



Wollongong City Council

Wollongong Housing Strategy 2023



WOLLONGONG HOUSING STRATEGY

Delivering Growth, Diversity and Affordable Housing



February 2023

Wollongong City Council

ACKNOWLEDGEMENT OF COUNTRY

Wollongong City Council would like to show their respect and acknowledge the Traditional Custodians of the Land, of Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people.

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VERSION CONTROL

Draft Wollongong Housing Strategy 2022	22/8/22 Reported to Council for endorsement to exhibit
Draft Wollongong Housing Strategy 2022 – updated for exhibition	22/8/22 Endorsed by Council for exhibition with minor amendments. 10/10/22- 2/12/22 Exhibition
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Wollongong Housing Strategy 2023 - adopted	27/2/23 – Adopted by Council. Updated to reflect Council resolution. Tracked changes removed. (This document)

1. Introduction

In 2005, Council endorsed the *Wollongong City Housing Study 2005*. This study examined key demographic trends to determine the future housing needs of the Wollongong Local Government Area (LGA). This study informed the preparation of the draft Wollongong Local Environmental Plan 2009 (LEP).

The Wollongong Housing Strategy has been prepared to guide the future housing directions within the Wollongong Local Government Area for the next 10-20 years. The Strategy builds on the previous work, including the *Housing Our Community discussion paper*, the *Housing and Affordable Housing Options Paper* and community input.

The Housing Strategy addresses overall housing supply and demand, as well as examining various housing sectors that are in need of support, including the homeless, social housing, affordable housing and accessible or supportive housing.

Council is committed to ensuring our community has access to appropriate housing opportunities now and into the future. Council has a role to play in the local housing market, through planning controls, development assessment, local infrastructure provision, community services and advocacy. The rising cost of living, higher interest rates, Federal and State taxation settings and the provision of State enabling infrastructure, are outside Council's control.

Significant analysis has been undertaken and consultation with our communities and stakeholders has helped inform the development of the draft and final Strategy.

This strategy has been deliberately prepared as a succinct action plan to guide Council's programs and activities to support improved housing outcomes.

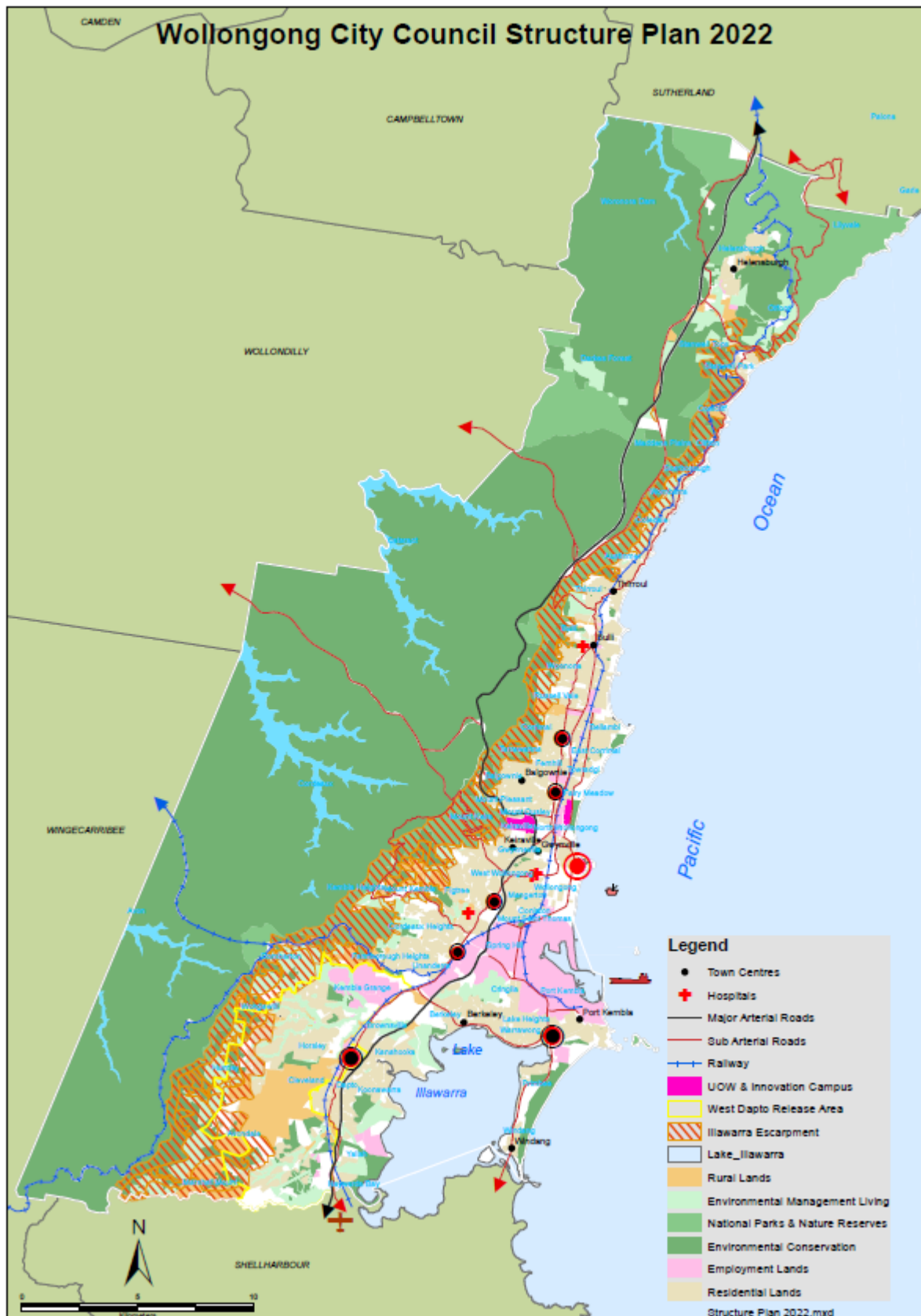


Figure 1 Wollongong Structure Plan

2. Existing housing situation snapshot

The Wollongong Local Government Area (LGA) currently has an estimated population of 214,657 persons who live in 89,337 dwellings (ABS 2021 census). The majority of dwellings are single detached dwelling houses (66%), with 20.5% medium density and 12.3% high density. The full results of the 2021 census will be available later in 2022.

