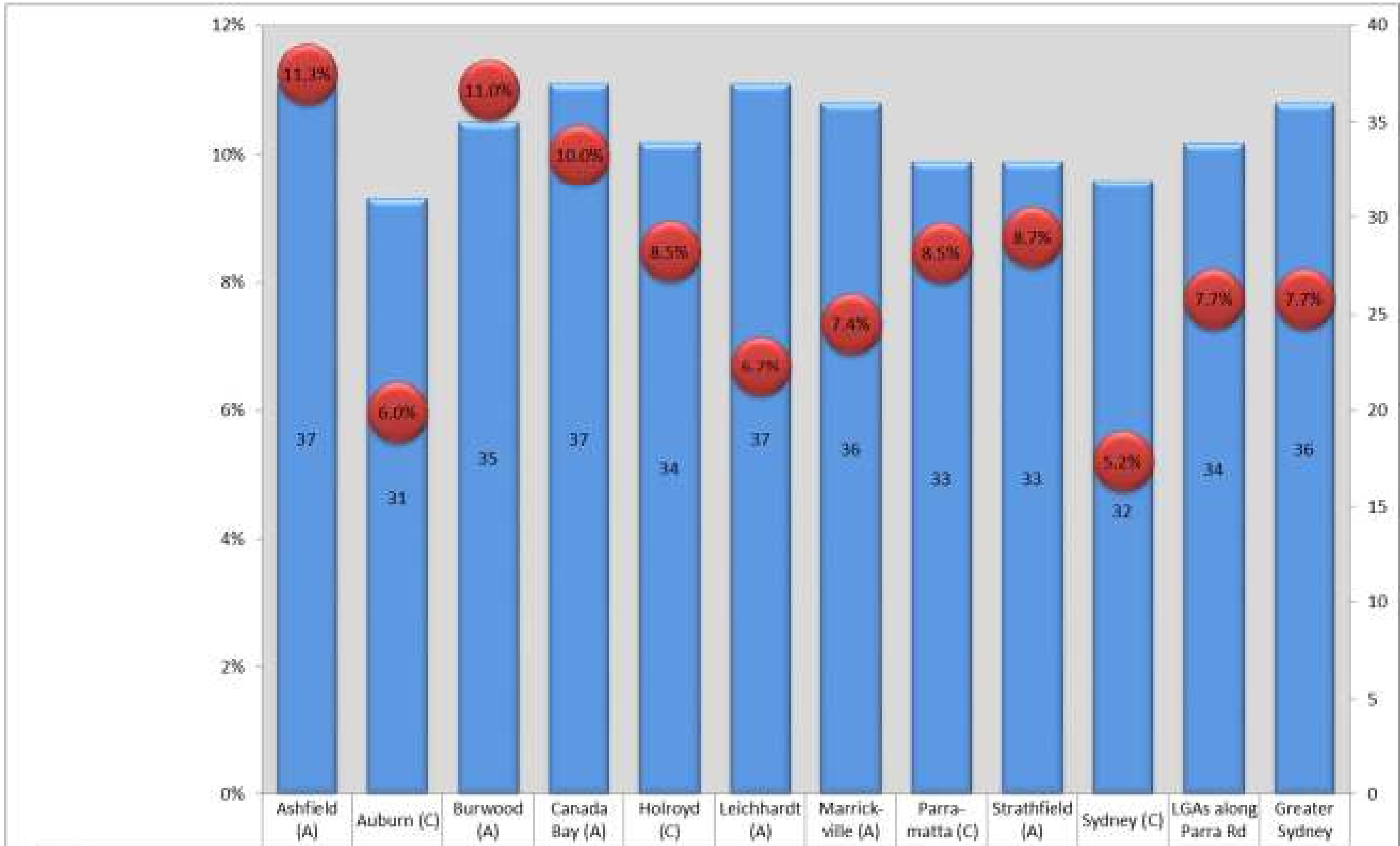
Indicator	Ashfield LGA	Auburn LGA	Burwood LGA	Canada Bay LGA	Holroyd LGA	Leichhardt LGA	Marrickville LGA	Parramatta LGA	Strathfield LGA	Sydney LGA	Average of LGAs along Parra Rd	Greater Sydney
Socio-Economic Index for Areas (SEIFA):												
SEIFA Disadvantage (Percentile for NSW)	78	12	71	89	49	91	80	63	81	78	75	
SEIFA Education and Occupation (Percentile)	88	73	86	92	69	97	91	80	88	93	86	
SEIFA Economic Resources (Percentile)	30	8	23	86	32	83	41	26	62	3	23	
Age:												
Median Age	37	31	35	37	34	37	36	33	33	32	34	36
% Aged 70+ Years	11.3%	6.0%	11.0%	10.0%	8.5%	6.7%	7.4%	8.5%	8.7%	5.2%	7.7%	7.7%
No. Aged 70+ Years	4,637	4,403	3,568	7,570	8,409	3,495	5,629	14,114	3,061	8,824	63,710	395,568
Income:												
Median GWHHI	$1,413	$1,160	$1,310	$1,817	$1,209	$2,234	$1,605	$1,288	$1,421	$1,639	$1,518	$1,447

Source: JSA 2016, derived from ABS (2011) Census, Tablebuilder

Median ages are generally at or below the Greater Sydney median, with Auburn the youngest area, likely due in part to the younger profile of migrant families who have settled in the area; whilst Sydney's relative youth is largely due to its high rate of students and private rental near employment and educational opportunities. Nonetheless, Ashfield, Burwood and Canada Bay have much higher than average rates of residents **aged 70+ years**, largely reflecting the historical settlement pattern of these areas.

Not surprisingly, given SEIFA scores reported above, Leichhardt, Marrickville, Sydney and Canada Bay LGAs had the highest **median incomes.**

The following graphs show this in more detail.



	Ashfield (A)	Auburn (C)	Burwood (A)	Canada Bay (A)	Holroyd (C)	Leichhardt (A)	Marrick-ville (A)	Parra-matta (C)	Strathfield (A)	Sydney (C)	LGAs along Parra Rd	Greater Sydney
Median Age	37	31	35	37	34	37	36	33	33	32	34	36
% Residents Aged 70+ Years	11.3%	6.0%	11.0%	10.0%	8.5%	6.7%	7.4%	8.5%	8.7%	5.2%	7.7%	7.7%

Figure 2-1: Median Age Indicators and % Residents aged 70+ Years
Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

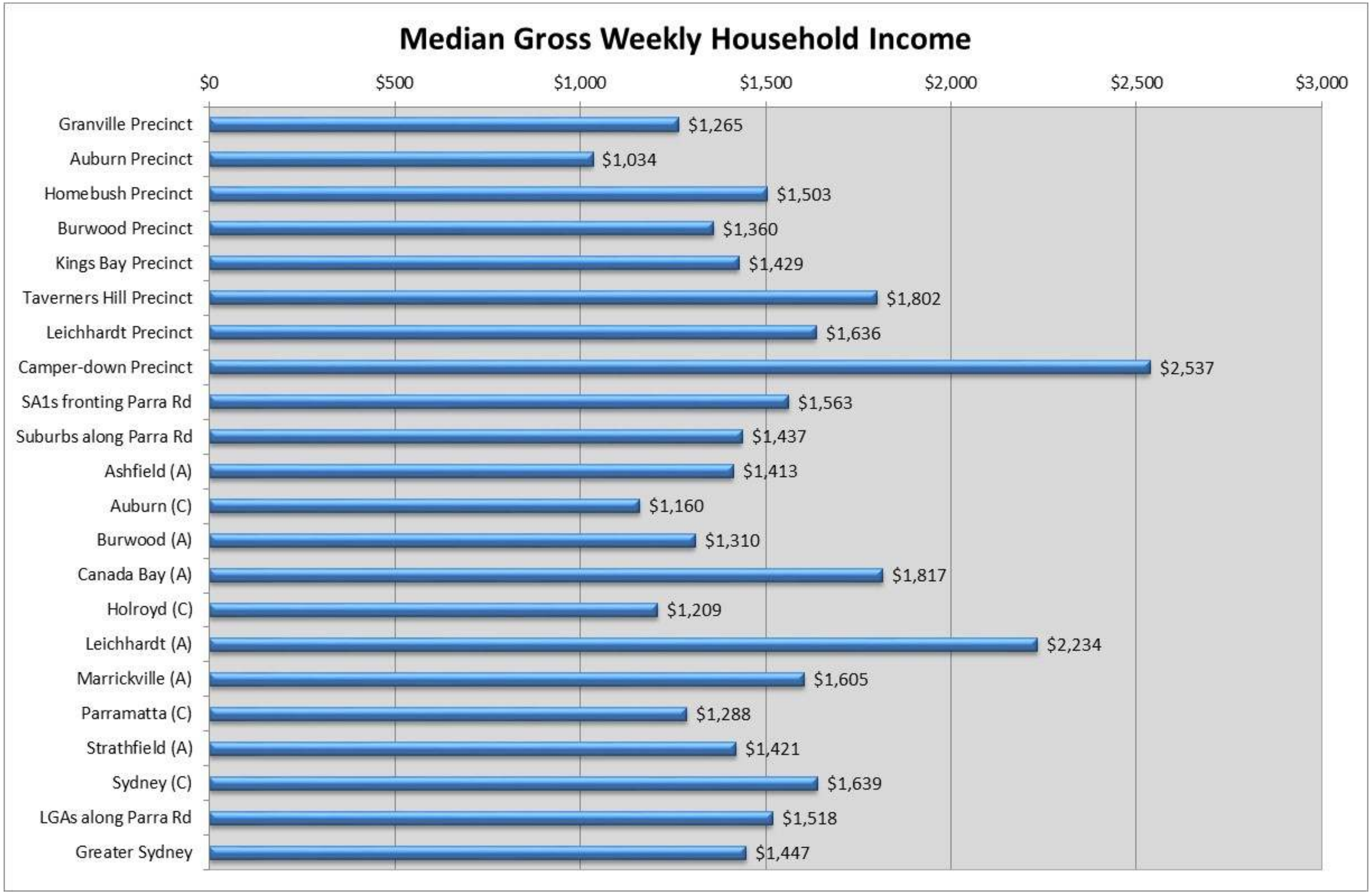


Figure 2-2: Median Gross Weekly Household Income (2011 Dollars)

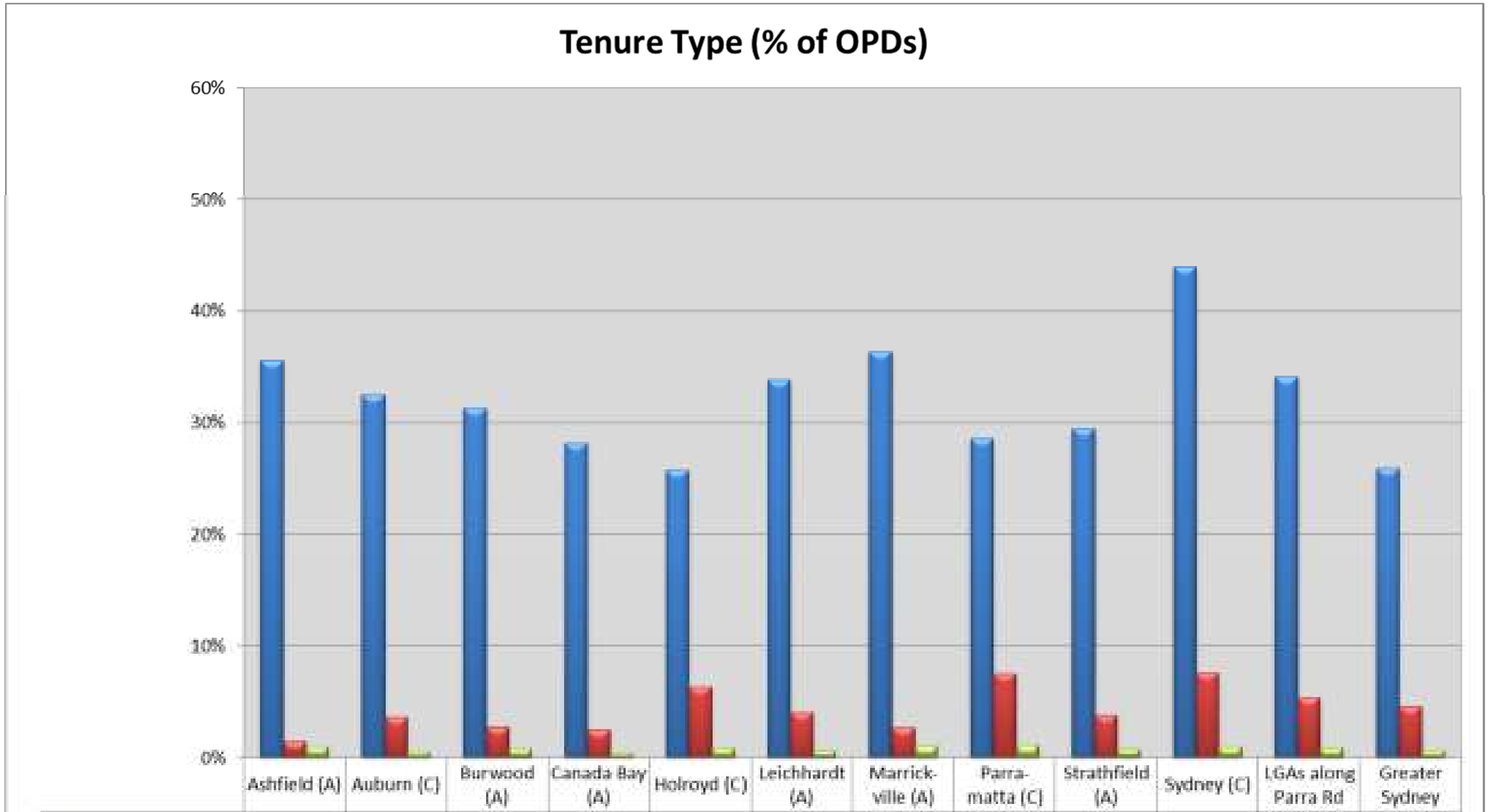
Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Key Housing Indicators by LGA

In general, there are considerable differences between Greater Sydney and LGAs along the Parramatta Road Corridor with regard to **tenure**, with relatively high rates of private rental overall, and particularly high rates in Sydney, Marrickville and Ashfield LGAs. There are also higher than average rates of social (public and community) housing overall; but considerable differences between LGAs, with Sydney, Parramatta and Holroyd having higher than average rates of such housing, and Ashfield, Burwood, Canada Bay and Marrickville having much lower than average rates of social housing.

There are also considerable differences in **dwelling structure** between LGAs along the Corridor in aggregate and the Greater Sydney average, with a much higher rate of flats and units, especially in Sydney LGA where almost three-quarters of stock is higher density. Leichhardt and Holroyd are quite different in this regard, and closer to the Greater Sydney average, with only 28% and 25% of stock as flats and units (24% for Greater Sydney).

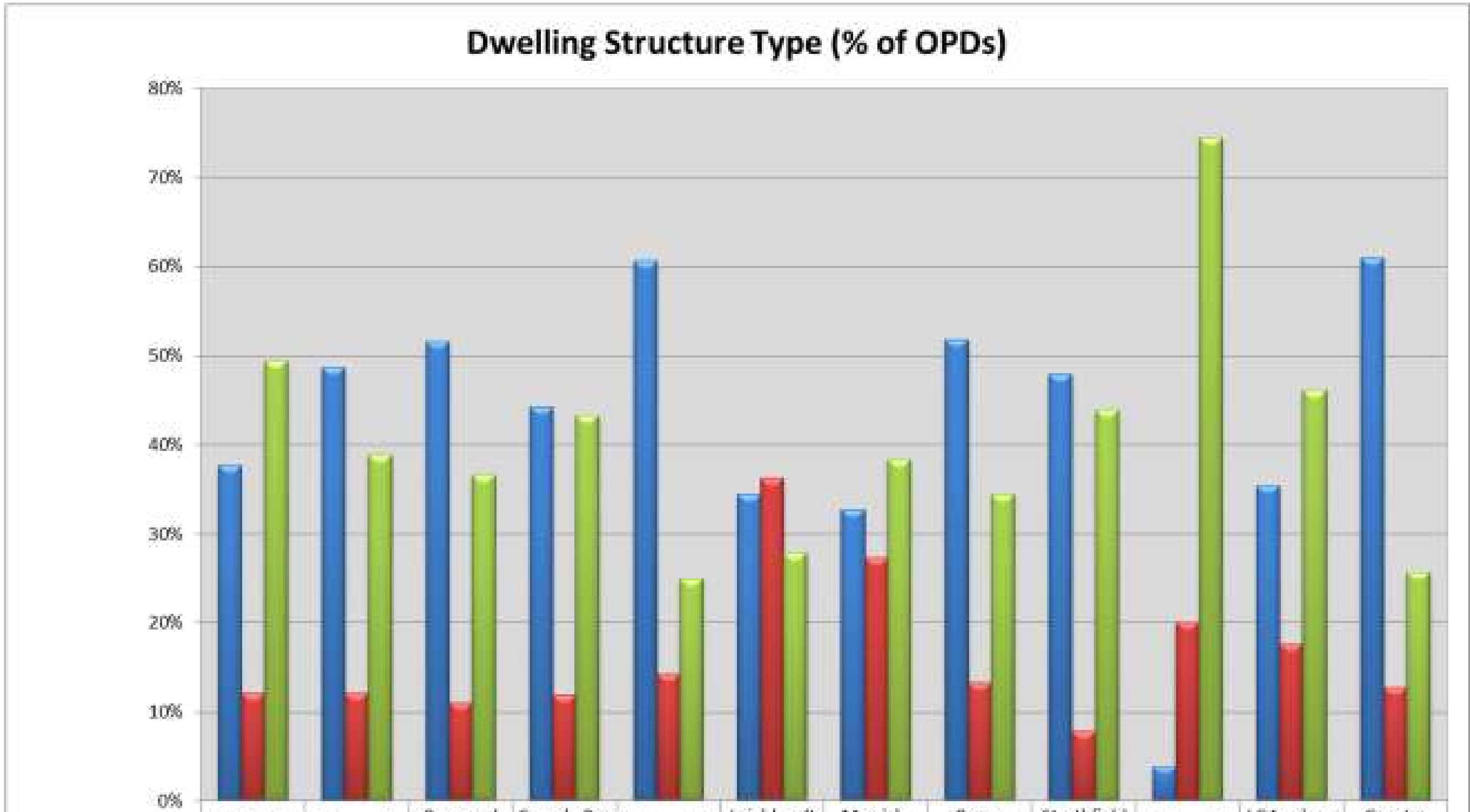
The following graphs provide more detail on housing tenure and structure for LGAs along the Corridor compared with Greater Sydney and the LGAs in aggregate.



	Ashfield (A)	Auburn (C)	Burwood (A)	Canada Bay (A)	Holroyd (C)	Leichhardt (A)	Marrick-ville (A)	Parra-matta (C)	Strathfield (A)	Sydney (C)	LGAs along Parra Rd	Greater Sydney
Rented: Private (incl. Rented: PNISHH and Rented: Other)	35.6%	32.5%	31.3%	28.2%	25.7%	33.8%	36.4%	28.6%	29.4%	44.0%	34.1%	25.9%
Rented: Public	1.4%	3.6%	2.8%	2.5%	6.3%	4.0%	2.7%	7.5%	3.8%	7.6%	5.4%	4.5%
Rented: Community	1.0%	0.6%	0.7%	0.4%	0.9%	0.6%	1.0%	1.1%	0.8%	0.9%	0.9%	0.6%

Figure 2-3: Rental Tenure Type – Private, Public & Community (%OPDs)

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



	Ashfield (A)	Auburn (C)	Burwood (A)	Canada Bay (A)	Holroyd (C)	Leichhardt (A)	Marrick-ville (A)	Parra-matta (C)	Strathfield (A)	Sydney (C)	LGAs along Parra Rd	Greater Sydney
Separate House	38%	49%	52%	44%	61%	34%	33%	52%	48%	4%	35%	61%
Medium Density	12%	12%	11%	12%	14%	36%	27%	13%	8%	20%	18%	13%
Flats and Units	49%	39%	37%	43%	25%	28%	38%	34%	44%	74%	46%	26%

Figure 2-4: Dwelling Structure type (%OPDs)

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Rental Affordability Indicators by LGA

Despite the relatively high rate of flats and units, **private rents** are more expensive overall, likely due to the age of the stock and the relatively high land values in many of the LGAs along the Corridor. Leichhardt and Canada Bay have the highest median rents ($480 per week compared with $350 for Greater Sydney in 2011), with Sydney LGA also considerably higher than average ($465 per week). The lower cost areas were Ashfield, Holroyd and Parramatta, the only LGAs at or below the Greater Sydney average for median rent.

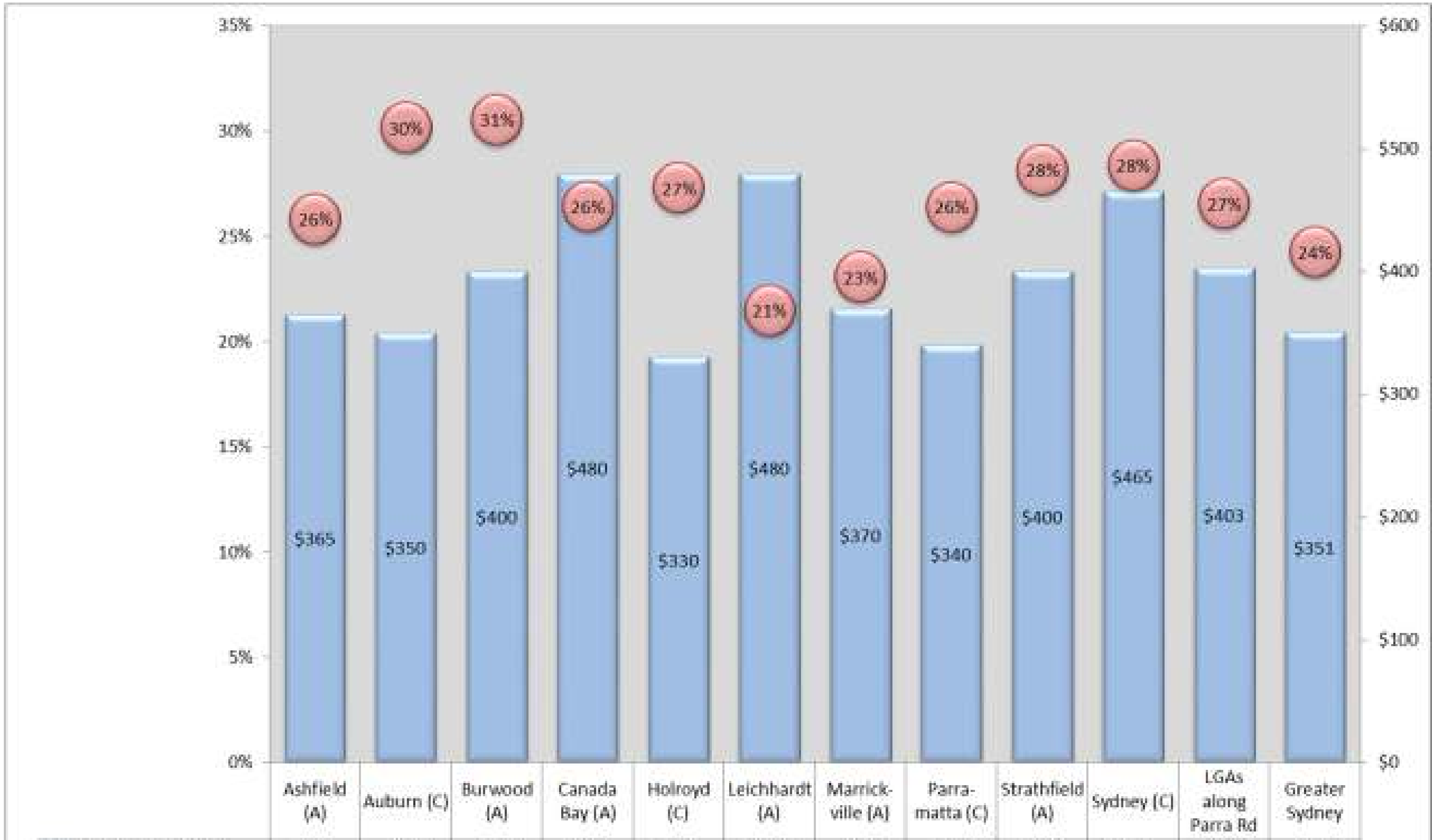
The **ratio of median rent to median household income** was also somewhat less favourable overall across the PRUTA LGAs compared with Greater Sydney (27% compared with 24%), with a significantly higher level of household income required to pay rent in Burwood and Auburn LGAs, likely due to the lower average incomes in these areas.

Overall, for LGAs along the Corridor, the rate of **rental stock affordable to very low income households** was lower than Greater Sydney (1.8% of all OPDs compared with 2.3% for Greater Sydney). A particularly low rate of rental stock was affordable to this target groups in Canada Bay (1%) and Strathfield (1.2%), and also in Parramatta, Leichhardt and Holroyd (each at 1.7%), with the high cost of rental in more expensive areas and the lack of diversity of product in cheaper areas most likely the reason.

The rate of **rental stock affordable to low income households** in aggregate LGAs was also somewhat lower than Greater Sydney (8.8% of rental stock compared with 9.2%), with Canada Bay, Leichhardt and Strathfield having much lower than average levels of such stock.

In terms of **rental stock affordable to moderate income households,** there was a higher than average rate a for LGAs along the Corridor in aggregate, although Canada Bay and Leichhardt were again well below average for this type of stock.

The following graphs provide more detail on selected affordability indicators by LGAs along the Corridor compared with Greater Sydney and the LGAs in aggregate.



	Ashfield (A)	Auburn (C)	Burwood (A)	Canada Bay (A)	Holroyd (C)	Leichhardt (A)	Marrick-ville (A)	Parra-matta (C)	Strathfield (A)	Sydney (C)	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$365	$350	$400	$480	$330	$480	$370	$340	$400	$465	$403	$351
Median Weekly Rent as % of MGWHHI for Area	26%	30%	31%	26%	27%	21%	23%	26%	28%	28%	27%	24%

Figure 2-5: Median Weekly Rent and Median Weekly Rent as % of MGWHHI

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

	Ashfield (A)	Auburn (C)	Burwood (A)	Canada Bay (A)	Holroyd (C)	Leichhardt (A)	Marrick-ville (A)	Parramatta (C)	Strathfield (A)	Sydney (C)	LGAs along Parra Rd	Greater Sydney
Affordable to Very Low Income Household (<$225 p/w)	2.5%	2.0%	2.0%	1.0%	1.7%	1.7%	2.7%	1.7%	1.2%	1.8%	1.8%	2.3%
Affordable to Low Income Household (<$350 p/w)	12.3%	11.6%	7.2%	3.3%	11.1%	6.6%	12.5%	10.3%	5.8%	7.3%	8.8%	9.2%
Affordable to Moderate Income Household (<$550 p/w)	31.1%	28.2%	25.0%	16.6%	24.0%	17.9%	28.2%	25.9%	24.2%	23.8%	24.3%	20.2%

Figure 2-6: Private Rental Affordability to Very Low, Low and Moderate Income Households (% OPDs)

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

2.2.3 Demographic and Housing Context of PRUTA Urban Renewal Precincts

This section provides a comparison of key demographic and housing indicators for the eight Precincts compared with relevant benchmarks. This is followed by a more detailed precinct by precinct analysis in Sections 4 to 11 below.

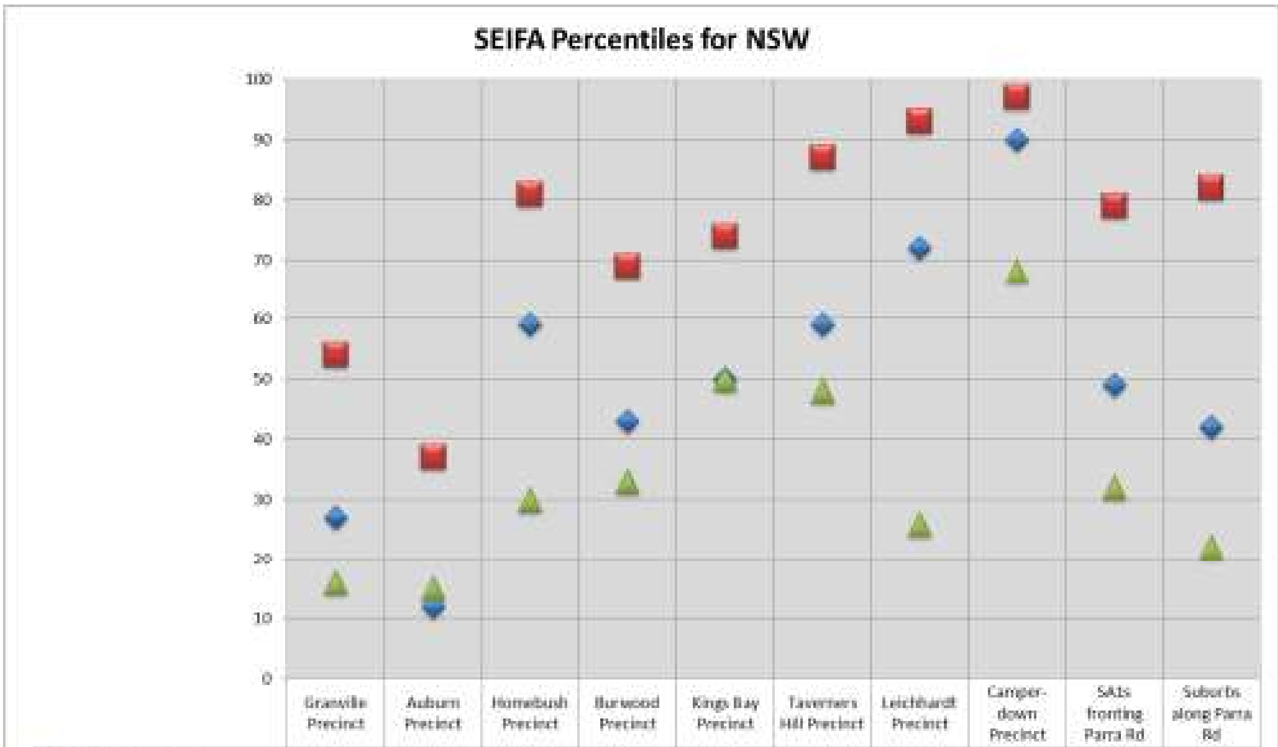
Selected Demographic Indicators by Precinct

Indices of Relative Disadvantage

SEIFA Indexes bring together a range of indicators of community wellbeing or disadvantage in four weighted indexes.

SEIFA Index of Relative Socio-Economic Disadvantage brings together 18 Census indicators founds to be related to overall area or community disadvantage. The following graphic indicates that areas further west (Granville and Auburn) are considerable more disadvantaged overall, with Auburn Precinct in the bottom 12% of areas for NSW. Camperdown Precinct is at the other end of the spectrum, and in the least disadvantaged 10% of areas. The map that follows (by SA1s within the precincts) shows the steady increase in disadvantage as one moves west, although this is not a simple trajectory, as a number of small areas within precincts that are more advantaged overall have pockets of disadvantage related to social housing, low cost private rental and/or older more disadvantaged historical populations.

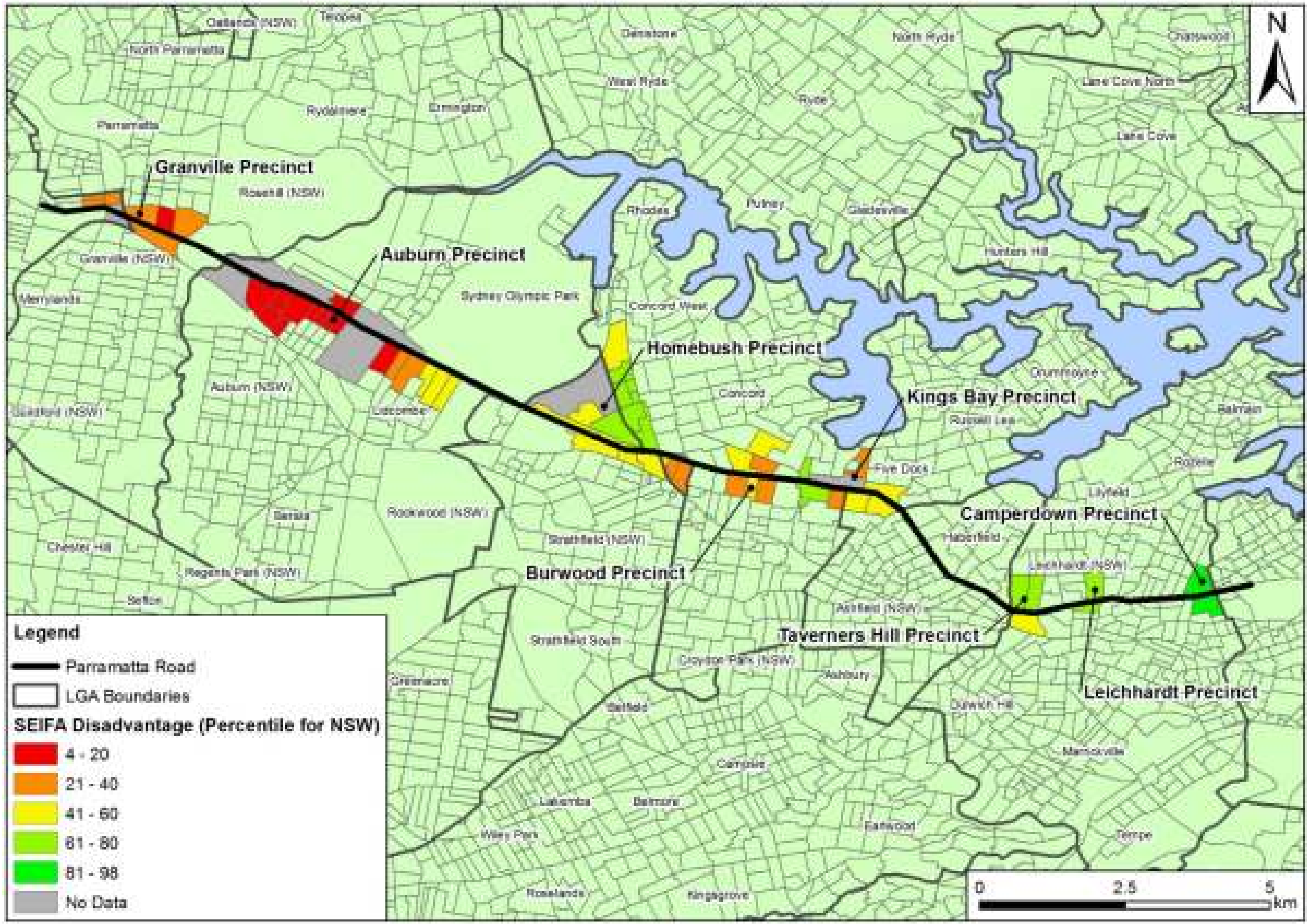
SEIFA Index of Education and Occupation show similar trends, although in all cases the educational and occupational profile is more favourable than that related to overall community disadvantage. **SEIFA Index of Economic Resources** is more mixed across the eight precincts, largely related to relatively high rate of rental accommodation, smaller dwellings and/or smaller households, which lower the score in the weighted index.



	Granville Precinct	Auburn Precinct	Homebush Precinct	Burwood Precinct	Kings Bay Precinct	Taverners Hill Precinct	Leichhardt Precinct	Camper-down Precinct	SA1s fronting Parra Rd	Suburbs along Parra Rd
SEIFA Disadvantage	27	12	59	43	50	59	72	90	49	42
SEIFA Education and Occupation	54	37	81	69	74	87	93	97	79	82
SEIFA Economic Resources	16	15	30	33	50	48	26	68	32	22

Figure 2-7: SEIFA Indexes of Disadvantage, Education & Occupation, Economic Resources (percentiles for areas within NSW)

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



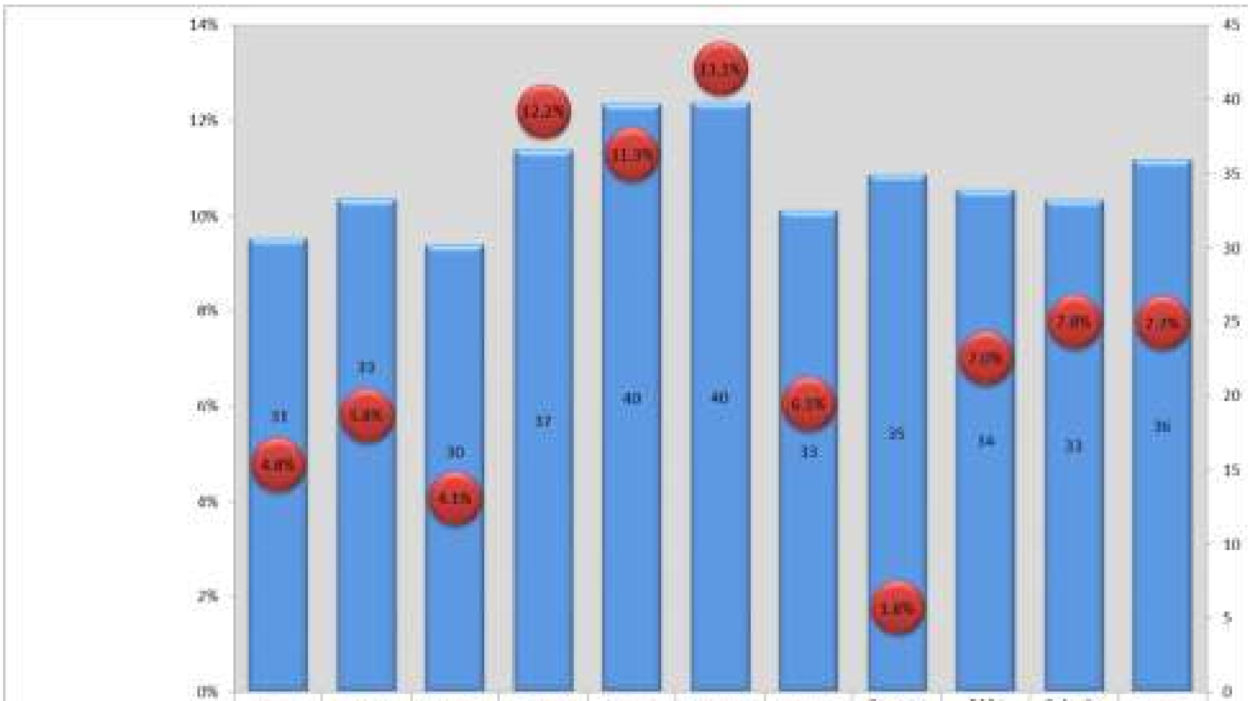
Map 2-1: SEIFA Disadvantage (% for NSW) by SA1 PRUTA Precincts

Source: JSA 2016, derived from ABS (2011) Census

Selected Age Indicators

By far the oldest aged structure is in the Precincts of Kings Bay, Taverners Hill and Burwood, whilst the youngest areas are Homebush (reflecting younger working people), as well as Granville and Auburn, likely related to cheaper rental and purchase housing, and larger migrant families that are more concentrated in these areas.

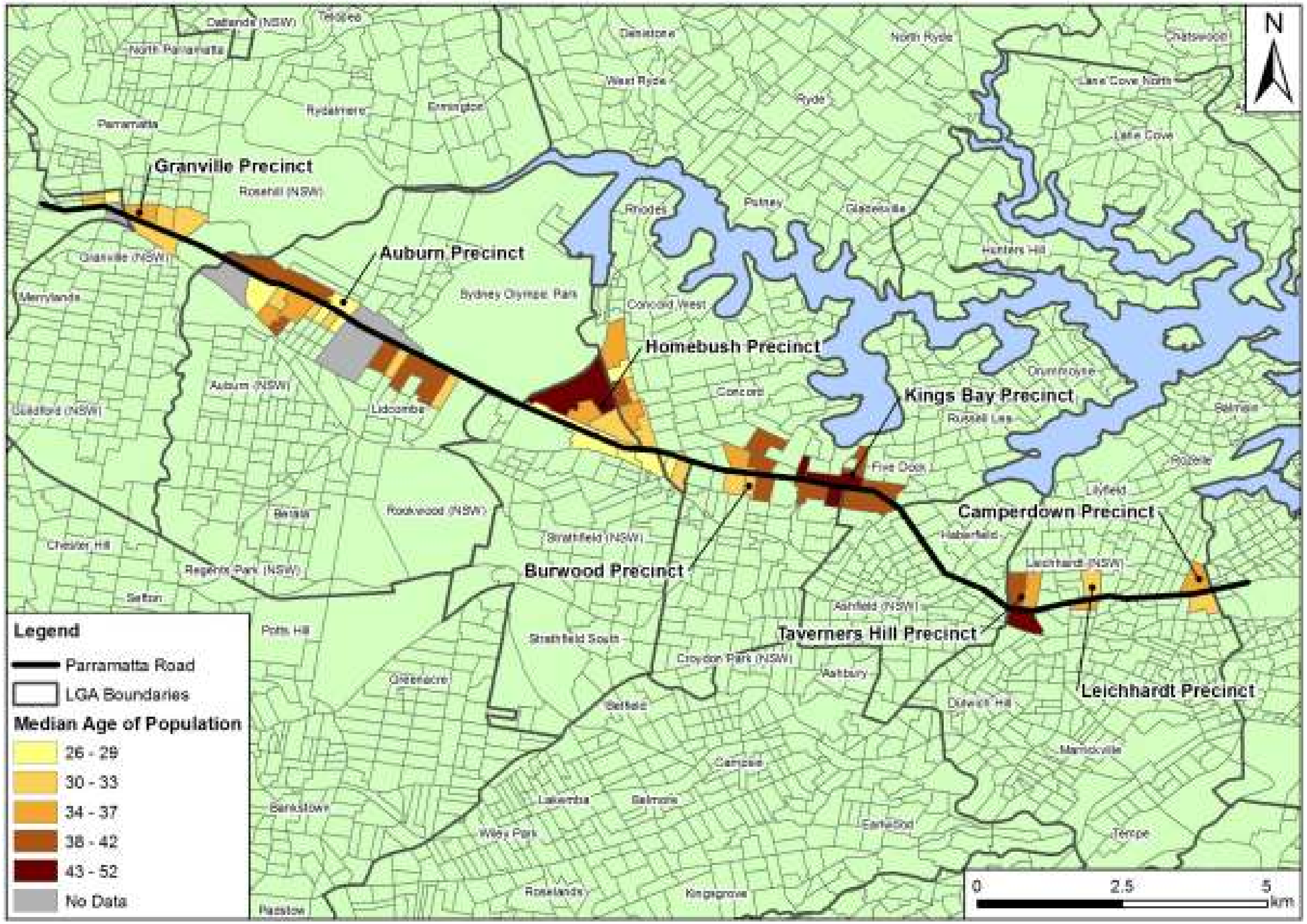
However the following map of median age by SA1 shows that there are older areas within each of the precincts. Together with lower incomes and higher levels of rental in some of these small areas, this raises concerns related to potential displacement of historical populations during renewal of the Transformation area. Low income areas are also likely related to high student populations in some SA1s within inner city precincts.



	Granville Precinct	Auburn Precinct	Homebush Precinct	Burwood Precinct	Kings Bay Precinct	Taverners Hill Precinct	Leichhardt Precinct	Camper-down Precinct	SA1s fronting Parra Rd	Suburbs along Parra Rd	Greater Sydney
Median Age	31	33	30	37	40	40	33	35	34	33	36
% Residents Aged 70+ Years	4.8%	5.8%	4.1%	12.2%	11.3%	13.1%	6.1%	1.8%	7.0%	7.8%	7.7%

Figure 2-8: Median Age Indicators and % Residents Aged 70+ years

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 2-2: Median Age PRUTA Precincts by SA1

Source: JSA 2016, derived from ABS (2011) Census

Median Income

In aggregate, both suburb and SA1s along PRUTA had a similar median household income to Greater Sydney, with considerable variation, as show below. Auburn Precinct had the lowest median household income, and Camperdown Precinct by far the highest income.

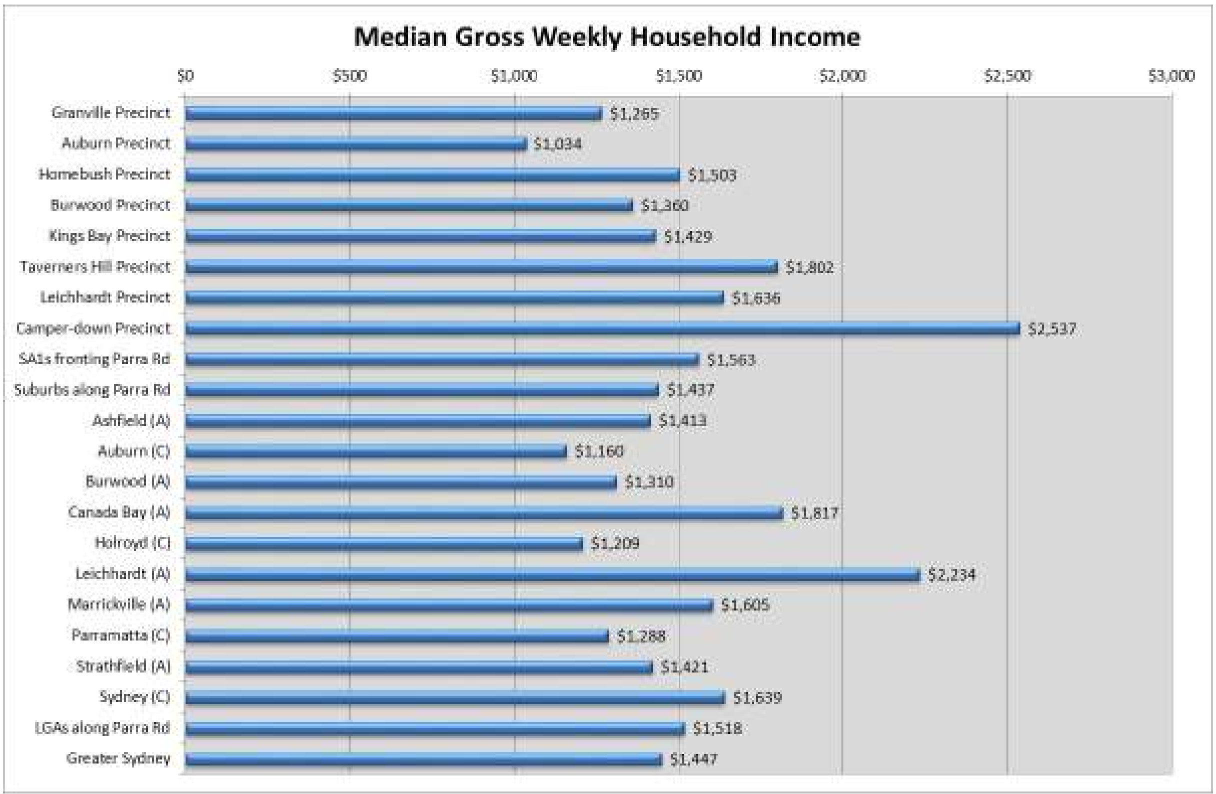
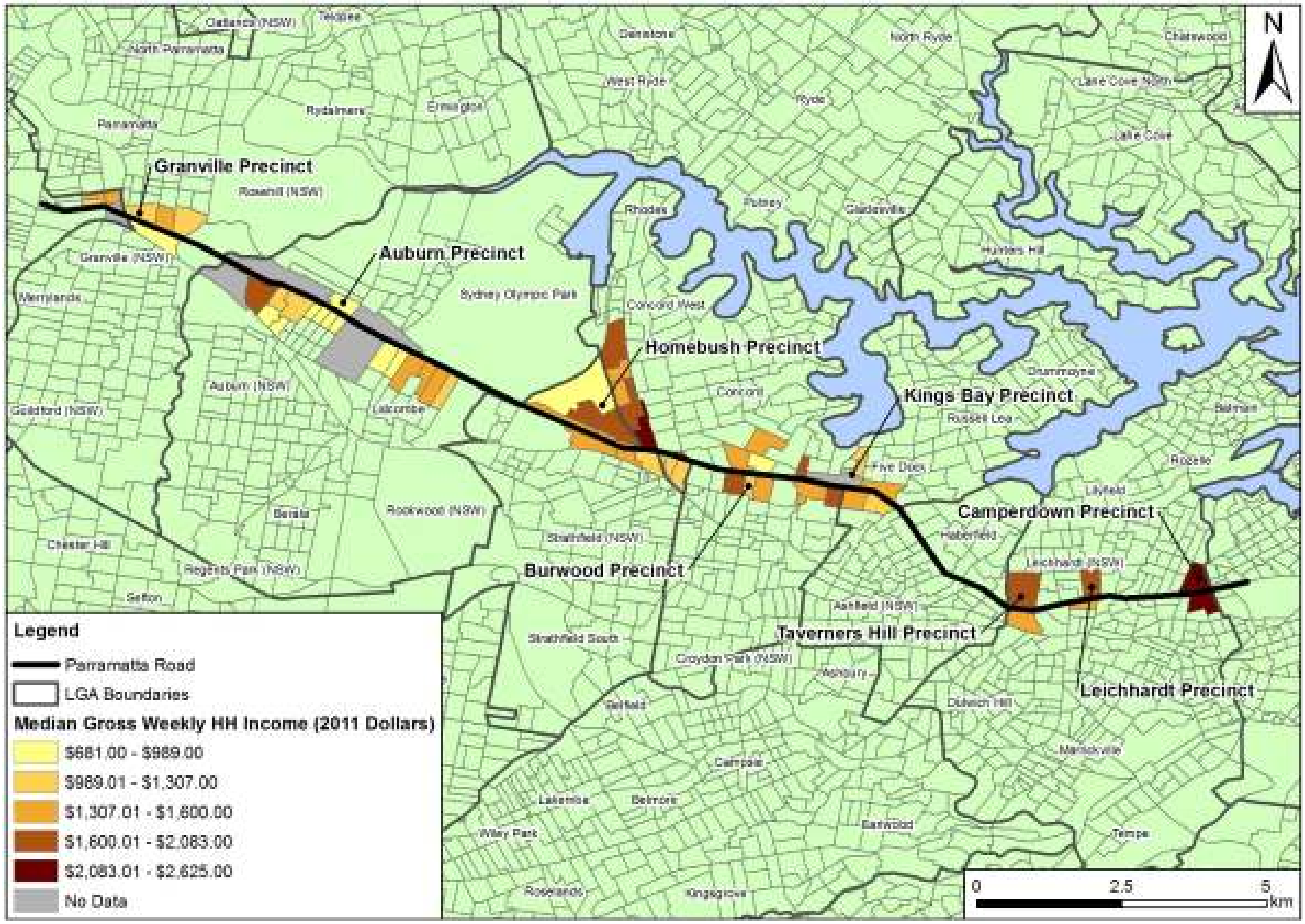


Figure 2-9: Median Gross Weekly Household Income (2011 Dollars)
Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 2-3: Median Gross Weekly Household Income PRUTA Precincts by SA1

Source: JSA 2016, derived from ABS (2011) Census

2.2.4 Selected Housing Indicators

Dwelling Structure

In aggregate, suburbs and SA1s fronting the Parramatta Road corridor have a much higher rate of flats and units compared with the greater Sydney average, with areas of particularly high concentration in Leichhardt, Homebush and Granville Precincts, as well as pockets of significant high density in SA1s in Auburn, Granville and especially Homebush Precincts as shown in the following graph and maps.