The NSW Department of Planning and Environment's Illawarra Shoalhaven Urban Development Program Dashboard shows that over the 30 year period 1991-2021, Wollongong has on average approved 1,048 dwellings. Of which, 50% were dwelling houses, and 28% Medium Density and 21% High Density Apartment Buildings and Shop top housing, and 1% other (Figure 2).

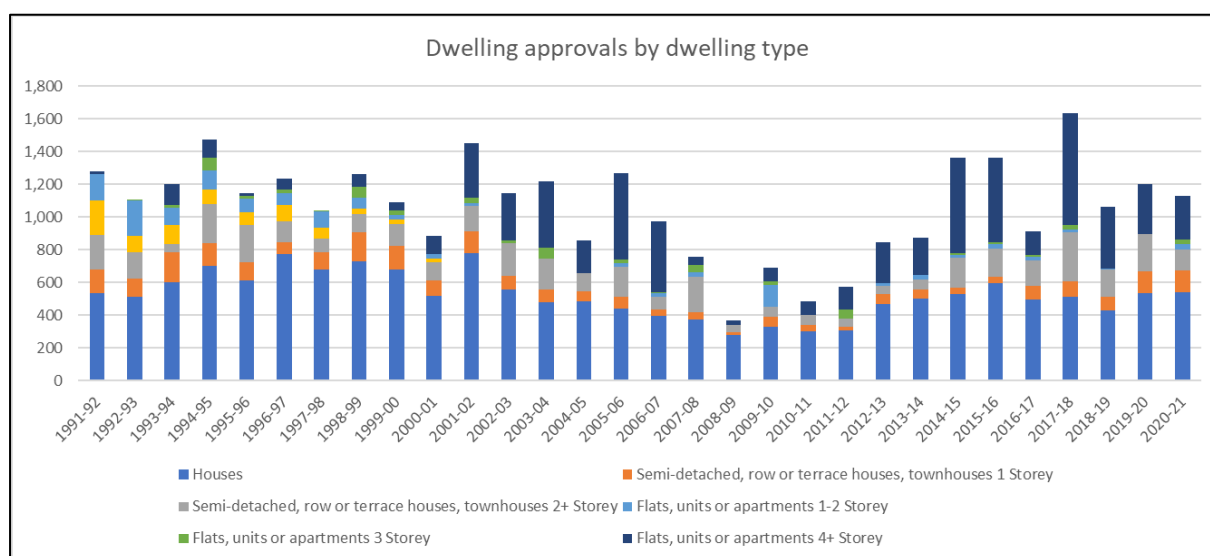


Figure 2 Dwelling approvals 1991-2021 (source DPE)

The 2021 Census data indicates that the size of dwelling is getting larger over time – with most of the increase in housing stock being in 4+ bedroom detached houses and 3+ bedroom medium density housing.

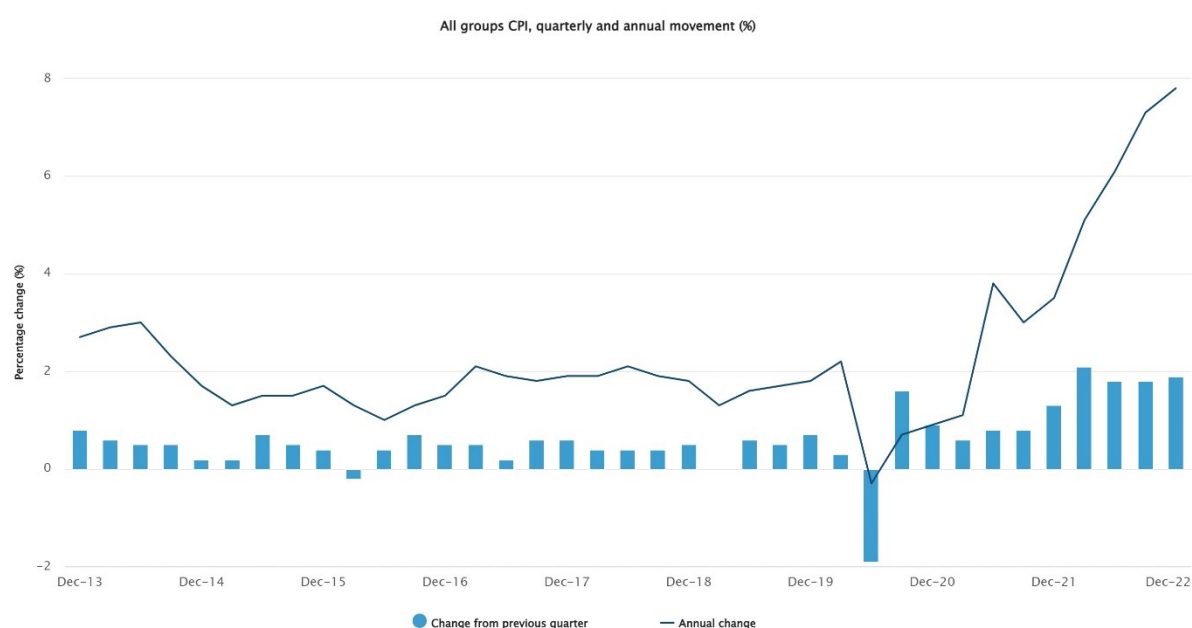
Wollongong has a large supply of social housing dwellings with some 6,700 dwellings owned and managed by NSW Land and Housing Corporation which represents 7.5% of our housing stock.

There is also an estimated 613 Affordable Rental dwellings manage by Community Housing Providers.

House prices have increased an average of 7.8% p.a. over the past 5 years, and unit prices 4.3%. In one year house prices have increased dramatically by over 30% which has had significant impact on housing affordability and affordable housing (for person on very low, low and moderate incomes). In May 2022 it was reported that the average house price in the Wollongong LGA exceeded \$1m. In July 2022 Domain reported that the median rental in the Wollongong LGA exceeded \$600 per week. Since the peak in April-May 2022, the average Wollongong house price has reportedly fallen some 10%.

The high dwelling prices has a flow on effect to higher rental prices. Rental stress is 36.9% which is higher than the Regional NSW average of 35.5%.

The cost of living is also increasing which is placing additional pressure on household budgets. Over the last 12 months, the ABS has reported inflation at 7.8% the highest since 1990 (Figure 3). Housing costs have increased by 10.7%, transport by 8% (including fuel), fruit and vegetables by 8.45%, and education by 4.6% (ABS CPI Dec 2022 ¹). Council is aware of these broad household pressures and takes a holistic approach to supporting our communities. The increases are also leading to increases in the cost of materials and labour, and supply chain issues for the development and building sectors.



Source: Australian Bureau of Statistics, Consumer Price Index, Australia December Quarter 2022

Figure 3 National CPI changes 2013-2022 (ABS CPI December 2022 quarter)

In February 2023 the Reserve Bank of Australia raised the Cash Interest Rate to 3.35%, an increase of 325 basis points since April 2022², which is being passed on through increased household mortgage interest rates. The effect has been a slight decrease in housing prices from record levels, a softening in demand for housing, accompanied by an increased demand for support services, social housing and more affordable housing.

¹ <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

² <https://www.rba.gov.au/statistics/cash-rate/>

3. Future housing requirements

The NSW Government, through the Illawarra Shoalhaven Regional Plan 2041 (Department of Planning and Environment 2021) indicates that Wollongong will need to house an additional 55,375 persons by 2041, in an additional 28,000 dwellings. The Department of Planning and Environment's 2022 population projections slightly increases the forecast population increase in 2041 from 55,375 to an additional 56,661 persons.

Based on forecast capacity and opportunities, this equates to an addition 3,088 dwellings in Ward 1, 10,520 dwellings in Ward 2 (largely Wollongong City Centre) and 14,500 dwellings in Ward 3 (largely West Dapto) (id Forecast)

Demonstrating how Council can satisfy the target is a requirement of the Housing Strategy.

In April 2022, the State Government incorporated Wollongong, and the three other Illawarra-Shoalhaven Council areas, into the Greater Cities Commission as one of the Six Cities. The Greater Cities Commission covers the Six Cities, stretching between Newcastle and the Illawarra-Shoalhaven. It is understood that in 2023, the Greater Cities Commission will prepare a new Region Plan covering the Six Cities and then in 2024 prepare City Plans for each of the Six Cities. The new Illawarra Shoalhaven City Plan will replace the Illawarra Shoalhaven Regional Plan 2041. A requirement of the new planning regime will be the inclusion of 5, 10 and 20 year dwelling targets for development to be granted for net additional dwellings. On average this is 1,400 dwellings per year, which is greater than the long-term average of 1,048 dwellings approved annually. Applying the 20-year projection this would equate to the following for Wollongong:

- 5 year (2026) 7,000 additional dwellings from 2021
- 10 year (2031) 14,000 additional dwellings from 2021
- 20 year (2041) 28,000 additional dwellings from 2021 (Figure 4)

As the Regional and City Plans are developed, targets for dwelling mix and / or affordable housing may also be considered. As shown in the historic dwelling approval data, future approval data will vary from year to year, and won't be a straight line.

Sustainability of housing is also a focus for Council - both as a response to climate change and to reduce on-going energy costs for households.

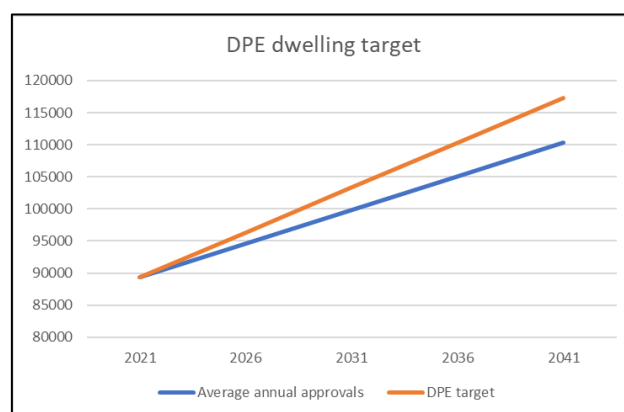


Figure 4 Dwelling target

4. State and regional policies

The State has introduced many State-wide and regional planning policies which influence how residential development occurs in the LGA, including:

- SEPP (Exempt and Complying Development) 2008 – which include the Housing Code, Low Rise Medium Density Code, Greenfield Housing Code. The SEPP overrides the Wollongong LEP 2009.
- SEPP (Housing) 2021 – which incorporated SEPP 70 Affordable Rental Housing Schemes, SEPP Affordable Rental Housing (including Short-term Rental Accommodation), SEPP No 21—Caravan Parks and SEPP No 36—Manufactured Home Estates into a single policy. The SEPP overrides the Wollongong LEP 2009.
- Housing 2041 (2021) – a State-wide Housing Strategy. It aims to deliver housing in the right locations, housing that suits diverse needs and housing that feels like home.
- Illawarra Shoalhaven Regional Plan 2041 (2021), which identifies that Wollongong needs to provide an additional 28,000 dwellings by 2041.
- In April 2022, the State Government incorporated Wollongong and the three other Illawarra-Shoalhaven Council areas, into the Greater Cities Commission (GCC) as one of the Six Cities. On 8 September 2022 the GCC released the Six Cities Region Discussion Paper.
- State Environmental Planning Policy (Sustainable Buildings) 2022, which updates the BASIX's requirements, and sets out a framework for buildings in NSW to contribute to NSW's target of achieving net zero by 2050 (notified 29 August 2022, to commence 1 October 2023)
- Response to major flooding across NSW in 2022. NSW Legislative Council Select Committee on the response to major flooding across NSW in 2022 (report published 9 August 2022)
- NSW Independent 2022 Flood Inquiry, and NSW Government Response (reports published 17 August 2022)
- Options to improve access to existing and alternate accommodation to address social housing shortage. NSW Legislative Assembly Committee on Community Services (report published 18 August 2022)
- Future Transport Strategy 2022 – released 7 September 2022