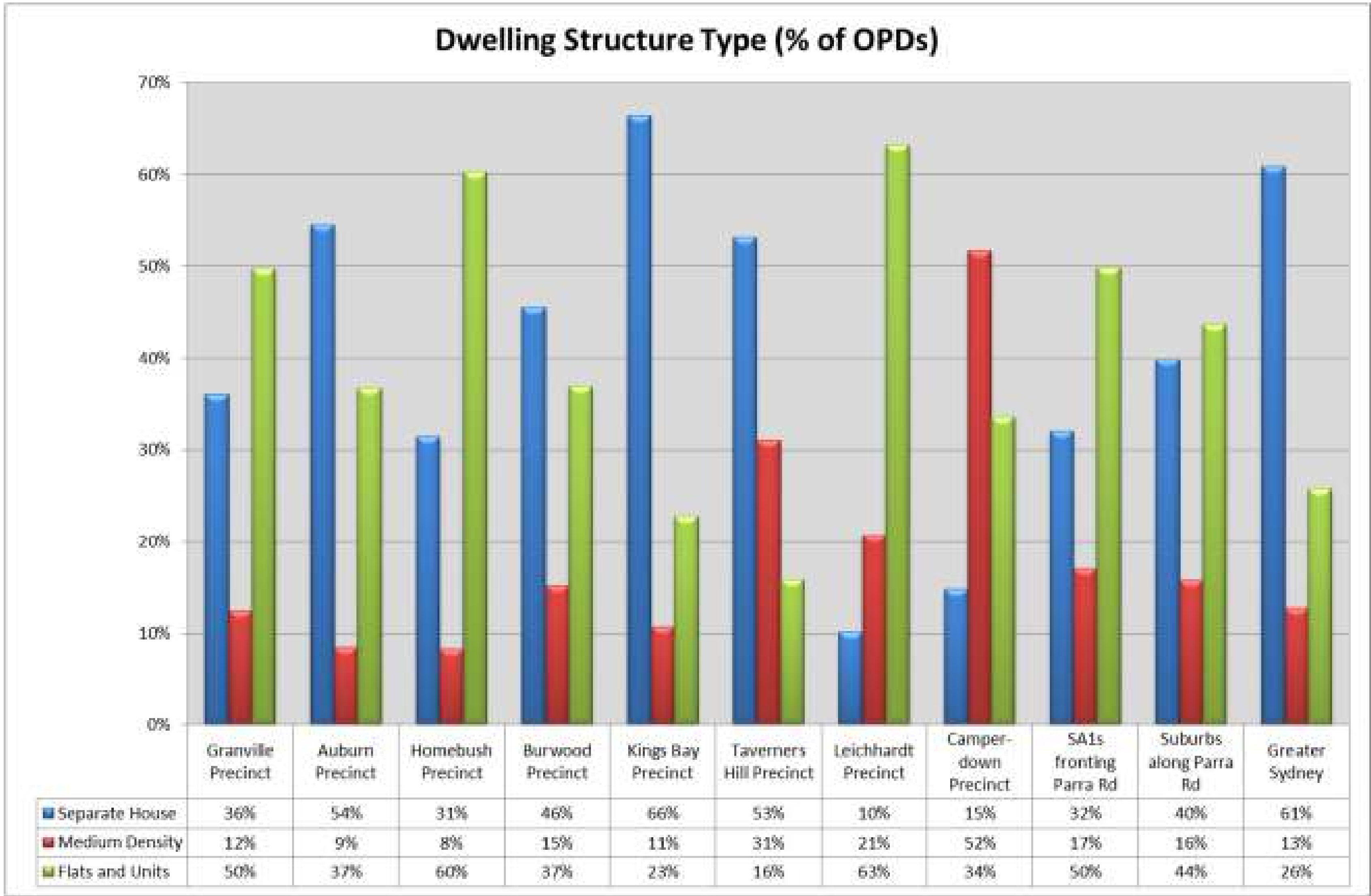
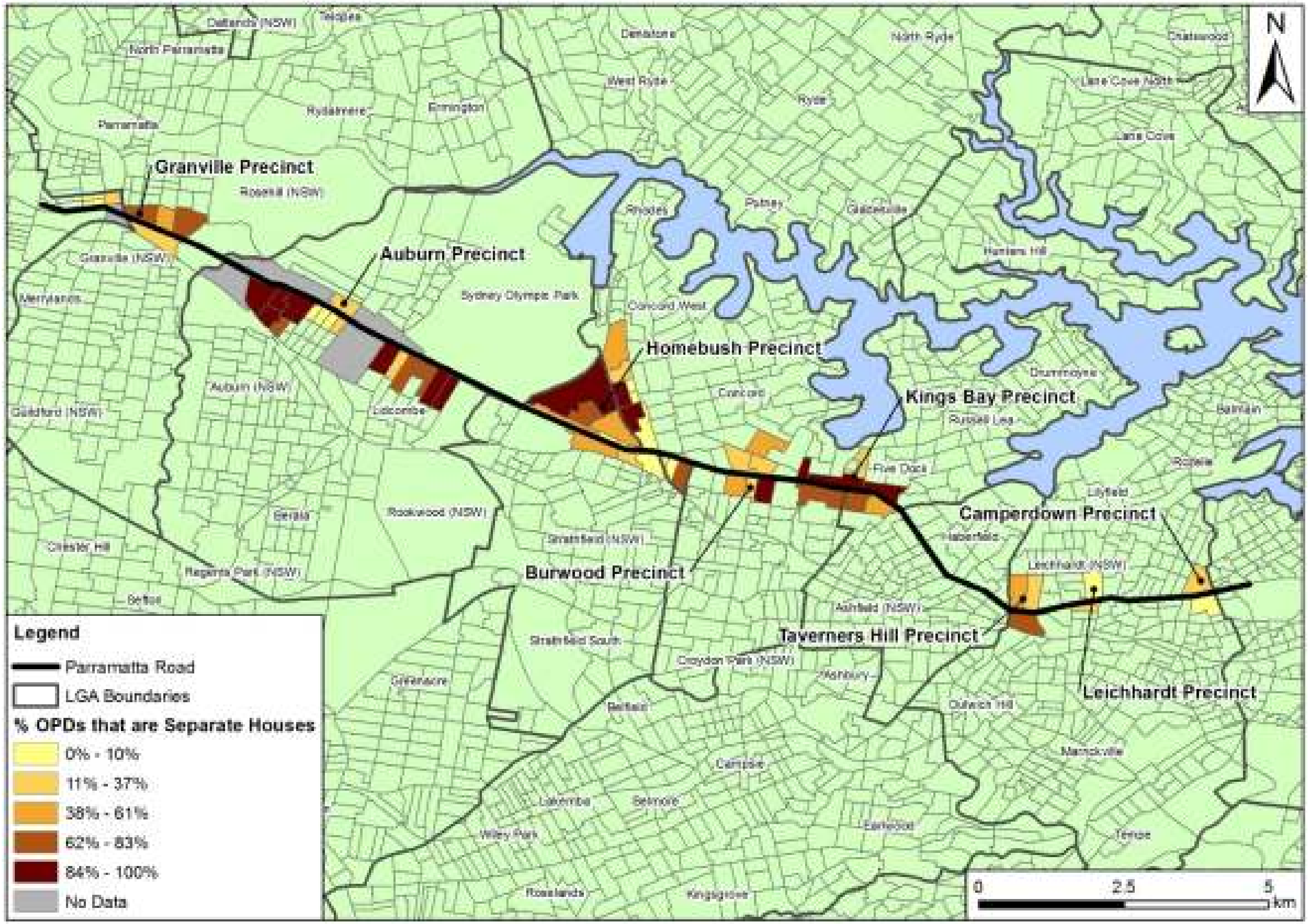
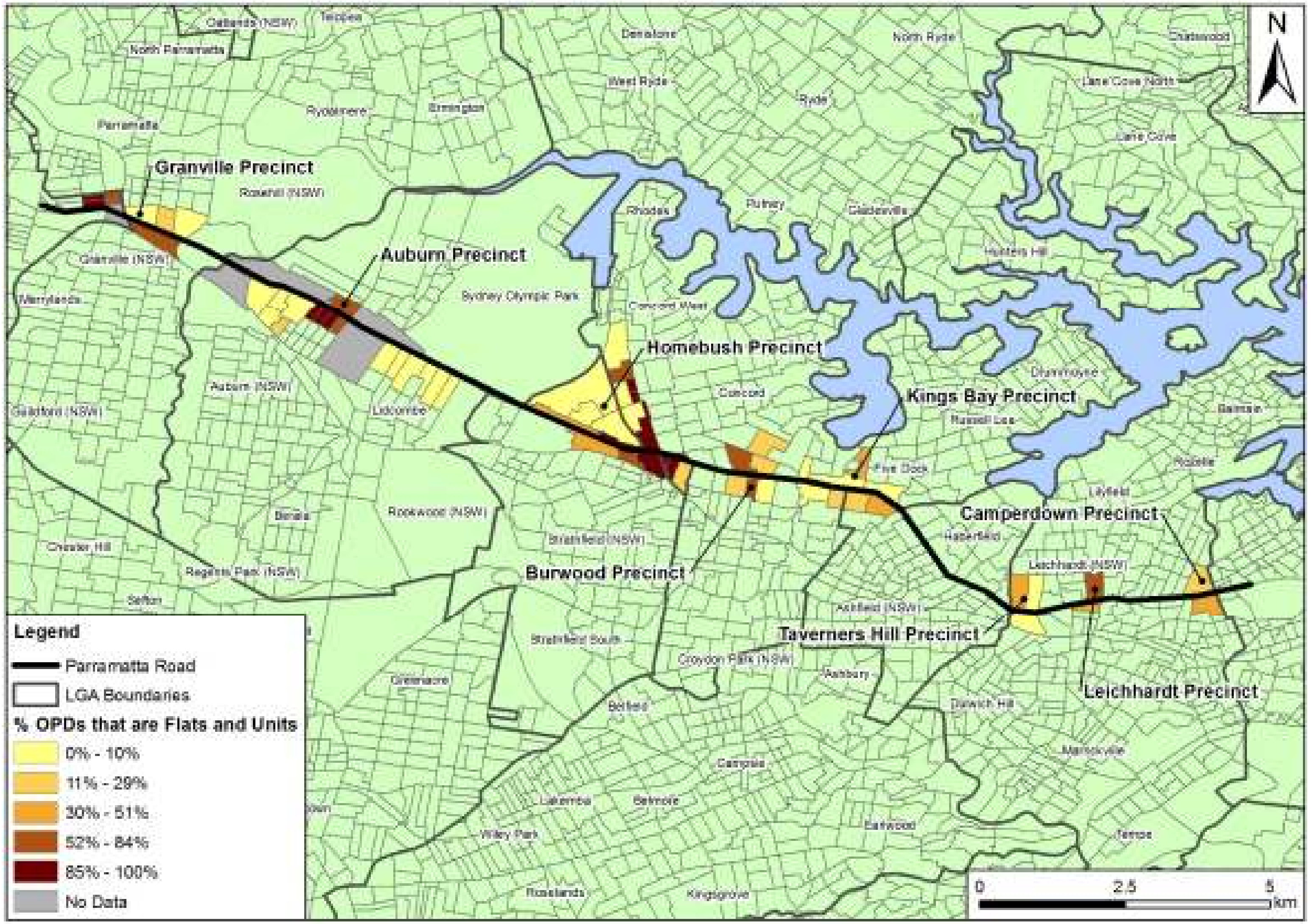


Figure 2-10: Dwelling Structure type (%OPDs)

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

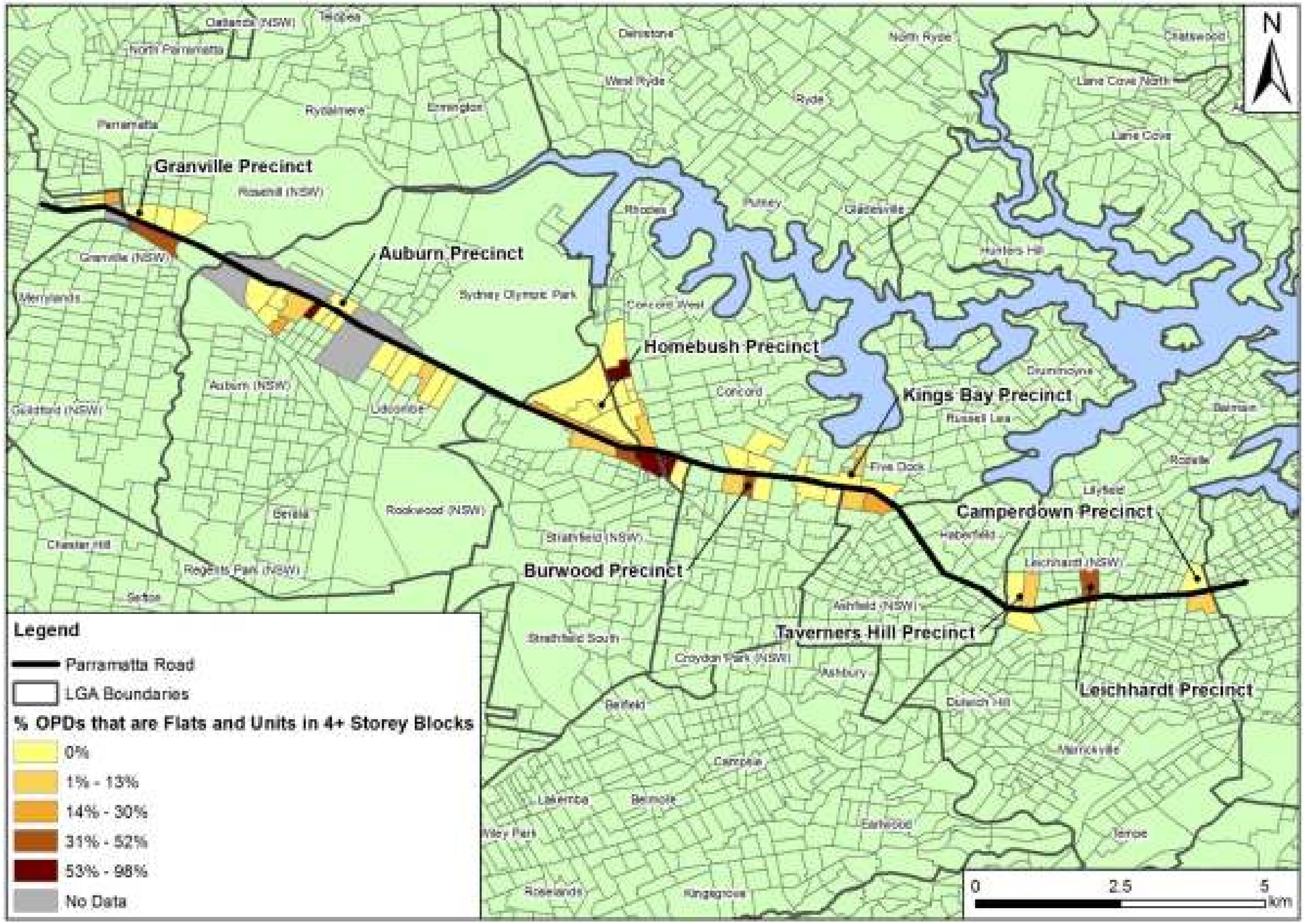


Map 2-4: % OPDs that are Separate Houses in PRUTA Precincts by SA1
Source: JSA 2016, derived from ABS (2011) Census



Map 2-5: % OPDs that are Flats & Units in PRUTA Precincts by SA1

Source: JSA 2016, derived from ABS (2011) Census



Map 2-6: % OPDs that are Flats & Units in 4+ Storey Blocks in PRUTA Precincts by SA1

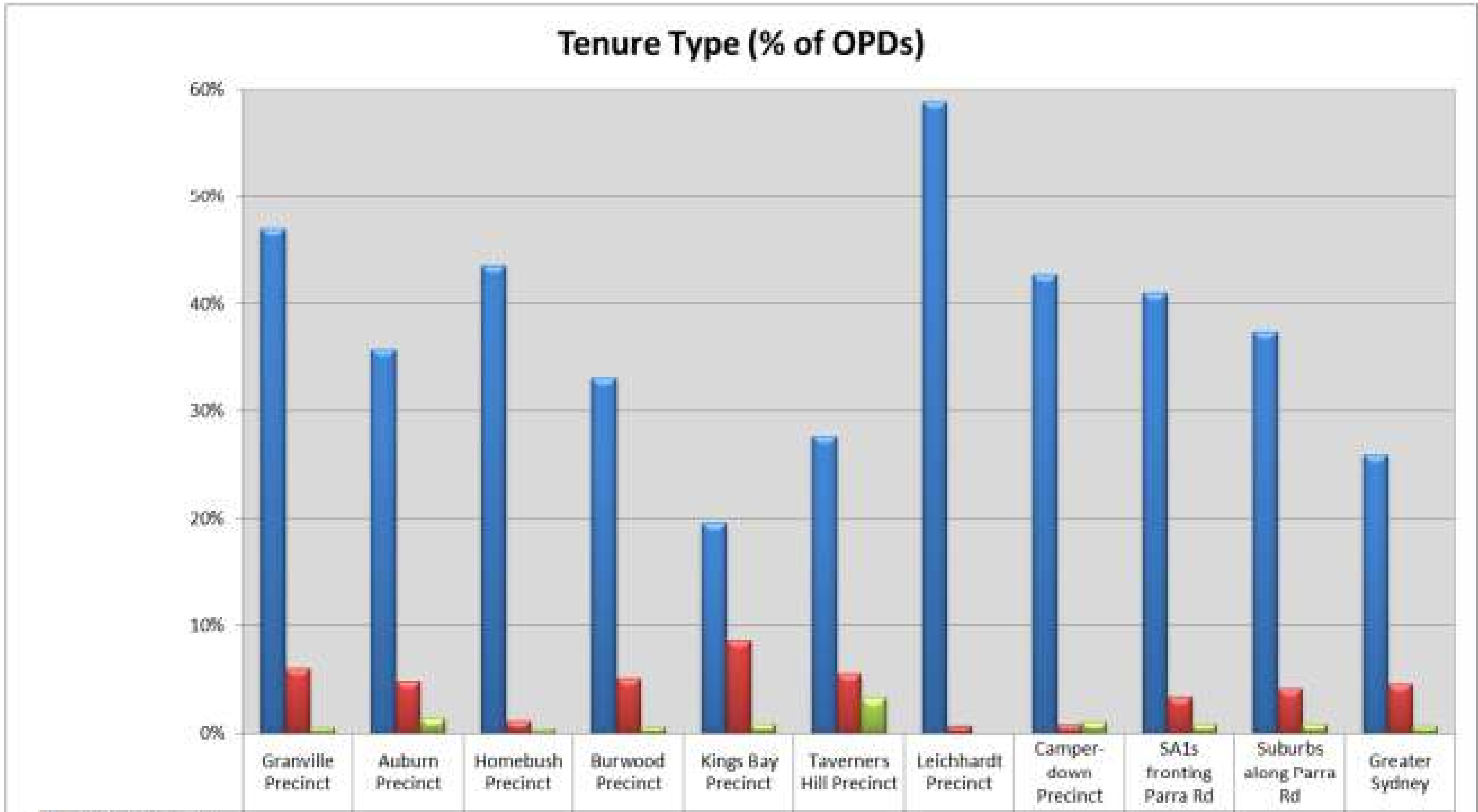
Source: JSA 2016, derived from ABS (2011) Census

Tenure: Private, Public and Community Housing Rental

There is a relatively low level of social housing in PRUTA Precincts in aggregate, with only 4.1% of OPDs made up of such housing compared with 5.1% for Greater Sydney. Related suburbs were also quite low in aggregate (4.9% of all occupied dwellings).

The only area with a much higher than average proportion of social housing was Kings Bay Precinct, with 9.7% of such housing, with Granville and Auburn also above average (6.5% and 6.2% respectively).

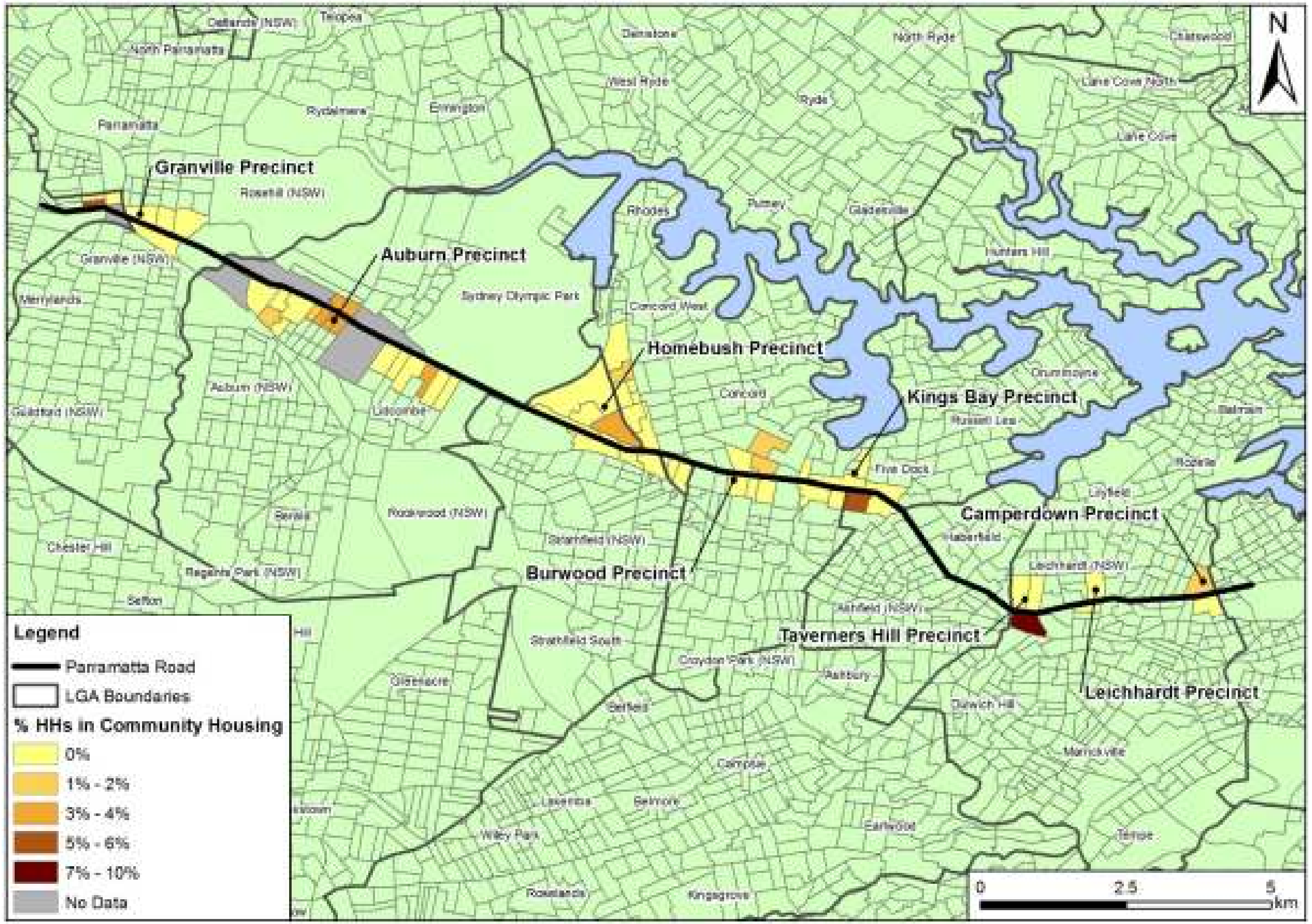
However, private rental was much higher in both Precincts and Suburbs along the corridor, with Leichhardt and Granville having much higher than average rates of private rental. This is not surprising given the much higher proportion of flats and units in the PRUTA, described above.



	Granville Precinct	Auburn Precinct	Homebush Precinct	Burwood Precinct	Kings Bay Precinct	Taverners Hill Precinct	Leichhardt Precinct	Camper-down Precinct	SA1s fronting Parra Rd	Suburbs along Parra Rd	Greater Sydney
Rented: Private (incl. Rented: PNISHH and Rented: Other)	47.0%	35.8%	43.5%	33.2%	19.6%	27.6%	58.8%	42.7%	41.1%	37.4%	25.9%
Rented: Public	6.0%	4.8%	1.2%	5.1%	8.6%	5.5%	0.7%	0.8%	3.3%	4.1%	4.5%
Rented: Community	0.5%	1.4%	0.5%	0.6%	0.9%	3.3%	0.0%	1.1%	0.8%	0.8%	0.6%

Figure 2-11: Rental Tenure Type – Private, Public & Community (%OPDs)

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 2-7: % OPDs that are HHs in Community Housing in PRUTA Precincts by SA1
Source: JSA 2016, derived from ABS (2011) Census

2.2.5 Housing Affordability

Comparative Affordability of Private Rental

At the time of the 2011 Census, PRUTA Precincts and related suburbs were, in aggregate, providing a lower than average proportion of housing that was affordable to relevant target groups. This is despite the much higher proportion of flats and units compared with Greater Sydney, and the age and relatively low amenity of apartments in some of these areas.

In total, 7.5% of dwellings in suburbs and precincts would have been affordable to very low income renting households compared with 9% for Greater Sydney; while 30.8% of rental dwellings in aggregate Precincts would have been affordable to low income households, again significantly lower than the 35.4% for Greater Sydney on average. There was a relatively similar amount of rental stock affordable to moderate income households in the aggregated SA1s (79.4% compared with 78.2% for Greater Sydney).

The only area with a greater than average proportion of stock affordable to very low income households in 2011 was Auburn Precinct (a high 17.5% of rental), while Taverns Hill and Camperdown had a very low proportion of such stock.

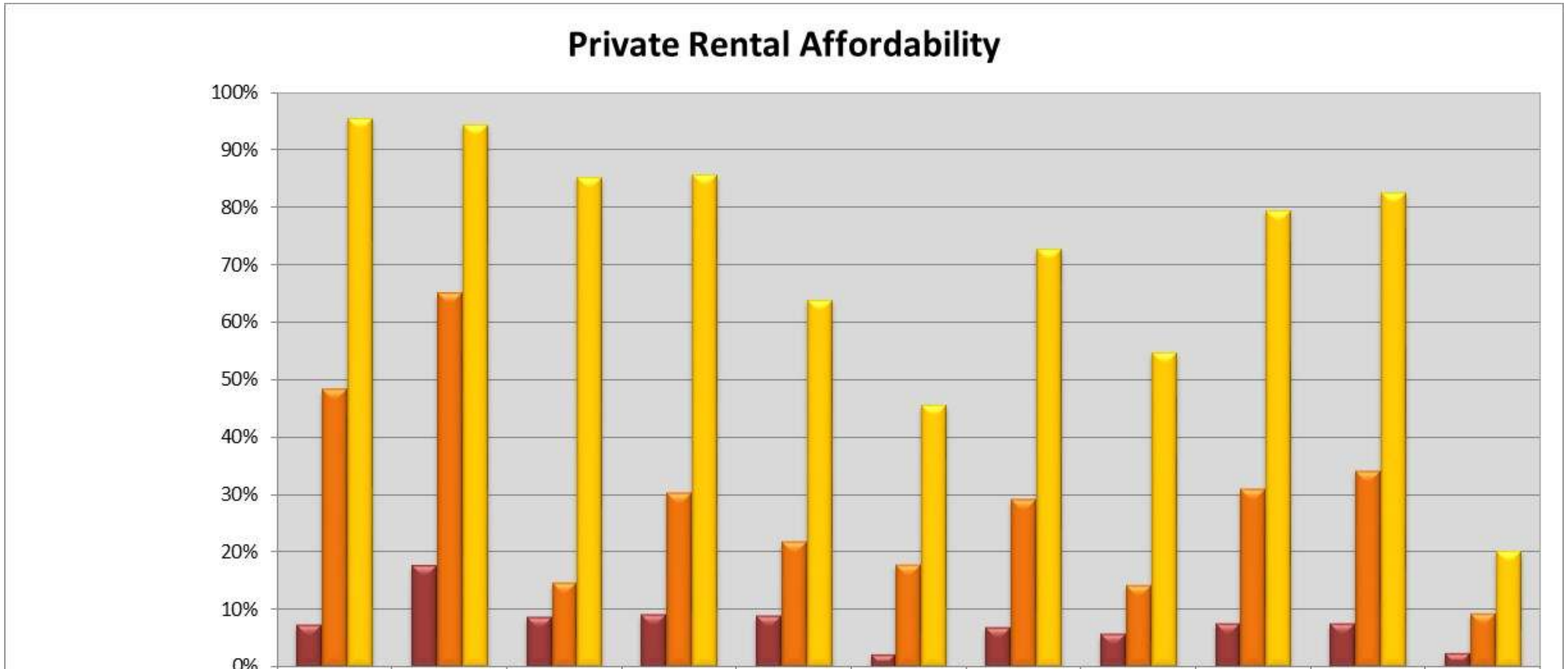
Auburn and Granville were the only areas that were relatively well supplied with rental stock affordable to low income households at the time of the Census, whilst Homebush, Taverners Hill and Camperdown had a very low proportion of stock affordable to this target group.

Although a number of areas had an average supply of rental that was affordable to moderate income households, Taverners Hill, Camperdown and Kings Bay had a much lower than average availability of such stock in 2011.

The ongoing displacement of very low and low income people, and inability to accommodate incoming lower income households including key workers, is a significant risk of redevelopment of these areas, noting as well the relatively low level of social housing in many of these areas.

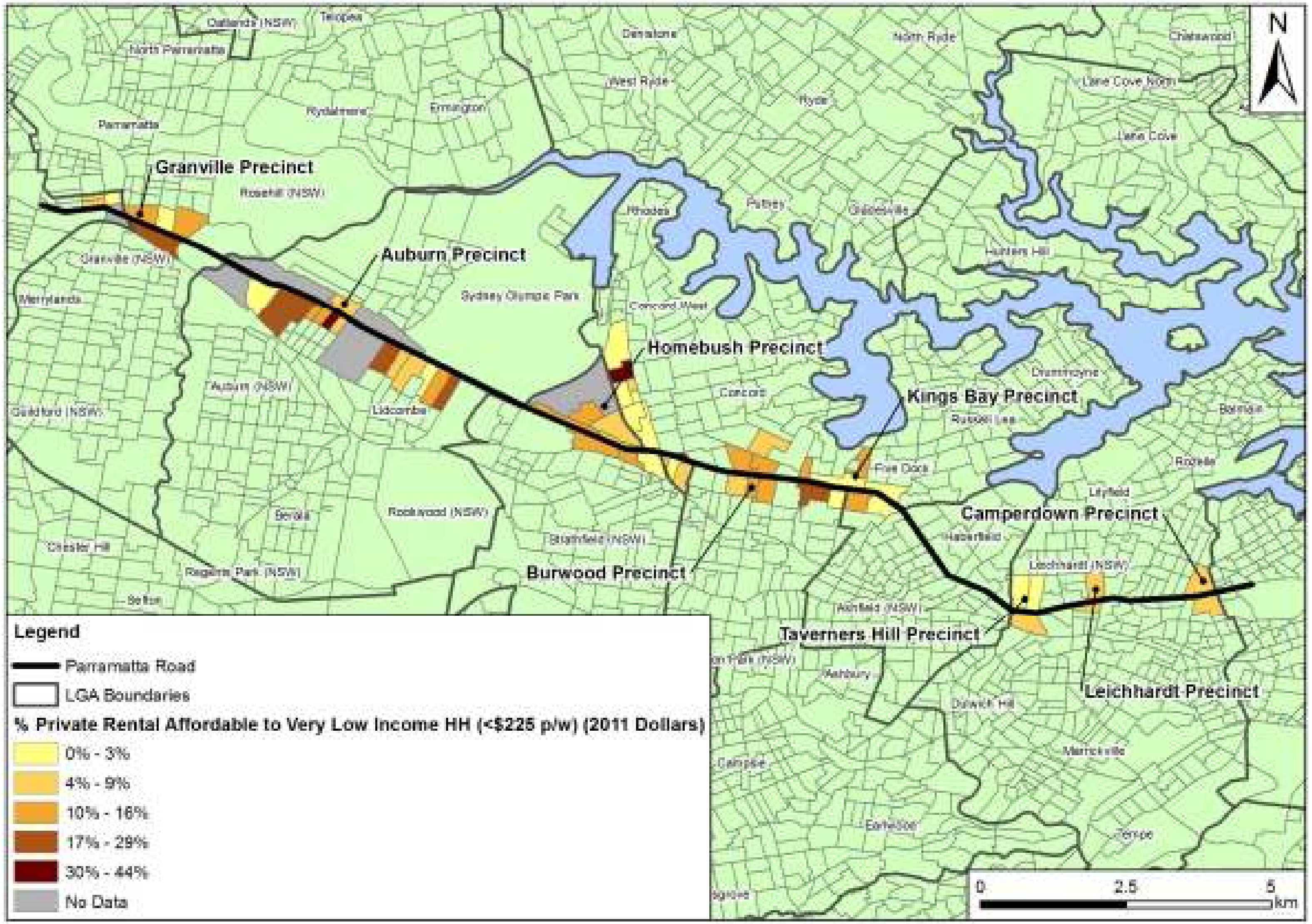
More recent rental data provided in Section 3.4.3 below, including the likely rental cost of newly constructed dwellings in many of these precincts, supports these concerns, with median priced strata dwellings advertised for rent in early 2016 (as a conservative proxy for newly constructed stock) much less affordable in many of these areas.

The need to actively create affordable accommodation, particularly for very low and low income households is an important policy direction in PRUTA Precincts, as discussed later, with affordable purchase also considered in Section 3.



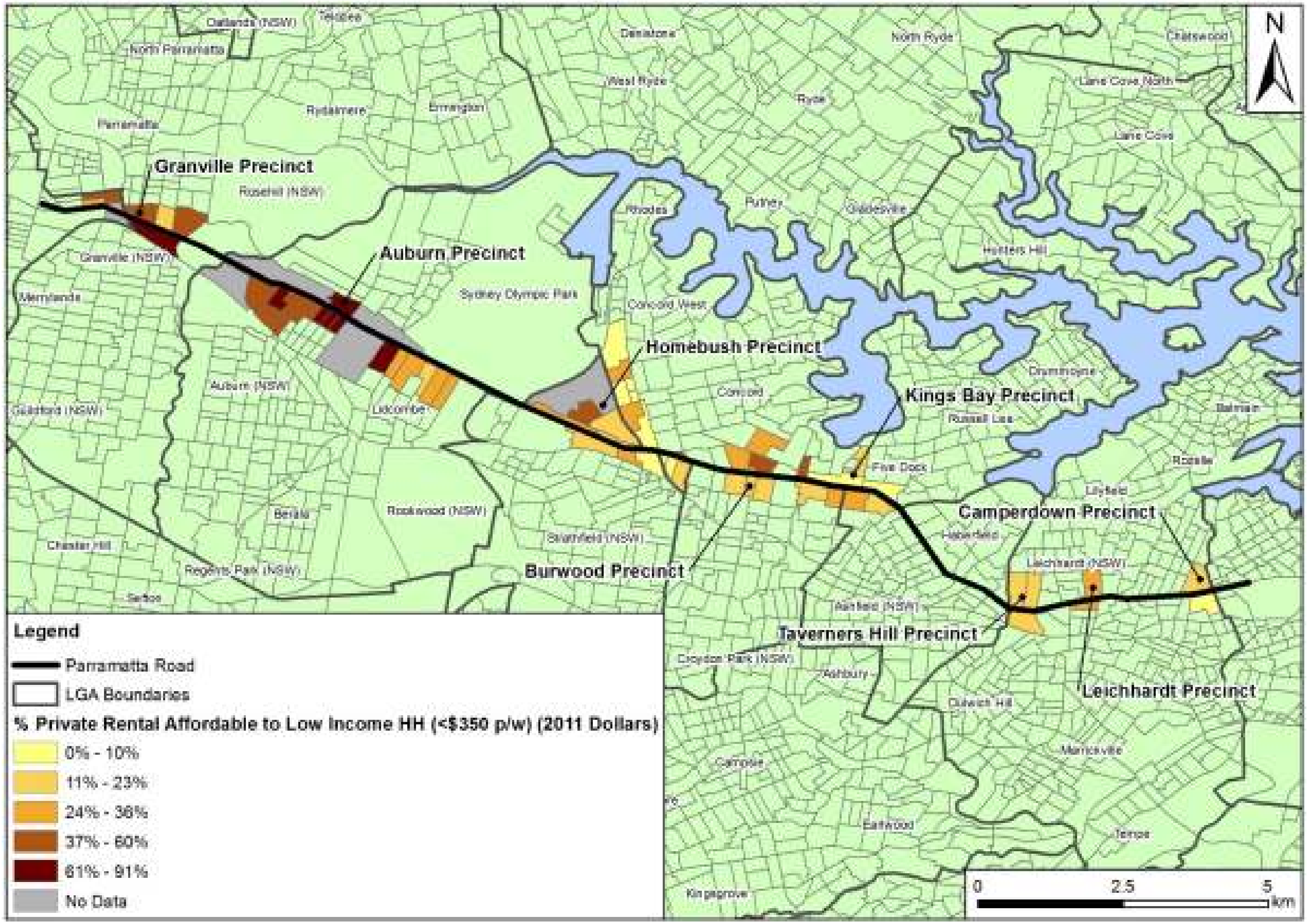
	Granville Precinct	Auburn Precinct	Homebush Precinct	Burwood Precinct	Kings Bay Precinct	Taverners Hill Precinct	Leichhardt Precinct	Camper-down Precinct	SA1s fronting Parra Rd	Suburbs along Parra Rd	Greater Sydney
Affordable to Very Low Income Household (<$225 p/w)	7.3%	17.5%	8.7%	9.1%	8.8%	2.2%	6.7%	5.8%	7.5%	7.5%	2.3%
Affordable to Low Income Household (<$350 p/w)	48.3%	65.0%	14.6%	30.2%	21.8%	17.6%	29.1%	14.2%	30.8%	33.9%	9.2%
Affordable to Moderate Income Household (<$550 p/w)	95.5%	94.4%	85.4%	85.8%	63.9%	45.6%	72.8%	54.8%	79.4%	82.6%	20.2%

Figure 2-12: Private Rental Affordability to Very Low, Low & Moderate Income Households (% of rental dwellings)
Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



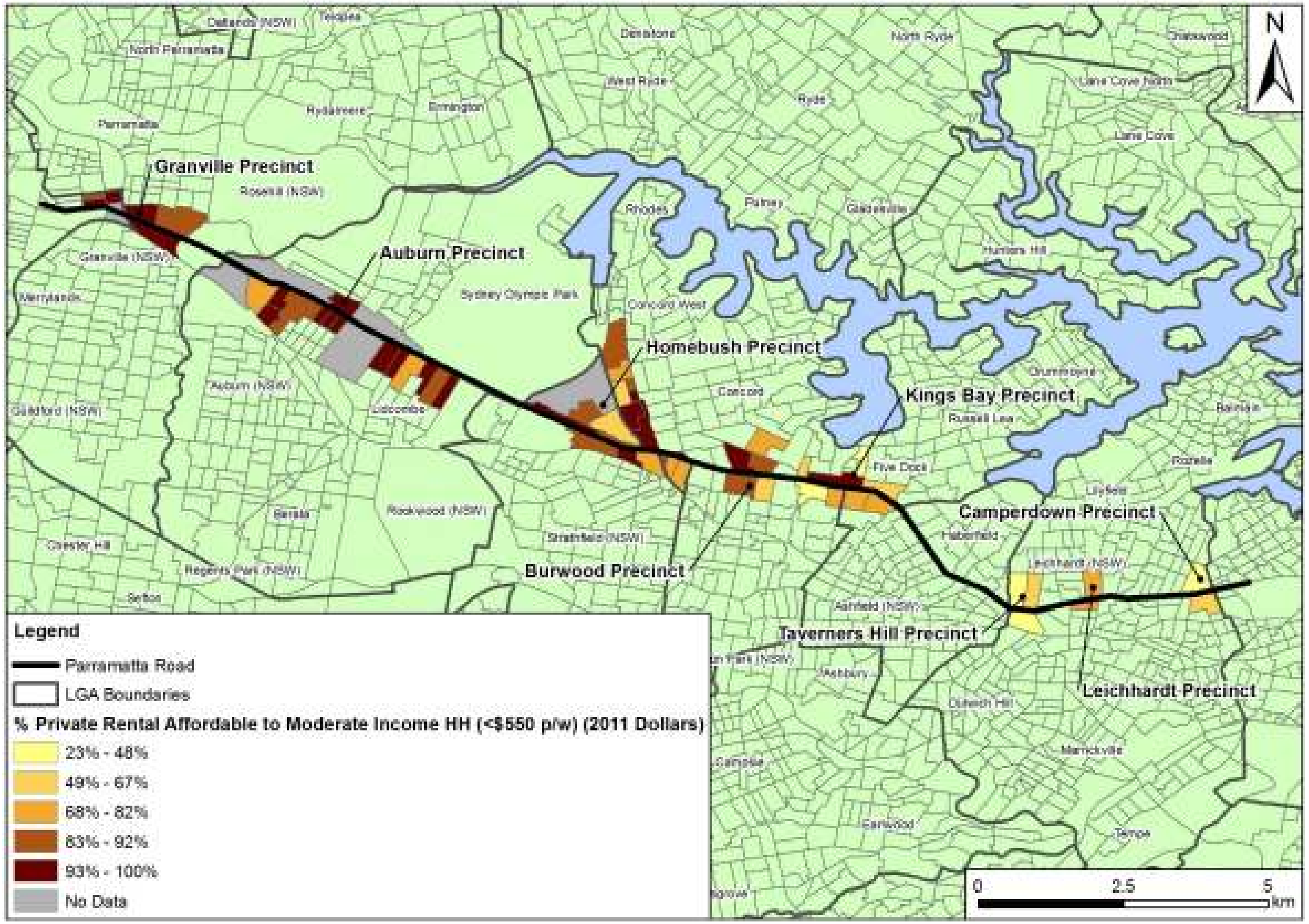
Map 2-8: % Private Rental Affordable to Very Low Income Households by SA1 in PRUTA Precincts

Source: JSA 2016, derived from ABS (2011) Census



Map 2-9: % Private Rental Affordable to Low Income Households by SA1 in PRUTA Precincts

Source: JSA 2016, derived from ABS (2011) Census



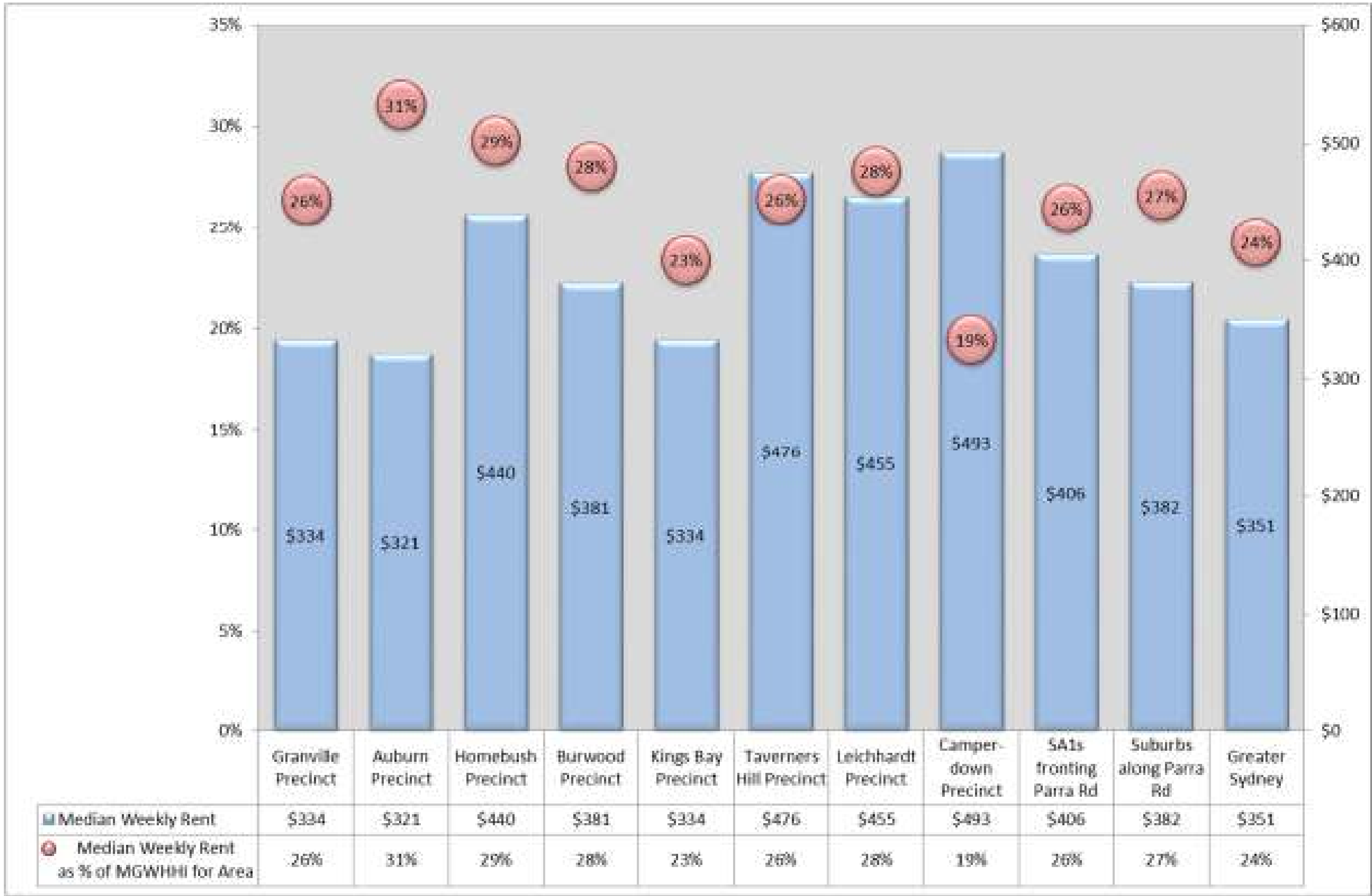
Map 2-10: % Private Rental Affordable to Moderate Income Households by SA1 in PRUTA Precincts

Source: JSA 2016, derived from ABS (2011) Census

Relative Rental Cost

Median rental costs in aggregate in SA1s and suburbs along the Parramatta Rd corridor are somewhat hihger than the Greater Sydney median, with aggregate SA1s $406 per week compared with $351 for Greater Sydney.

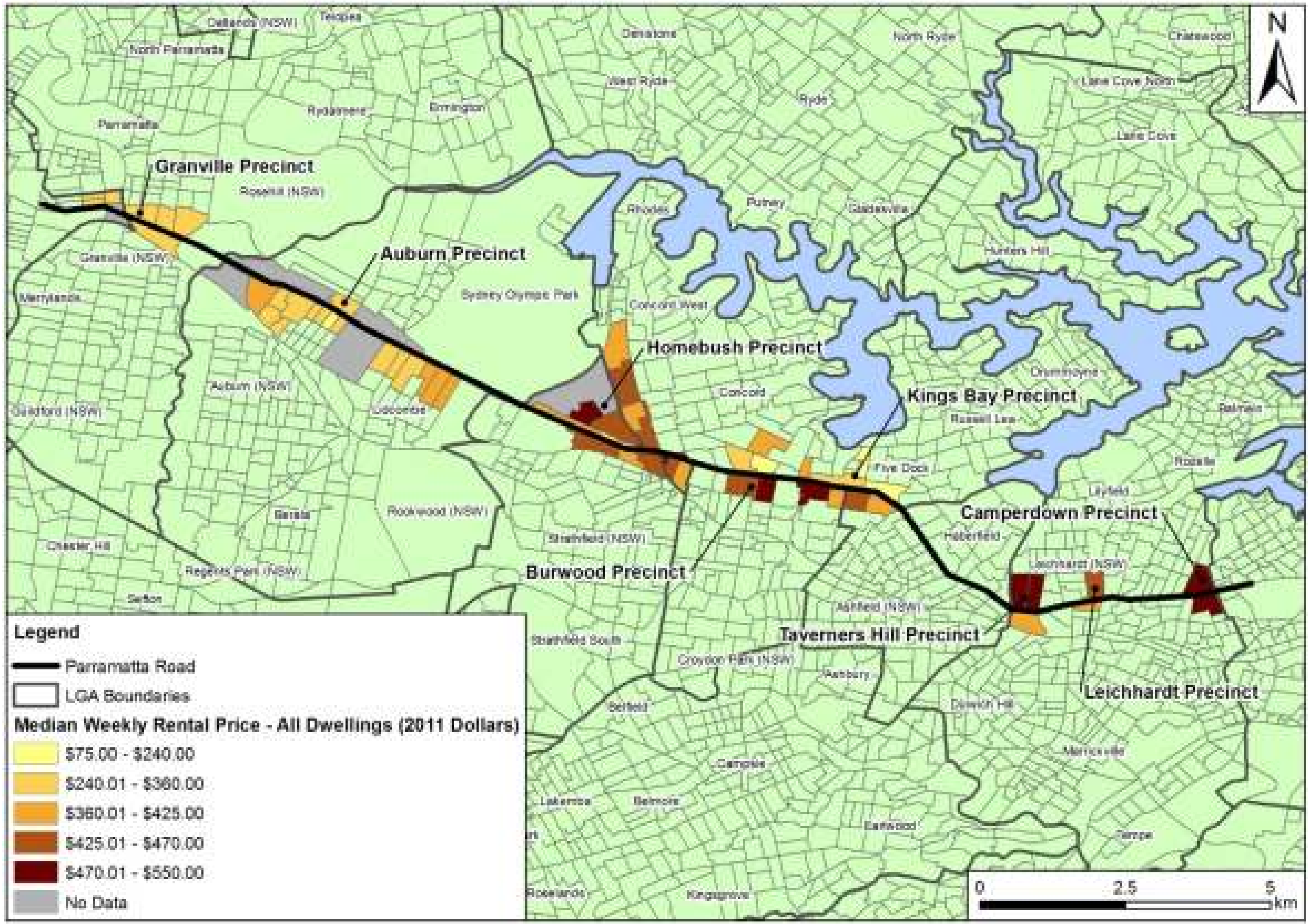
By far, the cheapest Precincts were Granville and Auburn. Despite this, local residents were required to pay a substantially higher than average proportion of a median income in rent, likely due to the lower than average incomes in these areas. Conversely, in Camperdown Precinct, despite much higher median rents, a relatively low proportion of the local median household income was required to meet this cost dur to much higher than average incomes.