5. Housing Strategy

The Housing Strategy has been developed over several years. A number of documents have informed the development of the draft strategy, including:

- Review of 2005 Housing Strategy (WCC 2013)
- Review of Medium Density precincts (WCC 2013)
- Wollongong Residential Density Study (Hames Sharley 2014)
- Housing Our Community Discussion Paper (WCC 2017)
- Review of Low Rise Medium Density controls (Kennedy Associates 2019, updated 2022)
- West Dapto Housing Study (SGS 2019)
- Draft Housing and Affordable Housing Options Study (WCC 2020)
- Draft Housing and Affordable Housing Options Study – feedback report (2021)

This information remains publicly available as background to this Strategy.

The draft Housing and Affordable Housing Options study found:

- There is sufficient projected housing supply to meet the projected housing demand
- A greater mix of housing choice needs to be provided – more smaller dwellings are required
- More take-up of the R3 Medium Density Residential Zone with medium density residential development is required
- More Affordable Housing needs to be provided
- There needs to be limits to additional housing in some parts of the LGA due to environmental and infrastructure constraints.

The feedback provided through the 2020 exhibition of the draft Housing Options Study, supported many of the initiative options presented.

a. Housing vision

The draft Housing and Affordable Housing Options Paper has shown that there is a need to:

- Provide more diverse housing to address housing demand, household size and affordability.
- Provide more housing in places that have high amenity and access to shops, jobs, transport. This means that some places will experience growth and changing character over time – this may be challenging but necessary.
- Provide less housing in locations with environmental or infrastructure constraints.

Based on the feedback from the draft Housing Options Paper and draft Housing Strategy, the following vision for Housing in the LGA is adopted:

- *Housing will respond to Wollongong's unique environmental setting and heritage.*
- *New housing will continue to diversify supply and provide choice for residents. Diversity will be provided through a variety of housing types, sizes, configurations, and features, to cater for a wide range of residential needs and price-points. Focus for diversity will be on affordable, smaller, and/ or adaptable housing located throughout the Wollongong LGA to cater for a range of incomes and abilities.*

- *Wollongong City Centre will deliver a range of higher density housing options in appropriate locations having regard to retail and commercial outcomes. It will be a thriving and unique regional city, delivering a diverse economy and offering a high quality lifestyle. It will be liveable and a place where people will want to live, learn, work and play.*
- *Urban Release Areas such as West Dapto, will deliver the largest proportion of new housing supply and will be adequately serviced with essential infrastructure.*
- *Town and village centres, and land zoned for medium density residential development will promote their distinctive character, whilst planning for and facilitating growth and high quality design in desired locations.*
- *Wollongong will strive to increase affordability in the housing market, and to ensure housing provides for a wide range of incomes, people with a disability and for our ageing population.*

b. Overall City-wide strategies

The Housing Strategy endorses the continuation of the following strategies:

- CW1. Enable housing of the appropriate type in appropriate locations, with suitable landform, access to public transport, town centres and supporting infrastructure that is planned, costed and programmed within an achievable timeline.
- CW2. Provide sufficient zoned land and housing approvals to meet the 5 year (+7000 dwellings), 10 year (+14,000 dwellings) and 20 year (+28,000 dwellings) overall targets that will be required by Greater Cities Commission based on the Department of Planning and Environment's projections
- CW3. Provide predominantly detached dwelling houses in Urban Release Areas, supplemented by increased densities and housing mix around planned town centres - West Dapto Release Area, Tallawarra and Calderwood (the part within the Wollongong LGA)
- CW4. Encourage land owners and developers of zoned and serviced land in the release areas to release land for housing development to increase supply
- CW5. Provide residential units in the Wollongong City Centre, appropriately designed and located, having regard to other functions of the City Centre
- CW6. Retain Industrial zoned land for employment opportunities, and not for residential outcomes.
- CW7. Retain the Illawarra Escarpment as a conservation area, with very limited opportunity for additional dwellings
- CW8. Retain the Sydney Drinking Water Catchment area as a conservation area, with no additional housing opportunities
- CW9. Protect the Illawarra Escarpment, Hacking River catchment, significant bushland and ecological areas, floodplains, coast line and other sensitive locations from inappropriate housing development
- CW10. Review the opportunity to provide of additional housing in key Town Centres, to be undertaken following the completion of the Retail and Business Centres Strategy
- CW11. Review development controls to increase the sustainability and energy efficiency of dwellings. Council has recently exhibited the Climate Friendly Planning Framework Discussion Paper and is considering feedback received.

c. Housing Needs strategies – helping people find a home

The Housing Strategy endorses the following strategies to assist persons who require assistance. Whilst this is not a legislative responsibility for Council, we will continue to support and promote measures that improve housing outcomes for our community.

i. Homelessness and Emergency housing

The ABS defines homelessness as: “When a person does not have suitable accommodation alternatives they are considered homeless if their current living arrangement:

- is in a dwelling that is inadequate; or
- has no tenure, or if their initial tenure is short and not extendable; or
- does not allow them to have control of, and access to space for social relations.”

In recognition of the diversity of homelessness, three categories can be considered:

- Primary homelessness is experienced by people without conventional accommodation (e.g. sleeping rough or in improvised dwellings);
- Secondary homelessness is experienced by people who frequently move from one temporary shelter to another (e.g. emergency accommodation, youth refuges, “couch surfing”);
- Tertiary homelessness is experienced by people staying in accommodation that falls below minimum community standards (e.g. boarding housing and caravan parks) (Chamberlain and Mackenzie’s 1992).

The NSW Government is responsible for housing and homelessness, and the Commonwealth Government is responsible for significant financial assistance to improve housing and homelessness outcomes.