	Granville Precinct	Auburn Precinct	Homebush Precinct	Burwood Precinct	Kings Bay Precinct	Taverners Hill Precinct	Leichhardt Precinct	Camper-down Precinct	SA1s fronting Parra Rd	Suburbs along Parra Rd	Greater Sydney
Median Weekly Rent	$334	$321	$440	$381	$334	$476	$455	$493	$406	$382	$351
Median Weekly Rent as % of MGWHHI for Area	26%	31%	29%	28%	23%	26%	28%	19%	26%	27%	24%

Figure 2-13: Median Weekly Rent and Median Weekly Rent as % of MGWHHI for HHS IN PRUTA Precincts

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



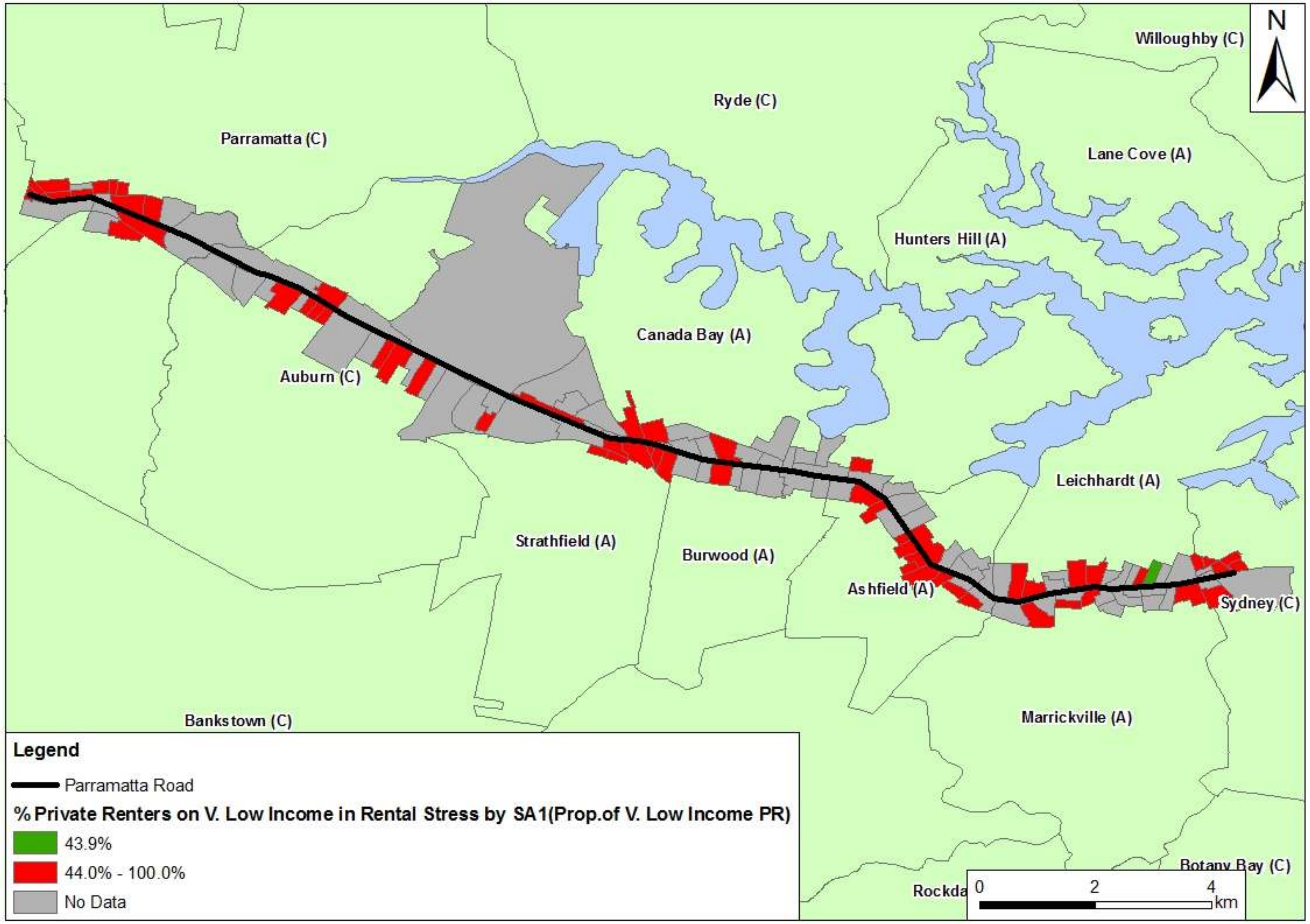
Map 2-11: Median Weekly Rental Price – All dwellings by SA1 in PRUTA Precincts

Source: JSA 2016, derived from ABS (2011) Census

Housing Stress among Renters

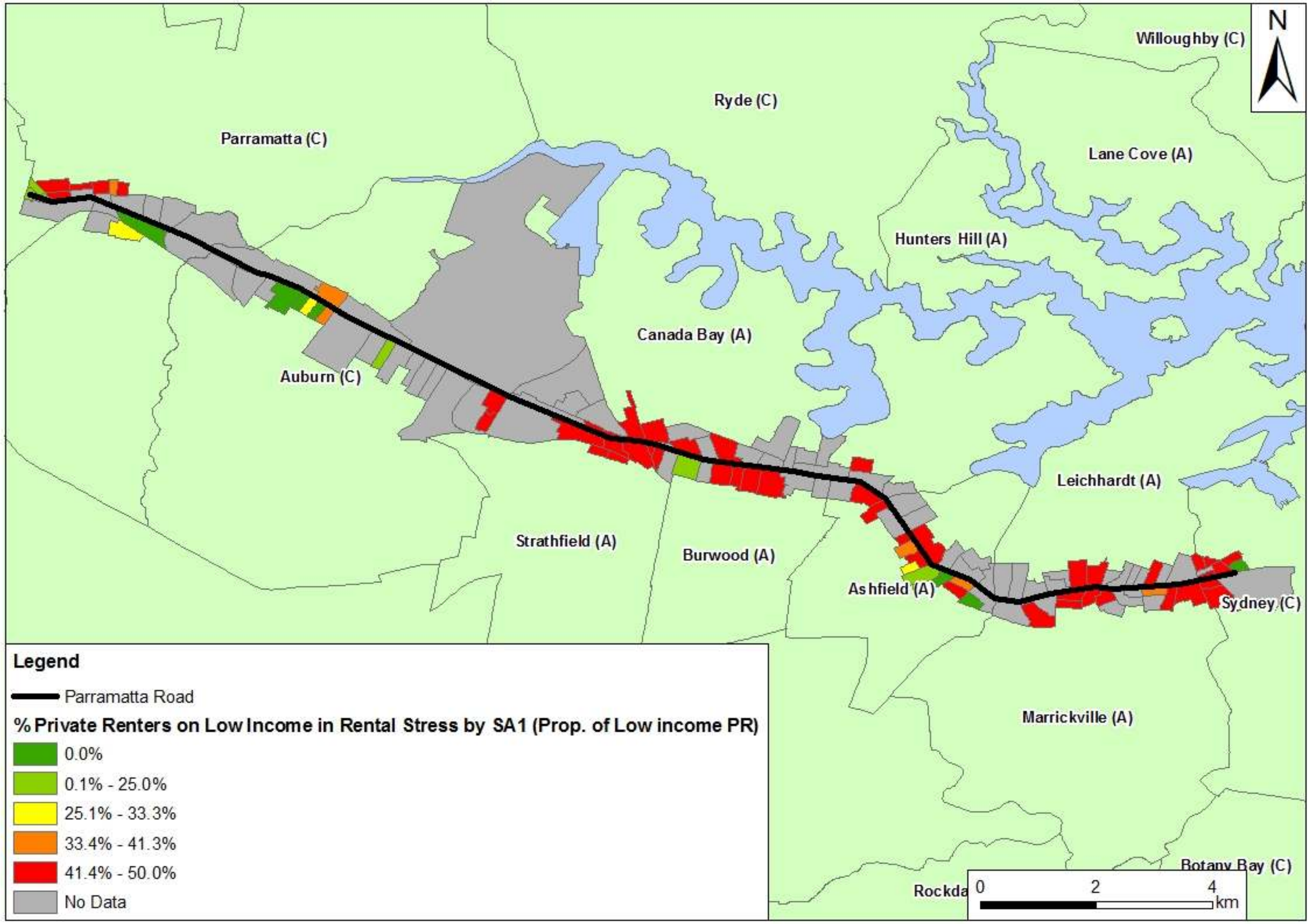
The following maps again show the relative unaffordability of private rental in SA1s along the Parramatta Rd corridor at the time of the 2011 Census, with very high rates of housing stress among very and low income households in particular in many of these small areas.

More recent analysis of rental and purchase affordability in the PRUTA is provided in **Section 3** below.

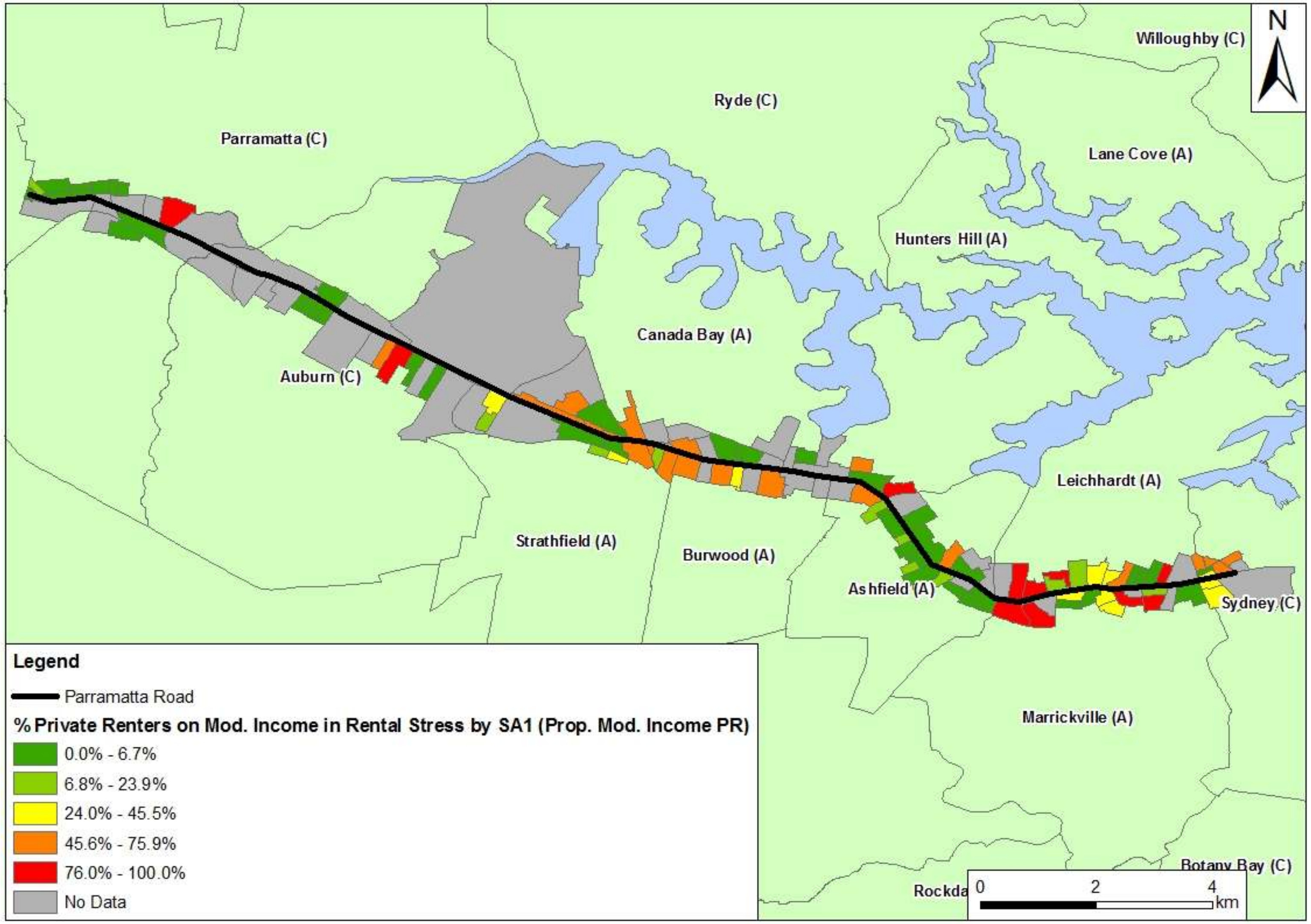


Map 2-12: % Very Low Income Private Renters in Rental Stress by SA1 as a % of Very Low Income Private Renters

Source: JSA 2016, derived from ABS (2011) Census



Map 2-13: % Low Income Private Renters in Rental Stress by SA1 as a % of Low Income Private Renters
Source: JSA 2016, derived from ABS (2011) Census



Map 2-14: % Moderate Income Private Renters in Rental Stress by SA1 as a % of Moderate Income Private Renters

Source: JSA 2016, derived from ABS (2011) Census

3 Assessment of Potential to Create Affordable Housing in PRUTA

3.1 What is 'affordable housing'?

Housing is generally considered to be 'affordable' when very low, low and moderate income households are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education. This is generally accepted to be where such households pay less than 30% of their gross household income on housing costs, although other factors such as cost of transport and access to services are also important considerations.

Affordable housing includes a wide range of housing products and price points. This includes, but is not limited to, social housing (public and community housing).

The following table provides relevant benchmarks for 'affordable housing'. These are consistent with definitions and benchmarks in the *NSW Environmental Planning and Assessment Act 1979 (NSW),* and related instruments.

Table 3-1: Relevant Affordable Housing Income and Cost Benchmarks

	Very low-income household	Low-income household	Moderate-income household
Income Benchmark	<50% of Gross Median H/H Income for Greater Sydney	50-80% of Gross Median H/H Income for Greater Sydney	80%-120% of Gross Median H/H Income for Greater Sydney
Income Range (2)	<$788 per week	$789-$1,260 per week	$1,261-$1,891 per week
Affordable Rental Benchmarks (3)	<$236 per week	$237-$378 per week	$379-$567 per week
Affordable Purchase Benchmarks (4)	<$224,000	$224,001-$358,000	$358,001-$538,000

Source: JSA 2015, based on data from ABS (2011) Census indexed to September Quarter 2015 dollars

3.2 Why does affordable housing matter?

Anyone in the community could need affordable housing. This includes a young person seeking to live near where they grew up, a recently separated or divorced person with children for whom conventional home ownership may no longer be economically viable, households dependent on one (or even two) low or median waged key worker jobs, or an older person on a reduced retirement income, including after the death of a spouse.

Lack of affordably priced housing does not only affects the quality of life of individual families, who may be sacrificing basic necessities to pay for their housing. It also has a serious impact on employment growth and economic development. The loss of young families and workers in lower paid essential service jobs can adversely affect local economies, and is contributing to labour shortages in some regions of NSW. The displacement of long-term residents reduces social cohesion, engagement with community activities (such as volunteering), and extended family support.

Affordably priced housing is thus an important form of community infrastructure that supports community wellbeing and social and economic sustainability, including a diverse labour market and economy, and strong and inclusive communities.

3.3 Potential Mechanisms and Strategies to Deliver Affordable Housing

3.3.1 Overview of Mechanisms and Strategies

There are a wide range of strategies available to State Government and local councils to promote affordable housing in the Parramatta Road Urban Transformation Area. These strategies range from 'light' planning intervention (Column 1) in the market to strong intervention (Column 3) or direct provision of affordable housing (Column 4), as shown in Figure 3.1 below.

WEAK INTERVENTION ⟷ **STRONG INTERVENTION**

Limited Market Intervention

- Define 'affordable housing', set benchmarks and assess need.
- Assess where and for whom the market is supplying genuinely 'affordable housing' (AH).
- Ensure adequate supply of land supply to meet projected need.
- Ensure efficient approvals process.
- Advocate to other levels of government for an increase in AH resources or policy responses.
- Convene forums with industry, public & community sector to raise awareness and develop responses.
- Conduct staff training to improve capacity in AH issues.
- Provide planning, building or design support to community or private sector developers.

Facilitative Intervention

- Assess gaps in market provision of AH including location, type, tenure, and target groups.
- Remove impediments in local planning schemes (LPS), e.g. zoning that constrains diversity.
- Include AH aims, objectives & provisions in LPSs supported by polices, controls, etc.
- Make low-cost housing types permissible in appropriate locations in all relevant zones.
- Include incentive-based variations to controls in LPSs to offset the impact of mandatory provisions or to enable diversity in lower value markets; or to capture a share of benefit (profit) in higher value /uplift markets.
- Develop incentive-based state planning policies to create AH.

Mandatory Intervention

- Require housing diversity in LPSs in market-based developments where assessed as likely to be 'affordable', with or without concessionary offsets.
- Require % of time-limited affordable rental (e.g. at discount market rent), with or without concessionary offsets.
- Mandate a % of AH (e.g. greenfield or large-scale redevelopments) through DCP Masterplan or similar.
- Proactive land assembly or acquisition to facilitate consolidation & redevelopment.
- Mandate a reasonable contribution (in cash, land or dwellings) where feasible.
- Require SIA in major redevelopment of low cost housing/types, & require mitigation to offset loss (e.g. cash or in kind contributions, rehousing tenants).
- Develop mandatory state planning policies to create AH.

Direct Market Intervention

- Reduce cost through waiving fees, land rates, contributions, etc for AH developments.
- Use public resources in AH PPPs, e.g. through partnerships on council or other public land via land audits; EOIs to create AH on public land, etc.
- Use resources gained through incentive-based or mandatory mechanisms for AH PPPs.
- Enter into longer-term development and/or management partnerships with a preferred community housing provider (e.g. MOU).
- Directly funding or construction of AH by local, state or federal agencies.

Source: Stubbs (2003); JSA (2011)

Figure 3-1: Mechanisms and Strategies to Create Affordable Housing along a Continuum of Planning Intervention

Source: JSA 2009

3.4 Market Delivery of Affordable Housing

3.4.1 Overview

The first major strategy relates to facilitating market delivery of affordable housing, including with some minor intervention through the planning system, such as ensuring that there are no impediments to the development of affordable and low cost housing products, or providing incentives to reduce the cost of development such as reduced parking, developing smaller dwellings, etc.

The first step in understanding the effectiveness of this strategy is to understand where and for whom housing is currently affordable in the context of local housing markets, and how relevant products could be made more affordable regarding key determinants of cost and purchase price.

Understanding the extent to which the market *could* deliver affordable housing in relevant Urban Renewal Precincts also assists in the development of more effective strategies for the provision of affordable housing, in particular where greater intervention through the planning system, or the direct creation of affordable housing, would be necessary.

3.4.2 Affordable **Purchase** in Precinct Areas

Overview

An analysis of **all sales in suburbs that form the context to the eight Urban Renewal Precincts along the Parramatta Road Urban Transformation Area** was undertaken for the calendar year of 2015 using Red Square data base.[4] This was to understand what areas and housing products would be affordable to very low, low and moderate income households currently; and key factors that would impact upon affordability, with the latter examined through a linear regression analysis.

A longitudinal analysis was also undertaken using all sales from 2010 to understand the extent to which dwellings of different types in the areas surrounding the relevant Precincts have increased in real terms in order to understand likely supply and demand issues.

The context is first set by a comparison of real price increases in suburbs around the eight Precincts from 2010 to 2015, again using all sales in the two periods from Red Square.

(See also affordable rental analysis from ABS (2011) Census in **Section 2.2.5** above).

Real Price Increases 2010 to 2015

The following table compares real (CPI adjusted) increases in median prices for separate houses and for strata dwellings in suburbs around the eight Urban Renewal Precincts between 2010 and 2015.

It indicates that there has been considerable pressure at the lower end of the market for **separate houses**, with houses in Granville and Auburn experiencing real average annual increases that are around double the Greater Sydney average. In contrast, separate houses in the inner ring areas

[4] EAC Redsquare at http://redsquare.eac.com.au

around Annandale/Stanmore and Leichhardt/Petersham experienced slightly below average growth. However, price increases were well above average in the more expensive markets around Burwood/Concord and Homebush/Concord West/North Strathfield, indicating highly differentiated demand along the Corridor, as would be expected.

The trend for **strata dwellings** is quite different, with well above average real increases in the price of strata dwellings in the inner suburbs around Annandale/Stanmore and Leichhardt/Petersham, and in Lidcombe, Auburn and Burwood/Concord. Again, there is clearly pressure at the lower end of the market, as well as within more premium areas.

Bright red shading indicates well above average increases in real costs, and lighter red shading indicates substantially above average real price increases.

Table 3-2: Median price increase 2010-2015 for separate houses and strata properties for selected areas

	Separate House			Strata		
Suburb (Urban Renewal Precinct)	median 2010 (inflation adjusted)	median 2015	annual increase	median 2010 (inflation adjusted)	median 2015	annual increase
Granville (Granville)	490000	820000	10.8%	363500	460000	4.8%
Auburn (Auburn)	542500	887000	10.3%	365000	500000	6.5%
Lidcombe (Auburn)	743000	1080000	7.8%	425000	611000	7.5%
Homebush-Concord West-North Strathfield (Homebush)	1074000	1700000	9.6%	550500	690000	4.6%
Burwood-Concord (Burwood)	1253000	1850000	8.1%	576000	800000	6.8%
Five Dock-Croydon (Kings Bay)	1054500	1501500	7.3%	602000	765000	4.9%
Leichhardt-Petersham (Taverners Hill and Leichhardt)	973500	1258000	5.3%	551000	768500	6.9%
Annandale-Stanmore (Camperdown)	1085000	1411000	5.4%	515000	701000	6.4%
Greater Sydney	**649000**	**855000**	**5.7%**	**520000**	**671000**	**5.2%**

Source: JSA 2016 using sales data from Red Square for calendar years 2010 and 2015, ABS CPI data.

Affordability Analysis

Quartile Analysis

The following table indicates that there were **no housing products** in the first, second or third quartiles that would have been affordable to very low or low income purchasers in suburbs along the Parramatta Rd corridor in 2015, and only a limited range of products in a few suburbs that would have been affordable to moderate income purchasers.

Specifically, no separate houses were affordable to any of the target groups. First quartile strata (likely older and/or lower amenity) dwellings in Granville and Auburn were affordable to around two-thirds of households in the moderate income band; whereas a median strata dwelling in Granville was affordable to the top 50% of households in the moderate income band, and the top 25% of moderate income households in Auburn.

Although a first quartile strata dwelling was at the very top of the moderate income threshold in Lidcombe, the relatively low supply and likely amenity of such dwellings indicates that new build is unlikely to be affordable to any of the target groups.

This is shown in more detail in the following table.

Table 3-3: Sales prices for separate houses and strata by quartile for selected areas

	Separate House				Strata			
Suburb (Urban Renewal Precinct)	**n**	**Q1**	**Q2**	**Q3**	**n**	**Q1**	**Q2**	**Q3**
Granville (Granville)	93	710000	820000	975000	139	419000	460000	521000
Auburn (Auburn)	178	746250	887000	1090250	299	434000	500000	596500
Lidcombe (Auburn)	125	875000	1080000	1350000	127	537750	611000	696500
Homebush-Concord West-North Strathfield (Homebush)	139	1495000	1700000	1998000	175	610000	690000	800000
Burwood-Concord (Burwood)	193	1465000	1850000	2190000	226	650000	800000	961500
Five Dock-Croydon (Kings Bay)	174	1306250	1501500	1750000	132	687500	765000	873250
Leichhardt-Petersham (Taverners Hill and Leichhardt)	260	1115250	1258000	1500000	138	600000	768500	950000
Annandale-Stanmore (Camperdown)	214	1225625	1411000	1800000	125	570000	701000	900000

Affordable:	
Very Low Income	
Low Income	
Moderate Income	

Source: JSA 2016 using sales data from Red Square for calendar year 2015.

Detailed Product Analysis Based on Median Prices

The following table shows similar trends in affordability to the analysis above, but looks at product types in more detail.

Median priced studio and 1 bedroom strata dwellings[5] were affordable to all moderate income households in Granville and Auburn, and to around 25% and 10% of moderate income households in Homebush/Concord West/North Strathfield and Lidcombe respectively. Such dwellings were affordable to only the very top of moderate income households in Leichhardt/Petersham, and it is likely that new build would be generally inaccessible to such households.

Median priced 2 bedroom strata dwellings were affordable to the top 50% of households in the moderate income band in Granville and Auburn only.

Again, there were no opportunities for affordable purchase for any separate housing products in the remainder of suburbs, nor of houses in any area.

This is shown in the following table.

[5] It was not possible to reliably analysed these dwellings types separately due to the low number of dwellings sold in the 12 month period.

Table 3-4: Median sales prices for separate houses and strata by dwelling size for selected areas

	Separate House Median				Strata Median					
Suburb (Urban Growth Precinct)	**n**	**2 BR**	**n**	**3 BR**	**n**	**0-1 BR**	**n**	**2 BR**	**n**	**3+ BR**
Granville (Granville)	14	733000	44	860000	7	365000	88	440000	16	650000
Auburn (Auburn)	20	738000	69	850000	18	357500	123	450000	79	595000
Lidcombe (Auburn)	12	925000	47	931000	6	514280	65	570000	30	726125
Homebush-Concord West-North Strathfield (Homebush)	18	1698340	54	1623500	9	480000	74	635000	31	840000
Burwood-Concord (Burwood)	18	1390000	61	1655000	24	549000	80	777500	42	1005000
Five Dock-Croydon (Kings Bay)	33	1305000	88	1500000	9	555000	70	758000	22	900000
Leichhardt-Petersham (Taverners Hill and Leichhardt)	81	1101000	115	1300000	29	530010	68	827500	14	1154000
Annandale-Stanmore (Camperdown)	58	1220000	88	1482500	41	560000	46	747500	8	1127500

Affordable:	
Very Low Income	
Low Income	
Moderate Income	

Factors Affecting Affordability

It is important to understand what factors affect affordability of different housing products in different areas so that planning and design may take these into account when seeking to have an impact upon the market.

A linear regression analysis (LRA) was undertaken on the Red Square dataset for factors that were able to be isolated and controlled for in the statistical analysis, and where there was sufficient data to draw meaningful conclusions. These were time, number of bedrooms, number of bathrooms, parking and lot size (in the case of separate dwellings). This is reported in the following tables for separate houses and for strata dwellings.

Key findings include the following:

- Parking makes a considerable difference to the price of strata dwellings from Homebush to suburbs in the east of the Corridor, adding around $85,000 to the price of a median priced strata dwelling in Homebush, Leichhardt and Annandale and surrounding suburbs.

- There was little real change in the median price of separate houses in suburbs in the western end of the Corridor over the most recent 12 month period; however, there was a real increase in the price of strata dwellings in these suburbs over the 12 month period. This again appears to indicate increasing consumer pressure at the lower end of the purchase market (that is, for strata dwellings in cheaper areas) (see 5 year trend reported above).

- Additional bathrooms also add a significant impost to the cost of dwellings for separate houses in some areas; and for strata dwellings in all areas where sufficient data was available to undertake the analysis (from around $53,000 in Granville to more than $110,000 in Annandale-Stanmore), noting that as well as the cost impost of the bathroom per se, this is also likely an indicator of a larger, higher amenity apartment.[6]

[6] There was insufficient data to analyse prices by strata area, however in other studies where such data exists we have found strong correlations with strata area and price, with area predicting 85% of price. It is likely that number of bathrooms is acting as a proxy for both increased amenity and for increased strata area.

Table 3-5: Linear regression analysis results for separate houses and selected precincts

Suburb (Urban Growth Precinct)	R^2	Days	Bed	Bath	Park	Area (m^2)	Constant
Granville (Granville)	0.45	ns	ns	ns	ns	$857.73	$455,310
Auburn (Auburn)	0.44	ns	$80,976	ns	$53,990	$669.29	$241,050
Lidcombe (Auburn)	0.20	ns	$121,920	ns	ns	$525.51	$480,920
Homebush-Concord West-North Strathfield (Homebush)	0.22	ns	ns	$108,050	ns	$1,080.50	$961,140
Burwood-Concord (Burwood)	0.41	$980.16	$174,830	ns	ns	$1,522.60	$721,390
Five Dock-Croydon (Kings Bay)	0.56	ns	$57,847	ns	ns	$1,858.80	$569,200
Leichhardt-Petersham (Taverners Hill and Leichhardt)	0.62	$327.86	$122,400	$95,226	$28,234	$1,421.40	$565,160
Annandale-Stanmore (Camperdown)	0.60	$641.86	$64,660	$147,500	$52,573	$2,009.60	$781,210

Source: JSA 2016 using sales data from RedSquare for calendar year 2015.

Notes: ns= not statistically significant

Table 3-6: Linear regression analysis results for strata properties and selected precincts

Suburb (Urban Growth Precinct)	R^2	Days	Bed	Bath	Park	Constant
Granville (Granville)	0.65	$96.22	$84,950	$53,146	$27,477	$218,800
Auburn (Auburn)	0.60	$178.36	$91,567	$58,593	ns	$242,890
Lidcombe (Auburn)	0.58	$196.07	$97,969	$61,316	ns	$347,380
Homebush-Concord West-North Strathfield (Homebush)	0.56	ns	$159,530	ns	$85,679	$248,230
Burwood-Concord (Burwood)	0.64	$489.56	$138,150	$107,750	$87,550	$340,880
Five Dock-Croydon (Kings Bay)	0.59	$338.64	$119,480	$65,500	$78,085	$413,260
Leichhardt-Petersham (Taverners Hill and Leichhardt)	0.64	$322.26	$226,950	$86,891	$80,719	$232,090
Annandale-Stanmore (Camperdown)	0.57	$488.63	$210,180	$111,070	$83,118	$256,030

Source: JSA 2016 using sales data from RedSquare for calendar year 2015.

Notes: ns= not statistically significant

Products that *could* be 'Affordable'

Applying the results of the above analysis, 'cost' could be reduced and, in some cases 'affordability' increased, under certain conditions for new build products in *some* areas.

The following table shows that a major impost on the **cost of purchase** of strata dwellings across the board would be achieved by reduction in parking requirements, as well as limiting dwellings to one bathroom, with this probably acting as a proxy for strata area. **Affordability** could also be increased in *some* areas.

Affordable purchase could be increased for **moderate income households** under the following conditions:

- According to the regression analysis, **new 1 bedroom strata dwellings with one bathroom and no parking space** would be expected to be affordable to moderate income households in Granville (100% of target group), Auburn (top 75%), Lidcombe (top 25%) and Homebush/Concord West/North Strathfield (top 75%). However, only in Homebush/Concord West/North Strathfield is reduced parking likely to affect the *purchase price i*n a major way (although it is likely to affect the *development* cost). In areas like Auburn and Lidcombe, the LRG indicates that the *purchase price* is unlikely to be sensitive to parking reduction, so that the development saving may not be passed on the consumer.

  In contrast, suburbs to the east of Homebush are likely to experience a significant reduction in *purchase price* with a reduction in parking; however, this would not be sufficient to make such dwellings *affordable* even to moderate income households in these high value markets.

- **New 2 bedroom strata dwellings with one bathroom and no parking space** would be expected to be affordable to some moderate income households in Granville (top 50%) and Auburn (top 25%) only, with some impact on *purchase price* likely in Granville only.

  Again, the *purchase price* is likely to be favourably impacted in most areas to the east of Homebush along the Corridor by a reduction in parking requirements from the LRA analysis. Although *affordability* would not be achieved for any of the target groups, a reduction in price would nonetheless be beneficial in reducing the *amount* of housing stress such groups are currently under.

Though providing benefit in terms of increased affordability to some moderate income households in a few areas, even under optimistic scenarios with reduced amenity described above the benefit is relatively narrow in its impact, and will not make such products affordable to the vast majority of low and very low income households.

This is shown in summary in the following table.

Table 3-7: Estimated market prices for selected strata properties by precinct using results of linear regression analysis

Suburb (Urban Growth Precinct)	I bedroom, 1 bathroom, no parking	I bedroom, 1 bathroom, 1 parking space	2 bedrooms, 1 bathroom, no parking	2 bedrooms, 1 bathroom, 1 parking space
Granville (Granville)	$357,000	$384,000	$442,000	$469,000
Auburn (Auburn)	$393,000	$393,000	$485,000	$485,000
Lidcombe (Auburn)	$507,000	$507,000	$605,000	$605,000
Homebush-Concord West-North Strathfield (Homebush)	$408,000	$493,000	$567,000	$653,000
Burwood-Concord (Burwood)	$587,000	$674,000	$725,000	$812,000
Five Dock-Croydon (Kings Bay)	$598,000	$676,000	$718,000	$796,000
Leichhardt-Petersham (Taverners Hill and Leichhardt)	$546,000	$627,000	$773,000	$854,000
Annandale-Stanmore (Camperdown)	$577,000	$660,000	$787,000	$871,000

Source: JSA 2016 using sales data from Red Square for calendar year 2015.

Notes:

Affordable to very low income households

Affordable to low income households

Affordable to moderate income households

3.4.3 Affordable **Rental** in Precinct Areas

A snapshot of all rental properties advertised for rent in relevant suburbs was undertaken during the week commencing 15 February 2016 using realestate.com.

The following table shows median rentals across relevant suburbs for various types of rental accommodation and the groups to whom median rental is likely to be affordable.

Boarding house accommodation provides the only opportunity for affordable rental to very low income households, with a limited supply of such stock.

Low income households can affordably rent a one bedroom apartment or bed-sit in Granville, Auburn, Lidcombe and Annandale-Stanmore as well as a boarding house room where available. Affordable rental is not available for larger low income households.

Moderate income households have greater choice, being able to affordably rent a one bedroom apartment or bed-sit in all areas; a two bedroom apartment or house in all areas except Leichhardt-Petersham and Annandale-Stanmore; and a three bedroom apartment or house in Granville, Auburn and Lidcombe.

Again, a very narrow range of affordable rental choice is available for very low and low income households within these markets, and virtually none for low and very low income families; and also constrained for moderate income families in most areas.

Table 3-8: Affordability of rental accommodation for selected suburbs

	Separate House Median						Strata Median						Boarding House Room	
Precinct	n	1BR	n	2BR	n	3+BR	n	0-1BR	n	2BR	n	3+BR	n	Rent
Granville	1	320	9	415	12	500	0	0	23	410	13	520	0	0
Auburn	0	0	3	480	21	545	11	270	40	417.5	12	550	2	162.5
Lidcombe	0	0	1	800	10	550	2	335	9	495	3	620	5	200
Homebush-Concord West-North Strathfield	0	0	1	500	11	700	11	460	26	550	9	600	0	0
Burwood-Concord	0	0	1	595	13	740	13	400	41	540	9	700	0	0
Five Dock-Croydon	0	0	4	440	8	765	4	395	19	550	7	680	1	200
Leichhardt-Petersham	3	550	12	675	16	972.5	22	390	24	577.5	3	925	0	0
Annandale-Stanmore	1	620	8	702.5	9	880	17	365	10	580	0	0	1	260

Source: Rental snapshot 16-17 February 2016, realestate.com.au and JSA analysis

Affordability:

Very low income

Low income

Moderate income

The extent to which newly constructed apartments are likely to enter the rental market is also relevant.

The table below shows the proportion of owner occupied and rented apartments in suburbs across suburbs relevant to the PRUTA Precincts and shows the likely take up of newly constructed apartments by investors. Take up ranges from 49% in Five Dock-Croydon to 70% in Leichhardt-Petersham, with an average across all areas of 62%.

Combined with the assessment of cost and affordability above, around 63% of newly constructed one bedroom apartments in the suburbs of Granville, Auburn, Lidcombe and Annandale-Stanmore would be expected to provide affordable rental accommodation to low income households at the top end of the income band and to moderate income households in all suburbs; and around 59% of newly constructed two bedroom apartments in the suburbs of Granville, Auburn, Lidcombe, Homebush-Concord West-North Strathfield, Burwood-Concord, and Five Dock-Croydon would provide affordable rental accommodation to moderate income households at the top of the band.

Table 3-9: Proportion of rental dwellings by all dwellings for dwelling type and suburb

Suburbs (Precinct)	Owner occupied	Private rental
Granville (Granville)	36%	64%
Auburn (Auburn)	36%	64%
Lidcombe (Auburn)	44%	56%
Homebush-Concord West-North Strathfield (Homebush)	41%	59%
Burwood-Concord (Burwood)	38%	62%
Five Dock-Croydon (Kings Bay)	51%	49%
Leichhardt-Petersham (Taverners Hill and Leichhardt)	30%	70%
Annandale-Stanmore (Camperdown)	32%	68%
All suburbs	38%	62%

Source: ABS Census 2011 (Tablebuilder) and JSA calculation

3.4.4 Strategic Implications

Facilitation

There are extremely limited opportunities to provide affordable purchase housing for any very low or low incomes households under current market arrangements in PRUTA Precincts.

There are *some* opportunities to provide lower cost apartments in a relatively narrow range of areas through planning controls that facilitate a proportion of smaller strata dwellings with one bathroom, limited parking and reduced strata area.

As outlined above, there are a range of ways that affordable housing can be actively facilitated in the market context described above.

The first relates to **removing impedimen**ts to the development of lower cost or affordable housing types. A detailed audit of local planning instruments of Councils along the PRUTA to ensure that there are no unintended impediments to the development of lower cost apartments in relevant areas is a key strategy (e.g. increased strata area due to constraints on number of dwellings per hectare or excessive parking requirements).

Two main forms of incentives are also relevant.

- The first is **market-based incentives**, where an opportunity to vary planning controls is provided to a developer and **tied to a demonstrated affordable housing outcome**. For example, reduced parking requirements may be provided where strata dwellings of a maximum size are provided in specified areas or precincts. These dwellings are provided through the market, but more likely to remain lower cost or more affordable in the context of the local housing market, especially in lower cost localities identified above.

- The second set of incentives are **non-market based variations to planning controls** that seek to capture a reasonable share of uplift or additional profit created through the planning system, for example, where a developer chooses to take up specified variations to controls provided they agree to make a contribution to affordable housing in perpetuity. This mechanism tends to be most effective and attractive to developers in high value/amenity precincts or gentrifying areas, making it an appropriate mechanism for PRUTA.

In each case, it is preferred that the mechanisms are clearly set out in a **Council Policy** (for example, a Voluntary Planning Agreement Policy) for transparency and consistency, and is thus subject to a formal agreement.

Actively encouraging the use of SEPPARH to create **New Generation Boarding House** accommodation is particularly relevant for very low and low-income singles and couples in these areas.

More detailed work would be required to examine detailed mechanisms that would be most effective in the diverse market conditions described above, and in the Stage 1 report of this project.

Mandatory Provisions

Mandating lower cost apartment types through the market would also be an effective mechanism in PRUTA areas, particularly in areas where this is most likely to be effective identified above. For example, a proportion of smaller dwellings with appropriate standards could be mandated through a DCP Masterplan or similar, noting that a majority of such dwellings are likely to enter the private rental market, and more likely to remain at the lower cost rental end where they are in cheaper or lower value areas.

The economics of both incentive based and mandatory provisions are discussed further below; while mandatory contributions are also considered.

3.5 Opportunities for Benefit Capture

3.5.1 Preliminary Modelling of Expected Profits from Redevelopment

Overview

We have carried out preliminary modelling of the expected profit from the redevelopment of existing housing and existing residential flat buildings for three, six, eight, fourteen and twenty story developments across the various Precincts.

We have also considered the likely difference in profitability from the development of smaller dwellings and larger dwellings in the different precincts. This also provides a check on the economic feasibility of mandatory provisions outlined above.

It also provides a basis for a preliminary assessment of the likely feasibility of affordable housing levies or mandatory contributions in different Precincts under different development scenarios, discussed below.

We first provide an overview of results of the modelling. This is followed in Section 3.5.2 by the detailed modelling and calculations from which these results are derived.

Mandating Smaller Dwellings

Within the limits of accuracy of the calculation, and assuming that construction costs are the same per square metre for smaller housing as for larger housing, one-bedroom apartments will maximise profit in five precincts and three-bedroom apartments will maximise profit in the remaining three precincts. These results also suggest that there is unlikely to be a cost to developers if proportions of smaller sized apartments are specified within planning instruments as a mechanism for delivering lower cost housing, and so incentives would not be required to provide offsets for mandating smaller dwellings, for example. Preliminary architectural design and costing would be required to confirm this conclusion, noting these are beyond the current scope.

However, it *does* suggest that, in some precincts, the market may not deliver smaller dwellings unless a desired proportion of these were mandated, due to lower profit margins. As noted, the preliminary results below indicate that this would not be undue impost upon development.

Mandatory Contributions

There appears to be considerable profit associated with variations to planning controls around zoning, height and density, providing an opportunity for **benefit capture in the form of mandatory contributions** for the purpose of affordable housing. This is considered on a precinct by precinct basis below.

For the purposes of assessment, we have assumed that 10% is a normal profit, which would provide sufficient incentive for a developer to proceed with a project. Assuming a 50% split of profit over a normal profit, we have estimated this as a proportion of apartments.

It is again noted that this is a preliminary assessment based on available data, and would have to be considered on a case by case basis to examine site-based variations (e.g. the need for remediation), along with preliminary architectural drawing to fully assess profit, etc.

Granville precinct

The Granville Precinct allows for 3 storey, 6 storey, 8 storey and 14 storey development.[7] Based on a preliminary inspection using google maps and a site inspection, much of the proposed development area consists of older single storey separate housing and light industrial areas, suggesting that significant development opportunities are available.

Using development Scenario 1 in **Table 3.10** below as the basis of assessment of 3, 6 and 8 storey development, affordable housing levies in the form of mandatory contributions do not seem to be sustainable. The modelled level of 0-3% equates to between no dwellings and one dwelling in 30, and so could only be applied to quite large developments. Using development Scenario 2 as the basis of assessment of 14 storey development, affordable housing levies of 2% of saleable area (one apartment in 50) and again could only be applied to larger developments.

The assessment is predicated on an uplift in value associated with the introduction of the new development controls. This assumption is valid in the area currently zoned R2 and B6 as residential flat buildings and shop top housing are a prohibited use, and is probably valid in the area currently zoned R3 and proposed as average 3 storeys as the existing FSR of 0.6:1 is insufficient to economically deliver residential flat buildings.[8] The assumption is valid in the balance of the existing R3 zoned area because of the marked increase in height and the expected commensurate increase in FSR to support the height.

The assumption is less certain in the area zoned B4, as residential flat buildings are an innominate use and existing height (52 metres) and FSR (6.0:1) would allow construction of residential flat buildings in accordance with the proposed built form. Against this, the market does not appear to have factored in uplift in this area (probably reflecting low levels of profit as modelled) with two recent sales[9] giving pro rata prices for a 1,000 m^2 lot of \$3.92 million and \$3.75 million; equivalent to the modelling assumption of \$3.96 million for land purchase in the absence of uplift.

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[7] Review of proposed planning changes.
[8] See modelling results in table 3.10
[9] 1/DP744571, \$1.815 million, 27/8/15, 463 m^2; 1/DP743436, \$1.54 million, 12/3/15, 411 m^2.

Based on the current market, an affordable housing levy (mandatory contribution) does not appear sustainable in this precinct, and, based on our modelling, the economics of redevelopment are likely to be adverse with the exception of six and eight storey development in existing areas of separate housing. It should also be noted that this is one of two precincts where the market is expected to deliver affordable housing to moderate income households.

Auburn precinct

The Auburn precinct allows for 3 storey development with one opportunity for 6 storey development.[10] Based on a preliminary inspection using google maps and a site inspection, the proposed development area is around one third light industrial and commercial, one third residential flat buildings and one third separate housing.

Based on our preliminary analysis, property values at the Lidcombe end of the precinct are expected to be higher than those at the Auburn end and so development may be more favoured in this area. Redevelopment of light industrial, commercial and residential flat buildings and existing housing at the proposed heights is unlikely to be supported, at least in the short term and so there is expected to be little or no opportunity for affordable housing contributions.

Homebush precinct

The Homebush precinct allows for 6 storey, 8 storey and 14 storey development.[11] Based on a preliminary inspection using google maps and a site inspection, much of the proposed development area consists of older single storey separate housing, with some light industrial areas and residential flat buildings including some multi storey developments.

Using development Scenario 1 as the basis of assessment of 6 and 8 storey development, affordable housing levies of the order of 15% of saleable areas (one apartment in seven) would appear to be sustainable, and using development Scenario 2 as the basis of assessment of 8 and 14 storey development, affordable housing levies of 9-14% would appear to be sustainable.

There is likely to be considerable uplift in this area. Current R2 zoning prohibits residential flat buildings, as does B3 and B6. In zones where residential flat buildings are innominate or permitted with consent, such as R3, R4 and B4, heights are typically 16 metres, equivalent to 4 storeys, compared to proposed average 8 and 14 storeys. Similarly, FSRs are quite low, with a maximum of 1.65:1, roughly equivalent to 5 storeys assuming a 30% building foot print.

A general levy of 10-15% of saleable area (between one apartment in seven to one apartment in ten) appears sustainable in this precinct.

It is noted that these are not recommended as the quantum of levies at this stage, but provide a preliminary assessment of what could be provided for if there were no other site constraints or additional imposts.

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[10] Review of proposed planning changes
[11] Review of proposed planning changes

Burwood precinct

The Burwood precinct allows for 3 storey, 6 storey, 8 storey and 14 storey development.[12] Based on a preliminary inspection using google maps and a site inspection, the proposed development area consists of around half older single storey separate housing, with the rest commercial and residential flat buildings including some multi storey developments.

Using development Scenario 1 as the basis of assessment of 3 and 6 storey development, affordable housing levies of 10-18% of saleable area would appear to be sustainable, and using development Scenario 2 as the basis of assessment of 8 and 14 storeys, affordable housing levies of 14-19% of saleable area would appear to be sustainable.

There is likely to be significant uplift in this precinct as a result of rezoning. Construction of residential flat buildings is prohibited in areas currently zoned R2 and B6 and this is about one half of the precinct. While residential flat buildings are permitted with consent in R3 zoning, densities are limited by height of 8.5 metres and FSR of 0.5:1 and increased height and FSR will be required to deliver the densities proposed in the Burwood built form. However uplift is likely to be restricted in the area zoned B4, with current FSR of 3:1 (indicative of 10 storeys height assuming a 30% building footprint to meet the setback requirements of the *Apartment Design Guide*) and height of 30 metres.[13] Much of this area is two storey commercial and would be expected to be developable based on economic modelling below. The market appears to have factored in at least some uplift in this area, with two recent sales[14] giving pro rata prices for a 1,000 m^2 lot of $9.84 million and $9.83 million; 40% greater than the modelling assumption of $7.00 million for land purchase in the absence of uplift.

A general levy of 15% (one apartment in seven) appears sustainable in this precinct, although such a levy will discourage three storey development to some extent. Such a levy could also affect developers who have bought a building in the B4 zoned area, although it does not appear as though market prices have responded to the degree that modelling would predict, perhaps because of the impact of particular existing development controls such as setback requirements. Estimated profit based on current market prices and a 15% levy would give a developer a profit of 17%, somewhat less than the expected profit without the levy of 32%, but still high enough for the development to proceed.

Again, more detailed assessment including drawings and site analysis would be required to confirm these preliminary findings.

Kings Bay precinct

The Kings Bay precinct allows for 3 storey, 6 storey, 8 storey and 14 storey development.[15] Based on a preliminary inspection using google maps and a site inspection, much of the proposed development area consists of low rise commercial development, with the balance separate houses.

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[12] Review of proposed planning changes.
[13] JSA calculation.
[14] 4/DP771894, $4.025 million, 31/7/15, 409 m^2; 2/DP607913, $4.00 million, 7/8/15, 407 m^2.
[15] Review of proposed planning changes.

Using development Scenario 1 in Table 2.10 below as the basis of assessment of 3 and 6 storey development, affordable housing levies of 8-17% would appear to be sustainable, and using development Scenario 2 as the basis of assessment of 6, 8 and 14 storeys, affordable housing levies of 9-19% would appear to be sustainable.

There is likely to be significant uplift with rezoning. Around 80% of the area is zoned IN1 and R2 and residential flat buildings are a prohibited use in these areas. The balance of the area is zoned B6. In the Canada Bay section, residential flat buildings are permitted with consent, in the Burwood section, shop top housing is permitted with consent while in the Ashfield section residential accommodation is prohibited. Heights in B6 vary from three storeys to five storeys, with FSRs typically less than 2.0:1.[16]

There are two recent sales[17] in the B6 area giving pro rata prices for a 1,000 m^2 lot of $5.1 million and $2.83 million. This is much less than the land values used in the model, suggesting that Kings Bay is a low value area by comparison with surrounding uses and so modelling is conservative, that potential for residential development has not been factored into market prices or that existing heights and FSRs do not support development for residential flat buildings.

A general levy of 15% (one apartment in seven) appears sustainable in this precinct, although such a levy might discourage three storey development to some degree.

Taverners Hill precinct

The Taverners Hill precinct allows for 3 storey, 6 storey, and 8 storey development.[18] Based on a preliminary inspection using google maps and a site inspection, much of the proposed development area consists of separate houses, with some areas of light industrial.

Using development Scenario 1 as the basis of assessment of 3, 6 and 8 storey development, affordable housing levies of 1-18% would appear to be sustainable, and using development Scenario 2 as the basis of assessment of 8 storeys, affordable housing levies of 15% would appear to be sustainable.

There is likely to be significant uplift with rezoning. In the Leichhardt area, residential flat buildings are prohibited in IN2 zoning, and, while allowed in R1 zoning, are limited by FSRs of 0.5:1.[19] Uplift is not expected in the area zoned B4, however this area appears to be undergoing redevelopment[20] and so zoning uplift has likely been captured. The area zoned R3 will receive uplift from increase in height from 4 storeys to 8 storeys and commensurate increases in FSR.

In the Marrickville area,[21] residential flat buildings are an innominate use in R2 zoning, but are limited by FSRs of 0.6:1 and height of 9.5 metres. Similarly, residential flat buildings and shop top housing are an innominate use in B6 zoning, but with development limited by FSR of 0.95:1.

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16 Review of current planning controls.
17 7/DP669245, $0.935 million, 27/5/15, 183 m^2 (Burwood), 1/DP90833, $24.5 million, 19/12/14, 8,662 m^2 (Canada Bay).
18 Review of proposed planning changes.
19 Review of current planning controls.
20 Google maps earthview, accessed 19 February 2016.
21 Review of current planning controls.

Similarly, development in the area zoned R4 is limited by FSR of 1.1:1. Our modelling shows that 3 storey development is likely to be marginal in this precinct. A recent sale in this area[22] gave a pro rata price for a 1,000 m^2 lot of $4.3 million, less than the $6.02 million assumed in our modelling. The price is likely to be affected by the proximity of the railway line, however the market does not appear to have factored in uplift associated with rezoning. This may also reflect the fragmentation of land in this area.

A general levy of 15% of saleable area appears sustainable in this precinct. While such a levy might discourage three storey development, such development is marginal in this precinct because of the density of existing housing, and would be expected to proceed only with further increases in height.

Again, more detailed wok is required to confirm this preliminary analysis.

Leichhardt precinct

The Leichhardt precinct allows for 3 storey and 6 storey development.[23] Based on a preliminary inspection using google maps, much of the proposed development area consists of commercial development, with some separate houses on the peripheries.

Using development Scenario 2 as the basis of assessment of 3 storey and 6 storey development, affordable housing levies of 11% of saleable areas are sustainable for 6 storeys, however 3 storey development in this precinct (as shown in the area along Parramatta road) is unlikely to occur due to low rates of return.

While residential flat buildings are an innominate use in the B2 zoning, development is likely to be restricted by the existing FSR of 1.0:1. Increase of FSRs to over 2.0:1 will be required to economically deliver the proposed height of 6 storeys, and increase in FSR will provide uplift.

A general levy of 10% of saleable area appears sustainable in this precinct. While such a levy might discourage three storey development, such development is marginal in this precinct because of the density of existing development, and would be expected to proceed only with further increases in height.

Camperdown precinct

The Camperdown precinct allows for 6 storey and 8 storey development.[24] Based on a preliminary inspection using google maps and a site inspection, much of the proposed development area consists of commercial and light industrial development.

Using development Scenario 2 as the basis of assessment, affordable housing levies of 9-13% would appear to be sustainable.

There is likely to be substantial uplift in this precinct. Residential development is prohibited in the current IN2 zoning which comprises the majority of the area. Other areas zoned R4, B2 and R1

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[22] 8/DP8622, $0.975 million, 28/9/15, 228 m^2
[23] Review of proposed planning changes.
[24] Review of proposed planning changes.

have recent high density development and so are unlikely to be redeveloped to take advantage of any uplift.[25]

A general levy of 10% appears to be sustainable in this precinct from our preliminary analysis.

3.5.2 Modelling (Redevelopment)

Overview

This section sets out the modelling upon which the above results are based.