Council is involved in responding to and managing homelessness through:

- maintaining public space amenity and facilities
- planning decisions on development applications and rezoning proposals
- provision of community services / facilities, such as libraries and public toilets
- advocacy
- management of community concerns and complaints about rough sleeping
- clean-ups and public safety initiatives (eg syringe disposal)
- lobbying for additional funding for social housing and support services.
- As part of the launch of the Housing 2041 - NSW Housing Strategy, Council offered the NSW Department of Planning and Environment the use of 2 sites for Meanwhile Use and temporary accommodation as part of a pilot scheme to provide additional crisis housing. At this stage the offer has not been taken-up, but we will remain supportive of the initiative.

Council also works closely with a range of housing and homeless services, domestic violence agencies, NSW Police and specialist homelessness service providers.

The Housing Strategy proposes:

- H1. The Fees and Charges Policy be amended to waive Development Application fees for emergency and temporary housing dwellings within a development, on development applications lodged by registered providers of emergency housing, on sites owned by the provider and where the dwellings are available for emergency housing for a minimum period of 15 years.
- H2. The Wollongong City-wide Development Contributions Plan 2022 and West Dapto Development Contributions Plan 2020 be amended to waive development contributions for future development applications lodged by registered providers of emergency housing for emergency and temporary housing dwellings ~~projects~~, on sites owned by the provider and where the dwellings are available for emergency housing for a minimum period of 15 years.
- H3. Council will advocate for additional State funding to be directed to the emergency housing sector.
- H4. Council will continue to support the use of the nominated 2 sites for Meanwhile Use and Temporary Accommodation, and will consider whether any other sites are suitable
- H5. Landowners and developers to consider whether their vacant sites and buildings can be used for Meanwhile Use and Temporary Accommodation
- H6. Council will consider whether any Council operational land parcels are suitable to be leased for the provision of emergency or temporary housing.

ii. Social housing

Wollongong has over 6,700 social housing dwellings which represents 7.5% of our housing stock. There is a high need for additional social housing in the LGA and elsewhere in NSW. There is an estimated 3,000 persons on the Illawarra social housing waiting list, which could take 5-10 years for a dwelling to be made available.

In 2020 Council signed a Collaboration Agreement with NSW Land and Housing Corporation to work together to renew and improve the performance of their portfolio of social housing stock in the LGA. NSW Land and Housing Corporation is self-funded and needs to leverage its existing assets to construct new dwellings, and uses a mixed tenure model to improve the viability of projects and fund additional dwellings. This means that the Corporation needs to sell existing social housing stock to fund the construction of new dwellings. In some renewal locations, the funding model may require significant upscaling of overall development outcomes to maintain current social housing yields. This may not be appropriate in all circumstances, given environmental and infrastructure constraints.

The Housing Strategy proposes:

- SH1. Council will advocate for the number of social housing dwellings to be increased so that the 7.5% proportion of housing stock is at least maintained in line with overall growth
- SH2. Consistent with the Collaboration Agreement, Council will continue to work with NSW Land and Housing Corporation to renew and increase the social housing stock in the LGA
- SH3. Council will advocate for additional State funding to be directed to NSW Land and Housing Corporation for the construction of new social housing dwellings.

iii. Seniors Housing

As the population ages the proportion of housing required for seniors also increases. Wollongong is fortunate to have a number of quality providers of aged care accommodation, who provide self-contained units and residential care facilities (nursing homes). The planning controls for seniors living is managed by the State through SEPP (Housing) 2021. Council's role is to assess development applications.

The Housing Strategy does not propose any new specific strategies for seniors housing.

iv. Accessible Housing

There is an increasing need to provide specialist accommodation to house people with a disability. In 2016, Wollongong LGA had 6.4% of residents recorded as needing assistance with day to day living (ABS Census, 2016). The "need for assistance" is a measure of the number of people with profound or severe disability, defined as people who need assistance in their day to day lives with any or all of the following core activities: self-care; mobility; or communication because of disability, long-term health condition or old age.

Social Futures Australia and the Summer Foundation prepared the Specialist Disability Accommodation in Australia report released in March 2019. This report indicated that the shortfall in specialist disability accommodation in the Illawarra is 93 places. The SDA housing market is new and is expected to create new dwellings for people with disability over the next few years. Since 2019, the demand for specialist disability accommodation would have increased.

The planning controls for housing for disabled persons is managed by the State through SEPP (Housing) 2021. Council has recently reviewed and updated the Wollongong DCP 2009 Chapter E1 Access for people with disability, to align with State planning policy.

A number of service providers operate within the LGA, some own properties build specialist accommodation, and others lease properties which are adapted for their clients.

The Housing Strategy proposes:

- AH1. The Fees and Charges Policy be amended to waive Development Application fees for accessible housing dwellings within a development for supported accommodation housing projects, on sites owned by the Provider and where the dwellings are available for accessible housing for a minimum period of 15 years. (Note - excludes the 20% Accessible dwellings in Residential Flat Buildings and Shop top housing required under strategy AH4)
- AH2. The Wollongong City-wide Development Contributions Plan 2022 and West Dapto Development Contributions Plan 2020 be amended to waive development contributions for future development applications lodged by registered providers of accessible housing for supportive accommodation housing projects, on sites owned by the Provider and where the dwellings are available for accessible housing for a minimum period of 15 years.
- AH3. Council will lobby for additional State funding to be directed the accessible housing sector.
- AH4. The Wollongong DCP 2009 Chapter B2 Residential Development be amended to increase the proportion of accessible dwellings in larger residential flat building or shop top housing developments, from 10% to 20% in developments containing more than 60 units.

AH5. Council will consider whether any Council operational land parcels are suitable to be leased for the provision of accessible housing.

v. Affordable Rental Housing

There is no legislative requirement for Council, the State Government or the Federal Government to provide Affordable Housing. Many of the State's housing initiatives are aimed at increasing housing supply which is seen as improving housing affordability as more housing is on the market to cater for demand. However this is dependent on the timing of land release and only assists the proportion of the community that can afford to purchase a dwelling.