The modelling assumes the development of a block of land of 1,000 m^2, assumed to be 25 metres wide by 40 metres deep. Based on the setbacks of 6.0 metres in the apartment design guide, the developable area is 28 metres by 13 metres, or 364 m^2.

Two scenarios have been considered for the land purchase.

In the first, it is assumed that separate housing consisting of a median priced house on a median sized block of land is amalgamated to achieve the developable block, and that a median price is paid, that is existing housing is purchased and demolished to enable high density residential flat development. The purchase price is calculated as:

Median house price X 1,000 / median lot size

In the second scenario, it is assumed that existing two storey residential flat buildings are demolished to enable high density residential flat development and that the purchase price is the median for two bedroom strata for the area. A footprint of 0.33 of the lot is assumed, giving around 4.5 70 m^2 two bedroom apartments per floor, or nine apartments in total. The purchase price is calculated as:

Median two bedroom strata price X 9

The cost of construction has been estimated using rates from *Rawlinsons Australian Construction Handbook 2012*, multiplied by 1.5 to allow for GST, professional costs, inflation and financing costs. The estimate assumes five 70m^2 apartments per floor, based on the developable area of 364 m^2, and 1.2 underground car spaces per unit. The rates used were for underground parking and for lifted multi storey medium standard apartments.

The results of the modelling are shown in the table below.

[25] Inspection of Google Earth view.

Table 3-10: Potential Redevelopment Scenarios for PRUTA Precincts

Scenario 1 ($ ' 000,000)

Suburb	Land purchase Scenario 1	Construction cost three stories	sale price	profit	profit %	AH %	Construction cost six stories	sale price	profit	profit %	AH %
Granville	$1.73m	$5.01m	$6.60m	-$0.14m	-2%	Nil	$10.02m	$13.20m	$1.45m	12%	1%
Auburn	$1.81m	$5.01m	$6.75m	-$0.07m	-1%	Nil	$10.02m	$13.50m	$1.67m	14%	2%
Lidcombe	$2.48m	$5.01m	$8.55m	$1.06m	14%	2%	$10.02m	$17.10m	$4.60m	37%	10%
Homebush/Concord West/ North Strathfield	$2.87m	$5.01m	$9.53m	$1.64m	21%	4%	$10.02m	$19.05m	$6.15m	48%	13%
Burwood/Concord	$3.56m	$5.01m	$11.66m	$3.09m	36%	10%	$10.02m	$23.33m	$9.74m	72%	18%
Fivedock/Croydon	$3.65m	$5.01m	$11.37m	$2.70m	31%	8%	$10.02m	$22.74m	$9.06m	66%	17%
Leichhardt/Petersham	$6.02m	$5.01m	$12.41m	$1.38m	13%	1%	$10.02m	$24.83m	$8.78m	55%	14%
Annandale/Stanmore	$6.99m	$5.01m	$11.21m	-$0.78m	-7%	Nil	$10.02m	$22.43m	$5.42m	32%	8%

Suburb	Land purchase Scenario 1	Construction cost eight stories	sale price	profit	profit %	AH %	Construction cost 14 stories	sale price	profit	profit %	AH %
Granville	$1.73m	$13.37m	$17.60m	$2.50m	17%	3%	$23.39m	$30.80m	$5.68m	23%	5%
Auburn	$1.81m	$13.37m	$18.00m	$2.80m	19%	4%	$23.39m	$31.50m	$6.30m	25%	6%
Lidcombe	$2.48m	$13.37m	$22.80m	$7.00m	44%	12%	$23.39m	$39.90m	$14.03m	54%	14%
Homebush/Concord West/North Strathfield	$2.87m	$13.37m	$25.40m	$9.16m	56%	15%	$23.39m	$44.45m	$18.19m	69%	18%
Burwood/Concord	$3.56m	$13.37m	$31.10m	$14.17m	84%	20%	$23.39m	$54.43m	$27.47m	102%	23%
Fivedock/Croydon	$3.65m	$13.37m	$30.32m	$13.30m	78%	19%	$23.39m	$53.06m	$26.02m	96%	22%
Leichhardt/Petersham	$6.02m	$13.37m	$33.10m	$13.71m	71%	18%	$23.39m	$57.93m	$28.51m	97%	22%
Annandale/Stanmore	$6.99m	$13.37m	$29.90m	$9.55m	47%	13%	$23.39m	$52.33m	$21.95m	72%	18%

Scenario 2 ($ ' 000,000)

Suburb	Land purchase Scenario 2	Construction cost three stories	sale price	profit	profit %	AH %	Construction cost six stories	sale price	profit	profit %	AH %
Granville	$3.96m	$5.01m	$6.60m	-$2.37m	-26%	Nil	$10.02m	$13.20m	-$0.78m	-6%	Nil
Auburn	$4.05m	$5.01m	$6.75m	-$2.31m	-26%	Nil	$10.02m	$13.50m	-$0.58m	-4%	Nil
Lidcombe	$5.13m	$5.01m	$8.55m	-$1.59m	-16%	Nil	$10.02m	$17.10m	$1.95m	13%	1%
Homebush/Concord West/North Strathfield	$5.72m	$5.01m	$9.53m	-$1.20m	-11%	Nil	$10.02m	$19.05m	$3.31m	21%	5%
Burwood/Concord	$7.00m	$5.01m	$11.66m	-$0.35m	-3%	Nil	$10.02m	$23.33m	$6.30m	37%	10%
Fivedock/Croydon	$6.82m	$5.01m	$11.37m	-$0.46m	-4%	Nil	$10.02m	$22.74m	$5.89m	35%	9%
Leichhardt/Petersham	$7.45m	$5.01m	$12.41m	-$0.05m	0%	Nil	$10.02m	$24.83m	$7.35m	42%	11%
Annandale/Stanmore	$6.73m	$5.01m	$11.21m	-$0.53m	-5%	Nil	$10.02m	$22.43m	$5.67m	34%	9%

Suburb	Land purchase Scenario 2	Construction cost eight stories	sale price	profit	profit %	AH %	Construction cost 14 stories	sale price	profit	profit %	AH %
Granville	$3.96m	$13.37m	$17.60m	$0.27m	2%	Nil	$23.39m	$30.80m	$3.45m	13%	1%
Auburn	$4.05m	$13.37m	$18.00m	$0.58m	3%	Nil	$23.39m	$31.50m	$4.06m	15%	2%
Lidcombe	$5.13m	$13.37m	$22.80m	$4.30m	23%	5%	$23.39m	$39.90m	$11.38m	40%	11%
Homebush/Concord West/North Strathfield	$5.72m	$13.37m	$25.40m	$6.32m	33%	9%	$23.39m	$44.45m	$15.34m	53%	14%
Burwood/Concord	$7.00m	$13.37m	$31.10m	$10.74m	53%	14%	$23.39m	$54.43m	$24.04m	79%	19%
Fivedock/Croydon	$6.82m	$13.37m	$30.32m	$10.13m	50%	13%	$23.39m	$53.06m	$22.85m	76%	19%
Leichhardt/Petersham	$7.45m	$13.37m	$33.10m	$12.29m	59%	15%	$23.39m	$57.93m	$27.09m	88%	21%
Annandale/Stanmore	$6.73m	$13.37m	$29.90m	$9.81m	49%	13%	$23.39m	$52.33m	$22.21m	74%	18%

Modelling (Variation in apartment size)

Table 3-11: Sales price per square metre for one, two and three bedroom dwellings in selected areas

	Sales price per square metre		
Suburb	**1 BR (50 m2)**	**2 BR (70 m2)**	**3 BR (90 m2)**
Granville	7300	6286	7222
Auburn	7150	6429	6611
Lidcombe	10286	8143	8068
Homebush/Concord West/North Strathfield	9600	9071	9333
Burwood/Concord	10980	11111	11167
Fivedock/Croydon	11100	10829	10000
Leichhardt/Petersham	10600	11821	12822
Annandale/Stanmore	11200	10679	12528

Source: Red Square database and JSA calculation, minimum sizes from *The Apartment Design Guide*

Limitations of modelling

The modelling is necessarily general in nature using median prices and broad estimates, and outcomes for a particular site will depend on the details of the site and the details of the proposed development. The modelling assumes that the economics of redevelopment of low rise commercial sites will be similar to redevelopment of existing residential flat buildings, as there is little data available for commercial sites and commercial sites vary widely in size.

Assumptions have been made with regard to development controls and dwelling yield, and preliminary architectural design would be required to confirm these assumptions. Similarly, cost estimates on preliminary architectural design would be required to confirm estimates of construction cost.

The economics are likely to be much better for redevelopment of brownfield sites, and likely worse for relatively new two storey commercial premises, although as noted, consideration would need to be given to any remediation required for industrial sites.

Nonetheless, the modelling gives insight into likely sensitivities of development and broad insight into likely profit associated with uplift, and where such strategies are most likely to be effective in the context of housing markets along the PRUTA.

3.6 Direct Creation of Affordable Housing

As noted, even under relatively optimistic scenarios, where the market is encouraged or mandated to provide lower cost types of apartments regarding size, parking and amenity, this will not meet the affordability needs of the vast majority of relevant target groups who need affordable housing in most of the PRUTA Precincts.

Mandatory contributions and/or some form of inclusionary zoning is likely to be required to provide affordable housing for key target groups in perpetuity, and is likely to be most feasible in areas experiencing significant uplift, and where such housing is most needed.

As well, strategies related to the inclusion of a reasonable proportion of affordable (including social) housing on government land holdings is likely to be one of the most effective ways of increasing the supply of such housing for very low and low income households, including families who would be appropriate for placement in three bedroom apartments. Affordable rental accommodation for very low, low and moderate income households could form part of mixed use and/or mixed tenure developments, and could also include a proportion of owner occupied dwellings purchased under conventional arrangements as well as shared equity products that could provide purchase opportunities for appropriate low and moderate income households who would not otherwise be able to affordably purchase in most of these areas.

A valuable research strategy, which could be pursued following the current study, would be to conduct a land audit of State and local government underutilised landholdings, or those with redundant uses, and to develop and test some indicative development scenarios regarding likely yield, dwelling types and target groups, rates of return and economic feasibility.

In the experience of the authors, this can be set up so as to be cost neutral, or even profit making, depending on the development scenario considered. A wide range of successful example of development and management partnerships between local or State Government and community housing providers with appropriate experience and capacity can be used as models for such developments.

Appendix A: Snapshot of Urban Renewal Precincts

This Appendix provides an overview of each of the Urban Renewal Precincts in more detail with regard to their land use, strategic planning and housing context.

4 Auburn Precinct

4.1 Geographic Description

The Auburn Precinct is roughly bounded by the Western Motorway (M4) to the north, Rawson St to the south, Nyrand St to the east and Duck River to the west.[26]

[26] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.51

Figure 4-1 Map of Auburn Precinct including proposed Structure Plan
Source: Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015

4.1.1 Intention Summary

Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 1,172 people living in 409 dwelling the Auburn Precinct. This is predicted to grow to 4,075 persons living in 2,264 dwellings by 2050. In terms of employment, there are currently 6,959 jobs in the area, predicted to grow to 19,240 by 2050.[27]

Land Use

The zoning of the Auburn Precinct according to the Auburn City Council Local Environment Plan 2010[28] is predominantly B6 (Enterprise Corridor), which allows for business premises, community facilities, warehouse and distribution centres, vehicle sale and hire premises and hotels and motels, among others. There is also a fair amount of General Industrial (IN1), and a small amount of R2 and R3 (Low and Medium Density Residential). The B6 (Enterprise Corridor) zoning is predominantly located along Parramatta Rd.[29]

Vision

The Strategy notes that by taking advantage of its location close to major employment areas such as Parramatta and Sydney Olympic Park, Auburn can be a location for significant employment growth, supported by moderate scale residential development and an improved streetscape.[30]

Delivering the Vision

The Strategy notes that this vision can be realised by:

- making it easier for people and cars to cross major roads
- creating a safe and attractive walking environment
- ensuring new development can incorporate landscaping and streetscape improvements
- delivering high quality public areas and parks
- working to create a genuine town centre hub in the Precinct
- supporting a hub of new innovation and creative jobs
- capitalising on large lot sizes to support redevelopment
- facilitating a broader range of employment uses
- using clever design to carefully transition and mitigate conflicts between industrial and residential areas
- manage access to the bulky goods and employment areas that depend on cars or heavy vehicles

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[27] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.50
[28] Auburn Local Environmental Plan 2010
[29] Ibid
[30] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.48

- using the right mechanisms to fund public infrastructure, including high quality public places.[31]

4.1.2 Key Demographic Features

Precinct

In terms of demographic indicators that we have looked at as part of this study, the Auburn Precinct has some key features that differentiate it from the other precincts and from Greater Sydney generally. Auburn Precinct is the most disadvantaged of all the eight precincts, with an ABS 2011 SEIFA Disadvantage Score which places it in the lowest 12 percent of areas in NSW. The precinct also performs very poorly in terms of Economic Resources (bottom 15 percent) and quite poorly for Education and Occupation (bottom third of areas).

While house prices in the precinct are quite cheap, with a median rent of around $320 per week (2011 dollars), the precinct is quite expensive relative to local incomes, with a median income household paying around 30% of its gross weekly income of $1,034 on rent.

In terms of dwelling structure, the precinct has quite a high proportion of separate houses relative to the other precincts (over 50%).[32]

Local Government Area

The Auburn Precinct is located in Auburn Local Government Area. This LGA has very low scores for ABS 2011 SEIFA Disadvantage and Economic Resources (bottom 12th and 8th percentile respectively), and a somewhat younger age profile compared with Greater Sydney (31 years compared with 36 years). Although rental prices in Auburn LGA are on par with Greater Sydney, they are substantially more expensive relative to local incomes due to a low median household income for the LGA (around $1,000 per week before tax, roughly a third lower than Greater Sydney).[33]

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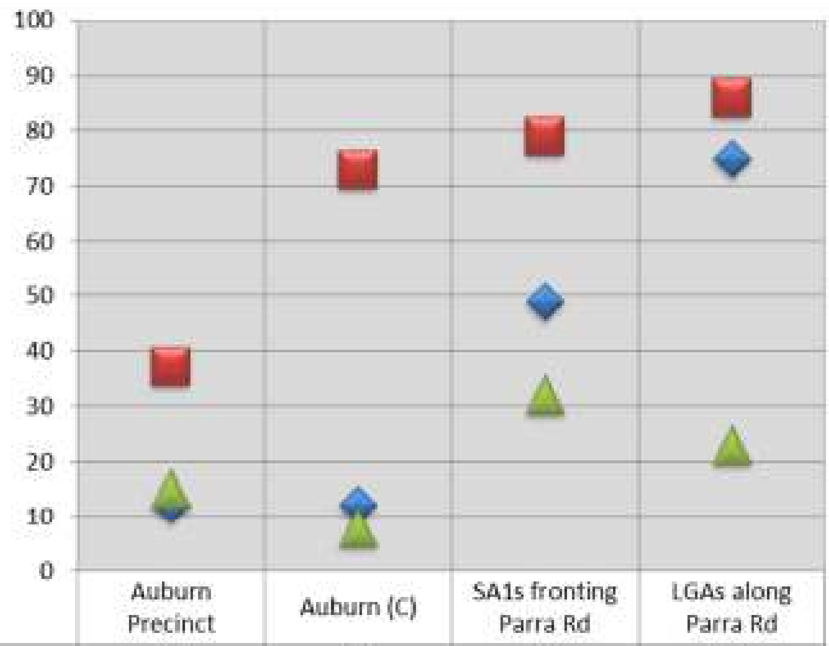
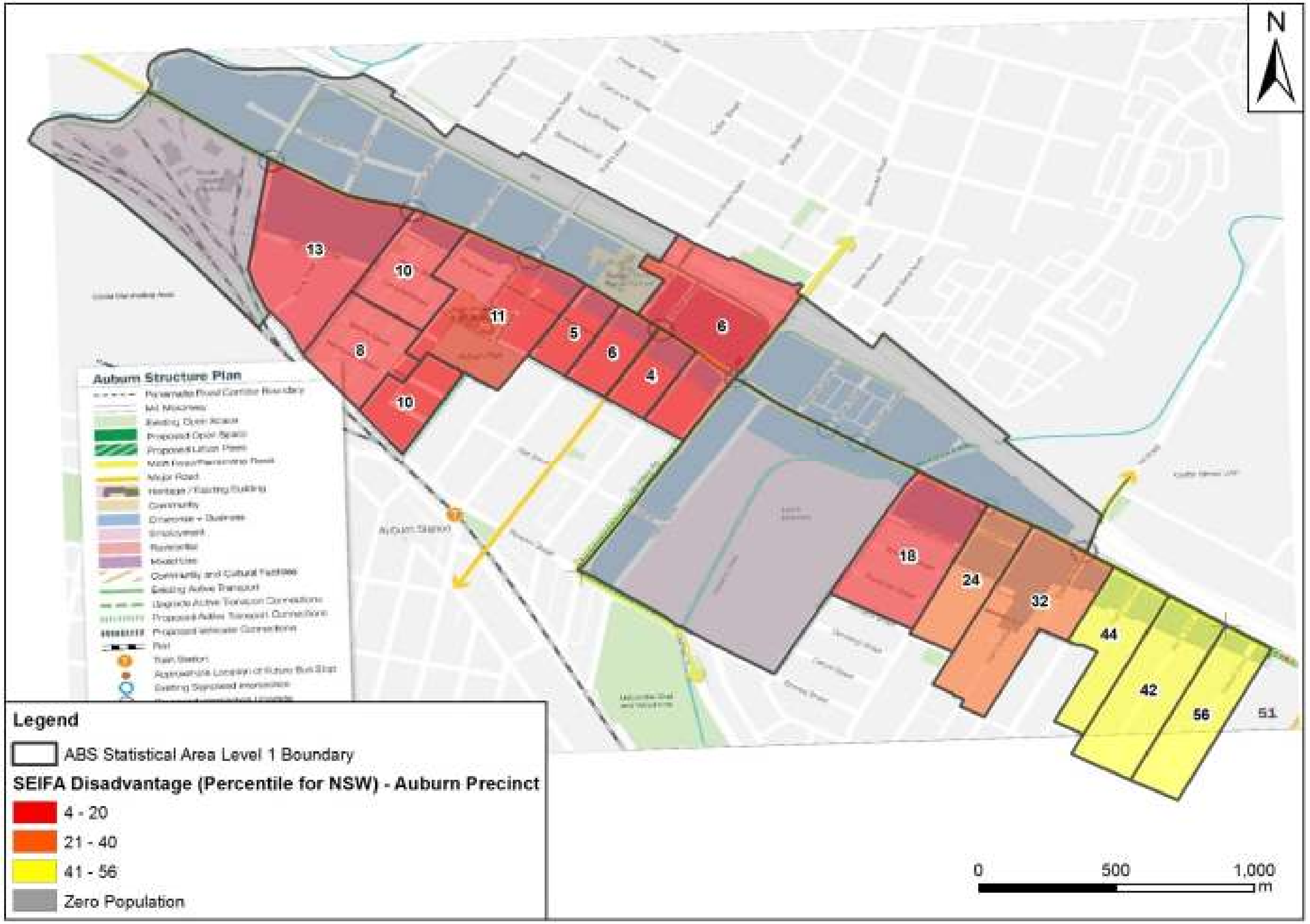
[31] Ibid
[32] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)
[33] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



	Auburn Precinct	Auburn (C)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	12	12	49	75
SEIFA Education and Occupation	37	73	79	86
SEIFA Economic Resources	15	8	32	23

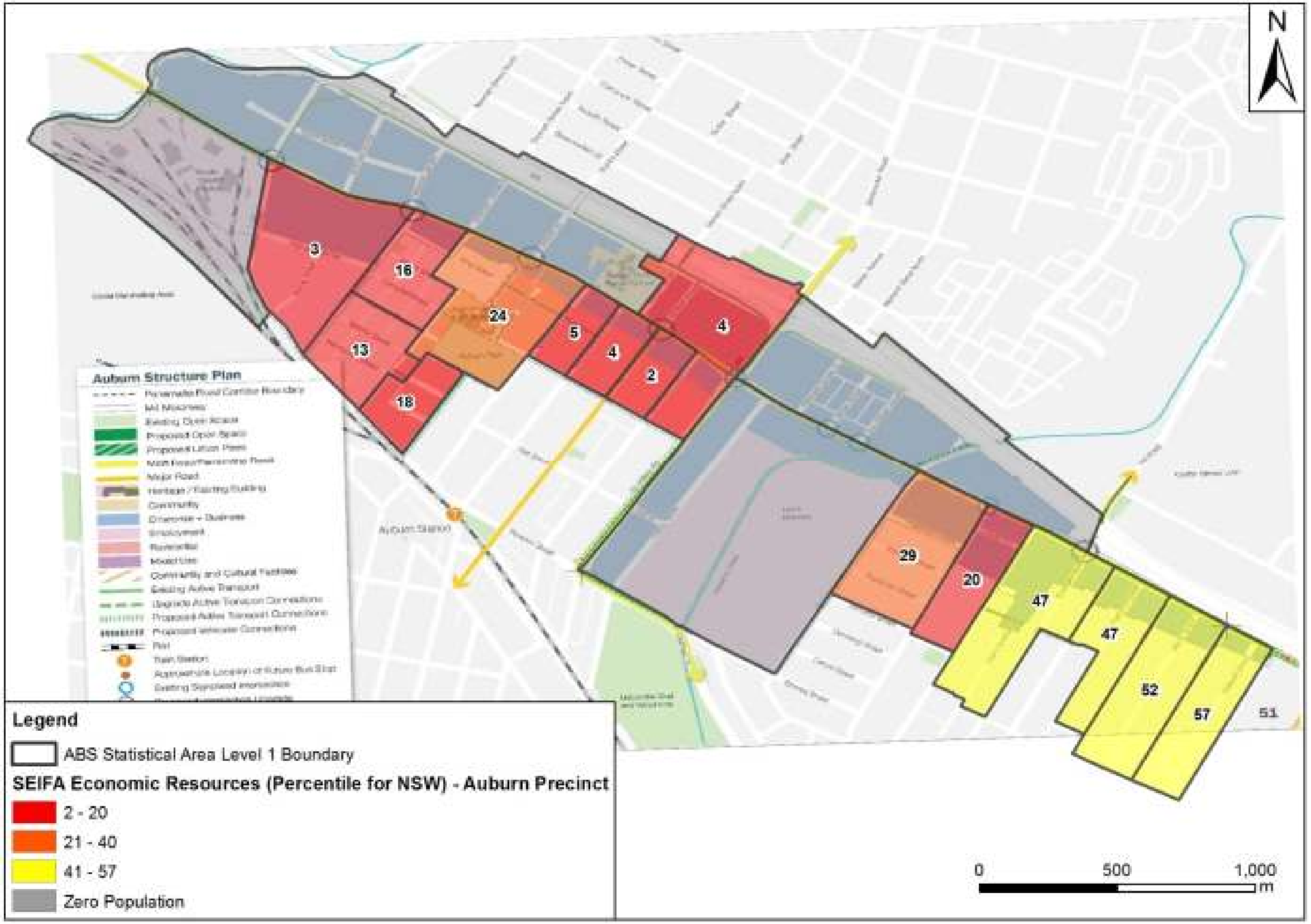
Figure 4-2 ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Auburn Precinct, LGA containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road.

Source: JSA 2016, based on data from ABS (2011) Census



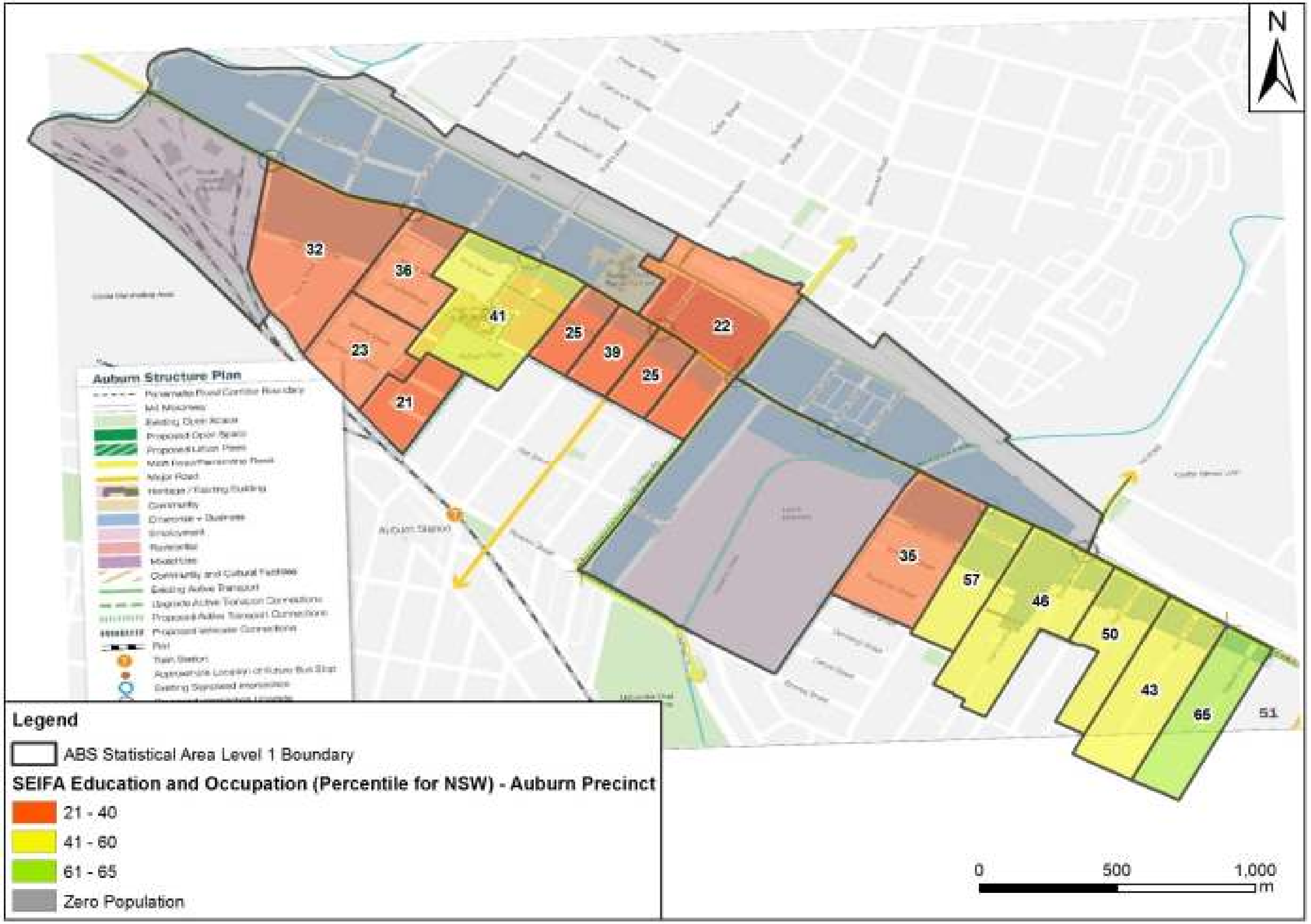
Map 4-1 ABS 2011 SEIFA Disadvantage scores for the Auburn Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census



Map 4-2 ABS 2011 SEIFA Economic Resources scores for the Auburn Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

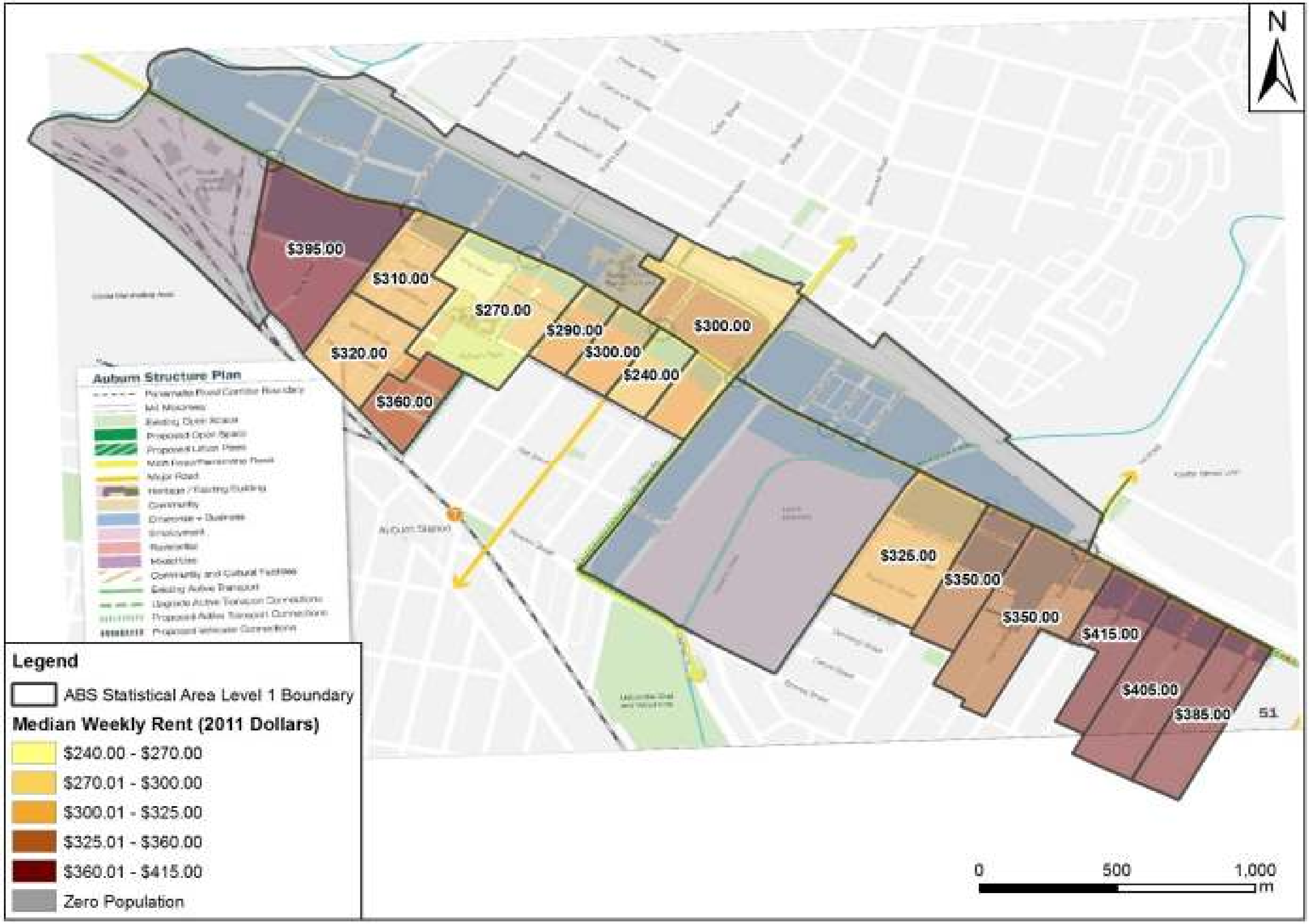


Map 4-3 ABS 2011 SEIFA Education and Occupation scores for the Auburn Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

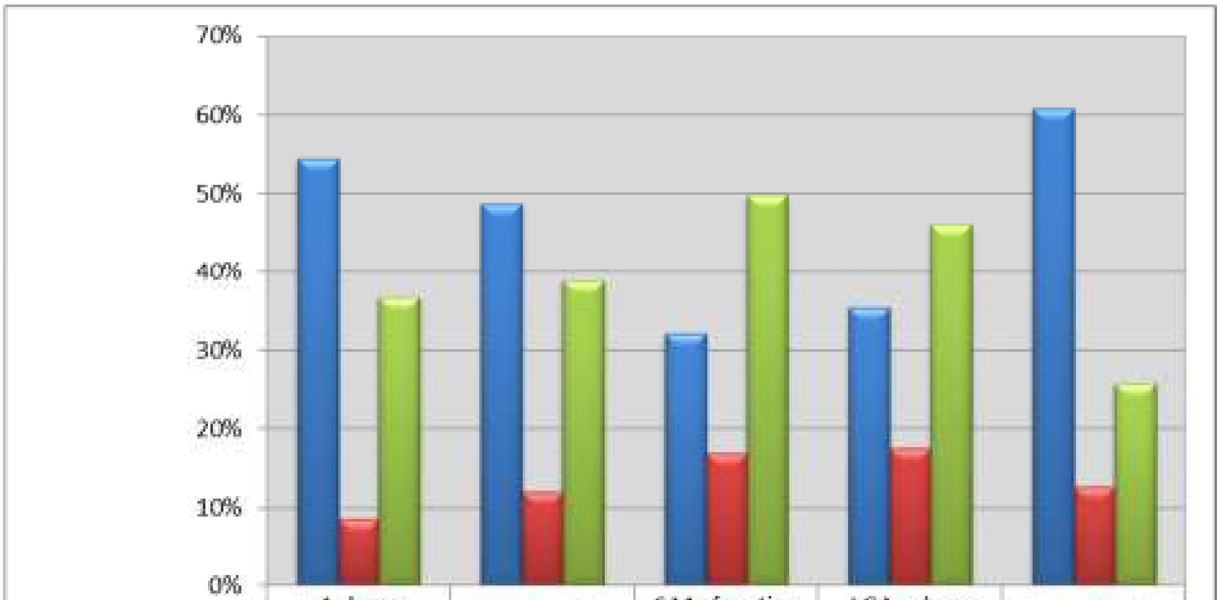
Figure 4-3 Median Weekly Rent for the Auburn Precinct, the LGA that containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 4-4 Median Weekly Rent for the Auburn Precinct by SA1

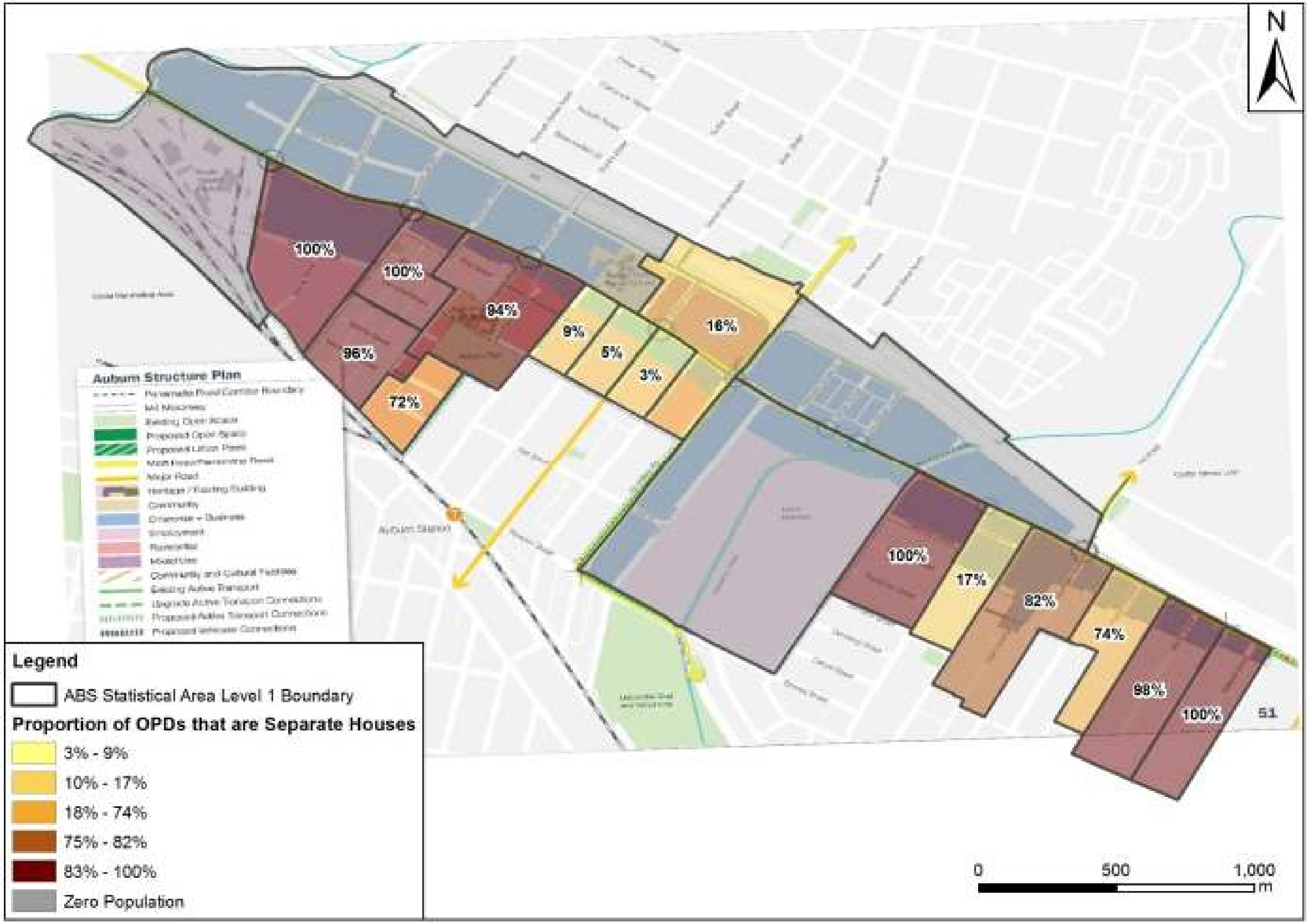
Source: JSA 2016, based on data from ABS (2011) Census



	Auburn Precinct	Auburn (C)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Separate House	54%	49%	32%	35%	61%
Medium Density	9%	12%	17%	18%	13%
Flats and Units	37%	39%	50%	46%	26%

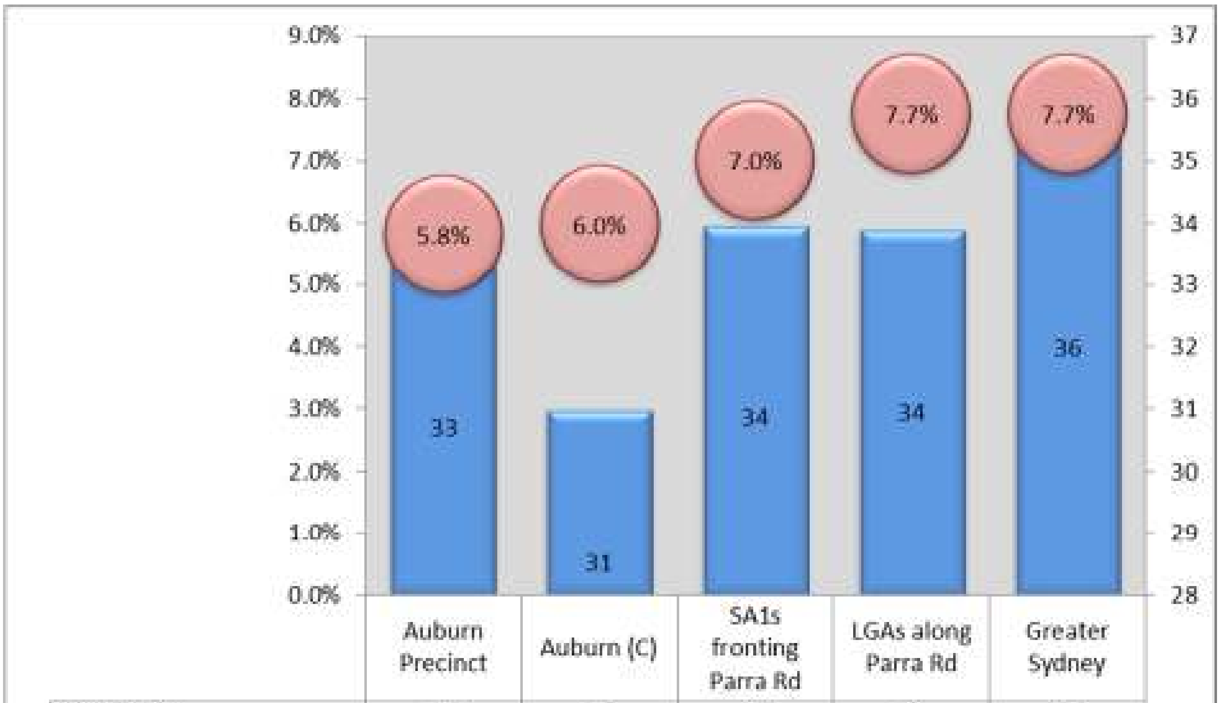
Figure 4-4 Dwelling Structure Type in the Auburn Precinct, the LGA containing the Precinct, for SA1’s fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 4-5 Proportion of Dwellings that are Separate Houses in the Auburn Precinct by SA1

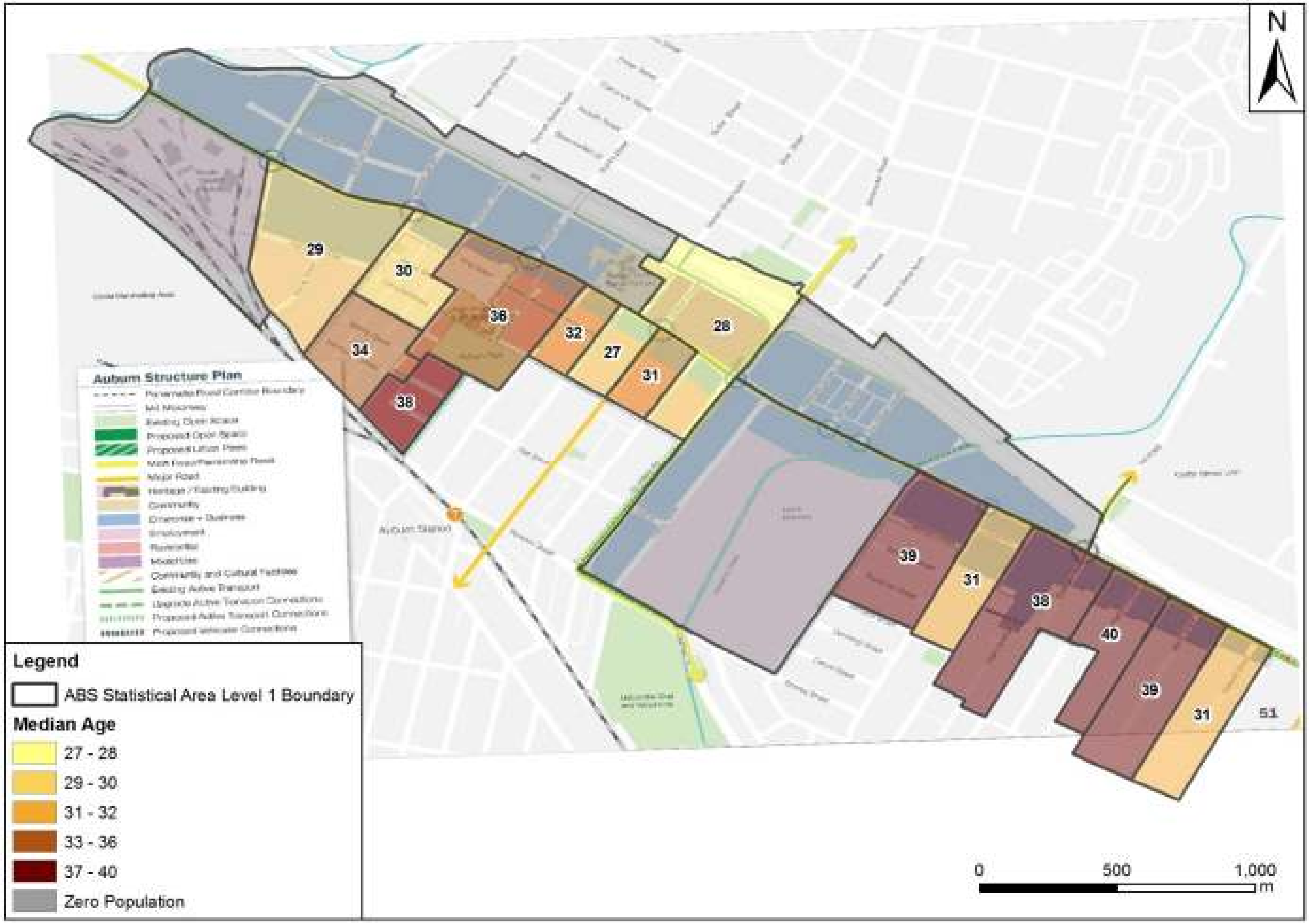
Source: JSA 2016, based on data from ABS (2011) Census



	Auburn Precinct	Auburn (C)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Age	33	31	34	34	36
% Residents Aged 70+ Years	5.8%	6.0%	7.0%	7.7%	7.7%

Figure 4-5 Median Age in the Auburn Precinct, the LGA containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 4-6 Median Age of Residents in the Auburn Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

4.1.3 Planning Context

As noted above, the zoning in the precinct is predominantly B6 (Enterprise Corridor), with a fair amount of General Industrial and some Low and Medium Density Residential.[34] The zoning given in the Draft Parramatta Road Urban Transformation Strategy appears to be very similar to that shown in the Auburn LEP, with some possible minor changes (e.g. from B6 to B4 for 2 blocks at the corner of Parramatta Rd and St Hilliers Rd).[35] The current Auburn City Council LEP does not appear to prescribe a maximum building height for the precinct, which may mean that they will defer to the building heights given in the Draft Parramatta Road Urban Transformation Strategy. The Auburn LEP has given an FSR of 1.0 for the whole precinct.[36]

[34] Auburn Local Environmental Plan 2010
[35] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.52
[36] Auburn Local Environmental Plan 2010

5 Burwood Precinct

5.1 Geographic Description

The Burwood Precinct is roughly bounded by Gipps Street to the north, Meryla Street to the south, Shaftesbury Road to the East and Broughton street to the west. The precinct has an area of 59.18 hectares.[37]

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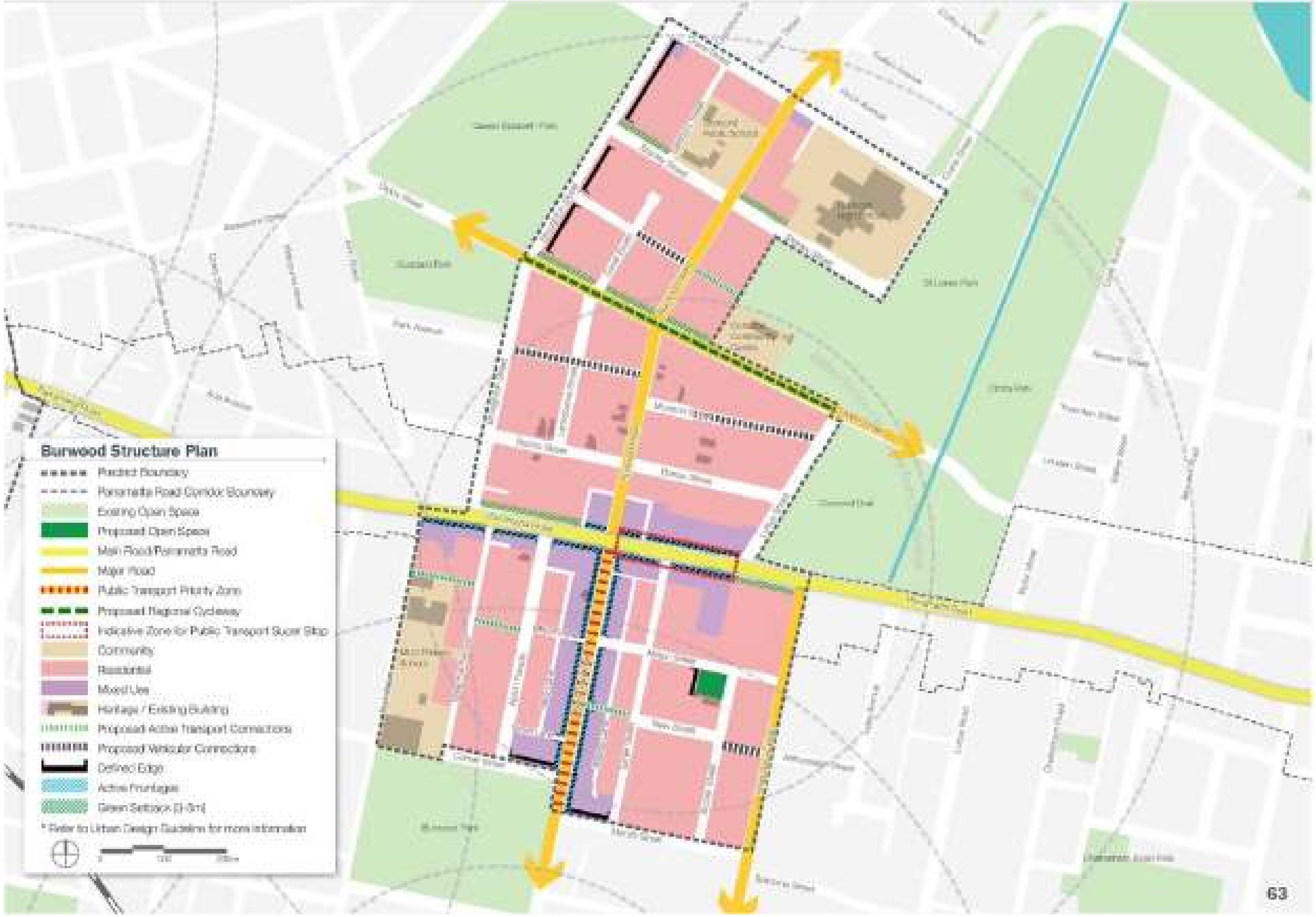

Figure 5-1 Map of Burwood Precinct Structure Plan
Source: Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015

5.2 Intention Summary

5.2.1 Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 1,647 persons living in 612 dwelling in the Burwood Precinct. This is predicted to grow to 8,238 persons living in 4,577 dwellings by 2050. In terms of employment, there are currently 2,903 jobs in the area, predicted to grow to 19,240 by 2050.[38]

5.2.2 Land Use

The zoning of the Burwood Precinct falls under the both the Canada Bay 2013 LEP[39] and the Burwood 2012 LEP[40]. According to these LEPs the precinct is predominantly zoned as R2 and R3 (Low and Medium Density Residential). The areas fronting Parramatta Road are currently zoned as B6 (Enterprise Corridor), with the corridor along Burwood Road running south of Parramatta Road zoned as B4 (Mixed Use).[41]

5.2.3 Vision

The Strategy proposes that Burwood Precinct will be a commercial gateway to Burwood Town Centre based around the enlivened spine of Burwood Road building upon existing amenity for new residents.[42]

5.2.4 Delivering the Vision

The Strategy states that the vision can be realised by:

- using design features to unify both sides of Parramatta Road
- ensuring the viability of shops and commercial uses along Parramatta Road
- celebrating Burwood's heritage and multiculturalism and preserving heritage buildings
- integrating new development with existing areas, especially with Burwood Town Centre
- improving public transport connections for people living north of Parramatta Road
- protecting Burwood Park from new development
- where possible, working with landowners to amalgamate sites in a way that supports better transformation outcomes
- dealing with narrow, unattractive streets
- using the right mechanisms to fund public infrastructure, including high quality public places.[43]

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[38] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.61
[39] Canada Bay Local Environmental Plan 2013
[40] Burwood Local Environmental Plan 2012
[41] Canada Bay Local Environmental Plan 2013 and Burwood Local Environmental Plan 2012
[42] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.60
[43] Ibid

5.3 Key Demographic Features

5.3.1 Precinct

In terms of demographic indicators that we have looked at as part of this study, the Burwood Precinct has some key features that differentiate it from other precincts and from Greater Sydney generally. The Burwood Precinct has low scores for ABS 2011 SEIFA Disadvantage compared to most other precincts (43rd percentile).