Affordable Housing is defined as *housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.* (Environmental Planning and Assessment Act 1979). Clause 13 of SEPP (Housing) 2021 indicates that *a household is taken to be a very low income household, low income household or moderate income household if—*

- (a) *the household—*
 - (i) *has a gross income within the following ranges of percentages of the median household income for Greater Sydney or the Rest of NSW*—*
 - (A) *very low income household—less than 50%,*
 - (B) *low income household—50–less than 80%,*
 - (C) *moderate income household—80–120%, and*
 - (ii) *pays no more than 30% of the gross income in rent, or*
- (b) *the household—*
 - (i) *is eligible to occupy rental accommodation under the National Rental Affordability Scheme, and*
 - (ii) *pays no more rent than the rent that would be charged if the household were to occupy rental accommodation under the Scheme.*

[* Wollongong is defined as being part of the Rest of NSW]

There can be a range of reasons that people and households require affordable housing, related to loss of employment, low wages, family relationship breakdowns, study, health issues and other factors. Affordable housing can be required by the young (eg student accommodation or workers), key workers (eg nurses, police) or the elderly.

Council has long considered it has a social responsibility to assist members of the community into appropriate housing. In the 1980s, Council in conjunction with Shellharbour and Kiama Councils and the Emergency Accommodation Group established the Illawarra Community Housing Trust, now known as the Housing Trust.

Council has considered a wide range of options to support the provisions of additional affordable rental housing.

The Housing Strategy proposes:

ARH1. The Fees and Charges Policy be amended to waive Development Application fees for Affordable Housing dwellings within a development lodged by registered Tier 1 or Tier 2 Community Housing Providers for Affordable Rental Housing Projects, on sites owned by the

Provider and where the dwellings are available for affordable rental housing for a minimum period of 15 years.

- ARH2. The Wollongong City-wide Development Contributions Plan 2022 and West Dapto Development Contributions Plan 2020 be amended to waive development contributions for future development applications lodged by registered Tier 1 or Tier 2 Community Housing Providers for Affordable Rental Housing Projects, on sites owned by the Provider and where the dwellings are available for affordable rental housing for a minimum period of 15 years.
- ARH3. Council will lobby for additional State funding to be directed the Affordable housing sector.
- ARH4. As part of submitted Planning Proposals requests seeking to permit residential development or increase the residential density, a minimum of 5% of the Gross Floor Area of proposed residential developments will be required to be provided as Affordable Rental Housing. A Financial Feasibility study will be required to accompany the draft Planning Proposal to determine the appropriate development contribution based on the uplift value being sought. Developers may choose to pay the equivalent value which will be collected and transferred to a not-for-profit Tier 1 or Tier 2 Community Housing Provider for the provision of affordable housing (mechanism to be determined). This will also apply to the West Dapto Urban Release Area where draft Planning Proposals propose residential development in a medium density zone or with a minimum lot size less than 300m² is proposed. Excludes Planning Proposals from NSW Land and Housing Commission for social housing.
- ARH5. An Affordable Housing Development Contribution Scheme will be introduced and the Wollongong LEP 2009 amended, for precincts proposed to be rezoned to permit increase the residential density or significant residential development, a minimum of 5% of the Gross Floor Area of proposed residential developments will be required to be provided as Affordable Rental Housing. Developers may choose to pay the equivalent value which will be collected and transferred to a not-for-profit Tier 1 or Tier 2 Community Housing Provider for the provision of affordable housing. This will also apply to the West Dapto Urban Release Area where draft Planning Proposals propose residential development in a medium density zone or with a minimum lot size less than 300m² is proposed.
- ARH6. As part of the proposed Affordable Housing Development Contribution Scheme, commencing in 3 years (1/1/2026), residential developments containing more than 20 dwellings will be required to have a minimum of 3% Floor Space as Affordable Rental dwellings to be managed by a Tier 1 or Tier 2 Community Housing provider, or equivalent funding provided. The size of the dwellings is to be proportional to the overall dwelling mix in the development. The percentage rate will increase by 1% each year (on 1 January) to be 10% on 1/1/2033. The scheme will not apply to dwellings provided under SH1, ARH4 and ARH5.
- ARH7. Council will consider whether any Council operational land parcels are suitable to be leased for the provision of affordable housing.
- ARH8. An Affordable Housing target will be guided by the Greater Cities Commission City Plan.
- ARH9. Continue to request the NSW Department of Planning and Environment to amend the Standard LEP Instrument to include Affordable Housing clause, so that it is available to all NSW Councils.
- ARH10. Council remains open to investigating and considering innovative partnership opportunities.

Key Workers

- KW1 Proponents of developments that rely on Key Workers are encouraged to consider options to provide housing for their Key Workers on low incomes.
- KW2 Major infrastructure projects proponents are encouraged to consider options to provide temporary housing (if required) for skilled workers as part of significant construction projects.

d. Housing diversity, mix and choice strategies - housing product changes

Housing diversity is provided in the medium density precincts where multi dwelling housing is permitted and high density precincts, like the Wollongong City Centre where shop top housing units are permitted. Proposed locational changes are detailed in the following section. Since 2011 there have been an additional 2,066 medium density dwellings and 3,714 high density dwelling constructed in the LGA, increasing the proportion from 29.2% to 32.8% of the total dwellings.

The Housing Strategy proposes that:

- D1. the mix of dwellings sizes in residential flat buildings and shop top housing developments be amended to increase the proportion of single bedroom / studio dwellings from 10% to 20% in developments containing more than 20 dwellings

The Housing Strategy proposes the introduction of planning controls for new smaller housing products that will increase housing choice:

- D2. Villas (a form of Multi Dwelling Housing) – three small single storey dwellings on a lot, with a floor space ratio of 0.3:1
- D3. Fonzie flats (a form of secondary dwelling) – a second dwelling on a lot located above the garage with rear lane access or secondary frontage
- D4. Amend the R2 Low Density Residential zone to remove Residential Flat Buildings as a permissible land use which is not an appropriate built form in the low density zone, and is not achievable with a 0.5:1 FSR and 9m height limit
- D5. Review the planning controls for dual occupancy and multi-unit housing development, including FSR, building height, site area and site width in the R2 and R3 zones

The amenity of neighbourhoods is also a consideration for development. The Housing Strategy proposes:

- D6. A building height limit on rear dual occupancy dwellings in the R2 Low Density Residential zone to be single storey
- D7. Review and updating the suburb character statements contained in Wollongong DCP 2009 Chapter D1 Character Statements.

e. Key location changes – Housing growth in the right locations

The Housing Strategy proposes to align residential development controls to environmental and infrastructure constraints, and to the retail / business centres hierarchy.