The precinct has a higher weekly median weekly rent compared to Greater Sydney ($381 compared with $351), and is a more expensive area to live relative to gross median weekly income, with a median income household paying around 28% of its gross weekly income on rent (compared with 24% for Greater Sydney).

Overall, the Burwood Precinct is slightly older compared to Greater Sydney with a median age of 37 years, compared with Greater Sydney at 36 years. The Burwood Precinct also has one of the highest proportions of persons aged 70 years (12.2%) and above compared to the other precincts and to Greater Sydney (7.7%).[44]

5.3.2 Local Government Area

The Burwood Precinct is located within the Burwood and Canada Bay Local Government Areas. Canada Bay has particularly high scores across all ABS 2011 SEIFA categories, scoring within the top 15th percentile for all. Burwood LGA also has high scores for Disadvantage and Education and Occupation (71st percentile and 86th percentile, respectively), however scores relatively low for Economic Resources (bottom 23rd percentile).

Both Canada Bay and Burwood LGAs have high median weekly rents compared to Greater Sydney ($480 and $400, respectively, compared with $351). However, Canada Bay is similarly affordable to Greater Sydney relative to income, with a median income family paying roughly 26% of its gross weekly income of $1,817 on rent. Burwood LGA is significantly more expensive relative to local incomes, with a median income family paying roughly 31% of its gross weekly income of $1,310 on rent.

Both Canada Bay and Burwood LGAs have a high proportion of residents aged 70 years and over compared with Greater Sydney (10% and 11%, respectively, compared with 7.7%).[45]

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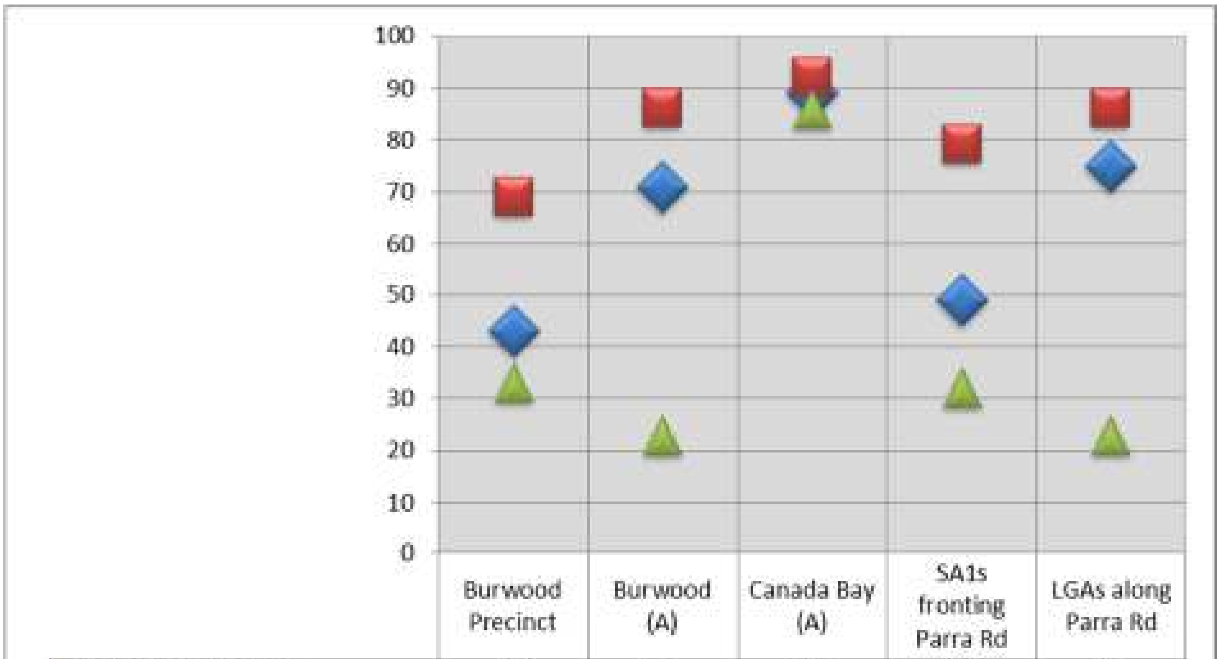
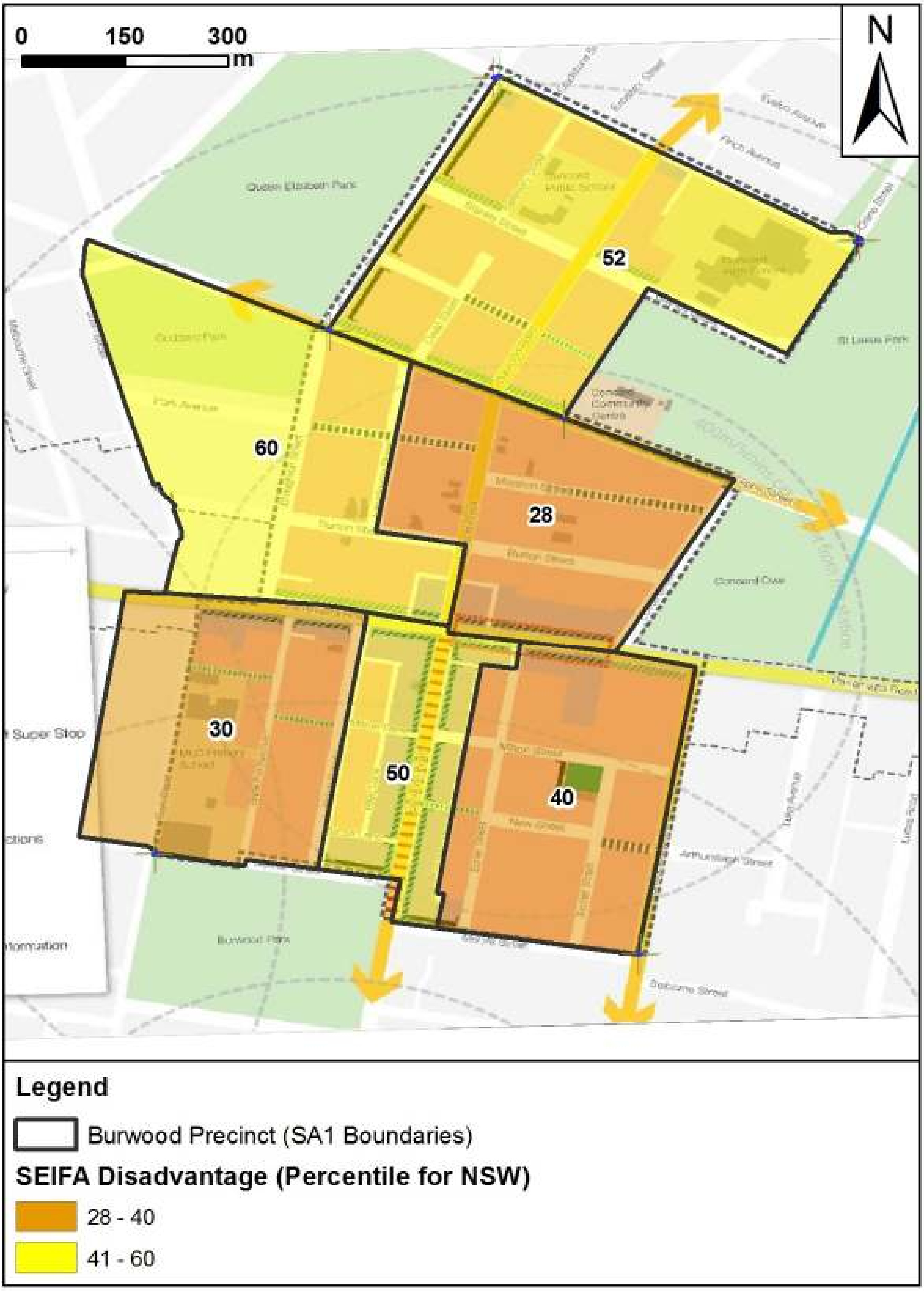
[44] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)
[45] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



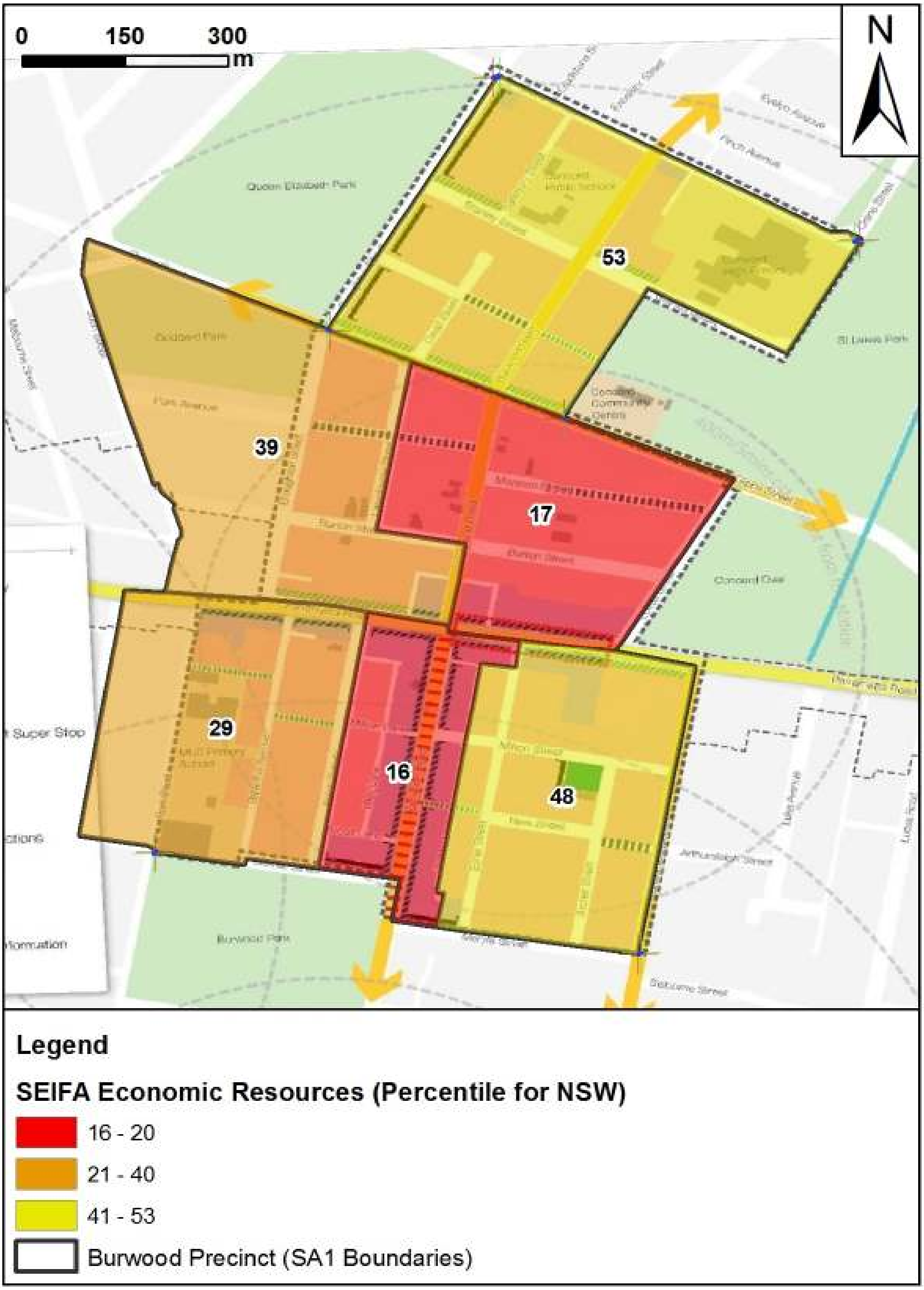
	Burwood Precinct	Burwood (A)	Canada Bay (A)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	43	71	89	49	75
SEIFA Education and Occupation	69	86	92	79	86
SEIFA Economic Resources	33	23	86	32	23

Figure 5-2 ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Burwood Precinct, the LGA's containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road.

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

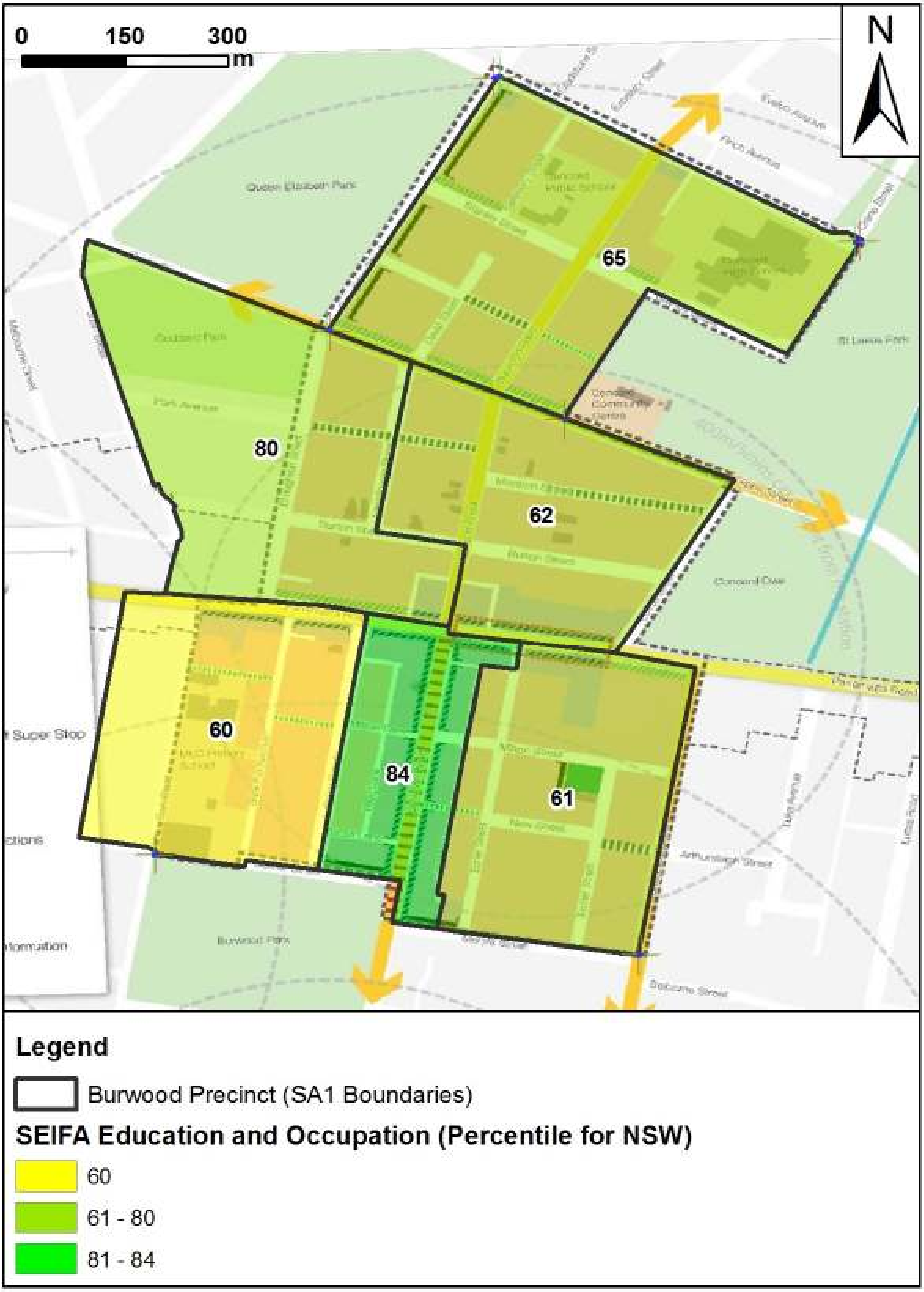


Map 5-1 ABS 2011 SEIFA Disadvantage scores for the Burwood Precinct by SA1
Source: JSA 2016, based on data from ABS (2011) Census



Map 5-2 ABS 2011 SEIFA Economic Resources scores for the Burwood Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

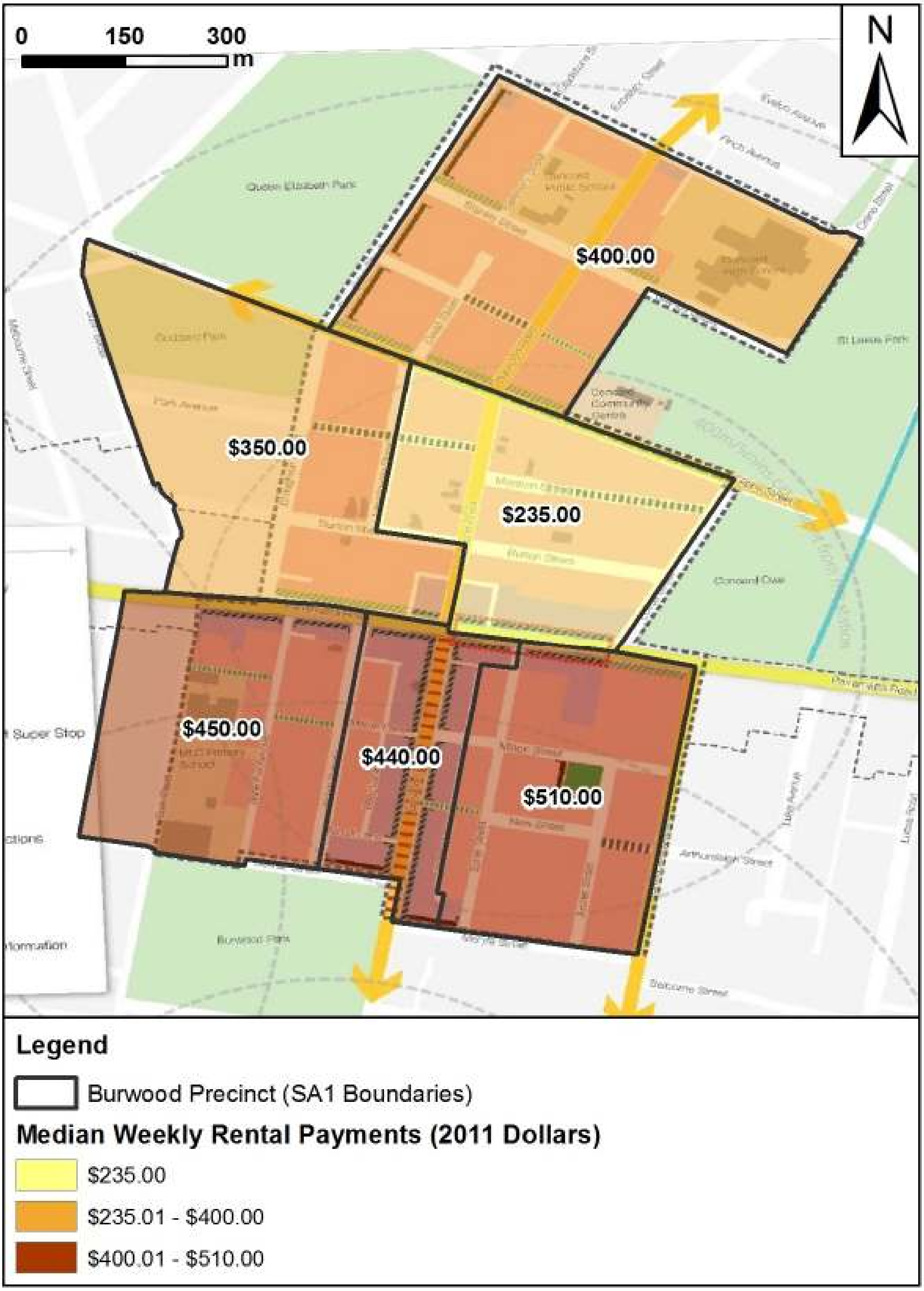


Map 5-3 ABS 2011 SEIFA Education and Occupation scores for the Burwood Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

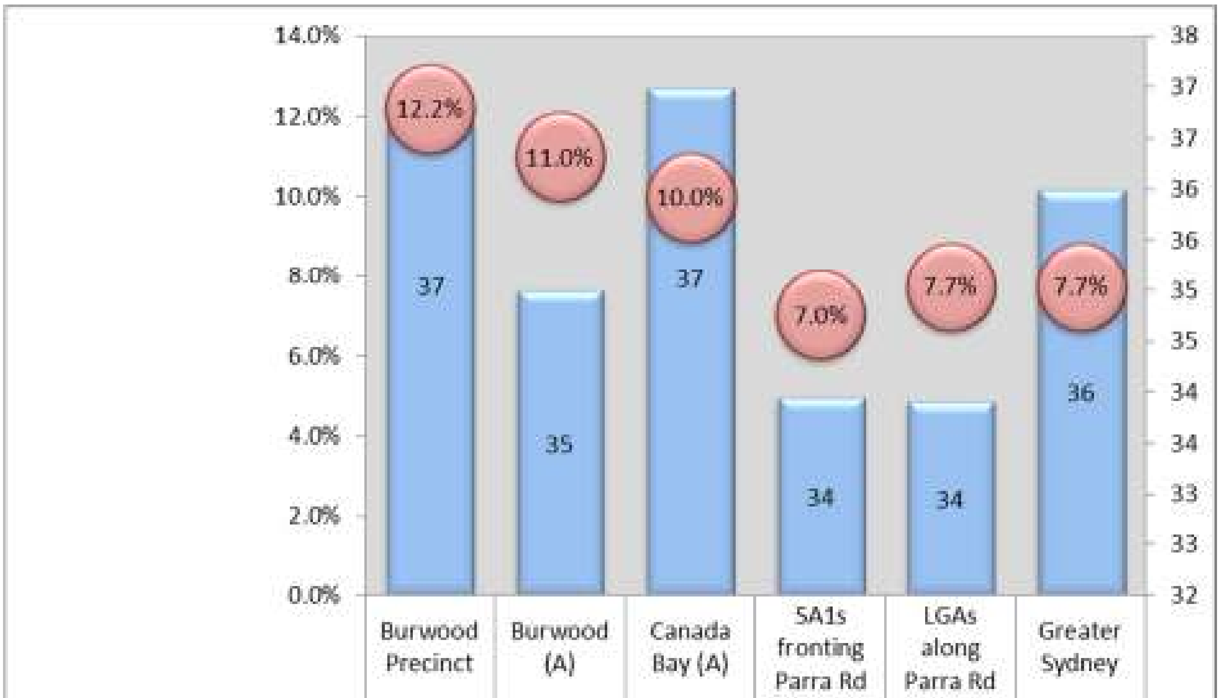
Figure 5-3 Median Weekly Rent for the Burwood Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 5-4 Median Weekly Rent for the Burwood Precinct by SA1

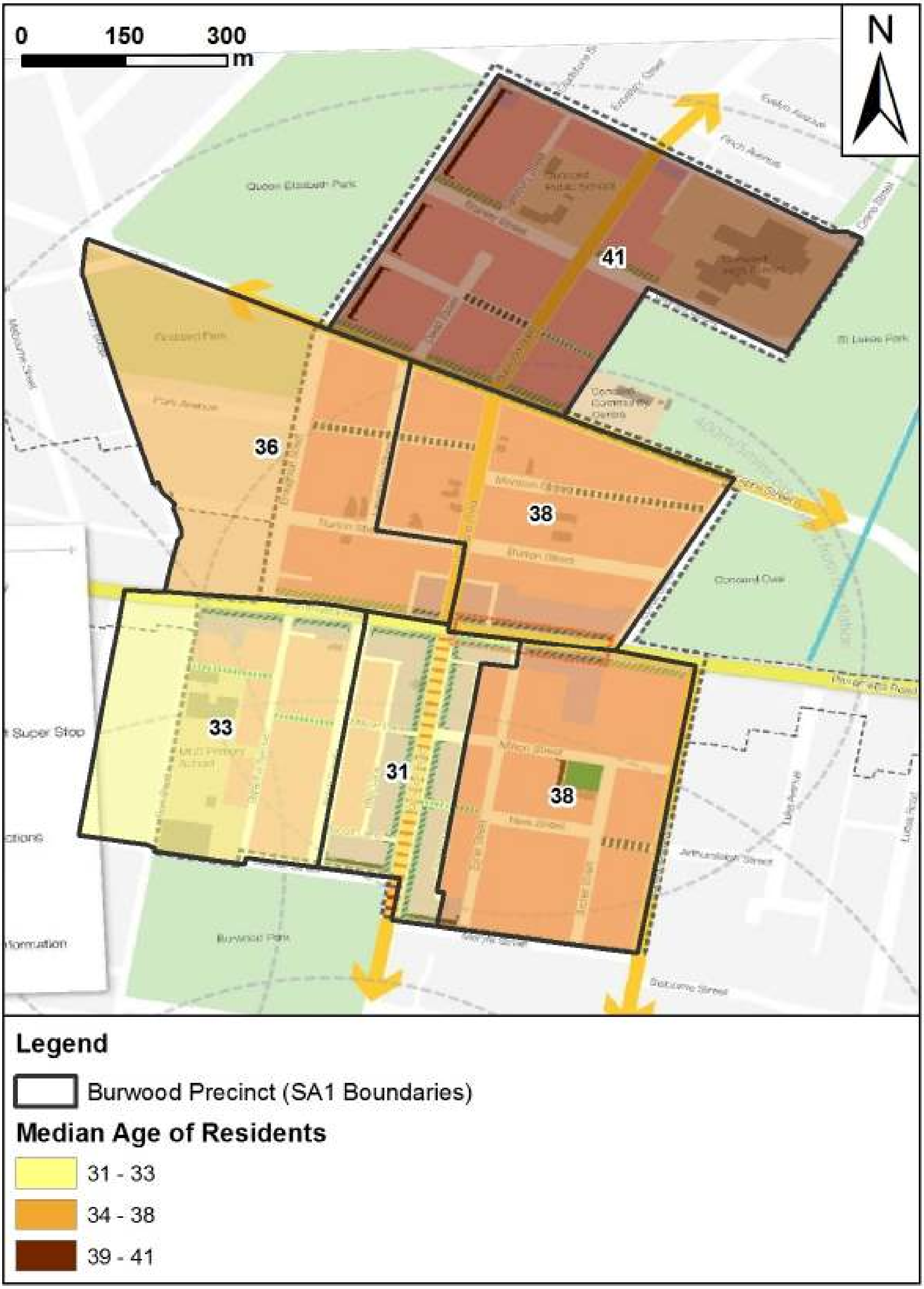
Source: JSA 2016, based on data from ABS (2011) Census



	Burwood Precinct	Burwood (A)	Canada Bay (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Age	37	35	37	34	34	36
% Residents Aged 70+ Years	12.2%	11.0%	10.0%	7.0%	7.7%	7.7%

Figure 5-4 Median Age in the Burwood Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 5-5 Median Age of Residents in the Burwood Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

5.4 Planning Context

As noted above the zoning for the precinct is predominantly R2 and R3 (Low and Medium Density Residential), with the areas surrounding Parramatta Road zoned as B6 (Enterprise Corridor) and B4 (Mixed Use).[46] The zoning given in the Draft Parramatta Road Urban Transformation Strategy appears to be essentially the same, with only minor changes (e.g. the areas fronting Parramatta Road will be zoned as Mixed Use rather than Enterprise Corridor).[47]

The Canada Bap LEP currently prescribes varying building height limits for the area north of Parramatta Road. The areas fronting Parramatta Road currently have a building height limit of 12 metres, while the residential areas to the north have a building height limit of 8.5 metres.[48] The Burwood LEP currently prescribes a building height limit of 15 metres for the areas fronting the south side of Parramatta Road, 30 metres for the corridor along Burwood Road and 8.2 metres for the remainder of this area of the precinct.[49] The Strategy proposes maximum building heights for the residential areas ranging from 29 metres to 42 metres. The areas fronting Parramatta Road to the north are proposed to have a maximum building height of 82 metres, while the areas surrounding Parramatta Road to the South generally have a building height limit of 42 metres. Smaller areas in the north and south east of the precinct are proposed to have a maximum building height of 17 metres.[50]

The LEPs prescribe varying FSRs for the precinct. The areas currently zoned as residential have an FSR of 0.5:1 or 0.55:1. The areas currently zoned as B6 (Enterprise Corridor) and B4 (Mixed Use) currently have FSRs of 1.75:1 and 3:1 (or 2:1), respectively.[51]

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[46] Canada Bay Local Environmental Plan 2013 and Burwood Local Environmental Plan 2012
[47] Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.63
[48] Canada Bay Local Environmental Plan 2013
[49] Burwood Local Environmental Plan 2012
[50] Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.64
[51] Canada Bay Local Environmental Plan 2013 and Burwood Local Environmental Plan 2012

6 Camperdown Precinct

6.1 Geographic Description

The Camperdown Precinct is bounded to the north, Derby Street to the south, Mallet Street to the east and Susan Street to the west. The Precinct has an area of 14.98 hectares.[52]

[52] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.87

Figure 6-1 Map of Camperdown Precinct Structure Plan
Source: Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015

6.2 Intention Summary

6.2.1 Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 720 persons living in 389 dwellings in the Camperdown Precinct. This is predicted to grow to 3,110 persons living in 1,728 dwellings by 2050. In terms of employment, there are currently 1,400 jobs in the area predicted to grow to 1,551 by 2050.[53]

6.2.2 Land Use

The Camperdown Precinct lies within two LGAs, Leichhardt and Marrickville. The area north of Parramatta Road is zoned under Leichhardt's LEP 2013[54] and the area south of Parramatta Road is zoned under Marrickville's LEP 2011[55]. According to these LEPs the zoning for the precinct is predominantly IN2 (Light Industrial). What is permitted under IN2 zoning varies under each LEP but examples of what is allowed includes warehouse distribution centres, depots and neighbourhood centres. A smaller area fronting the south side of Parramatta Road is zoned B2 (Local Centre). The area south of Parramatta Road has a small amount of R1 (General Residential) and R4 (High Density Residential) zoning. The western boarder of the Precinct to the north of Parramatta road contains some RE1 (Public Recreation) zoning.[56]

6.2.3 Vision

The Strategy expressed that the Camperdown Precinct will be home to high-quality housing and workplaces right on the edge of the CBD, well connected to the surrounding city, parklands, health and education facilities and focused on a busy and active local centre.

6.2.4 Delivering the Vision

The Strategy noted that this vision can be realised by:

- Connecting new developments to the surrounding neighbourhoods and carefully transitioning new, higher-density development to existing conservation areas
- Adapting and retaining the character of existing industrial heritage buildings
- Increasing the potential for student housing
- Addressing the constraints of the north-south street blocks and limited east-west connections
- Recognising that the University and RPA may expand into their existing land holdings, which may limit the potential to improve connections
- Addressing traffic issues on Mallet and Booth Streets and Pyrmont Bridge Road to create better connections to open space
- Improving the amenity around Parramatta Road

[53] Ibid, p.85
[54] Leichhardt Local Environmental Plan 2013
[55] Marrickville Local Environmental Plan 2011
[56] Leichhardt LEP 2013 and Marrickville LEP 2011

- Mitigating noise and air quality issues and potential flooding associated with Johnston's Creek
- Addressing any short-term implications of industrial strata landholdings on development
- Improving connections between workplaces and local areas
- Providing the required floorplate sizes and building typologies
- Using the right mechanisms to fund public infrastructure, including high quality public places.[57]

6.3 Key Demographic Features

6.3.1 Precinct

In terms of demographic indicators we have looked at as part of this study, the Camperdown Precinct differentiates from the other precincts in some key ways. Camperdown Precinct is by far the most advantaged of all the eight precincts across all ABS 2011 SEIFA categories (Disadvantage, Economic Resources and Education and Occupation) with a SEIFA Disadvantage score and Education and Occupation score that places it in the top 10 percent and 3 percent, respectively, in NSW.

While the Camperdown Precinct has a significantly higher median weekly rent compared to Greater Sydney ($493 compared to $351), relative to local incomes the precinct is more affordable, with the average household paying only 19% of its weekly income of $2,537 on rent (compared with 24% in Greater Sydney).[58]

6.3.2 Local Government Area

The Camperdown Precinct is located in both the Marrickville and Leichardt Local Government Areas. Both Marrickville and Leichhardt have high ABS 2011 SEIFA scores in relation to Disadvantage (80th percentile and 90th percentile, respectively) and Education and Occupation (91st and 97th percentile, respectively). The LGAs differ however with Leichhardt having the second highest score of the precincts for Economic resources (83rd percentile) while Marrickville sits in the bottom 41 percent of areas in NSW.

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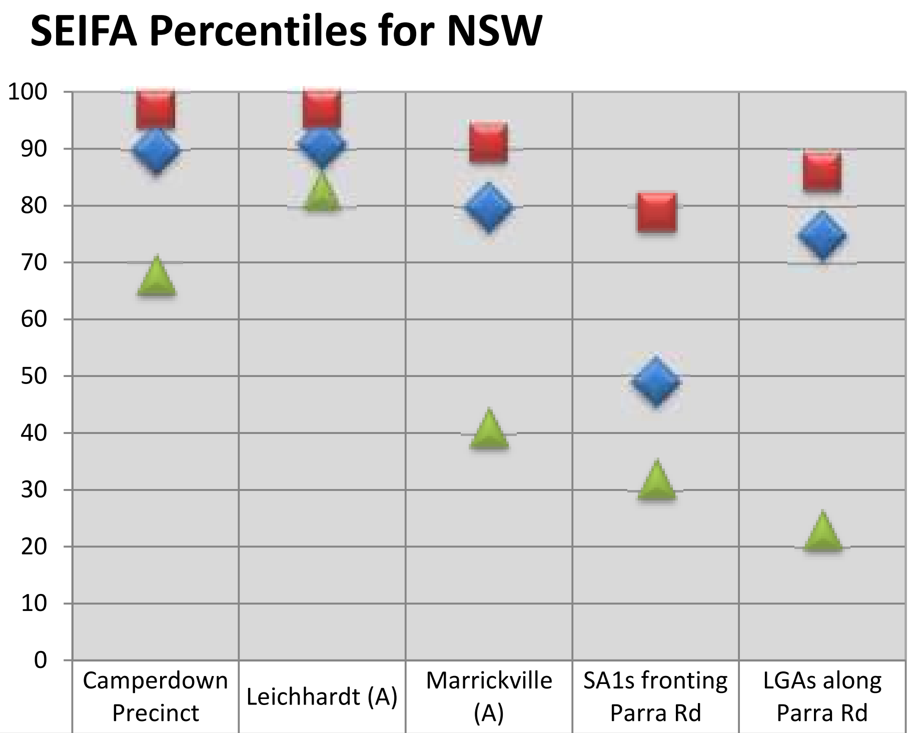
[57] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.84

[58] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



	Camperdown Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	90	91	80	49	75
SEIFA Education and Occupation	97	97	91	79	86
SEIFA Economic Resources	68	83	41	32	23

Figure 6-2 ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Camperdown Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road.

Source: JSA 2016, based on data from ABS (2011) Census

Map 6-1 ABS 2011 SEIFA Disadvantage scores for the Camperdown Precinct by SA1

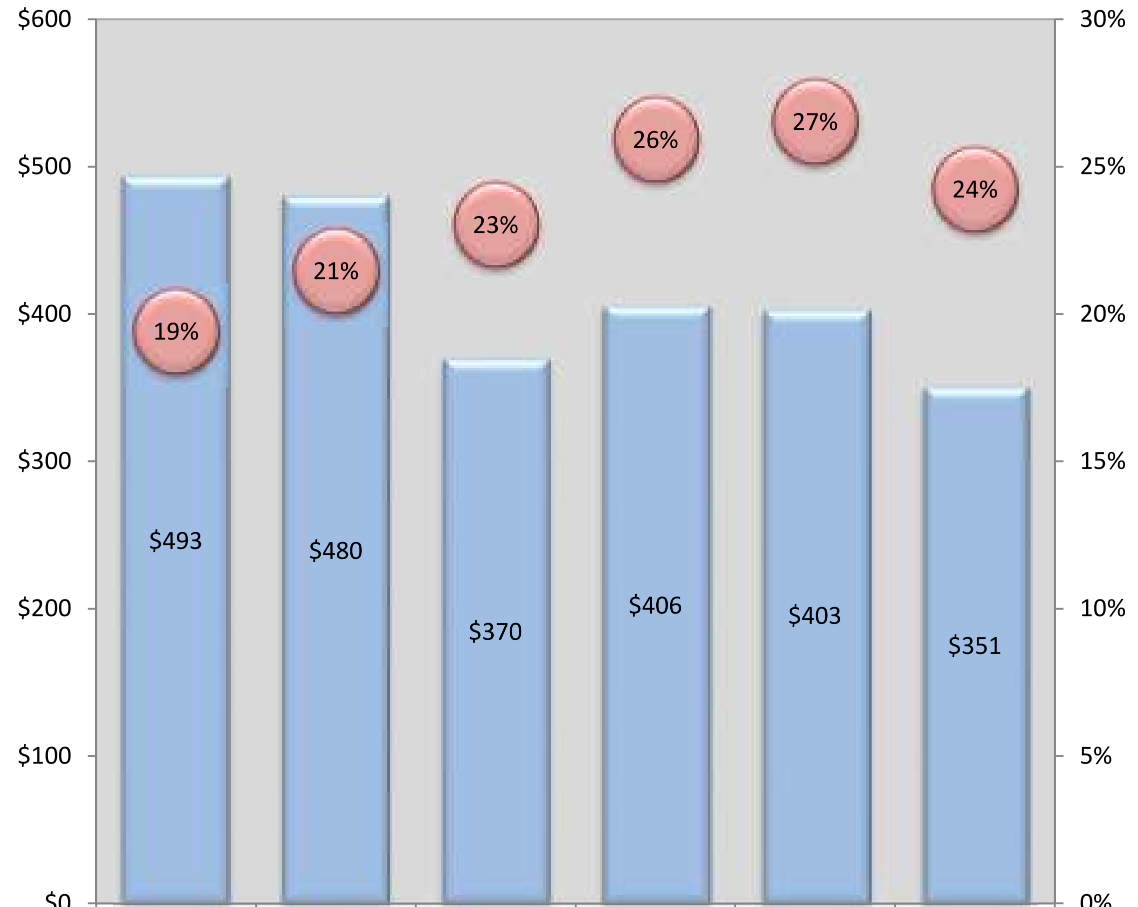
Source: JSA 2016, based on data from ABS (2011) Census

Map 6-2 ABS 2011 SEIFA Economic Resources scores for the Camperdown Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

Map 6-3 ABS 2011 SEIFA Education and Occupation scores for the Camperdown Precinct by SA1

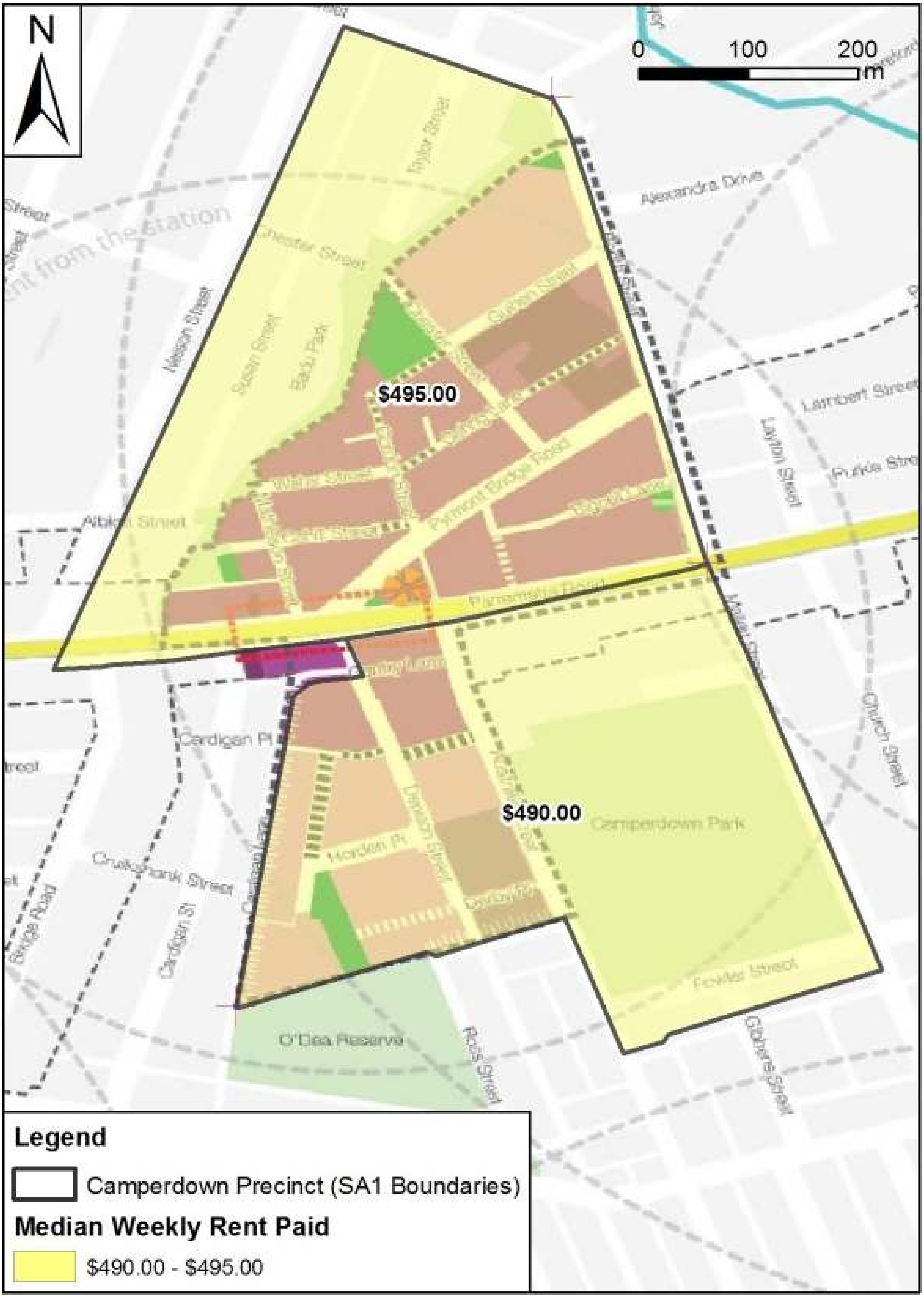
Source: JSA 2016, based on data from ABS (2011) Census



	Camperdown Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$493	$480	$370	$406	$403	$351
Median Weekly Rent as % of MGWHHI for Area	19%	21%	23%	26%	27%	24%

Figure 6-3 Median Weekly Rent for the Camperdown Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 6-4 Median Weekly Rent for the Camperdown Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

6.4 Planning Context

As noted above the zoning for this precinct is predominantly IN2 (Light Industrial), with smaller amounts of B2 (Local Centre), R1 (General Residential) and R4 (High Density Residential). The zoning given in the Draft Parramatta Road Urban Transformation Strategy does differ from that shown in the Leichhardt and Marrickville LEPs.[59] The area bounded by Parramatta Road and Pyrmont Bridge Road will be zoned as Enterprise and Business. The large portions of the precinct north and south of Parramatta Road currently zoned as Light Industrial will predominantly be zoned as residential, with small sections of Mixed Use and Proposed Open Space zoning.[60]

The current Marrickville LEP prescribes several different building heights for the Precinct south of Parramatta Road. The maximum building height prescribed is for an area fronting Parramatta Road at 23 metres, with other sections in this area limited to 20 metres and 14 metres. A large section of this area was not prescribed with a maximum building height in the Marrickville LEP and the Leichhardt LEP did contain a map indicating building heights for the area of the Precinct north of Parramatta Road.[61]

The Urban Transformation Strategy proposes a maximum building height of 42m for the majority of the Camperdown Precinct, particularly the areas fronting Parramatta Road. The remaining areas are generally prescribed a maximum building height of 29 metres.[62]

Leichhardt's 2013 LEP prescribes a FSR of 1:1 for the entire area of the Precinct north of Parramatta Road. The Marrickville 2011 LEP prescribes several different FSR for the area of the Precinct south of Parramatta Road, including an FSR of 1.5:1 and 2.05:1 for the areas fronting Parramatta Road and generally 0.95:1 for the areas set back from Parramatta Road. A small section just off Parramatta Road has an FSR of 0.6:1, however has a condition that it may exceed the maximum FSR prescribed as long as it is by no more than 0.25:1.[63]

While both LGAs have a higher median weekly rent than Greater Sydney (Leichhardt being significantly higher: $480 compared with $351), they are less expensive to live relative to local income with the average household in Leichhardt spending 21% of its $2,234 weekly income on rent and an average household in Marrickville spending 23% of its $1,605 weekly income on rent.[64]

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[59] Leichhardt LEP 2013 and Marrickville LEP 2011
[60] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.87
[61] Leichhardt LEP 2013 and Marrickville LEP 2011
[62] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.88
[63] Leichhardt LEP 2013 and Marrickville LEP 2011
[64] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)

7 Granville Precinct

7.1 Geographic Description

The Granville Precinct is roughly bounded by the western Motorway (M4) to the north, Railway Parade to the South, Duck Creek to the East and Woodville Rd to the west. The Precinct has an area of around 66.29 hectares.[65]

[65] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.45

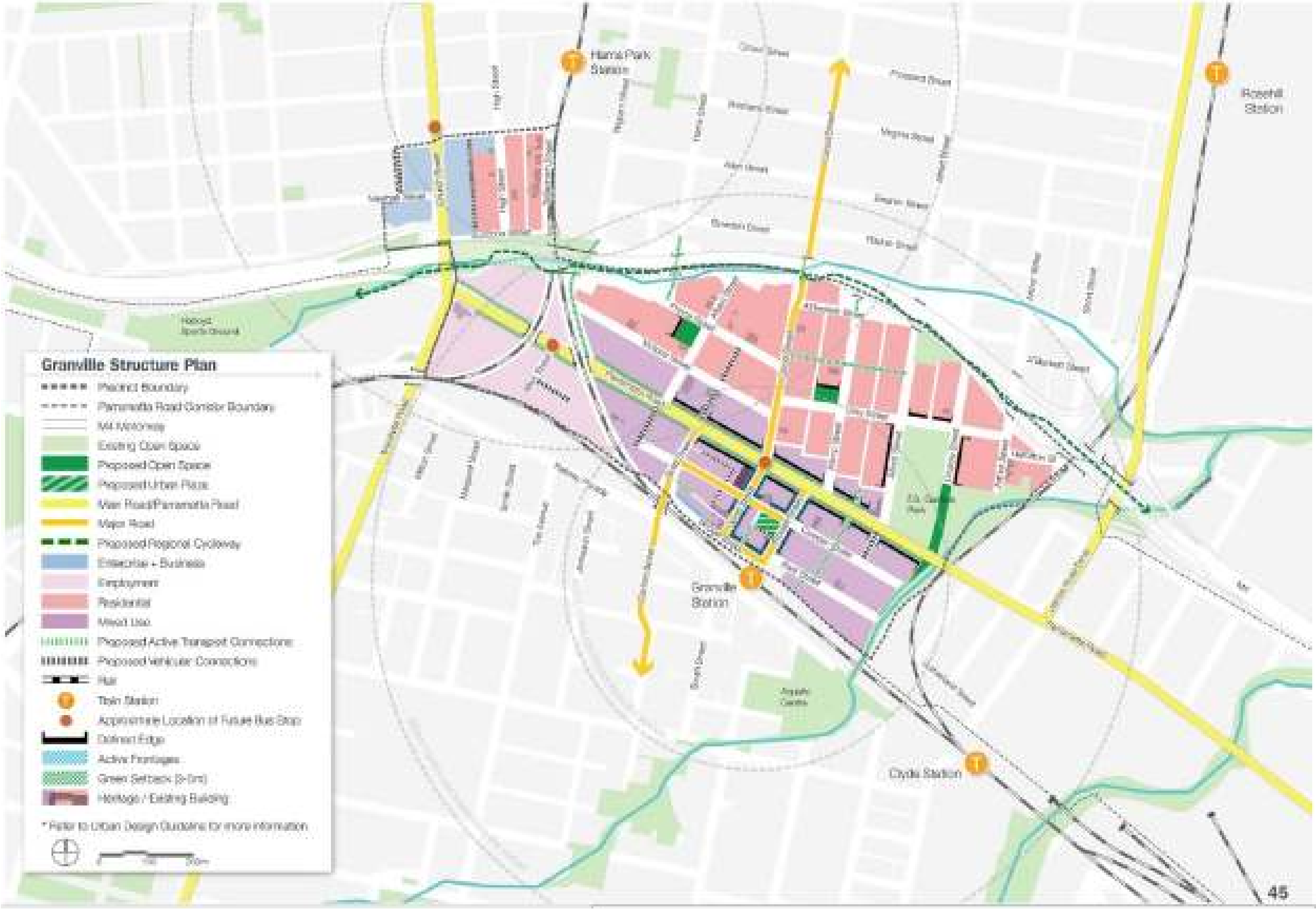

Figure 7-1 Map of Granville Precinct Structure Plan
Source: Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015

7.2 Intention Summary

7.2.1 Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 836 persons living in 294 dwellings in the Granville Precinct. This is predicted to grow to 12,806 persons living in 7,114 dwellings by 2050. In terms of employment, there are currently 2,751 jobs in the area, predicted to grow to 3,873 by 2050.[66]

7.2.2 Land Use

The zoning of the Granville Precinct according to the Parramatta Local Environmental Plan 2011[67] is a mixture of B6 (Enterprise Corridor), B4 (Mixed Use) and R2 and R3 (Low and Medium Density Residential). The Zoning fronting Parramatta Road is predominantly B6, which allows for business premises, community facilities warehouse and distribution centres. There is also a smaller amount of RE1 (Public Recreation) and B2 (Local Centre) zoning fronting Parramatta Road and a very small amount of R4 (High Density Residential) zoning setback just off Parramatta Road.

The section of Granville Precinct bounded roughly by Raymond St to the North, Junction St to the South Tottenham St to the East and Church St to the west is not currently zoned in Parramatta's 2011 LEP.[68]

7.2.3 Vision

The Strategy notes that being close to Sydney's second CBD at Parramatta, Granville will be a vibrant mix of new housing, shops and commercial spaces, linked by a much improved network of streets and attractive new parks and public spaces.[69]

7.2.4 Delivering the Vision

The Strategy states that this vision can be realised by:

- making it easier for people and cars to move north to south to cross major roads and the railway line
- mitigating the impact of noise from busy roads and the rail line in residential areas
- ensuring design excellence for new development
- appropriately transitioning between new, taller buildings and existing housing between Parramatta Road and the M4 Motorway
- creating better links between sites
- responding to small lot sizes and land fragmentation
- delivering community services, including quality parks, plazas and open spaces
- preserving and incorporating heritage buildings and streetscapes

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66 Ibid, p.44
67 Parramatta Local Environmental Plan 2011
68 Ibid
69 Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.42

- delivering new connections and upgrades to facilitate improved access and movement
- using the right mechanisms to fund public infrastructure, including high quality public places.[70]

7.3 Key Demographic Features

7.3.1 Precinct

In terms of demographic indicators that we have looked at as part of this study, the Granville Precinct is generally similar to the other Precincts, although differentiates in some key ways. Granville Precinct is the second most disadvantaged of the eight precincts, after Auburn, with an ABS 2011 SEIFA Disadvantage Score which places it in the bottom 27 percent of areas in NSW. The precinct also performs poorly in terms of Economic Resources (16 percent) while sitting just above the bottom half of areas in NSW in terms of Education and Occupation (54th percentile).

House prices in the precinct are relatively cheap, with a median weekly rent of around $334, though relative to local incomes the precinct is similar in affordability to the other precincts and Greater Sydney. A median income household would pay around 26% of its of its gross weekly income of $1,265 on rent.

In terms of median age, Granville Precinct is younger than the other precincts and the Greater Sydney average (31years compared with 34 years and 36 years respectively).[71]

7.3.2 Local Government Area

The Granville Precinct is located in the Parramatta Local Government Area. This LGA has low ABS 2011 SEIFA scores for Economic Resources (bottom 26th percentile), however scores quite high for SEIFA Education and Occupation (80th percentile). Parramatta LGA has the highest percentage of Community Housing rented dwellings of all the LGAs, with almost double the percentage of Greater Sydney (1.1% compared with 0.6%).

Parramatta LGA has slightly lower median weekly rents than Greater Sydney; however, relative to local incomes it is slightly more expensive to live with a median income family paying roughly 26% of its gross weekly income on rent (compared with 24% for Greater Sydney).

Parramatta LGA has a slightly younger age profile than Greater Sydney, with a median age of 33 compared with 36 for Greater Sydney. Parramatta LGA has a relatively high proportion of dwellings that are separate houses compared with the other LGAs (52% compared with 35% for the LGAs fronting Parramatta Road).[72]

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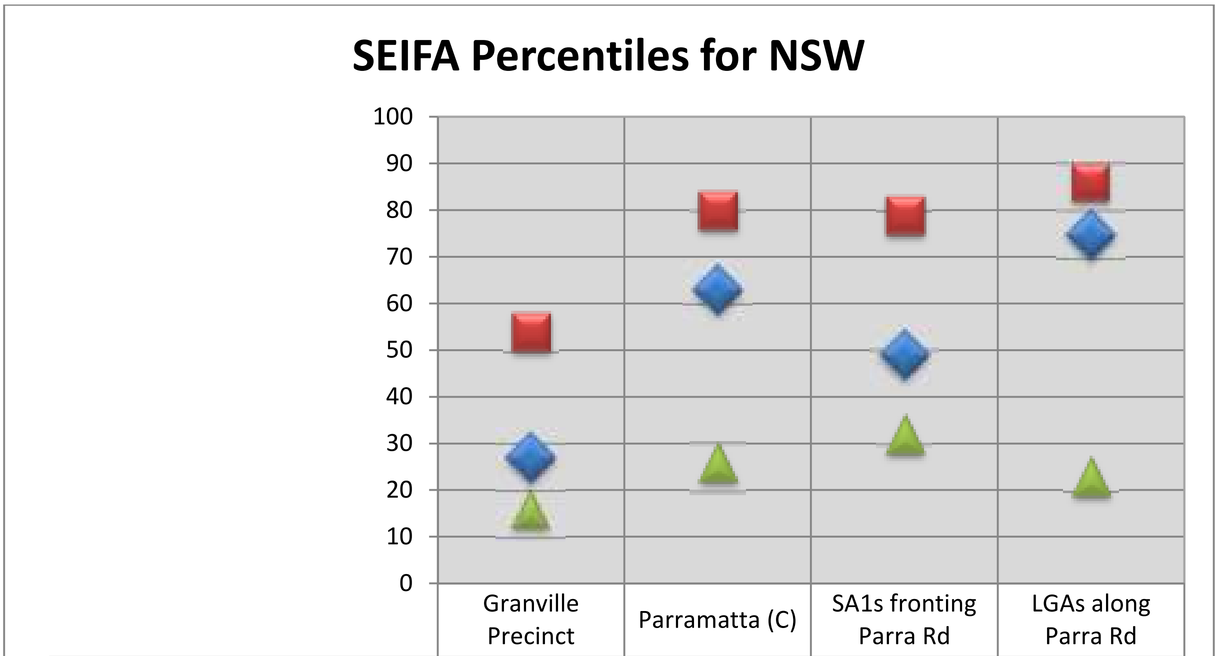
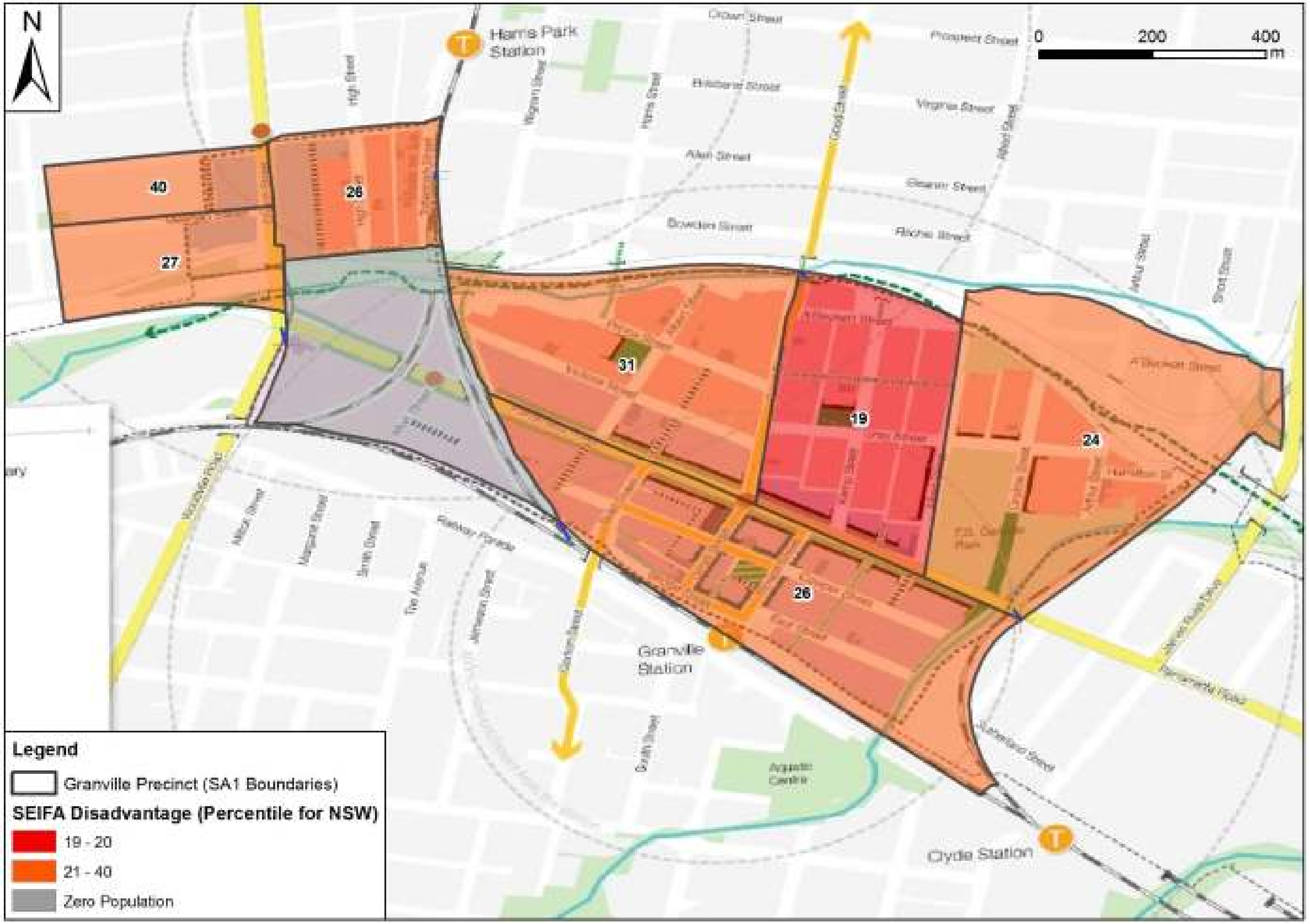
[70] Ibid
[71] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)
[72] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



	Granville Precinct	Parramatta (C)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	27	63	49	75
SEIFA Education and Occupation	54	80	79	86
SEIFA Economic Resources	16	26	32	23

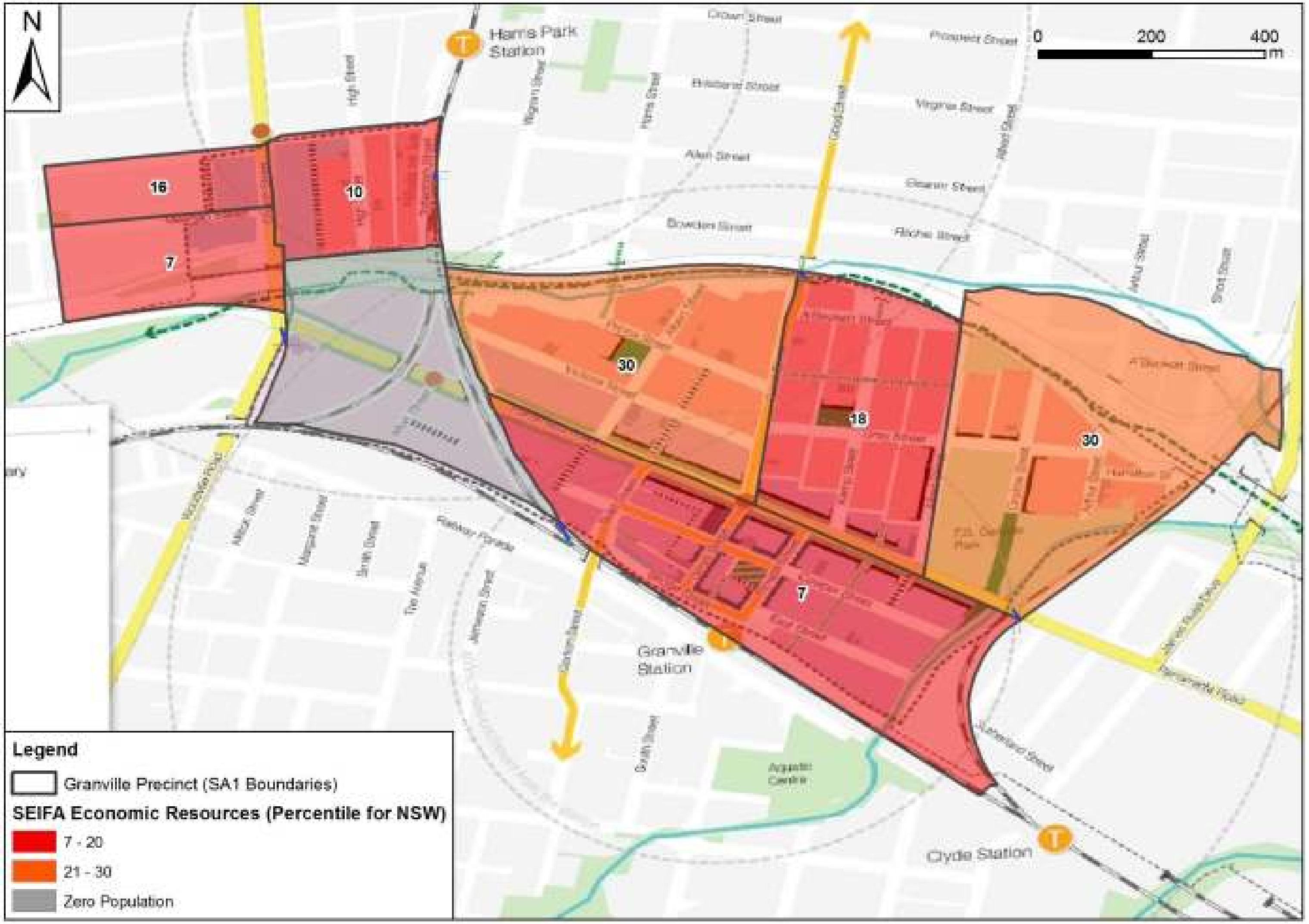
Figure 7-2 ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Granville Precinct, the LGA containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road.

Source: JSA 2016, based on data from ABS (2011) Census



Map 7-1 ABS 2011 SEIFA Disadvantage scores for the Granville Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

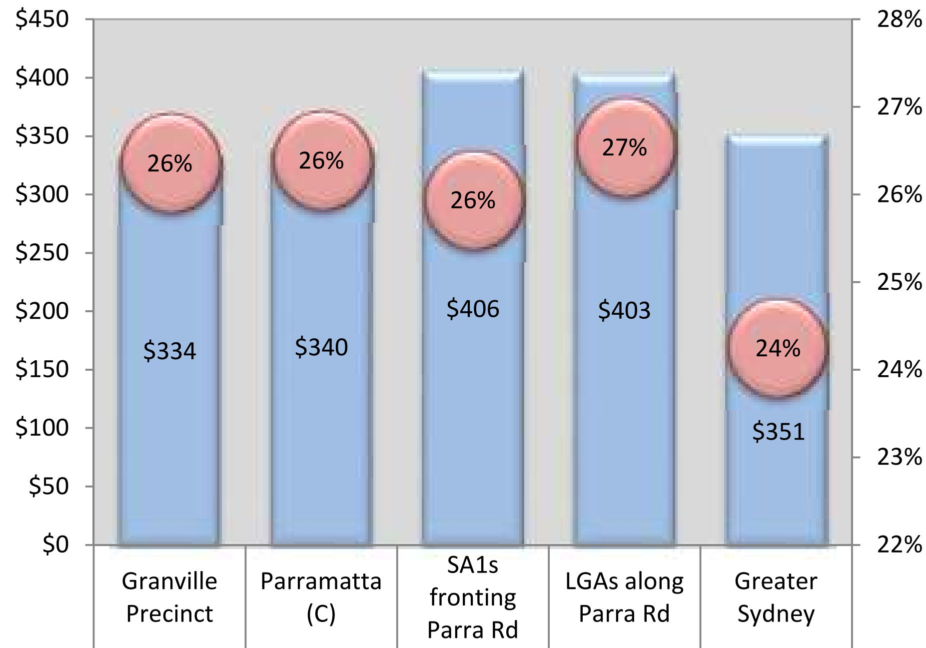


Map 7-2 ABS 2011 SEIFA Economic Resources scores for the Granville Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

Map 7-3 ABS 2011 SEIFA Education and Occupation scores for the Granville Precinct by SA1

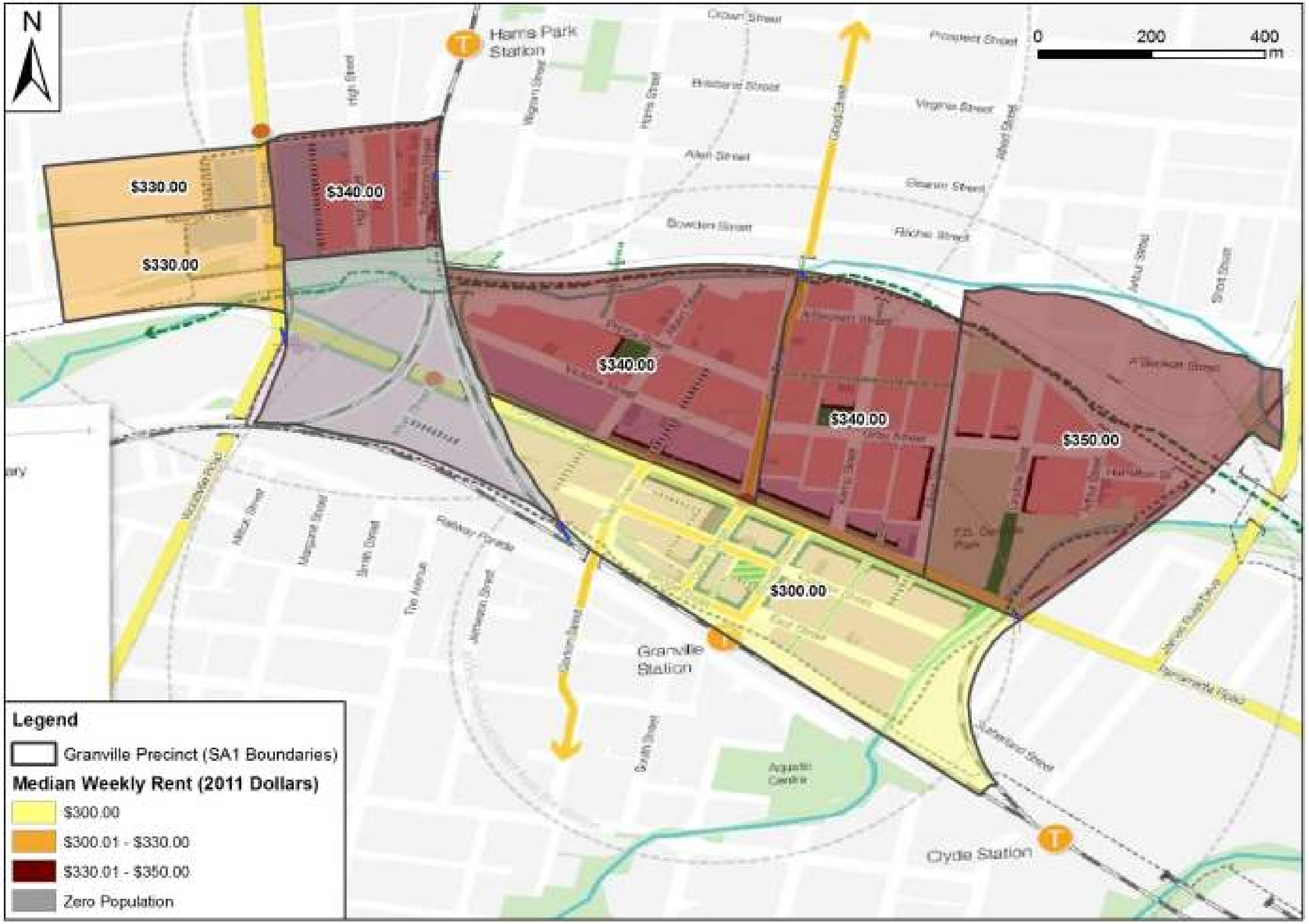
Source: JSA 2016, based on data from ABS (2011) Census



	Granville Precinct	Parramatta (C)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$334	$340	$406	$403	$351
Median Weekly Rent as % of MGWHHI for Area	26%	26%	26%	27%	24%

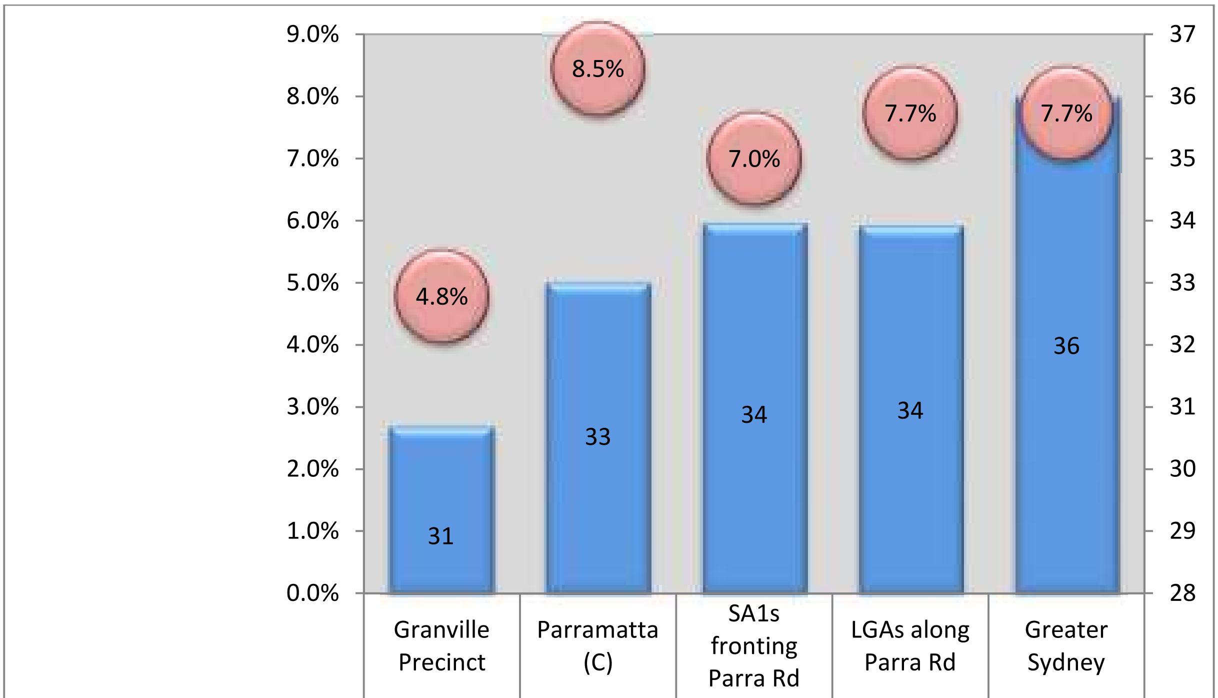
Figure 7-3 Median Weekly Rent for the Granville Precinct, the LGA containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 7-4 Median Weekly Rent for the Granville Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census



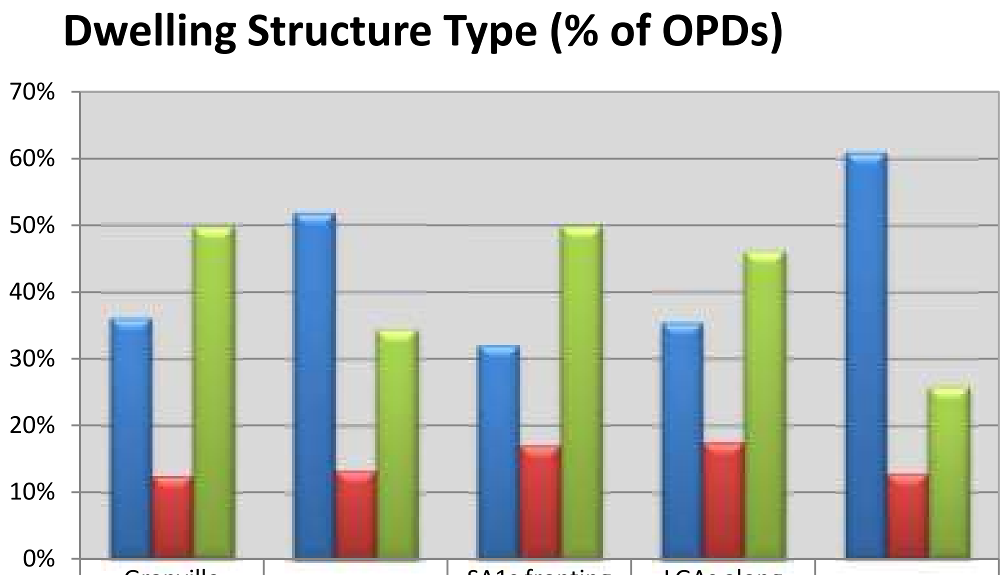
	Granville Precinct	Parramatta (C)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Age	31	33	34	34	36
% Residents Aged 70+ Years	4.8%	8.5%	7.0%	7.7%	7.7%

Figure 7-4 Median Age in the Granville Precinct, the LGA containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Map 7-5 Median Age of Residents in the Granville Precinct by SA1

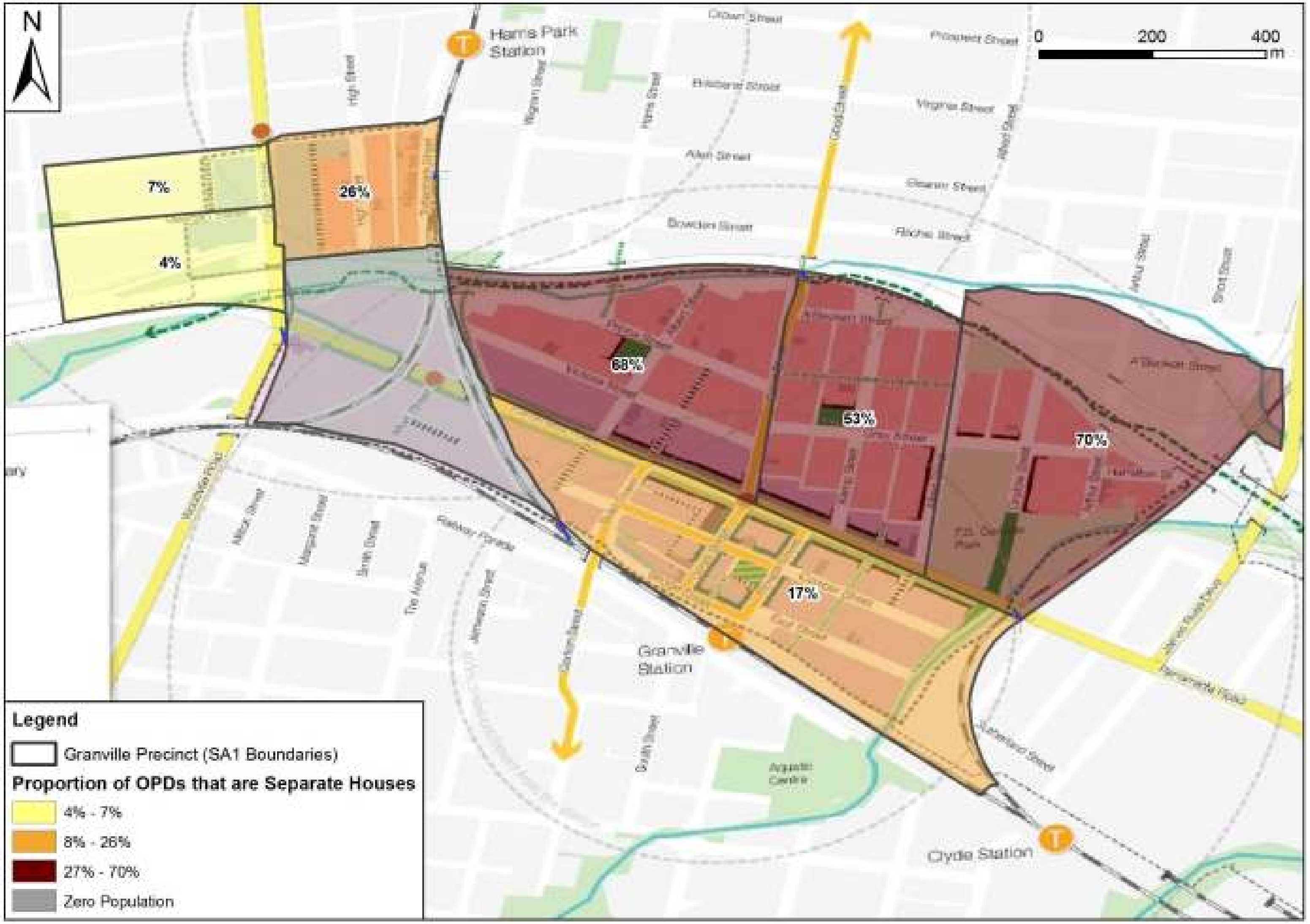
Source: JSA 2016, based on data from ABS (2011) Census



	Granville Precinct	Parramatta (C)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Separate House	36%	52%	32%	35%	61%
Medium Density	12%	13%	17%	18%	13%
Flats and Units	50%	34%	50%	46%	26%

Figure 7-5 Dwelling Structure Type in the Granville Precinct, the LGA containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 7-6 Proportion of Dwellings that are Separate Houses in the Granville Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

7.4 Planning Context

As noted above, the zoning for the precinct is a mixture of B6 (Enterprise Corridor), B4 (Mixed Use) and R2 and R3 (Low and Medium Density Residential), with the areas fronting Parramatta Road predominantly zoned as B6.[73] The zoning given in The Strategy does differ from that shown in the Parramatta LEP with areas fronting Parramatta Road becoming predominantly B4 (Mixed Use) zoning, including the areas currently zoned as B2 (Local Area).[74] Apart from these changes, the zoning has remained fairly similar. The current Parramatta City Council LEP prescribes several different building heights varying building heights for the Granville precinct. The areas fronting Parramatta Road generally have a building height limit of 21 metres, with some sections limited to 15 metres. The residential areas generally have a building height limit of either 12 metres or 9 metres (medium and low density residential, respectively). The mixed use zoned land to the south of Parramatta Road generally has a building height limit of 52 metres.[75]

Parramatta's 2011 LEP also prescribes varying FSR across the precinct. The area currently zoned for mixed use has an FSR of 6:1, while the majority of areas fronting Parramatta Road have a FSR of 3:1. Certain sections along Parramatta Road limit the FSR to 2:1. The areas zoned as residential have an FSR of 0.6:1 or 0.5:1 (Medium and low density residential, respectively).

The section of Granville Precinct bounded roughly by Raymond St to the North, Junction St to the South Tottenham St to the East and Church St to the west does not currently have a building height limit or FSR in Parramatta's 2011 LEP.[76]

The Strategy proposes a maximum building height of 82 metres for the majority of the precinct, particularly the areas south of Parramatta Road. Other areas within the precinct have varying maximum buildings heights, ranging from 17 metres to 42 metres.[77]

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[73] Parramatta Local Environmental Plan 2011
[74] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.45
[75] Parramatta Local Environmental Plan 2011
[76] Ibid
[77] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.46

8 Homebush Precinct

8.1 Geographic Description

The Homebush Precinct is roughly bounded by Concord Avenue to the north, Loftus Crescent to the south, Queen Street to the east and Homebush Bay drive to the west (excluding Mason and Bressington Parks). The precinct has an area of 209.9 hectares.[78]

[78] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.57

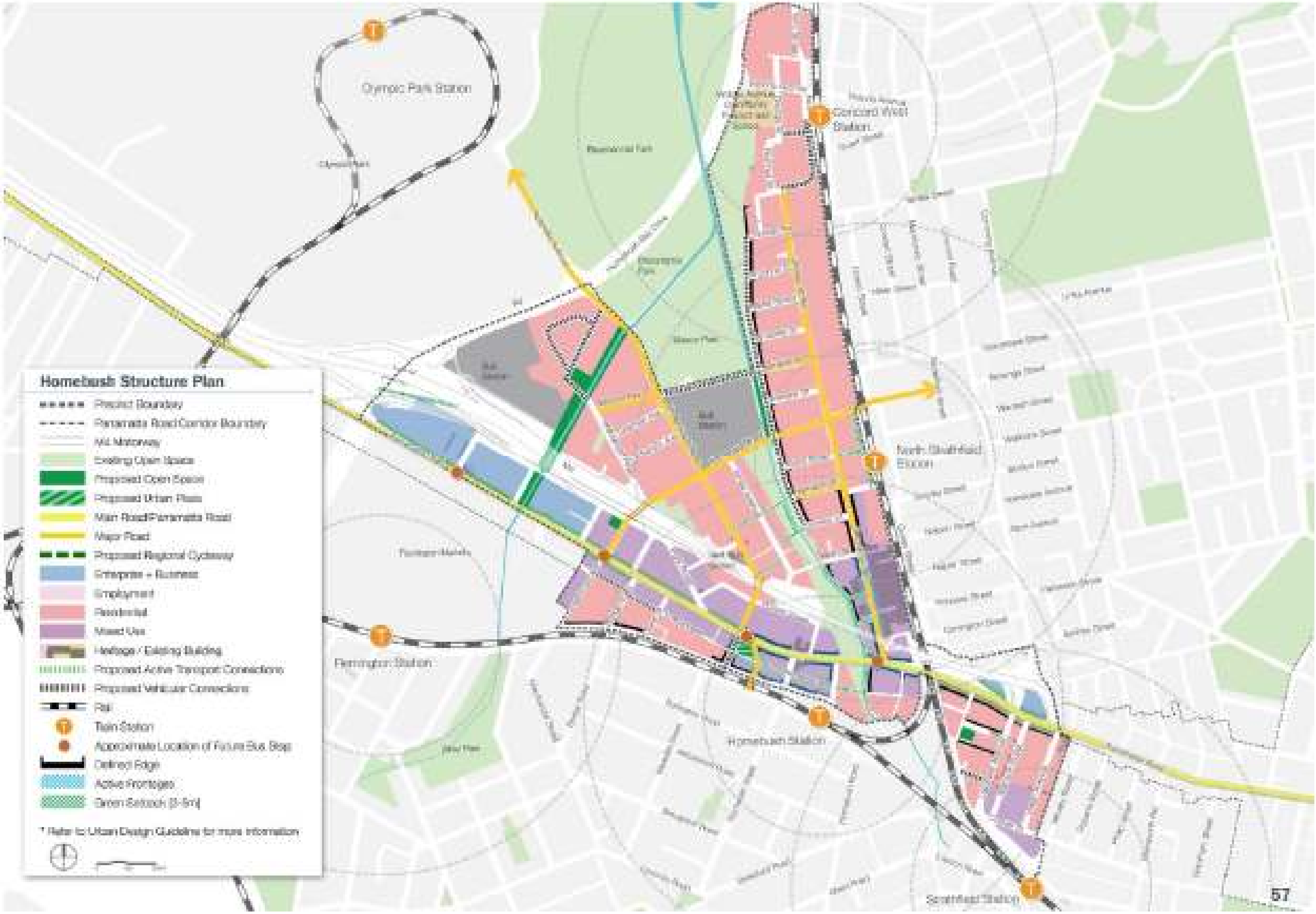

Figure 8-1 Map of Homebush Precinct Structure Plan
Source: Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015

8.2 Intention Summary

8.2.1 Population, Dwellings and Jobs

According to the Urban growth NSW draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 4,693 persons living in 1,721 dwellings in the Homebush Precinct. This is predicted to grow to 31,238 persons living in 17,354 dwelling by 2050. In terms of employment, there are currently 6,359 jobs in the area, predicted to grow to 12,356 by 2050.[79]

8.2.2 Land Use

The Homebush Precinct lies within two LGAs, Strathfield and Canada Bay. The north-eastern section of the Precinct is zoned under the Canada Bay LEP 2013[80] while the south-western section of the precinct is zoned under the Strathfield LEP 2012[81]. The Homebush Precinct is zoned for a number of different land uses, predominantly R2 and R3 (Low and Medium Density Residential), B4 (Mixed Use), IN1 (General Industry) and RE1 (Public Recreation). The areas fronting Parramatta Road are generally zoned B4 (Mixed Use), generally allowing commercial premises, hotel and motel accommodation, Boarding Houses, education facilities (although this varies between the LEPs), with a smaller section zoned as B6 (Enterprise Corridor) and SP1 (Infrastructure).[82]

8.2.3 Vision

The Strategy describes the Homebush Precinct as sitting between Sydney's two main CBDs, with a vision for the Precinct to be transformed into an active and varied hub, blending higher density housing and a mix of different uses, supported by a network of green links and open spaces with walking access to four train stations.[83]

8.2.4 Delivering the Vision

The Strategy states that this vision can be realised by:

- Building on the vibrancy and character of the Bakehouse Quarter
- Delivering a high quality open space network and improving the areas around the train stations
- Planting trees and improving the environment along Parramatta Road
- Ensuring the viability of shops and commercial uses along Parramatta Road
- Addressing on-street parking along Parramatta Road
- Minimising traffic congestion along Parramatta Road, including north-south connections
- Boosting service frequency at Flemington, Homebush, Concord West and North Strathfield Stations

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[79] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.55
[80] Canada Bay Local Environment Plan 2013
[81] Strathfield Local Environmental Plan 2012
[82] Canada Bay LEP 2013 and Strathfield LEP 2012
[83] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.54

- Addressing barriers such as the M4 Motorway and Concord Road
- Managing flooding, noise and contamination constraints
- Using the right mechanisms to fund public infrastructure, including high quality public places.[84]

8.3 Key Demographic Features

8.3.1 Precinct

In terms of demographic indicators that we have looked at as part of this study, the Homebush Precinct differs from the other precincts in several ways. Homebush has the youngest population of all precincts, the average age being 30 years, compared with 36 years for Greater Sydney).

The Homebush Precinct has higher median weekly rents than Greater Sydney ($440 compared with $351). Overall, it is the second most expensive precinct to live in relative to weekly income, with a median income household paying around 29% of its gross weekly income of $1,503 on rent.

Overall, Homebush has a relatively high ABS 2011SEIFA score for Education and Occupation (81st percentile) with average to lower scores for Disadvantage and Economic Resources (56th percentile and 30th percentile, respectively).[85]

8.3.2 Local Government Area

The Homebush Precinct is located in the Strathfield and Canada Bay LGAs. These LGAs both have high scores across all ABS 2011 SEIFA categories (Disadvantage, Economic Resources and Education and Occupation), particularly Canada Bay. Canada Bay and Strathfield both have considerably higher median weekly rents, ($480 and $400, respectively, compared with $351).

Canada Bay has a significantly higher median gross weekly household income than most other LGAs, having the second highest gross weekly income. A median income household in Canada Bay would pay roughly 26% of their $1,817 weekly income on rent. Strathfield has a similar level of affordability, with a median income household paying roughly 28% of their $1,421 weekly income on rent.

Both Canada Bay and Strathfield LGAs are the least affordable to persons on a very low income, with only 1% and 1.2%, respectively being able to afford a weekly rent in these LGAs (compared with 2.3% in Greater Sydney).[86]

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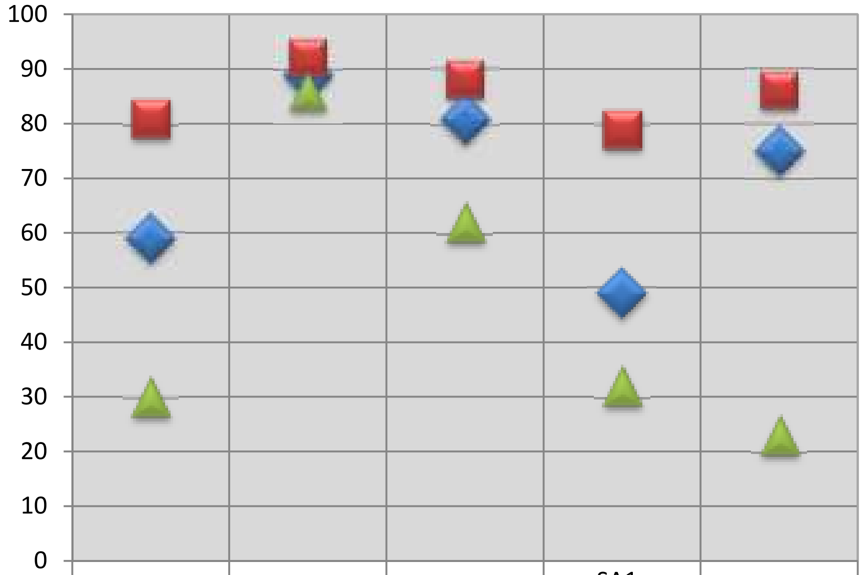
[84] Ibid

[85] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)

[86] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



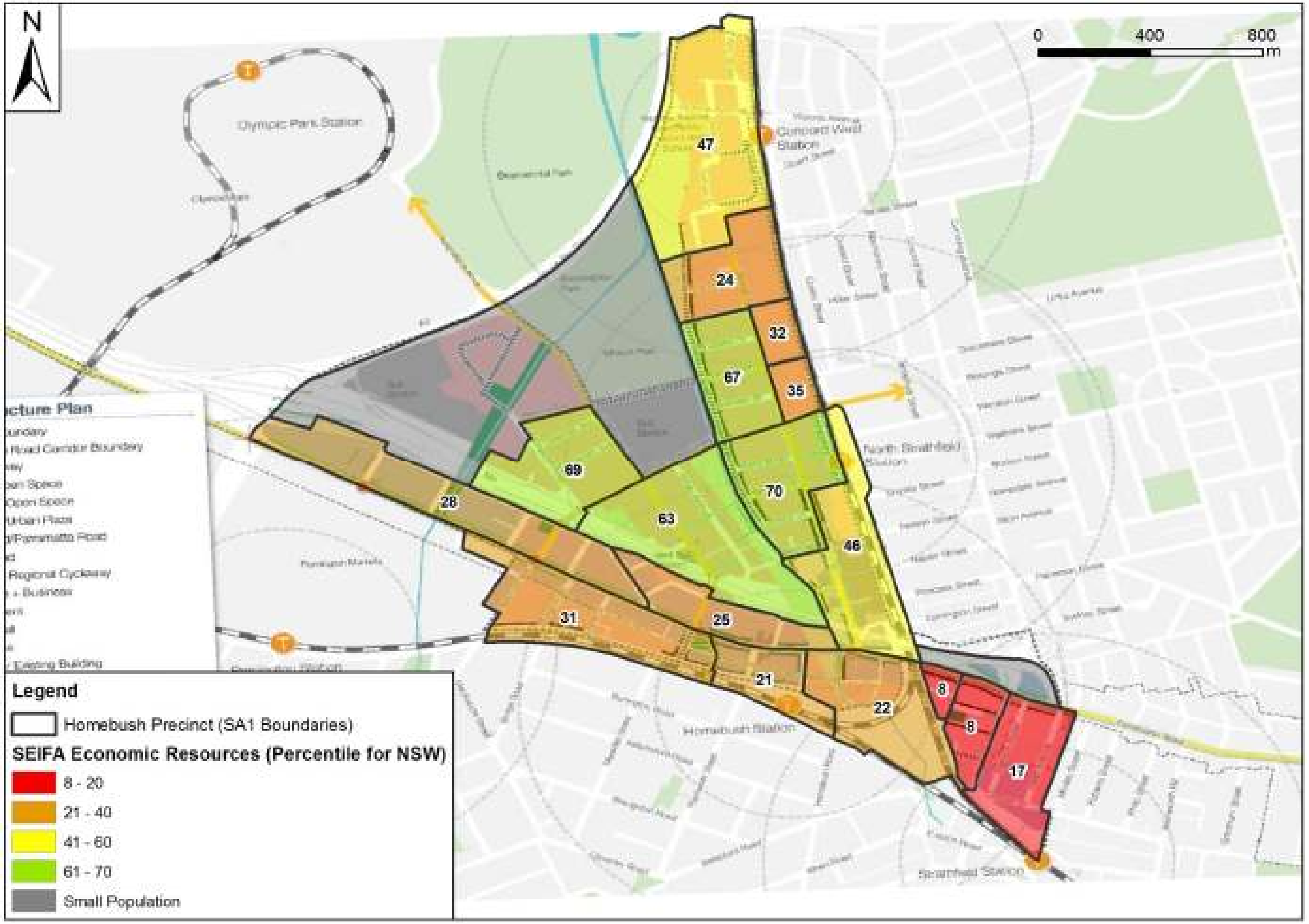
	Homebush Precinct	Canada Bay (A)	Strathfield (A)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	59	89	81	49	75
SEIFA Education and Occupation	81	92	88	79	86
SEIFA Economic Resources	30	86	62	32	23

Figure 8-2ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Homebush Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Map 8-1 ABS 2011 SEIFA Disadvantage scores for the Homebush Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

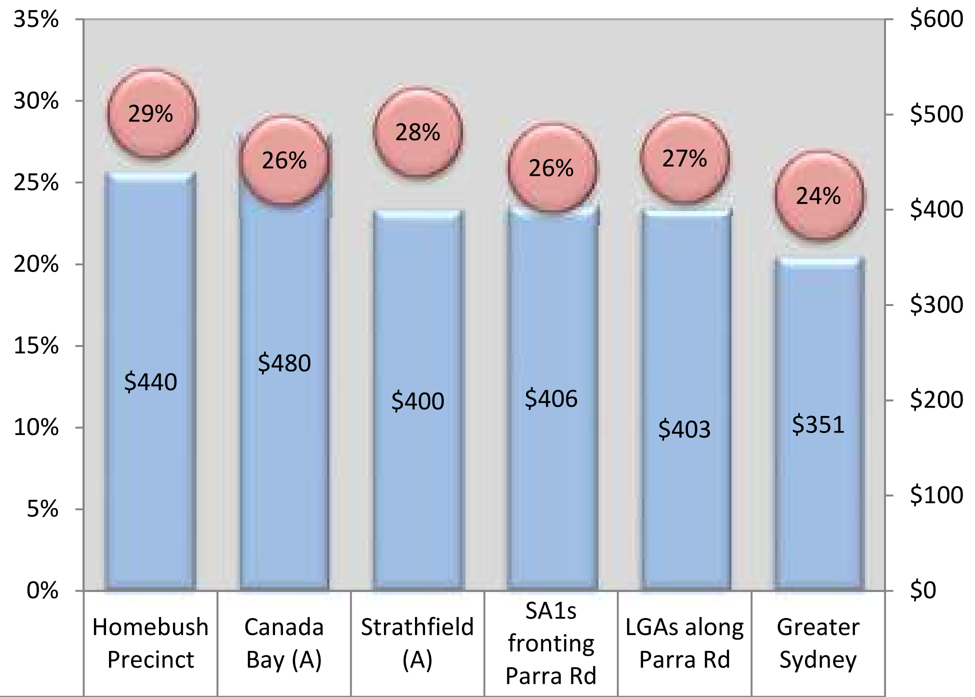


Map 8-2 ABS 2011 SEIFA Economic Resources scores for the Homebush Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

Map 8-3 ABS 2011 SEIFA Education and Occupation scores for the Homebush Precinct by SA1

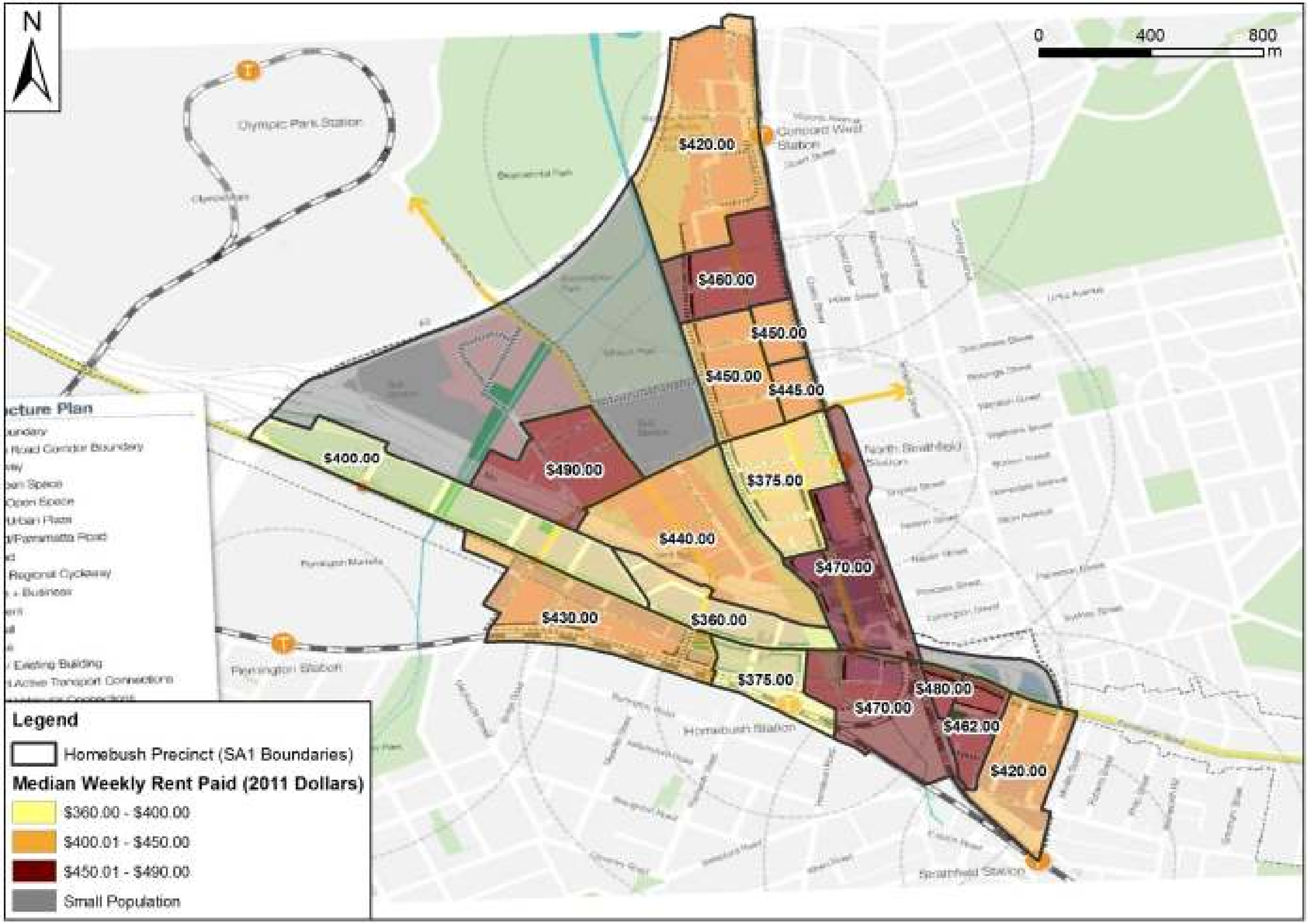
Source: JSA 2016, based on data from ABS (2011) Census



	Homebush Precinct	Canada Bay (A)	Strathfield (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$440	$480	$400	$406	$403	$351
Median Weekly Rent as % of MGWHHI for Area	29%	26%	28%	26%	27%	24%

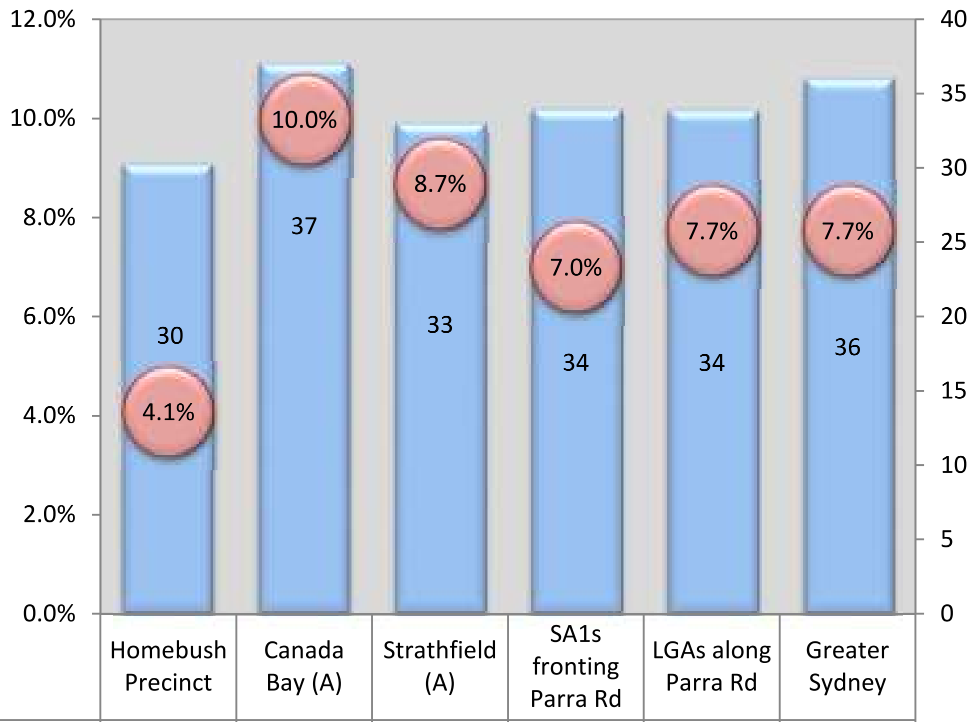
Figure 8-3 Median Weekly Rent for the Homebush Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 8-4 Median Weekly Rent for the Homebush Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census



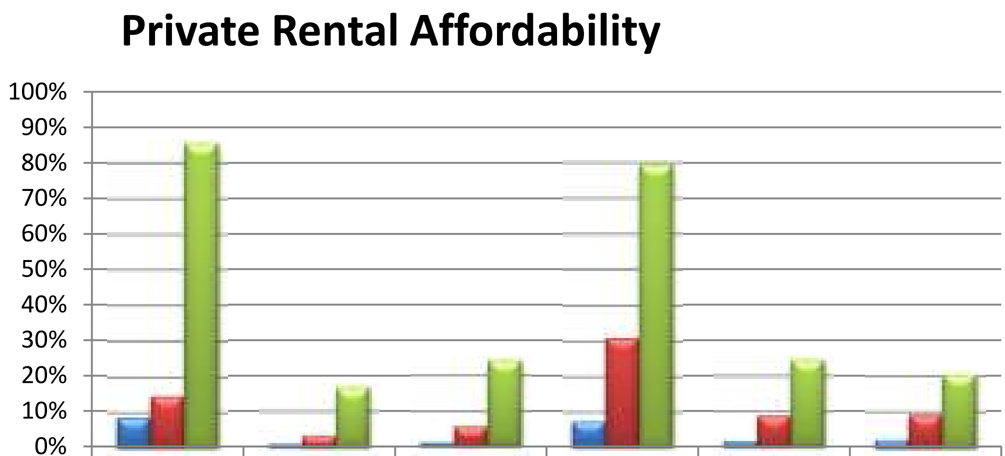
	Homebush Precinct	Canada Bay (A)	Strathfield (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Age	30	37	33	34	34	36
% Residents Aged 70+ Years	4.1%	10.0%	8.7%	7.0%	7.7%	7.7%