The draft Housing Strategy proposes the modification of the planning controls for housing in the following locations due to environmental and infrastructure constraints:

- L1. Illawarra Escarpment Foothills (Farmborough Heights to Stanwell Park) – decrease residential development potential due to environmental constraints. An ancillary review of large residential lots in the escarpment foothills is in preparation.
- L2. Northern Villages (north of Thirroul to Stanwell Tops) – decrease residential development potential due to environmental and infrastructure constraints
- L3. Windang – decrease residential development potential in high and medium flood risk precincts, and subject to coastal and lake inundation, as identified in the Lake Illawarra Floodplain Management Study and Plan 2012, and Lake Illawarra Coastal Management Program 2020
- L4. Fairy Meadow - decrease residential development potential in high and medium flood risk precincts, as identified in the Fairy and Cabbage Tree Creek Floodplain Management Study and Plan 2010 (currently being revised based on the 2020 Flood Study).

The Housing Strategy proposes the modification of the planning controls for housing in the following locations where there is more capacity for development:

- L5. Existing R3 Medium Density Residential zones – review the floor space ratio and height controls and whether the precincts should be expanded
- L6. Wollongong – increase development potential in some locations surrounding the existing Wollongong City Centre. The boundaries are to be defined.
- L7. Review the R1 General Residential zone which surrounds the Wollongong City Centre – rezone to a mix of R2, R3 and R4
- L8. South Wollongong – a review of the planning controls for the South Wollongong precinct is scheduled to occur following the completion of the Wollongong City Floodplain Management Study and Plan. Noting that this precinct is also important for light industrial and employment uses.
- L9. Review the SP1 Hospital zone at Wollongong – consider rezoning to R3 Medium Density Residential and R4 High Density Residential zones (following the completion of the Department of Planning and Environment / NSW Health master plan)
- L10. Warrawong – increase development potential around the town centre. The boundaries are to be defined.
- L11. Corrimal – increase development potential around the town centre (excluding Illawarra Escarpment Foothills and constrained locations). The boundaries are to be defined.
- L12. Flinders Street, North Wollongong precinct – rezone parts of B6 Enterprise Corridor zone along Bourke Street, Edward Street and Gipps Street to a residential or mixed-use zone. The boundaries are to be defined.
- L13. Town Centres – review the floor space ratio and building height limits to increase the opportunity for shop top housing. The floor space ratio and building height will need to be defined for each centre. Centres with adequate public transport will be a higher priority for review.
- L14. As part of the finalisation of the Tourism Accommodation Review, review the permissibility of Short-term Rental Accommodation and options to reduce the impact on the rental market.

Detailed analysis will be undertaken for these actions to define boundaries and determine appropriate development standards before changes are made to planning controls. Any proposed changes will be exhibited through draft Planning Proposals and amendments to the Wollongong DCP 2009.

The net results of the proposed changes will still enable Council to meet the Regional Plan's housing target of an additional 28,000 dwellings by 2041.

Importantly, the changes will encourage a greater supply of medium density housing, which provides housing choice, can be more affordable and makes the more efficient use of land and existing supporting infrastructure.

f. Site specific changes

Council is currently assessing and processing draft Planning Proposal requests for locations that will provide additional housing, including:

- PP-2016/3 - Former Port Kembla School site – estimated 110 dwellings, incorporating 5% Affordable Rental Housing via a draft Planning Agreement
- PP-2019/8 - West Dapto Urban Release Area – stage 3 – Cleveland West – estimated 700 lots
- PP-2020/4 - West Dapto Urban Release Area – Stage 1 Bluescope holdings minor review – estimated additional 50 dwellings
- PP-2020/6 - West Dapto Urban Release Area – Stage 3 Cleveland Road precinct – estimated 3000 lots.

The assessment of these draft Planning Proposals will continue.

The Housing Strategy has not identified the need for significant additional greenfield or brownfield residential release areas, beyond those already identified. There is sufficient land already identified to meet the future housing needs without the rezoning of more sensitive and constrained locations.

Should Council receive other draft Planning Proposal requests, they will need to demonstrate consistency with:

- the draft Wollongong Housing Strategy
- the Illawarra Shoalhaven Regional Plan 2041 (and future City Plan)
- the Wollongong Local Strategic Planning Statement
- Council's Planning Proposal Policy
- other adopted strategies, such as Town and Village Plans, the Illawarra Escarpment Strategic Management Plan, West Dapto Vision, Wollongong City Centre Urban Design Framework.

g. Partnerships and Advocacy

A large range of housing issues are outside Council's direct control, however Council can seek to influence other organisations through advocacy and partnerships.

The Housing Strategy proposes that Council:

- P1. Work with the NSW Land and Housing Commission (L&HC) to renew and increase social housing and maintain at least the 7.5% proportion of social housing in the LGA.