Figure 8-4 Median Age of Residents in the Homebush Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Map 8-5 Median Age of Residents in the Homebush Precinct by SA1

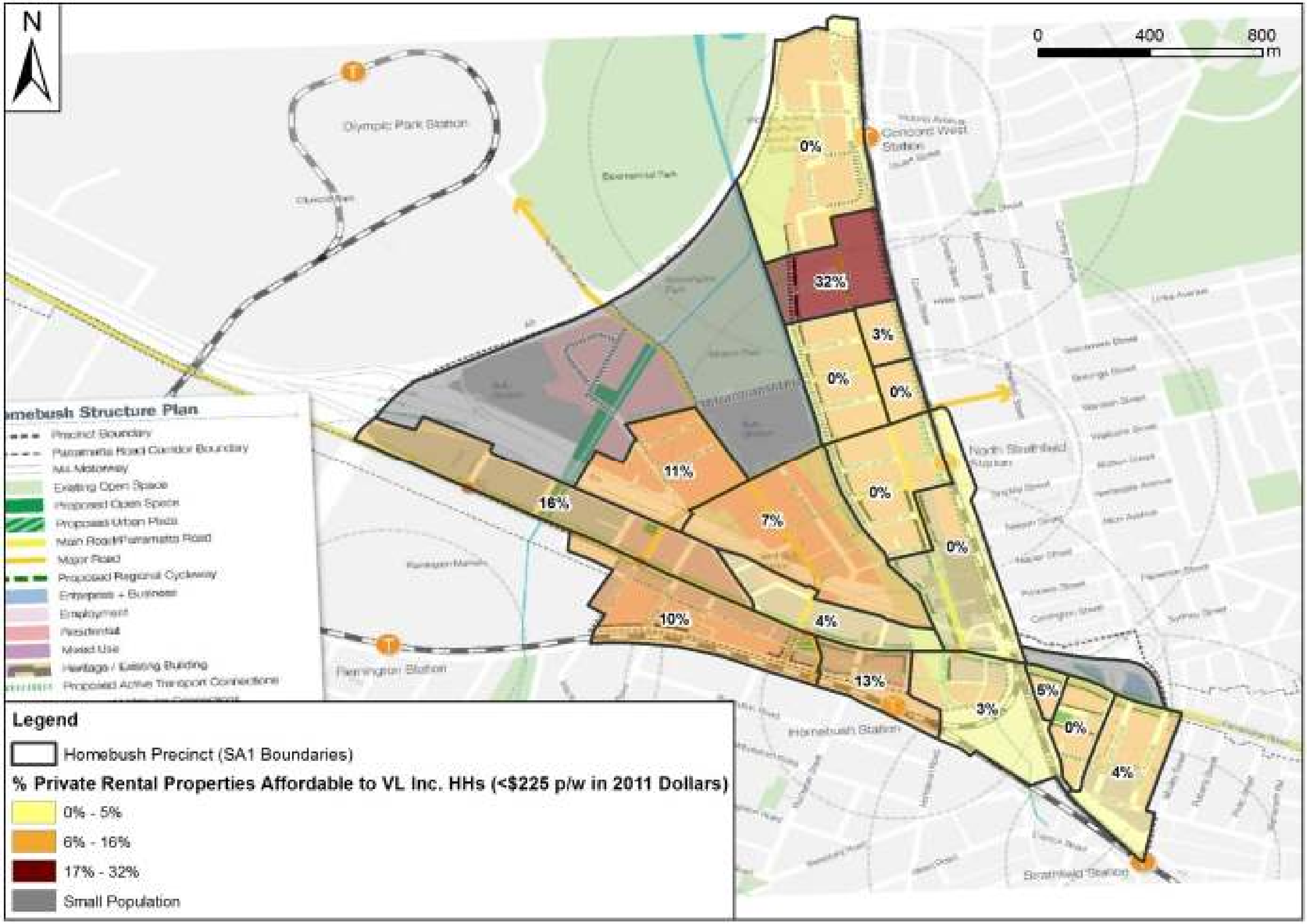
Source: JSA 2016, based on data from ABS (2011) Census



	Homebush Precinct	Canada Bay (A)	Strathfield (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Affordable to Very Low Income Household (<$225 p/w)	8.7%	1.0%	1.2%	7.5%	1.8%	2.3%
Affordable to Low Income Household (<$350 p/w)	14.6%	3.3%	5.8%	30.8%	8.8%	9.2%
Affordable to Moderate Income Household (<$550 p/w)	85.4%	16.6%	24.2%	79.4%	24.3%	20.2%

Figure 8-5 Private Rental Affordability for Very Low, Low and Moderate Income earners in the Homebush Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 8-6 Proportion of Private Rental in the Homebush Precinct affordable to Persons on Very Low Income by SA1

Source: JSA 2016, based on data from ABS (2011) Census

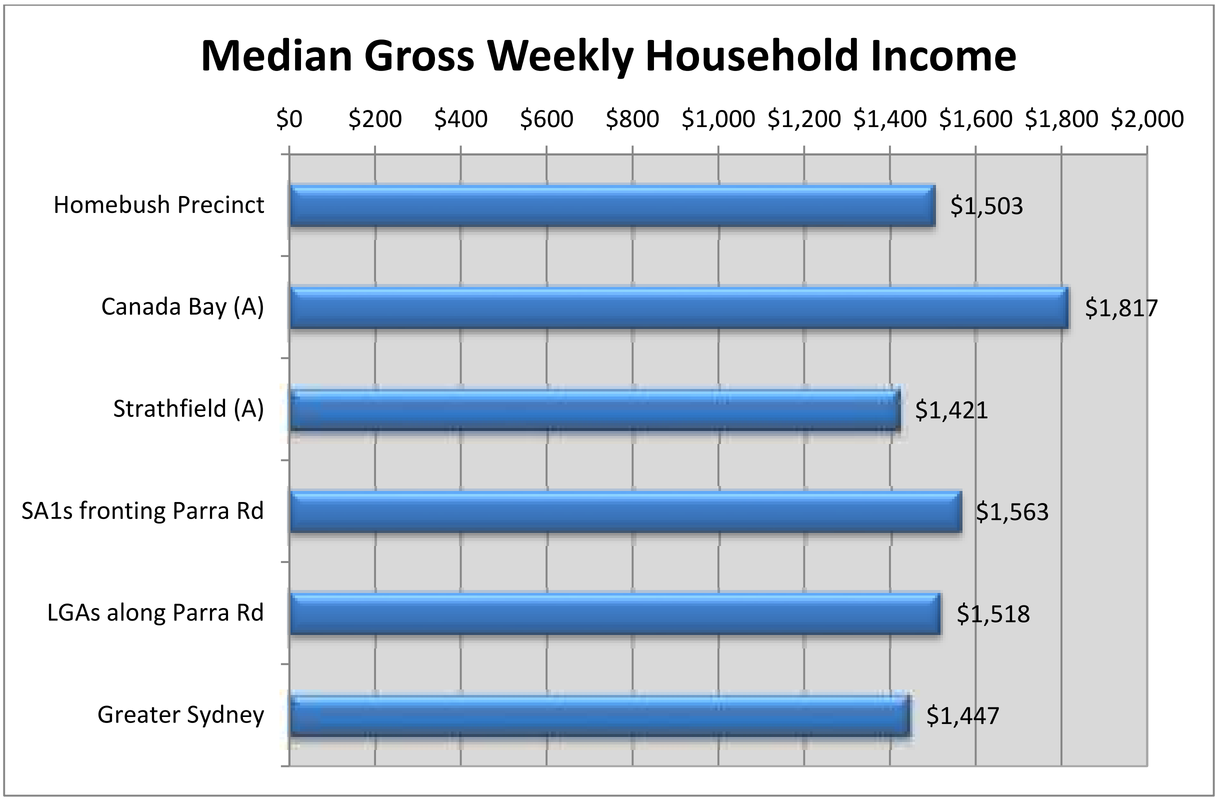
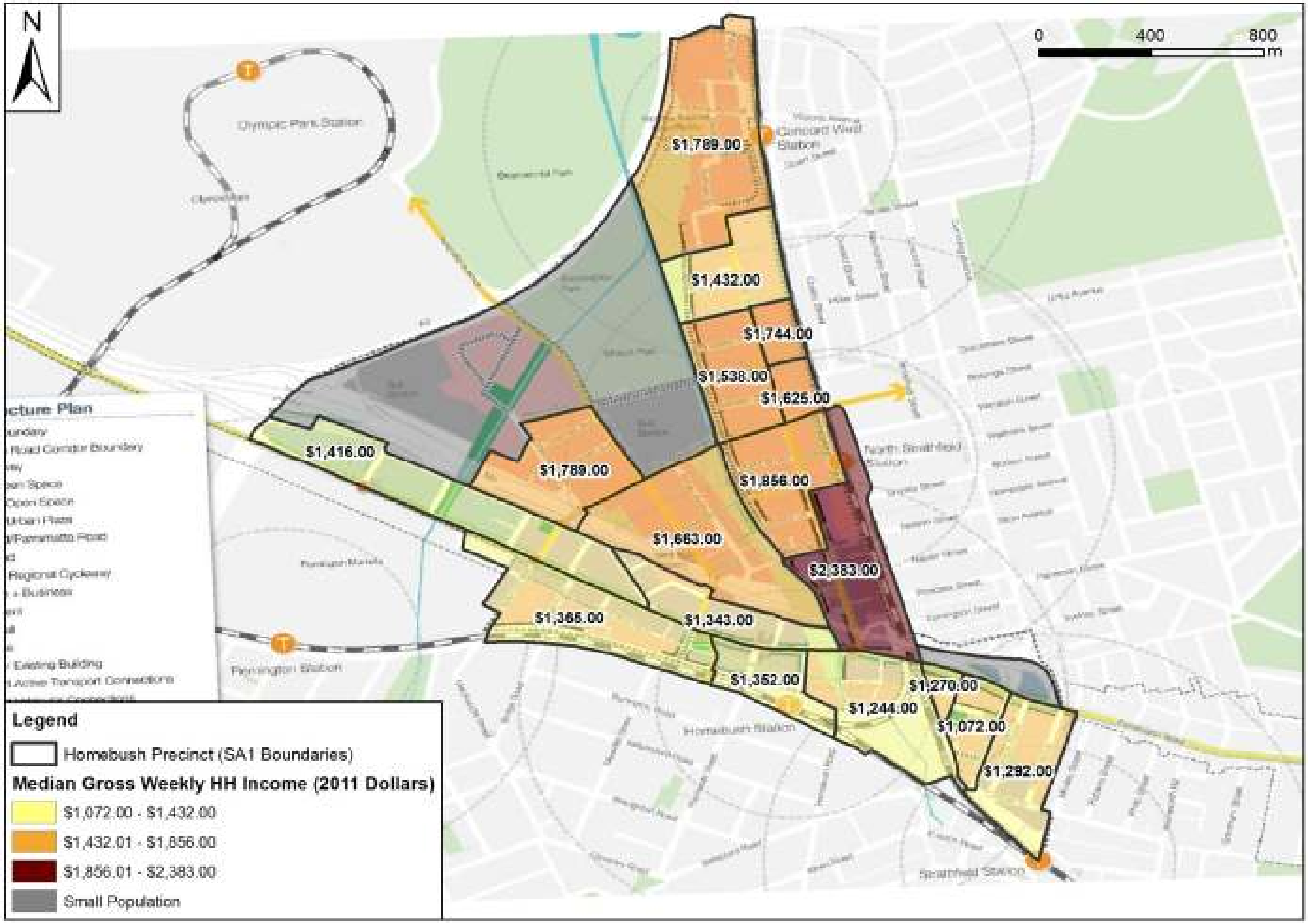


Figure 8-6 Median Gross Weekly Household Income for the Homebush Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 8-7 Median Gross Weekly Household Income in Homebush Precinct by SA1 (2011 Dollars)

Source: JSA 2016, based on data from ABS (2011) Census

8.4 Planning Context

As noted above, the zoning for the precinct is predominantly zoned as R2 and R3 (Low and Medium Density Residential), B4 (Mixed Use), IN1 (General Industry) and RE1 (Public Recreation).[87] The zoning given in The Strategy appears to be quite similar, with the majority of the Residential, Public Recreation, Mixed Use and Enterprise Corridor zoning remaining the same. The areas currently zoned as IN1 or IN2 (General and Light Industry) in the current LEPs will become residential zoning in the Urban Transformation strategy.[88]

The current Canada Bay and Strathfield LEPs prescribe varying maximum building heights across the Homebush Precinct. The areas fronting Parramatta Road generally have a maximum building height of 22 metres, with smaller sections on and behind Parramatta Road having a maximum building height of 16 metres. In the area of the precinct north of Parramatta Road the maximum building heights range from 8.5 metres to 16 metres in the residential zoning, 8.5 metres to 12 metres in the industrial zones and up to 23 metres in the Local Centre zoning.[89] The Strategy proposes a maximum building height of 42 metres for the majority of the precinct, with the majority of sections fronting Parramatta Road having the maximum building height of 82 metres. These proposed maximum building heights are significantly greater than those prescribed in the current LEPs.[90]

Maximum FSR varies across the precinct, with the areas fronting Parramatta Road ranging from 1.5:1 to 1.65:1. Areas in the precinct north of Parramatta Road generally range from 0.5:1 to 1:1.[91]

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[87] Canada Bay LEP 2013 and Strathfield LEP 2012
[88] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.57
[89] Canada Bay LEP 2013 and Strathfield LEP 2012
[90] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.58
[91] Canada Bay LEP 2013 and Strathfield LEP 2012

9 Kings Bay Precinct

9.1 Geographic Description

The Kings Bay Precinct is roughly bounded by Kings Road to the north, Grogan Street to the south, Courland Street to the east and Lucas Road to the west. The precinct has an area of 36.88 hectares.[92]

[92] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.69

Figure 9-1 Map of Kings Bay Precinct Structure Plan

Source: Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015

9.2 Intention Summary

9.2.1 Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 425 persons living in 167 dwellings in the Kings Bay Precinct. This is predicted to grow to 6,201 persons living in 3,445 dwellings by 2050. In terms of employment, there are currently 2,572 jobs in the area, predicted to grow to 2,628 by 2050.[93]

9.2.2 Land Use

The Kings Bay Precinct falls under the Burwood 2012 LEP[94], the Canada Bay 2013 LEP[95] and the Ashfield 2013 LEP[96]. According to these LEPs the precinct is predominantly zoned as B6 (Enterprise Corridor), IN1 (General Industry) and R2 (Medium Density Residential). The areas fronting the south of Parramatta Road are zoned B6 (Enterprise Corridor), with the areas fronting north of Parramatta Road being predominantly zoned IN1 (General Industrial).[97]

9.2.3 Vision

According to The Strategy Kings Bay will be a new residential and mixed use urban village on Parramatta Road, with an active main street and strong links to the open space network along Sydney Harbour.[98]

9.2.4 Delivering the Vision

According to The Strategy the vision can be realised by:

- creating a new village centre that complements the nearby Five Dock Town Centre
- creating high quality public areas that help to define a new character and identity for the new village centre
- improving walking and cycling paths to open space and the Harbour foreshore
- ensuring new development interfaces well with Parramatta Road and existing neighbourhoods
- opening up the views from Parramatta Road to take advantage of the attractive Harbour areas
- widening narrow roads such as William Street and minimising traffic in the surrounding streets
- creating a new separated regional cycleway along Gipps, Patterson and Queen Streets from Concord Road to Henley Marine Drive, Five Dock

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93 Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.68
94 Burwood Local Environmental Plan 2012
95 Canada Bay Local Environmental Plan 2013
96 Ashfield Local Environmental Plan 2013
97 Burwood LEP 2012, Canada Bay LEP 2013 and Ashfield LEP 2013
98 Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.66

- using the right mechanisms to fund public infrastructure, including high quality public places.[99]

9.3 Key Demographic Features

9.3.1 Precinct

In terms of demographic indicators that we have looked at as part of this study, the King Bay Precinct has some key features that differentiate it from other precincts and from Greater Sydney generally. The Kings Bay Precinct has a relatively lower median weekly rent at $334 compared to Greater Sydney at $351. Housing prices in the precinct are also cheaper relative to gross weekly incomes, with a median income household spending roughly only 23% of their gross weekly income on rent, compared with 24% in Greater Sydney and an average of 26% for SA1s fronting Parramatta Road.

Kings Bay Precinct also has the highest proportion of separate houses compared to the other precincts and to Greater Sydney generally, with 66% of dwellings in Kings Bay being separate houses compared with 61% in Greater Sydney and 32% for SA1s fronting Parramatta Road. Kings Bay precinct also has a higher median age than Greater Sydney (40 years compared with 36 years, respectively) with one of the highest proportions of residents over the age of 70 years (11.3%).

In terms of ABS SEIFA indicators, Kings Bay precinct scores relatively average for Disadvantage (50th percentile) and Economic Resources (50th percentile), while scoring higher for Education and Occupation (74th percentile).[100]

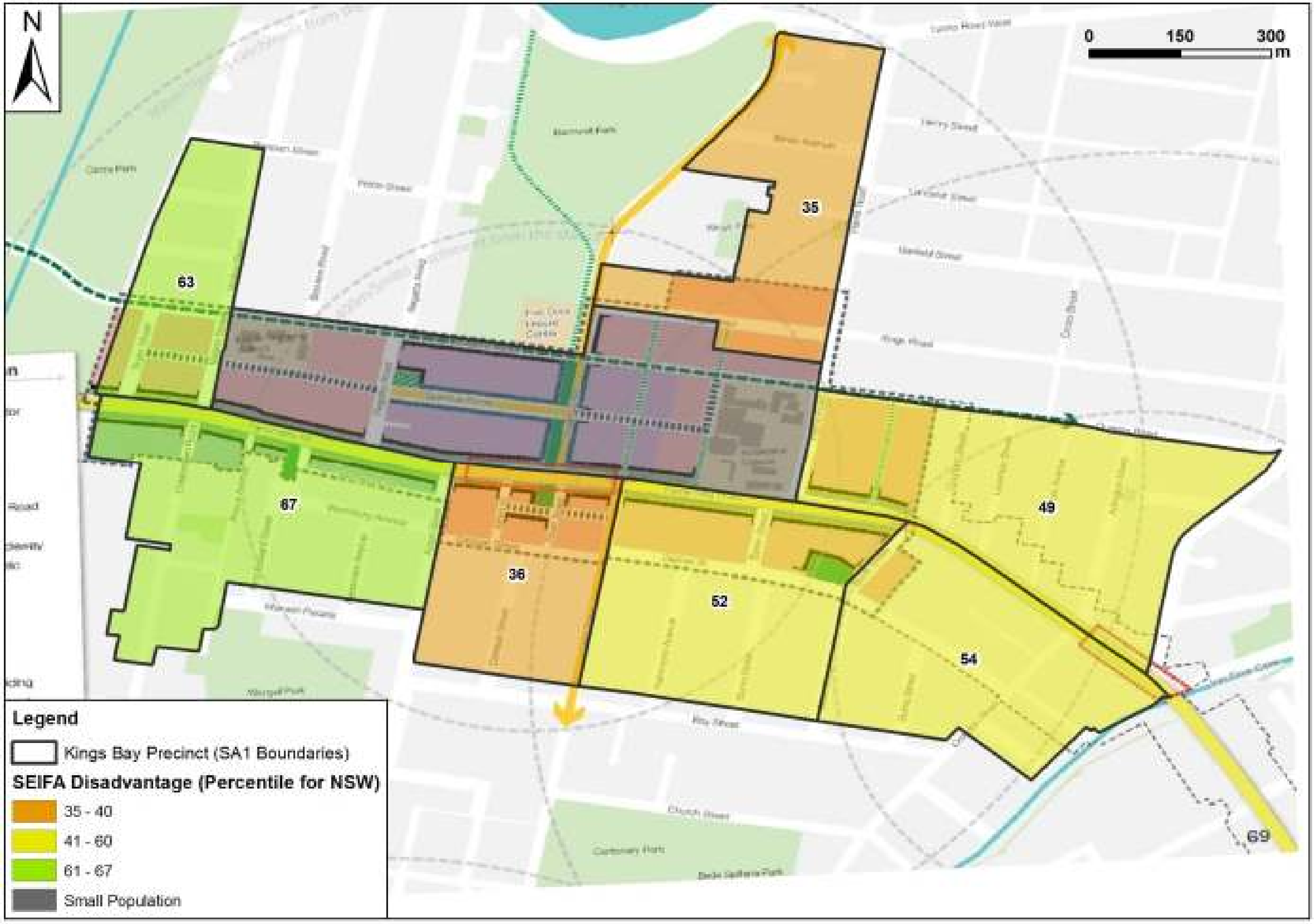
9.3.2 Local Government Area

The Kings Bay Precinct is located across Canada Bay, Burwood and Ashfield Local Government Areas. These LGAs all score quite highly for ABS SEIFA Disadvantage and Education and Occupation (Particularly Canada Bay LGA). Canada Bay LGA also scores particularly high with regards to Economic Resources (86th percentile), while Ashfield and Burwood have lower scores in this category (30th and 23rd percentile, respectively).

These three LGAs all have relatively high median weekly rents, particularly Canada Bay, however Canada Bay and Ashfield are both similarly affordable to live relative to gross weekly income, with a median income household paying roughly 26% of their gross weekly income on rent. Burwood is relatively more expensive to live relative to incomes in the area, with a median income household spending roughly 31% of its gross weekly income on rent.

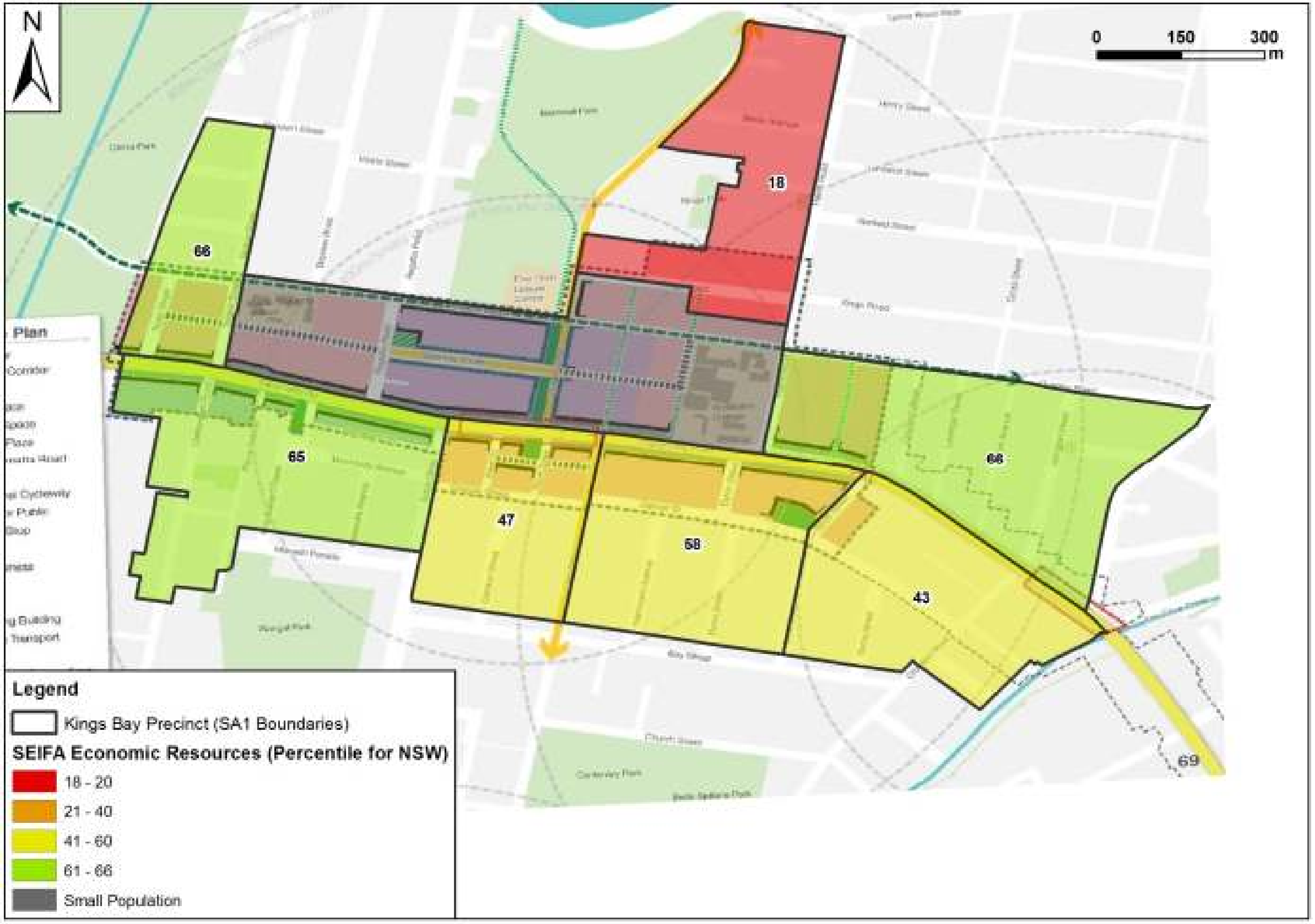
Canada Bay Precinct is the least affordable of all the precincts to very low income earners, with private rental only affordable to 1% of this group.[101]

[99] Ibid
[100] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)
[101] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



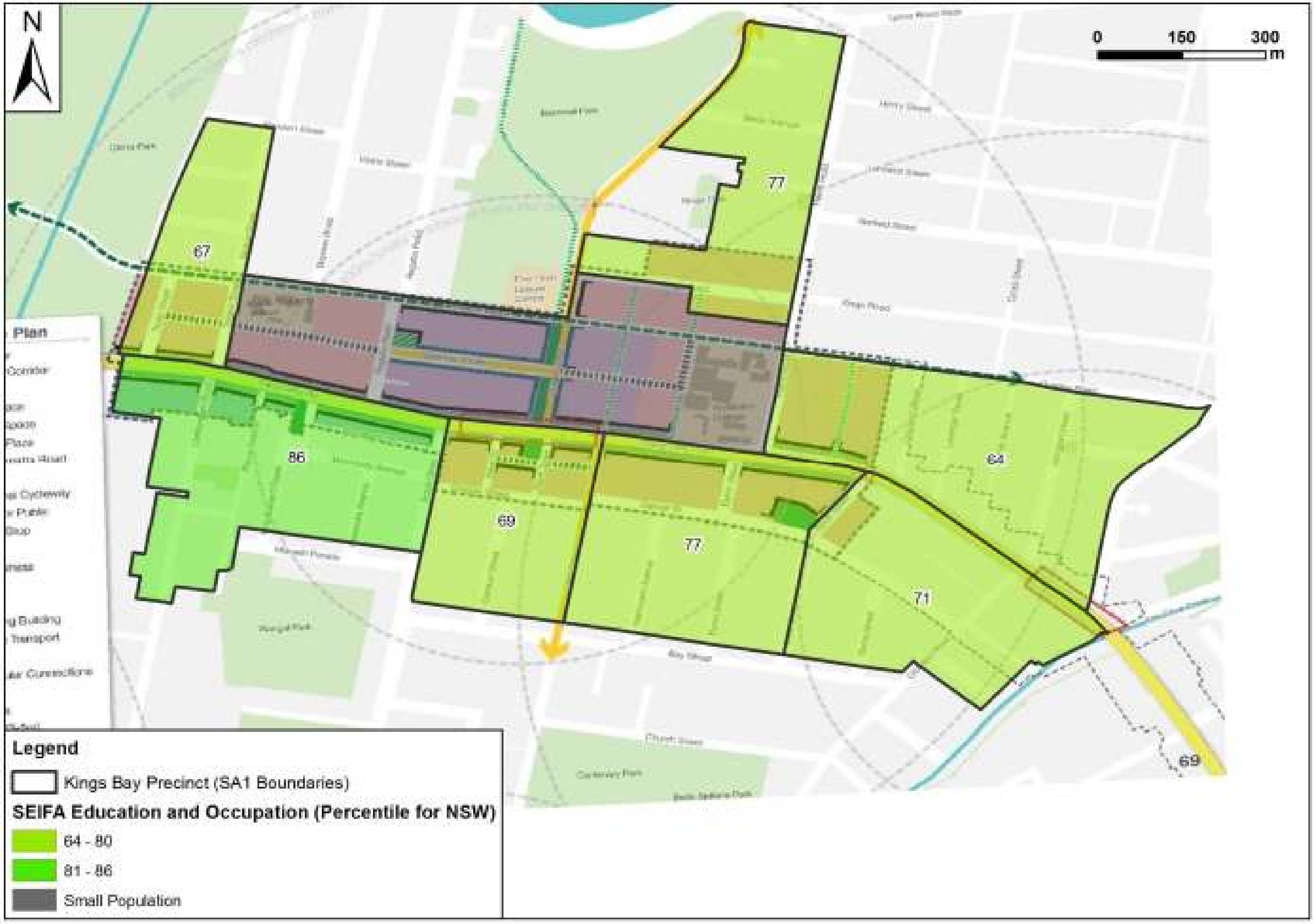
Map 9-1 ABS 2011 SEIFA Disadvantage scores for the Kings Bay Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census



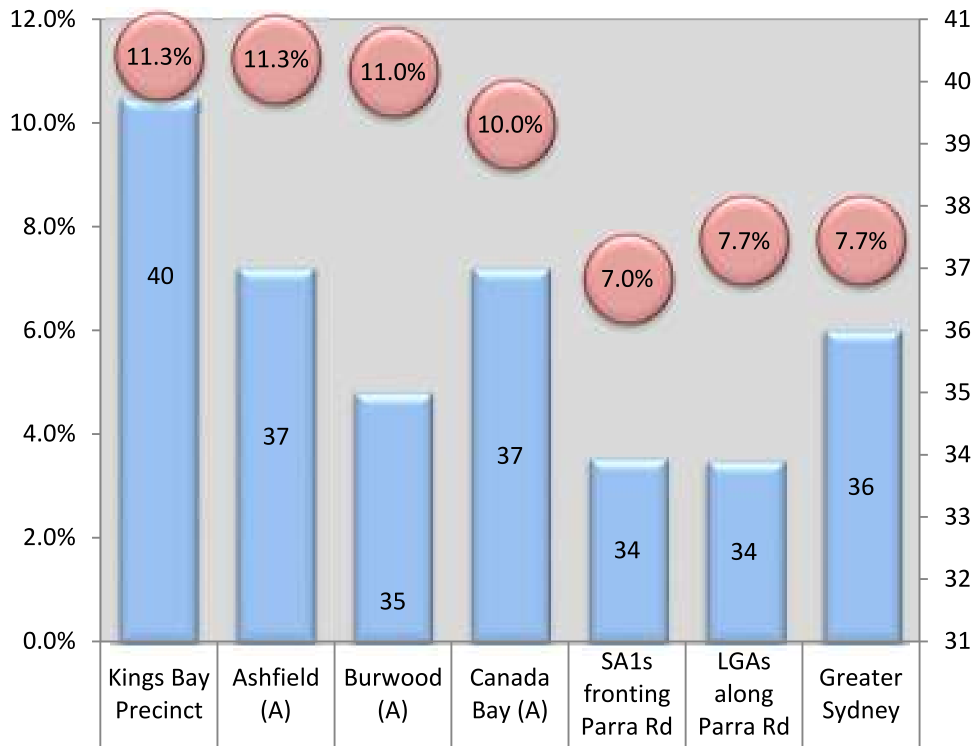
Map 9-2 ABS 2011 SEIFA Economic Resources scores for the Kings Bay Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census



Map 9-3 ABS 2011 SEIFA Education and Occupation scores for the Kings Bay Precinct by SA1

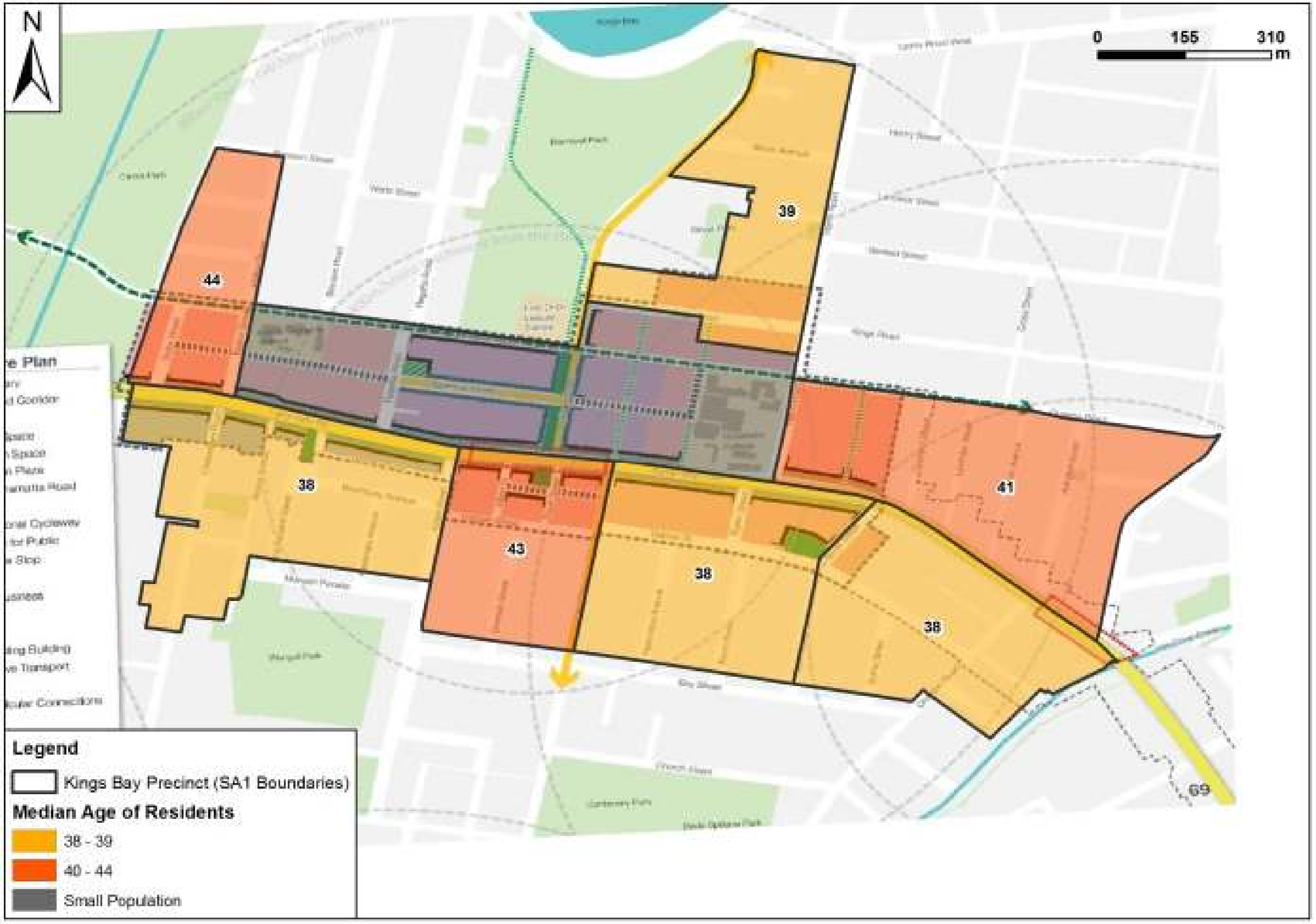
Source: JSA 2016, based on data from ABS (2011) Census



	Kings Bay Precinct	Ashfield (A)	Burwood (A)	Canada Bay (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Age	40	37	35	37	34	34	36
% Residents Aged 70+ Years	11.3%	11.3%	11.0%	10.0%	7.0%	7.7%	7.7%

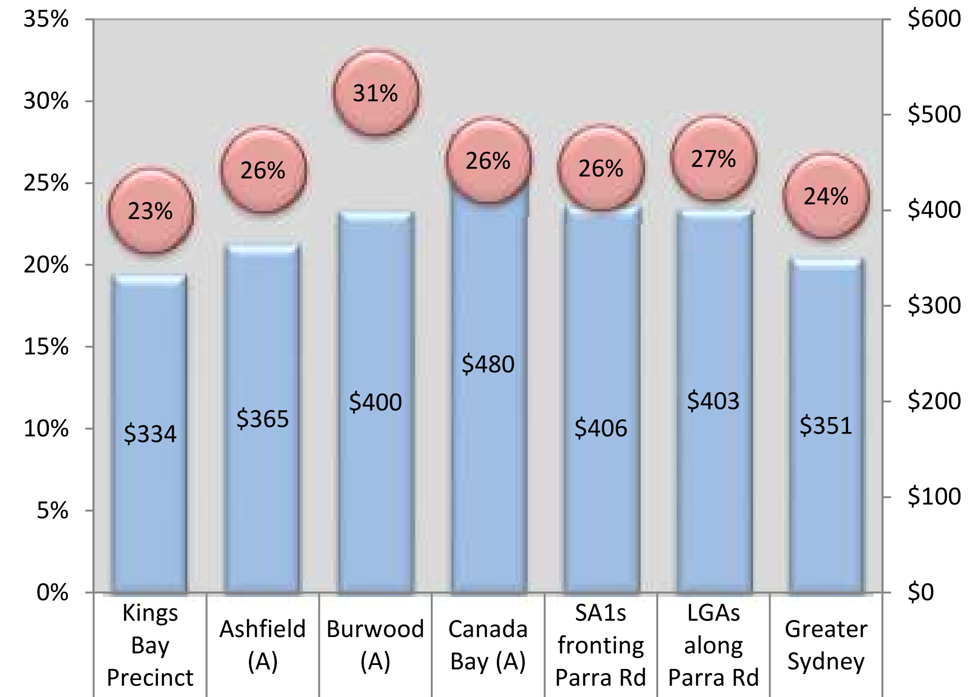
Figure 9-2 Median Age in the Kings Bay Precinct, the LGAs containing the Precinct, for SA1’s fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 9-4 Median Age of Residents in the Kings Bay Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census



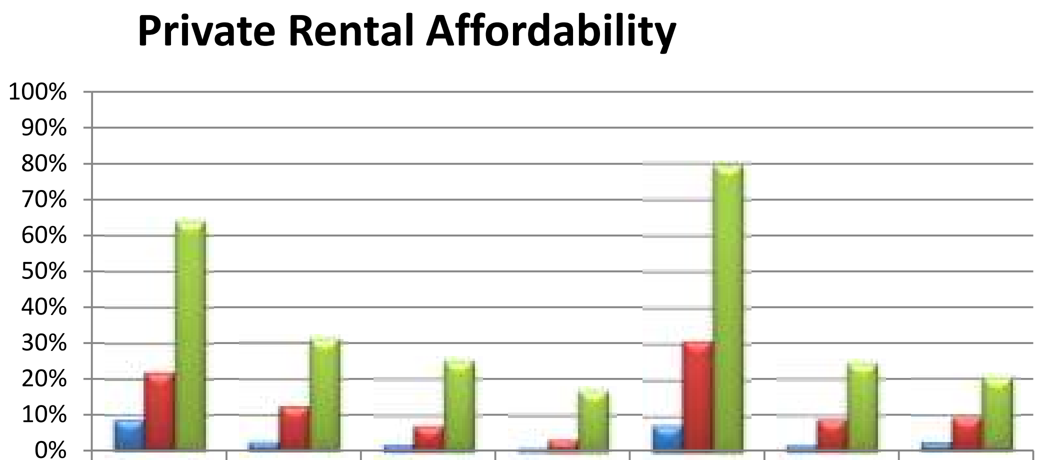
	Kings Bay Precinct	Ashfield (A)	Burwood (A)	Canada Bay (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$334	$365	$400	$480	$406	$403	$351
Median Weekly Rent as % of MGWHHI for Area	23%	26%	31%	26%	26%	27%	24%

Figure 9-3 Median Weekly Rent for the Kings Bay Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Map 9-5 Median Weekly Rent for the Kings Bay Precinct by SA1

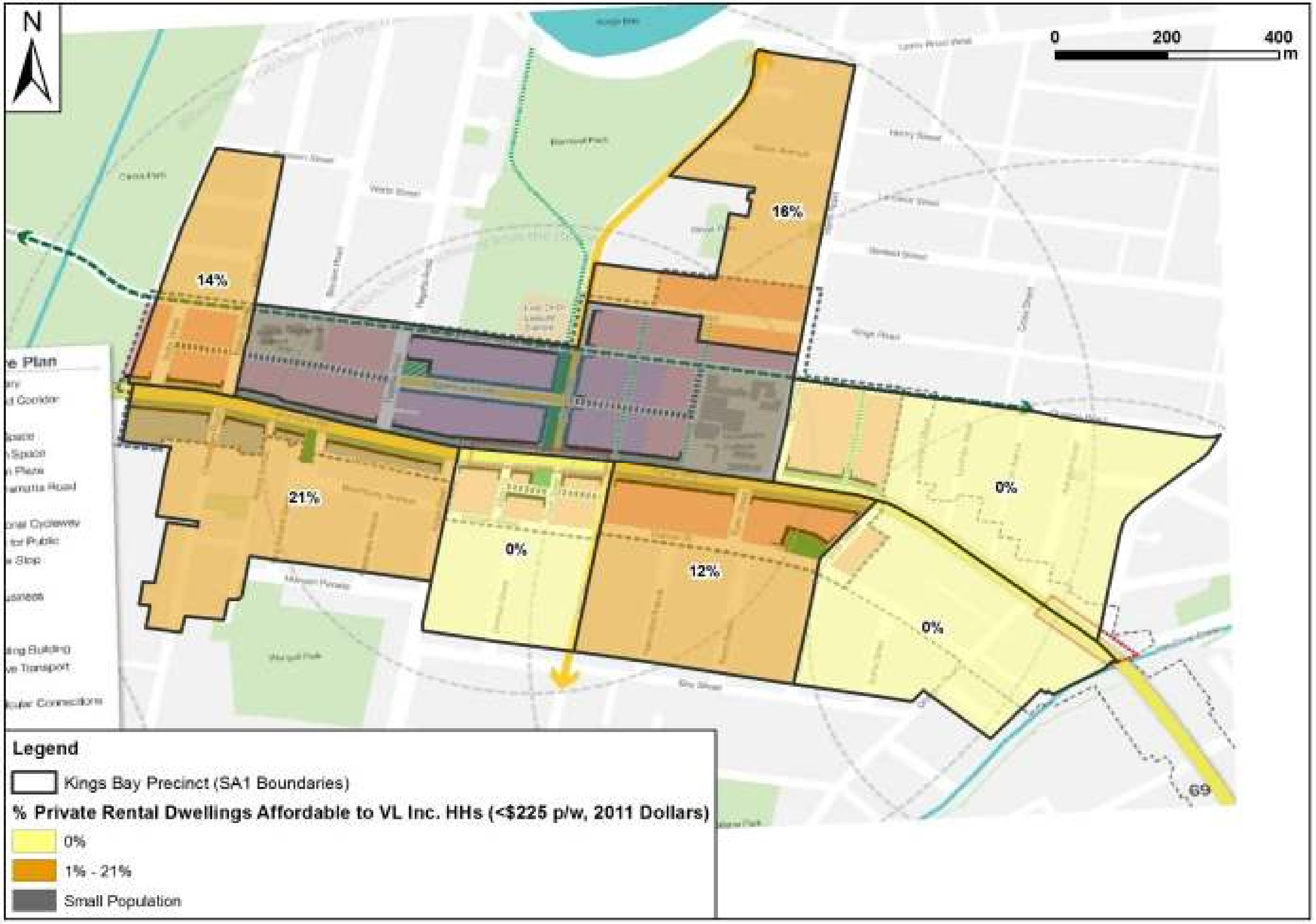
Source: JSA 2016, based on data from ABS (2011) Census



	Kings Bay Precinct	Ashfield (A)	Burwood (A)	Canada Bay (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Affordable to Very Low Income Household (<$225 p/w)	8.8%	2.5%	2.0%	1.0%	7.5%	1.8%	2.3%
Affordable to Low Income Household (<$350 p/w)	21.8%	12.3%	7.2%	3.3%	30.8%	8.8%	9.2%
Affordable to Moderate Income Household (<$550 p/w)	63.9%	31.1%	25.0%	16.6%	79.4%	24.3%	20.2%

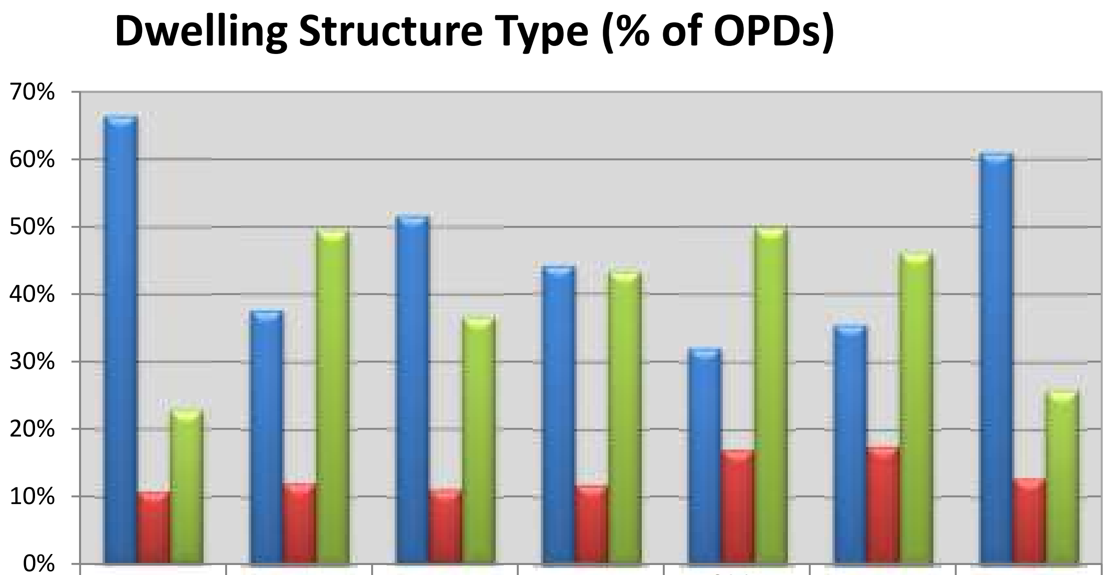
Figure 9-4 Private Rental Affordability for Very Low, Low and Moderate Income earners in the Kings Bay Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011



Map 9-6 Proportion of Private Rental in the Kings Bay Precinct affordable to Persons on Very Low Income by SA1

Source: JSA 2016, based on data from ABS (2011) Census



	Kings Bay Precinct	Ashfield (A)	Burwood (A)	Canada Bay (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Separate House	66%	38%	52%	44%	32%	35%	61%
Medium Density	11%	12%	11%	12%	17%	18%	13%
Flats and Units	23%	49%	37%	43%	50%	46%	26%

Figure 9-5 Dwelling Structure Type in the Kings Bay Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS Census of Population and Housing 2011

Map 9-7 Proportion of Dwellings that are Separate Houses in the Kings Bay Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

9.4 Planning Context

As noted above, the zoning for the precinct is a combination of B6 (Enterprise Corridor), IN1 (General Industry) and R2 (Medium Density Residential).[102] The zoning given in The Strategy appears to be quite similar, with some minor changes. A section of the area fronting the southern side of Parramatta Road currently zoned as B6 will be zoned as residential with a green setback from the road and the area currently zoned as IN1 will be zoned as Mixed Use.[103]

The LEPs currently prescribe varying building heights for the precinct. The areas currently zoned as B6 have a maximum building height of 10, 12 or 15 metres and the area currently zoned as IN1 has a maximum building height of 12 metres. The areas currently zoned as residential generally have a maximum building height of 8.5 metres.[104] The Strategy proposes varying maximum building heights for the precinct north of Parramatta Road, ranging from 29 metres to 82 metres. The areas south of Parramatta Road have proposed maximum building heights ranging from 17 metres to 29 metres.[105]

The LEPs currently prescribe varying FSRs for the Precinct. For the area north of Parramatta Road the FSR is generally 1:1, with smaller sections having an FSR of 0.5:1 (generally the areas currently zoned as residential). The areas fronting the southern side of Parramatta road generally have FSRs ranging from 1.5:1 to 1.75:1, while the residential areas south of Parramatta Road generally have FSRs ranging from 0.55:1 to 0.7:1.[106]

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[102] Burwood LEP 2012, Canada Bay LEP 2013 and Ashfield LEP 2013
[103] Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.69
[104] Burwood LEP 2012, Canada Bay LEP 2013 and Ashfield LEP 2013
[105] Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.70
[106] Burwood LEP 2012, Canada Bay LEP 2013 and Ashfield LEP 2013

10 Leichhardt Precinct

10.1 Geographic Description

The Leichhardt Precinct is roughly bounded by Marion Street to the North, Elswick Street to the South, Balmain Road to the East and Renwick Road to the west. The precinct has an area of 13 hectares.[107]

[107] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.81

Figure 10-1 Map of Leichhardt Structure Plan
Source: Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015

10.2 Intention Summary

10.2.1 Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road urban Transformation strategy September 2015 (The Strategy), there are currently 77 persons living in 34 dwellings in the Leichhardt Precinct. This is predicted to grow to 2,199 persons living in 1,222 dwellings by 2050. In terms of employment, there are currently 2,904 jobs in the area, predicted to decrease to 1,626 by 2050.[108]

10.2.2 Land Use

Leichhardt Precinct predominantly falls within the Leichhardt Local Government Area, with a small section south of Parramatta Road falling under the Marrickville Local Government Area. According to the LEPs[109] of these LGAs, the Leichhardt Precinct is predominantly zoned B2 (Local Area) particularly in areas fronting Parramatta Road, which allows with consent a number of land uses such as dwelling houses, commercial premises and community facilities. There is also a smaller amount of R1 (General Residential) zoning north of Parramatta Road.[110]

10.2.3 Vision

According to The Strategy the Leichhardt Precinct centres on Norton Street, a famous dining and retail area. While the Precinct attracts young professionals and families, it has suffered economic decline in recent years. Much of the Precinct is a heritage conservation area.[111]

10.2.4 Delivering the Vision

The Strategy states that the vision for this precinct can be realised by:

- addressing the retail vacancies along Norton Street, concentrated north of Marion Street, and along Parramatta Road
- improving connections through the Forum
- promoting the Precinct's improved public transport to shift the perception of it as a car-only destination
- overcoming the barrier of Parramatta Road to create connections with Petersham
- transitioning existing development to higher-density development, where appropriate
- making it a more attractive place to walk, especially on Parramatta Road
- creating connections through the long and deep street blocks, large shopping areas and heritage sites
- addressing space and heritage limitations on Parramatta Road to enable infrastructure provision
- creating new open space areas
- mitigating aircraft noise exposure and aircraft height restrictions

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[108] Ibid, p.79
[109] Leichhardt Local Environmental Plan 2013 and Marrickville Local Environmental Plan 2011
[110] Ibid
[111] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.78

- addressing small residential lots and fragmented ownership
- using the right mechanisms to fund public infrastructure, including high quality public places.[112]

10.3 Key Demographic Features

10.3.1 Precinct

In terms of demographic indicators that we have looked at as part of this study, the Leichhardt Precinct has some key features that differentiate it from other precincts and from Greater Sydney generally. Leichhardt Precinct has a high ABS 2011 SEIFA score for Education and Occupation (93%) and a relatively high score for SEIFA Disadvantage (72%). However, scores relatively low for SEIFA Economic Resources, sitting in the bottom 26 percent of areas in NSW.

Leichhardt Precinct has a relatively high median weekly rent compared to Greater Sydney at $455 compared with $351. Compared with Greater Sydney and the other precincts, it is generally a more expensive area to live, with a median income household spending roughly 28% of its weekly household income of $1,636 on rent. The Leichhardt Precinct has a significantly higher proportion of flats and units compared to the other precincts, and to Greater Sydney generally.

The median age in Leichhardt precinct is slightly younger than the Greater Sydney average (33 years compared with 36 years, respectively).[113]

10.3.2 Local Government Area

The Leichardt Precinct falls predominantly within the Leichhardt Local Government Area, with a small section south of Parramatta Road falling within the Marrickville Local Government Area. Both Leichhardt and Marrickville LGAs have high ABS SEIFA scores for Disadvantage (91st percentile and 80th percentile, respectively) and Education and Occupation (97th percentile and 91st percentile, respectively). Leichhardt LGA also has a high score for Economic Resources (83rd percentile), while Marrickville has a lower score for this indicator (41st percentile).

While both LGAs have a higher weekly rent than Greater Sydney (Leichhardt being significantly higher: $480 compared with $351), they are less expensive to live relative to local income with the average household in Leichhardt spending 21% of its $2,234 weekly income on rent and an average household in Marrickville spending 23% of its $1,605 weekly income on rent.[114]

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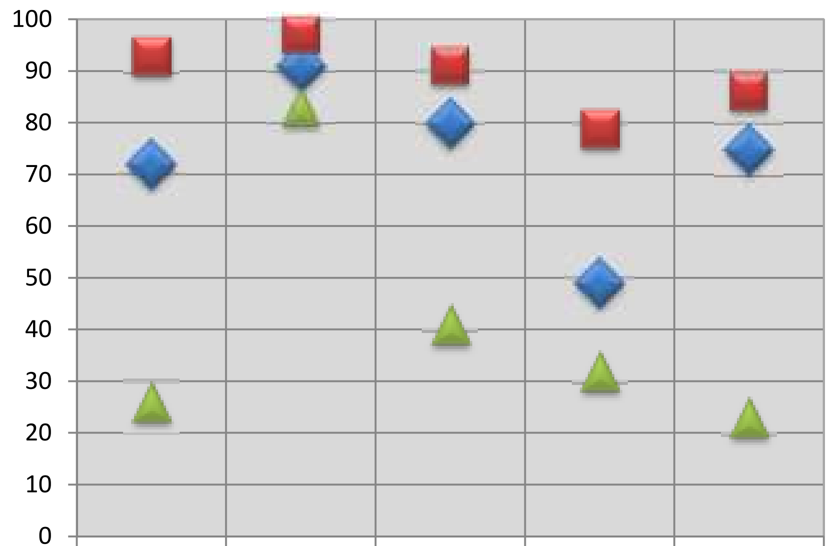
[112] Ibid

[113] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)

[114] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



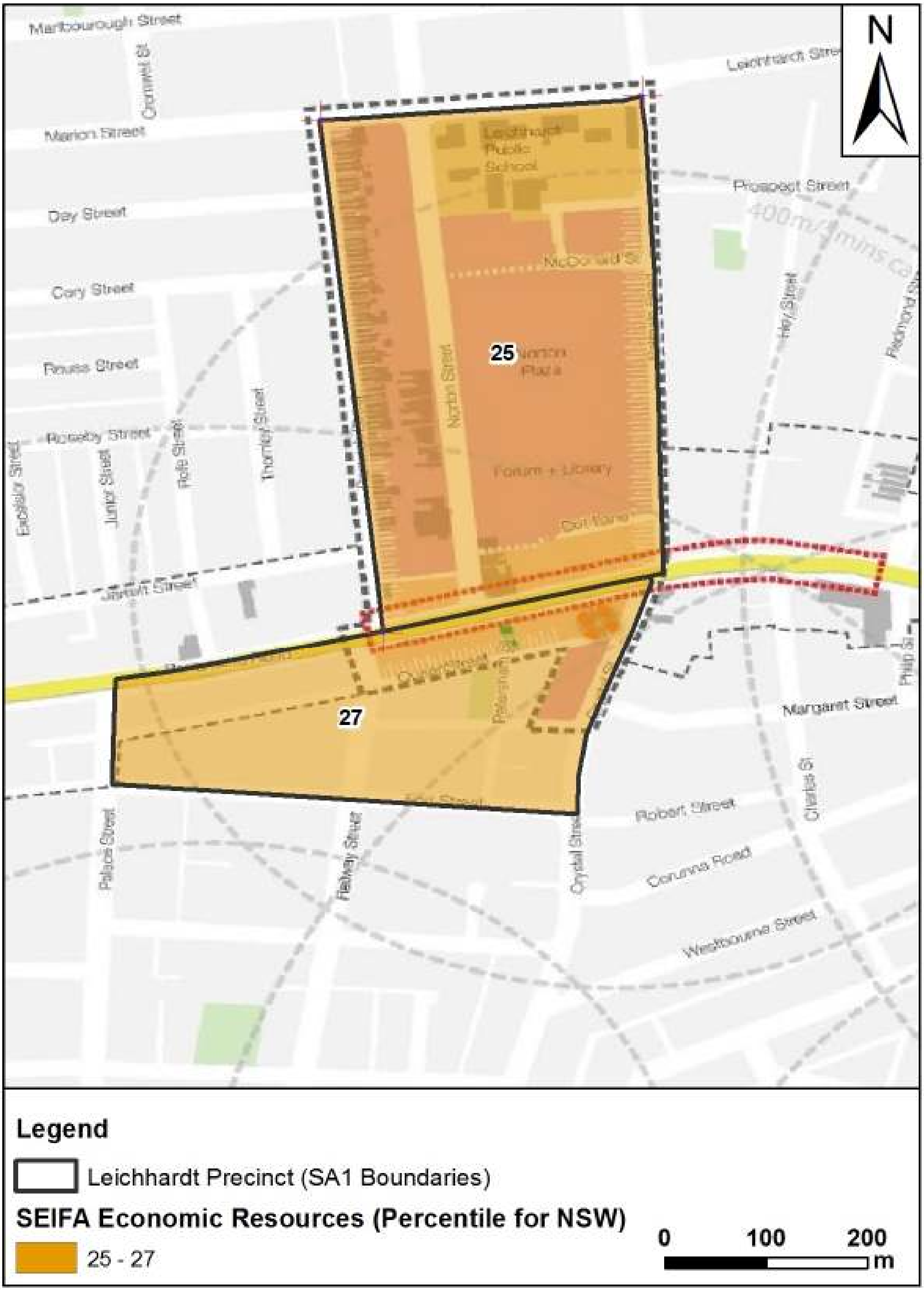
	Leichhardt Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	72	91	80	49	75
SEIFA Education and Occupation	93	97	91	79	86
SEIFA Economic Resources	26	83	41	32	23

Figure 10-2 ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Leichhardt Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS (2011) Census

Map 10-1 ABS 2011 SEIFA Disadvantage scores for the Leichhardt Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

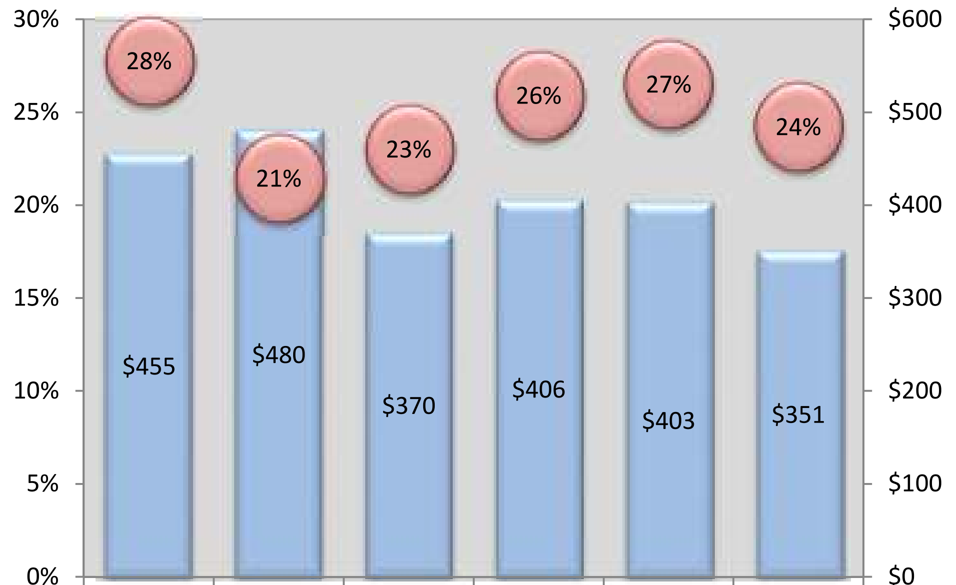


Map 10-2 ABS 2011 SEIFA Economic Resources scores for the Leichhardt Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

Map 10-3 ABS 2011 SEIFA Education and Occupation scores for the Leichhardt Precinct by SA1

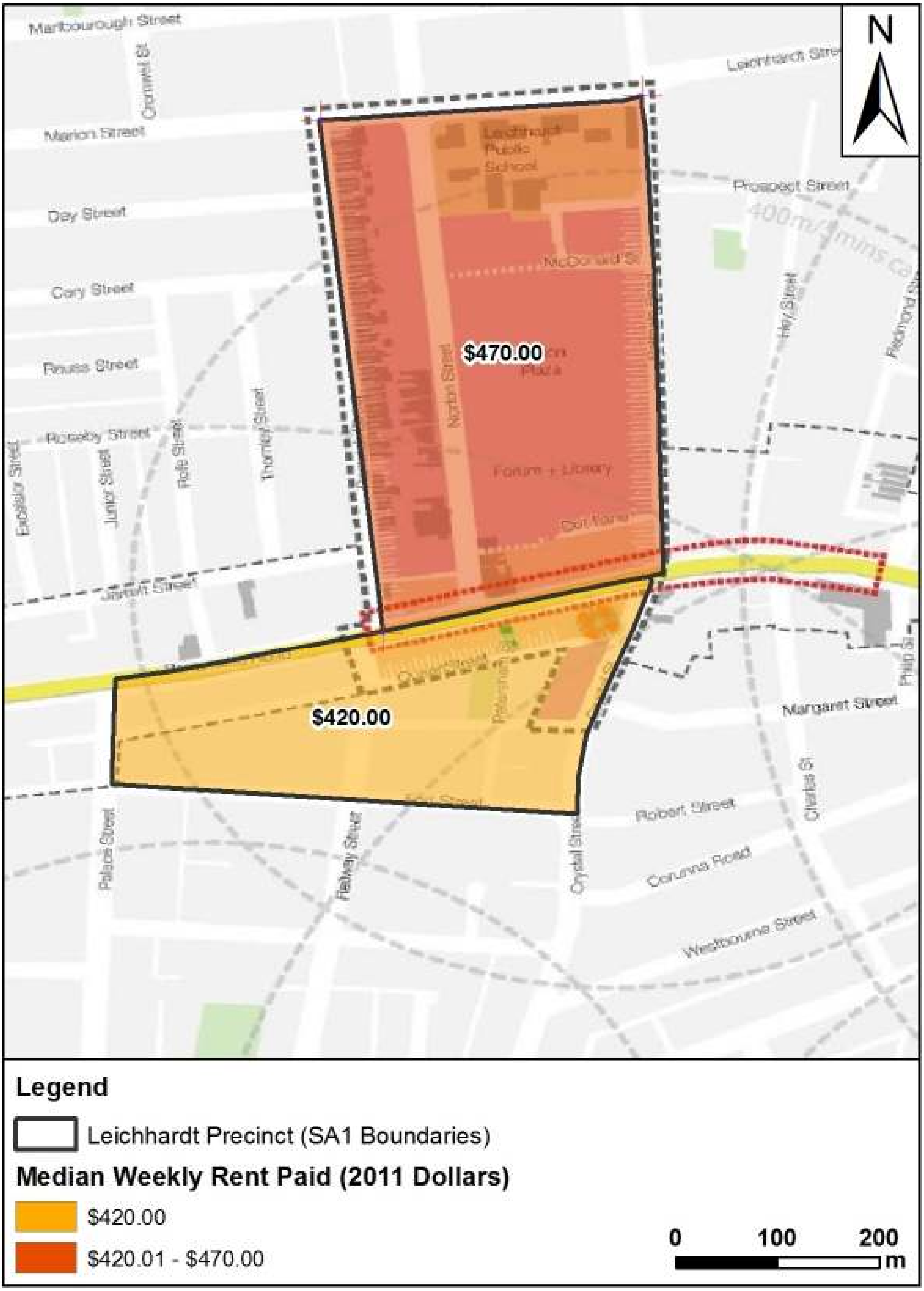
Source: JSA 2016, based on data from ABS (2011) Census



	Leichhardt Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$455	$480	$370	$406	$403	$351
Median Weekly Rent as % of MGWHHI for Area	28%	21%	23%	26%	27%	24%

Figure 10-3 Median Weekly Rent for the Leichhardt Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS (2011) Census



Map 10-4 Median Weekly Rent for the Leichhardt Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

10.4 Planning Context

As noted above, the zoning for the precinct is predominantly zoned B2 (Local Area) particularly in areas fronting Parramatta Road, with fair amount of R1 (General Residential) and R2 (Low Density Residential) zoning in the areas set back off of Parramatta Road.[115] The zoning given in The Strategy appears to be fairly similar. The areas currently zoned as Local Centre will become zoned as Mixed Use, with a small section south of Parramatta Road currently zoned as Local Centre to be zoned as Residential.[116]

The Leichhardt 2013 LEP does not appear to prescribe a maximum building height for the precinct situated north of Parramatta Road, which may mean that they will defer to the building heights given in The Strategy.[117] The Marrickville 2011 LEP prescribes a maximum building height of 14 metres for the precinct situated south of Parramatta Road.[118] The proposed building height for the areas of the Precinct fronting Parramatta Road is 17 metres, with the areas of the precinct set back from Parramatta Road having a proposed maximum building height of 29 metres.[119]

The Leichhardt LEP prescribes a maximum FSR of 1:1 for the area currently zoned B2 (Local Centre) and 0.5:1 for the area zoned R1 (General Residential).[120] The Marrickville LEP prescribes a maximum FSR of 1.5:1 for the areas of the precinct south of Parramatta Road.[121]

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[115] Leichhardt Local Environmental Plan 2013 and Marrickville Local Environmental Plan 2011

[116] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.81

[117] Leichhardt Local Environmental Plan 2013

[118] Marrickville Local Environmental Plan 2011

[119] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.82

[120] Leichhardt Local Environmental Plan 2013

[121] Marrickville Local Environmental Plan 2011

11 Taverners Hill Precinct

11.1 Geographic Description

The Taverners Hill Precinct is roughly bounded by Lords Road to the North, Railway Terrace to the south, Flood Street to the east and the Hawthorne Canal to the west. The area of the precinct has an area of 25.83 hectares.[122]

[122] Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.75

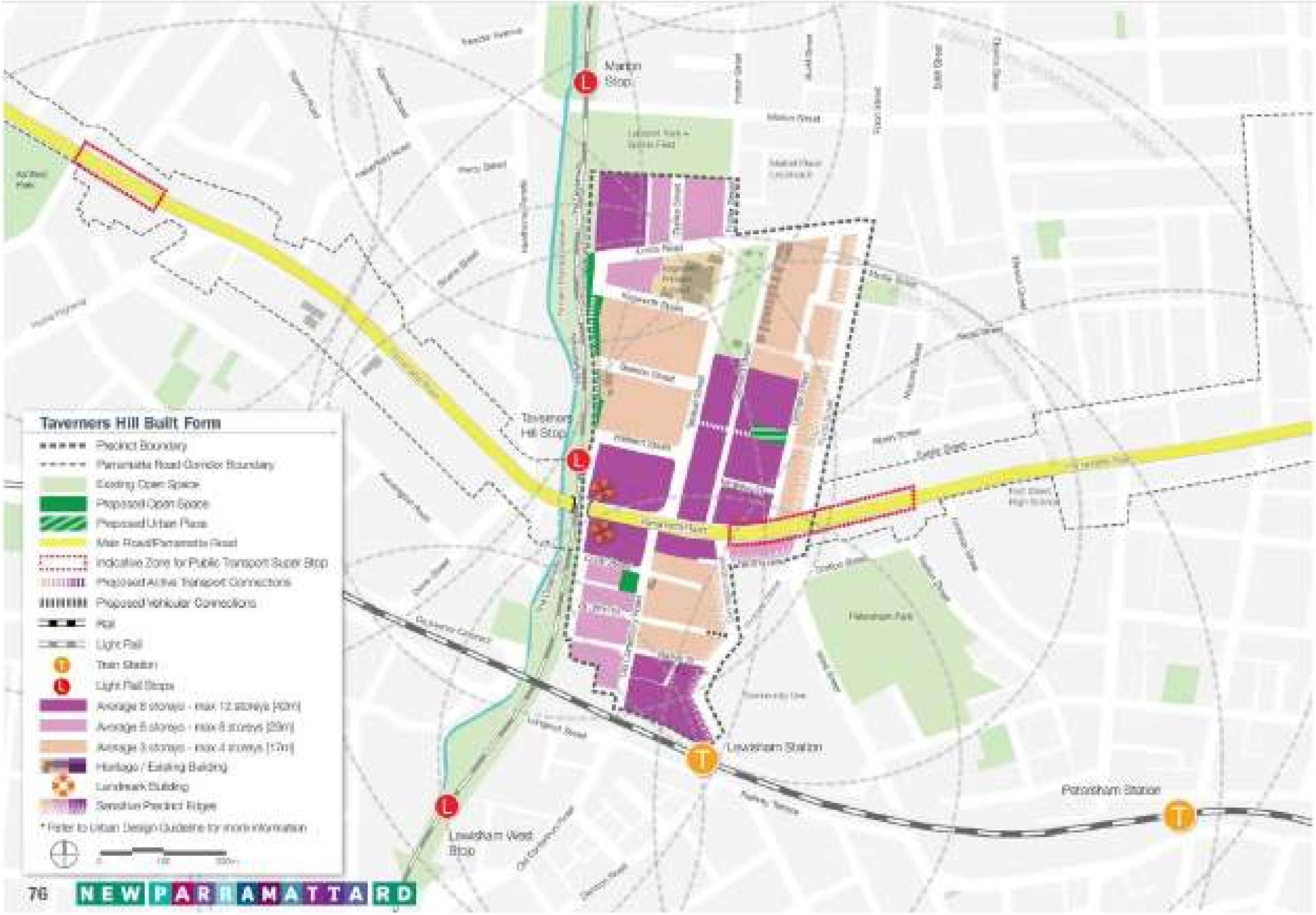

Figure 11-1 Map of Taverners Hill Structure Plan

Source: Urban Growth NSW*, Draft Parramatta Road Urban Transformation Strategy*, September 2015

11.2 Intention Summary

11.2.1 Population, Dwellings and Jobs

According to the Urban Growth NSW Draft Parramatta Road Urban Transformation Strategy September 2015 (The Strategy), there are currently 718 persons living in 313 dwellings in the Taverners Hill Precinct. This is predicted to grow to 5,516 persons living in 3.064 dwellings by 2050. In terms of employment, there are currently 2,745 jobs in the area, predicted to grow to 3,708 by 2050.[123]

11.2.2 Land Use

Taverners Hill Precinct lies across two LGAs, falling under the Leichhardt 2013 LEP[124] for the area north of Parramatta Road and Marrickville 2011 LEP[125] for the area south of Parramatta Road. According to these LEPs the area fronting the North of Parramatta Road is zoned IN2 (Light Industrial), while the area fronting the south of Parramatta Road is zoned B6 (Enterprise Corridor). The areas to the north of Parramatta Road are predominantly zoned R1 (General Residential), with smaller areas of R3 (Medium Density Residential) and B4 (Mixed Use). The areas to the south of Parramatta Road are predominantly zoned R2 (Low Density Residential), with smaller areas of R1 (General Residential) and R4 (High Density Residential).[126]

11.2.3 Vision

The Strategy envisions Taverners Hill to be an urban village with walking and cycling links via the GreenWay, access to many public transport modes and many neighbourhood parks, squares and leafy streets.[127]

11.2.4 Delivering the Vision

The Strategy states that this vision can be realised by:

- Providing better crossings for Parramatta Road and Longport Street and across the light rail corridor transitioning new, higher-density development to existing areas and conservation areas
- Providing more open space areas and make them easier to get to
- Designing for the impact of major through-traffic roads
- Addressing aircraft noise
- Focusing services within residential areas rather than on Parramatta Road
- Addressing small residential lots and fragmented ownership, especially south of Parramatta Road

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[123] Ibid, p.73
[124] Leichhardt Local Environmental Plan 2013
[125] Marrickville Local Environmental Plan 2011
[126] Leichhardt Local Environmental Plan 2013 and Marrickville Local Environmental Plan 2011
[127] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.72

- Using the right mechanisms to fund public infrastructure, including high quality public places.[128]

11.3 Key Demographic Features

11.3.1 Precinct

In terms of demographic indicators that we have looked at as part of this study, the Taverners Hill Precinct has some key features that differentiate it from the other precincts and from Greater Sydney generally. Taverners Hill Precinct has the second highest median weekly rent of all the precincts at $476 and significantly higher than the median weekly rent for Greater Sydney ($351). However, relative to local income Taverners Hill Precinct is generally more affordable than most other precincts, with a median income household paying roughly 26% of their $1,802 weekly income on rent. Despite this, Taverners Hill is the least affordable precinct to persons on very low incomes, being affordable to only 2.2% of very low income earners.

Overall, Taverners Hill Precinct is the oldest of all the precincts, with an average age of 40 years compared to an average age of 36 years for Greater Sydney. The Precinct has the highest proportion of persons aged 70 years (13.1%) and over compared to the other precincts and to Greater Sydney (7.7%).

Taverners Hill Precinct has significantly lower proportion of flats and units to the other precincts and compared to Greater Sydney (16%, compared with 50% for all SA1s fronting Parramatta Road and 26% for Greater Sydney).[129]

11.3.2 Local Government Area

The Taverners Hill Precinct is located in both the Leichhardt and Marrickville Local Government Areas. Both Leichhardt and Marrickville LGAs have high ABS SEIFA scores for Disadvantage (91st percentile and 80th percentile, respectively) and Education and Occupation (97th percentile and 91st percentile, respectively). Leichhardt LGA also has a high score for Economic Resources (83rd percentile), while Marrickville has a lower score for this indicator (41st percentile).

While both LGAs have a higher weekly rent than Greater Sydney (Leichhardt being significantly higher: $480 compared with $351), they are less expensive to live relative to local income with the average household in Leichhardt spending 21% of its $2,234 weekly income on rent and an average household in Marrickville spending 23% of its $1,605 weekly income on rent.[130]

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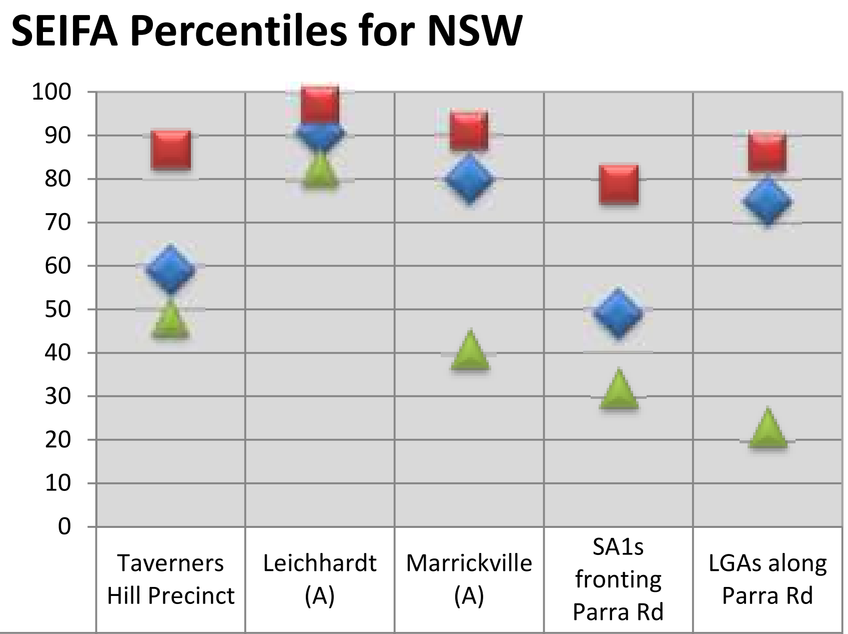
[128] Ibid

[129] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)

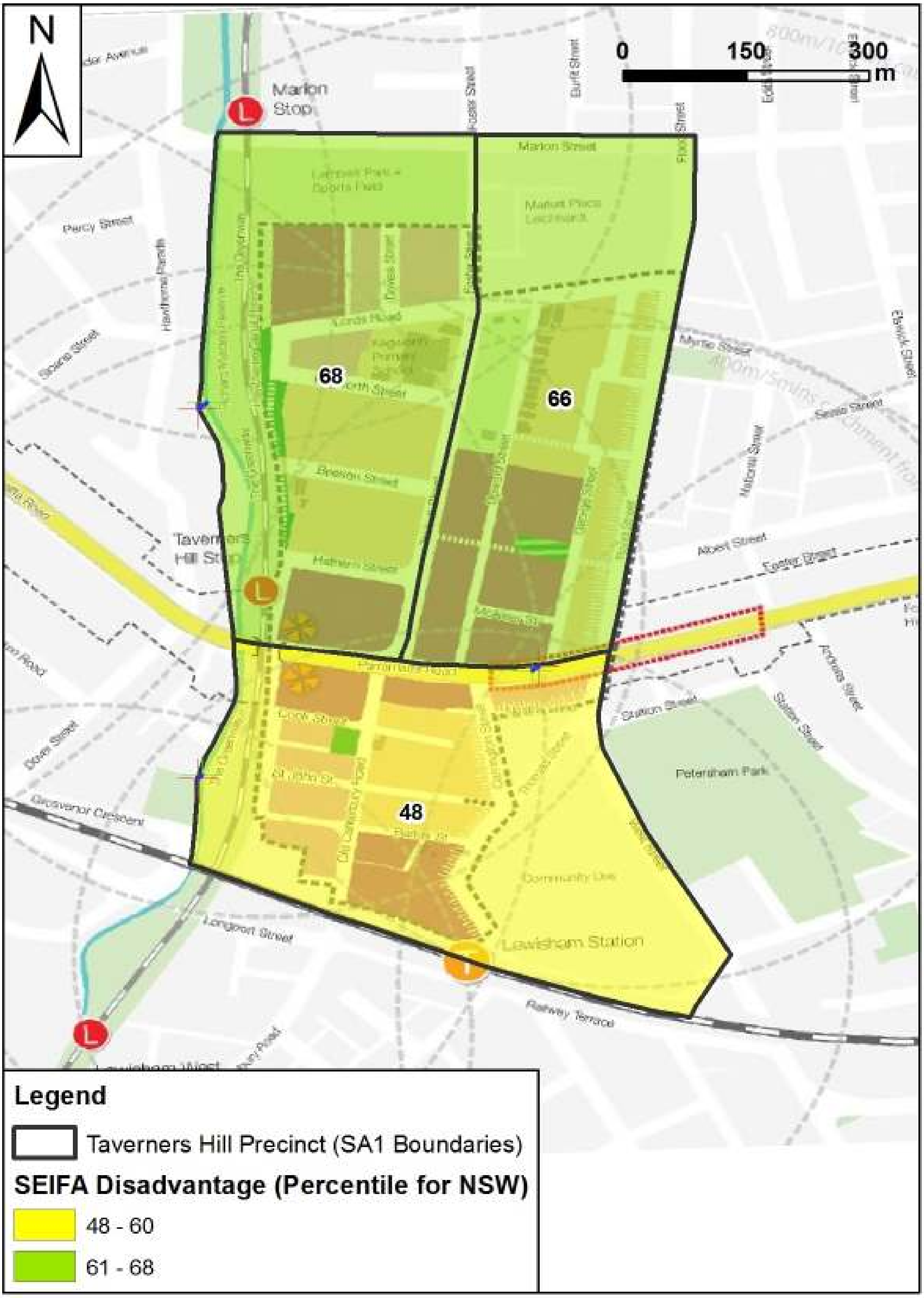
[130] Data obtained from ABS 2011 Census of Population and Housing and ABS 2011 Socio-Economic Indexes for Areas (SEIFA)



	Taverners Hill Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd
SEIFA Disadvantage	59	91	80	49	75
SEIFA Education and Occupation	87	97	91	79	86
SEIFA Economic Resources	48	83	41	32	23

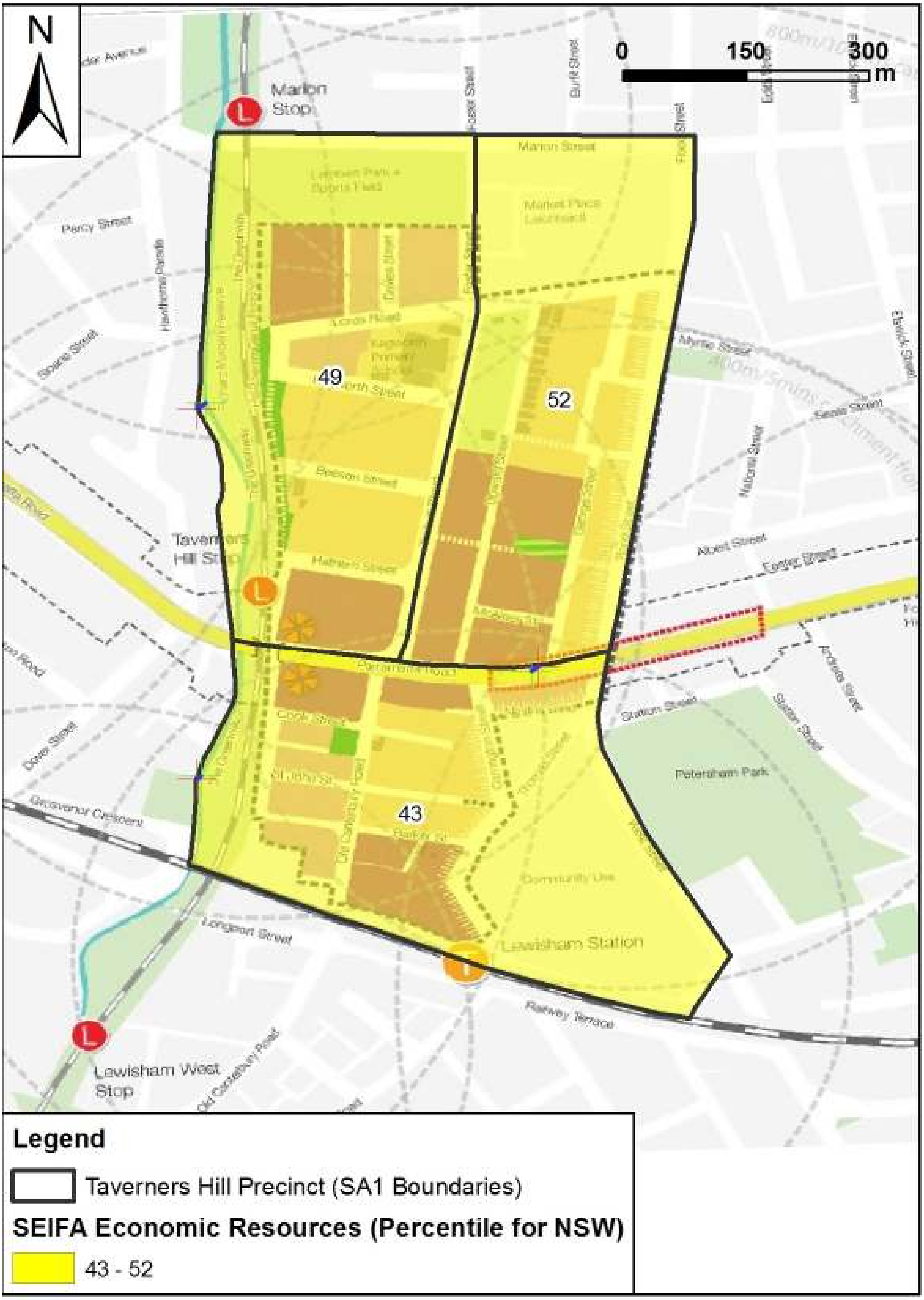
Figure 11-2 ABS 2011 SEIFA Disadvantage, Education and Occupation and Economic Resources scores for the Taverners Hill Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS (2011) Census



Map 11-1 ABS 2011 SEIFA Disadvantage scores for the Taverners Hill Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

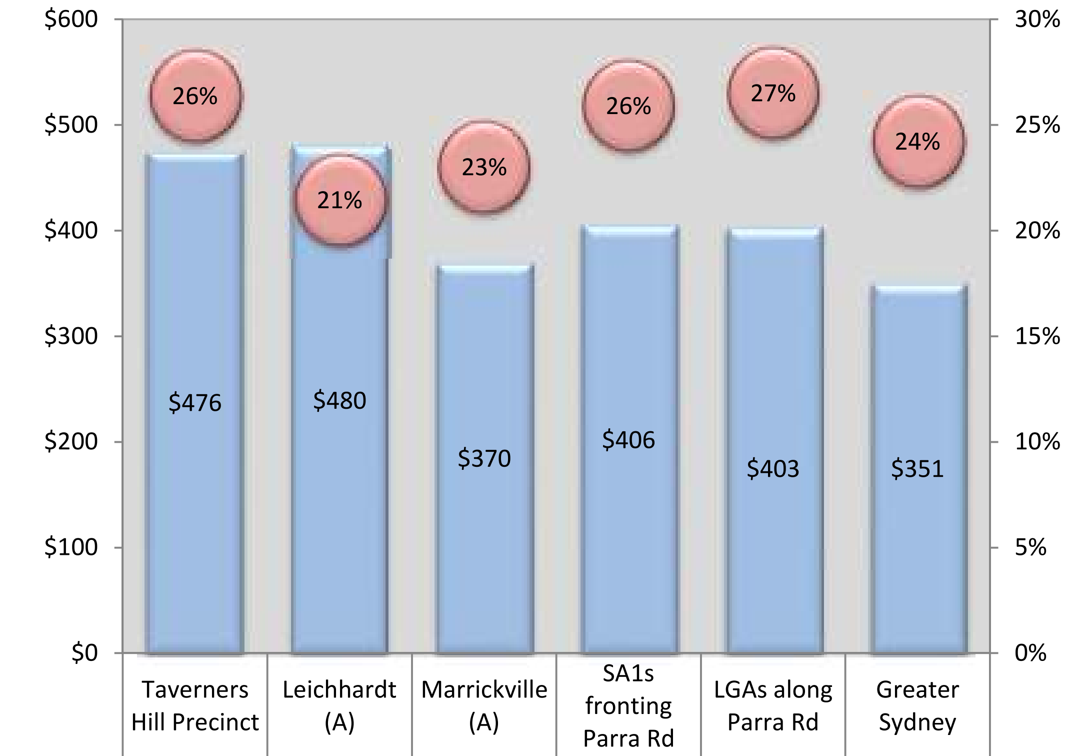


Map 11-2 ABS 2011 SEIFA Economic Resources scores for the Taverners Hill Precinct by SA1

Source: JSA 2016, based on data from ABS (2011) Census

Map 11-3 ABS 2011 SEIFA Education and Occupation scores for the Taverners Hill Precinct by SA1

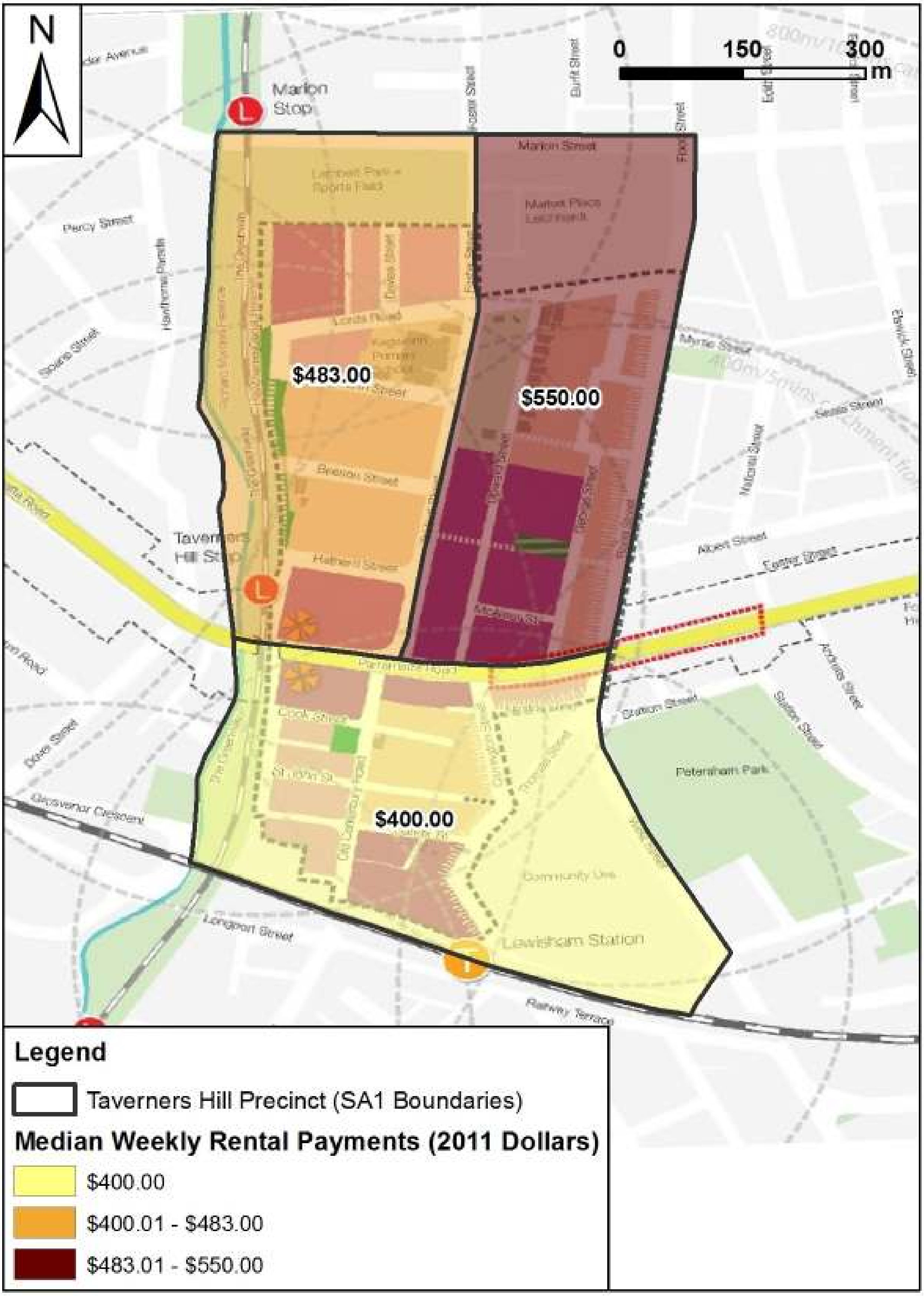
Source: JSA 2016, based on data from ABS (2011) Census



	Taverners Hill Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Median Weekly Rent	$476	$480	$370	$406	$403	$351
Median Weekly Rent as % of MGWHHI for Area	26%	21%	23%	26%	27%	24%

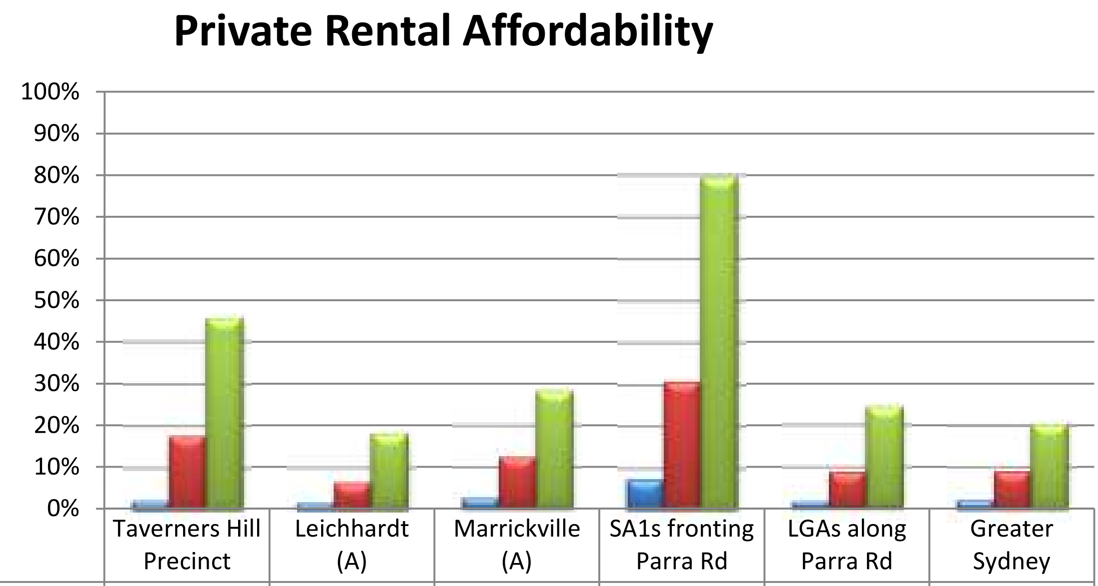
Figure 11-3 Median Weekly Rent for the Taverners Hill Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS (2011) Census



Map 11-4 Median Weekly Rent for the Taverners Hill Precinct by SA1

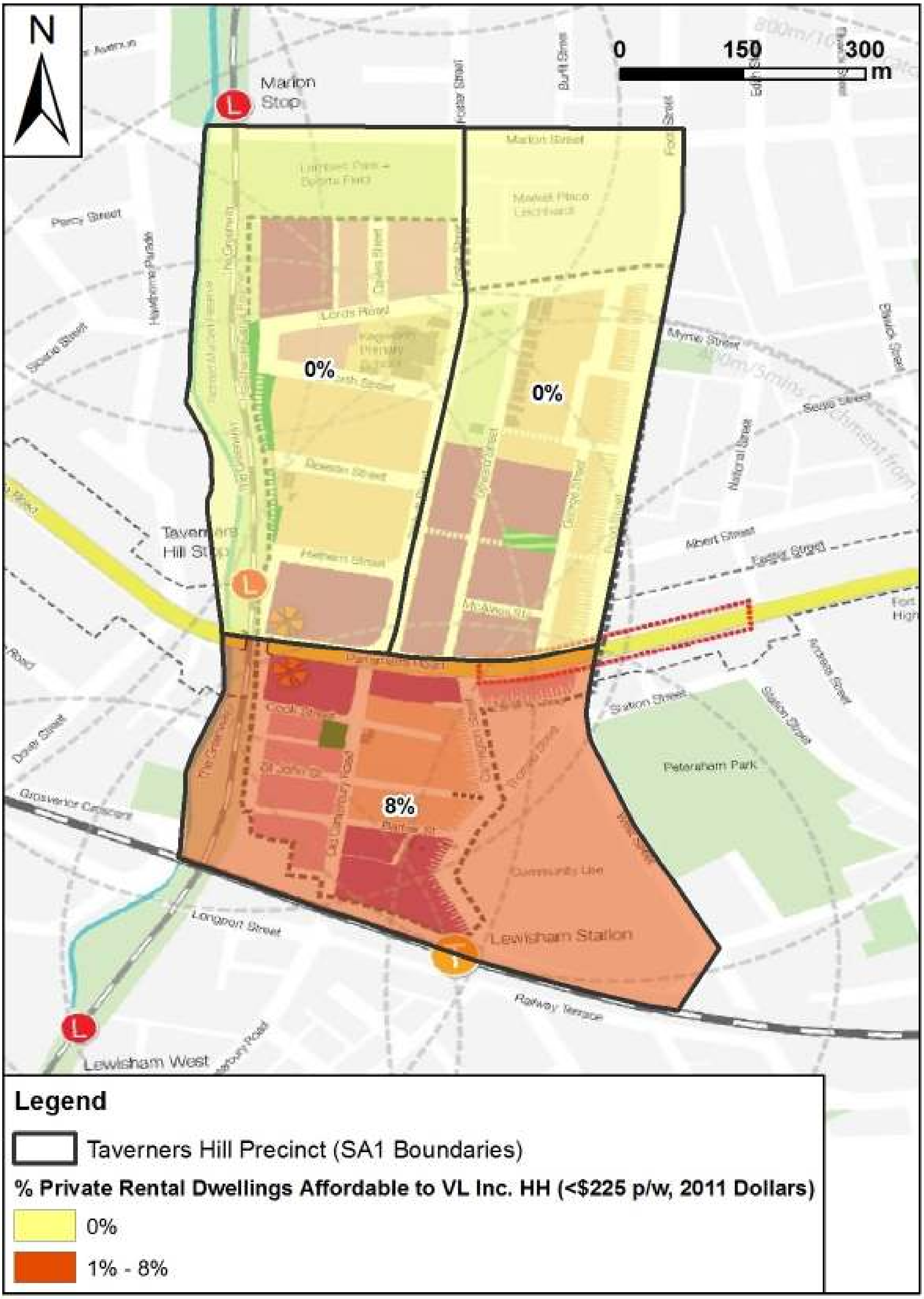
Source: JSA 2016, based on data from ABS (2011) Census



	Taverners Hill Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Affordable to Very Low Income Household (<$225 p/w)	2.2%	1.7%	2.7%	7.5%	1.8%	2.3%
Affordable to Low Income Household (<$350 p/w)	17.6%	6.6%	12.5%	30.8%	8.8%	9.2%
Affordable to Moderate Income Household (<$550 p/w)	45.6%	17.9%	28.2%	79.4%	24.3%	20.2%

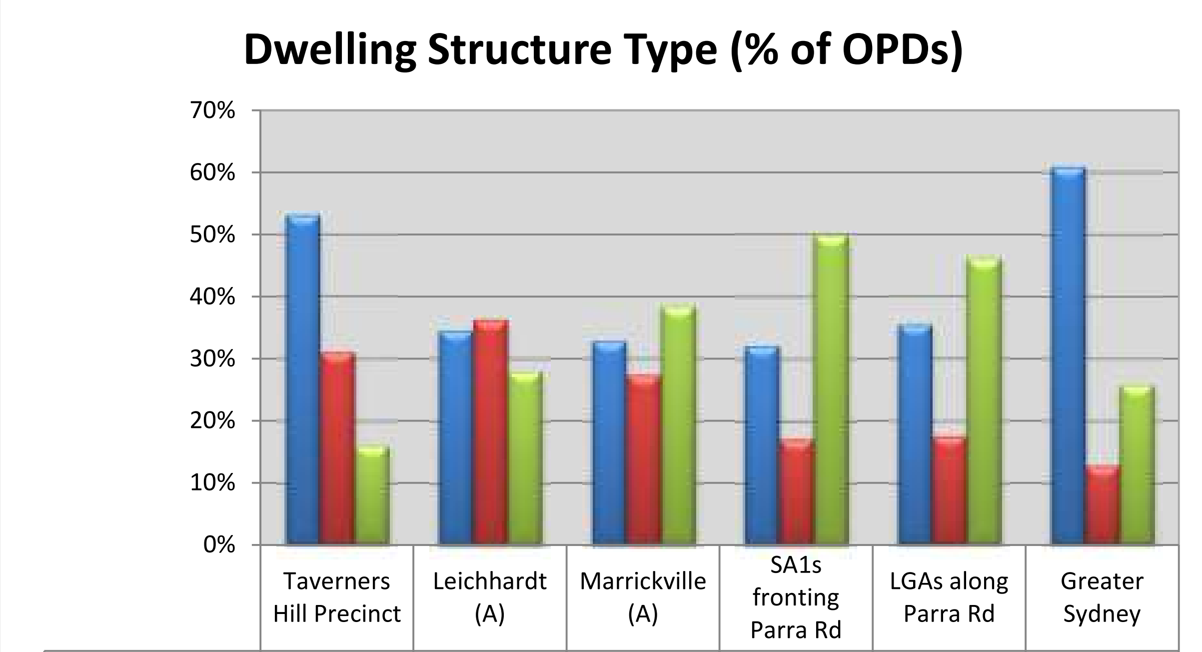
Figure 11-4 Private Rental Affordability for Very Low, Low and Moderate Income earners in the Taverners Hill Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS (2011) Census



Map 11-5 Proportion of Private Rental in the Taverners Hill Precinct affordable to Persons on Very Low Income by SA1

Source: JSA 2016, based on data from ABS (2011) Census



	Taverners Hill Precinct	Leichhardt (A)	Marrickville (A)	SA1s fronting Parra Rd	LGAs along Parra Rd	Greater Sydney
Separate House	53%	34%	33%	32%	35%	61%
Medium Density	31%	36%	27%	17%	18%	13%
Flats and Units	16%	28%	38%	50%	46%	26%

Figure 11-5 Dwelling Structure Type in the Taverners Hill Precinct, the LGAs containing the Precinct, for SA1's fronting Parramatta Road and for the LGAs along Parramatta Road

Source: JSA 2016, based on data from ABS (2011) Census

11.4 Planning Context

As noted above, the zoning in the precinct is predominantly a mixture of B6 (Enterprise Corridor), IN2 (Light Industrial) and R1 and R2 (General and Low Density Residential).[131] The zoning given in The Strategy appears to be quite similar to that shown in the Leichhardt and Marrickville LEPs, with some minor changes. The areas fronting Parramatta Road currently zoned as B6 (Enterprise Corridor) and IN2 (Light Industry) will become zoned as Mixed Use, with the areas currently zoned as residential remaining the same.[132]

The Marrickville and Leichhardt LEPs currently only provide maximum building heights for certain sections of the Taverners Hill Precinct. The majority of the residential and industrial zoned areas north of Parramatta Road and the area fronting the south of Parramatta Road do not have a building height maximum. The residential areas south of Parramatta Road area predominantly have a maximum building height of 9.5 metres, increasing to 17 metres for a small section. A small area north of Parramatta Road currently has a maximum building height ranging from 16 metres

[131] Leichhardt Local Environmental Plan 2013 and Marrickville Local Environmental Plan 2011

[132] Urban Growth NSW, *Draft Parramatta Road Urban Transformation Strategy*, September 2015, p.75

to 32 metres.[133] The Strategy proposes a maximum building height of 42m for the areas fronting Parramatta Road. Areas of the precinct set back from Parramatta Road generally have maximum building heights ranging from 17 metres to 29 metres. These proposed maximum building heights are significantly greater than the ones currently prescribed in the LEPs.[134]

The Marrickville and Leichhardt LEPs prescribe varying FSRs across the precinct. The Areas fronting Parramatta Road generally have an FSR of 1:1 or 0.95:1. Areas currently zoned as residential generally have an FSR of 0.5:1 or 0.6:1. Areas currently marked for medium or higher density residential have FSRs ranging from 1.1:1 to 2.15:1.[135]

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[133] Ibid, p. 76
[134] Urban Growth NSW, Draft Parramatta Road Urban Transformation Strategy, September 2015, p.76
[135] Leichhardt Local Environmental Plan 2013 and Marrickville Local Environmental Plan 2011