- P2. Work with Illawarra Local Aboriginal Land Council (ILALC) and Illawarra Housing Corporation (IHC) to develop and conserve their lands, as determined by their boards and members
- P3. Remains open to investigating innovative partnership opportunities
- P4. Work with the Greater Cities Commission to define housing targets for the City, which would be identified through the proposed City Plan.
- P5. Advocate to the State Government and infrastructure agencies to forward fund the provision of infrastructure to service the West Dapto Release Area
- P6. Continue to request the NSW Department of Planning and Environment to amend the Standard LEP Instrument to include Affordable Housing clause, so that it is available to all NSW Councils.
- P7. Lobby the State Government, including local Members of Parliament, for the allocation of funds to:
 - The Emergency Housing sector to increase emergency and temporary accommodation
 - NSW Land and Housing Corporation to increase the provision of new social housing dwellings
 - The Disability or Supportive Accommodation sector to increase the provision of supportive accommodation
 - The Community Housing sector to increase the provision of affordable rental housing
- P8. Lobby the Federal Government, including local Members of Parliament, for the allocation of funds to the State Government, or direct to Local Government for the increased provision of emergency, social, accessible and affordable rental housing.
- P9. Work with peak development organisations, such as the Property Council of Australia (NSW), Urban Development Institute of Australia (NSW) on the implementation of the draft Housing Strategy.

h. Education

Council has a role to educate the community on the local housing needs and issues. Council can provide clarity about future housing outcomes to manage expectations around development decisions. This can be undertaken through the exhibition of the draft Housing Strategy and on-going social media and other communication.

Council has subscribed to Informed Decisions (id) Housing Monitor to provide independent and on-going data on housing and affordable housing issues <http://housing.id.com.au/wollongong>

6. Implementation

The implementation of the Housing Strategy will require the amendment of Planning controls through the preparation and exhibition of draft Planning Proposals, to amend the Wollongong LEP 2009, and amendments to various chapters in the Wollongong DCP 2009, Development Contribution Plans and Council's Fees and Charges Policy.

Other actions such as the proposed partnerships, education and lobbying (identified above) will also occur as on-going actions.

Council will continue to progress existing initiatives that support housing, such as the West Dapto Urban Release Area, draft Wollongong City Centre Planning Strategy and town and village plans. The adopted strategies and plans have informed the draft Housing Strategy. The draft and future studies and plans will be informed by the draft Housing Strategy.

a. Planning Studies

A number of the strategies require additional studies and investigations to occur before they can be implemented.

No.	Action	Strategy
S1	Wollongong City Centre surrounding precincts – review planning controls	L6
S2	South Wollongong Planning Review	L8
S3	Review of Council owned public reserves – a number of public reserves are zoned R2 Low Density Residential and could be rezoned to RE1 Public Recreation, or a Conservation zone depending on constraints. This amendment would clarify that the public reserves are not available for housing developments and identify any land that may be available for housing or other opportunities. A draft Planning Proposal may be required to reclassify land.	H5, AH5, ARH6
S3	Review of SP2 Infrastructure - Road corridors – a number of privately owned properties are still affected by historical road reserves, where the road project has been completed and the adjoining land is no longer required. The land could be rezoned to the adjoining R2 or R3 zone to remove the reservation constraint and would enable development to occur. This amendment would remove the restriction and enable the lots to be developed for housing.	L5

b. Wollongong LEP 2009 amendments

To implement the draft Housing Strategy the modification of the following planning controls are required through the preparation and exhibition of draft Planning Proposals to amend the Wollongong LEP 2009. It is likely that a number of draft Planning Proposals will be prepared to address high priority issues or implement place-based outcomes. All draft Planning Proposals will have detailed information about the proposed changes and be accompanied by maps identifying the location of proposed changes. All draft Planning Proposals will be reported to Council for endorsement, review by the State, and then exhibited for community and stakeholder input and comment.

Land Use tables:

No.	Action	Strategy
LUT1	Amend the R2 Low Density Residential zone to remove Residential Flat Buildings as a permissible land use which is not an appropriate built form in the low density zone, and is not achievable with a 0.5:1 FSR and 9m height limit	D4

Clauses:

No.	Action	Strategy
C1	New clause 4.4B R3 Medium Density Residential zone Floor Space ratio – introduce an increased FSR on amalgamated sites / larger sites greater than 1100m ² with a minimum frontage width of 24m of 1:1 (base FSR would remain 0.75:1 on FSR map)	D5
C2	New clause - Introduce development controls for Villas – 3 single storey small dwellings with an FSR of 0.3:1, single garage, common driveway, strata titled, minimum lot width of 14m	D2
C3	<p>New clause – Minimum site areas:</p> <ul style="list-style-type: none"> Introduce a Minimum site area per dwelling standard for the purpose of calculating the number of dwellings in dual occupancy and multi dwelling housing developments (does not apply to detached dwelling houses, secondary dwellings and side by side dual occupancies) of: <ul style="list-style-type: none"> 300m² in the R2 Low Density Residential zone in the coastal areas, 400m² in the R2 Low Density Residential zone in the Escarpment Foothills 200m² in the R3 Medium Density Residential zone Introduce a dual occupancy (battle axe style development) minimum site area of: <ul style="list-style-type: none"> 600m² in the R2 Low Density Residential zone coastal plain area with a floor space ratio of 0.4:1, 800m² in the R2 Low Density Residential zone in the Escarpment Foothills with a floor space ratio of 0.4:1 and 400m² in the R3 Medium Density Residential zone with a floor space ratio of 0.5:1 Note - attached side-by-side dual occupancy would remain permissible under the Code SEPP on 400m² lots. Introduce a Multi dwelling housing minimum site area standard of: <ul style="list-style-type: none"> 900m² in the R2 Low Density Residential zone coastal plain area for 3 single storey small dwellings (villas) with an FSR of 0.3:1 1000m² in the R2 Low Density Residential zone coastal plain area with a floor space ratio of 0.4:1, 	D5

	<ul style="list-style-type: none"> ○ 1200m² in the R2 Low Density Residential zone in the Escarpment Foothills with a floor space ratio of 0.4:1 and ○ 600m² in the R3 Medium Density Residential zone with a floor space ratio of 1:1 (3 or more dwellings), ● Introduce a Residential Flat Building minimum site area of 1000m² in the R3 Medium Density Residential and R4 High Density Residential zones 	
C4	New clause – Introduce Rear building height limit for single storey dwellings, to encourage smaller dwellings and to reduce overlooking, overshadowing and amenity issues	D6
C5	New clause – introduce the Affordable Housing clause to enable the collection of development contributions to contribute to the provision of affordable rental housing.	AH4, AH5
C6	Clause 7.14 – Maintain the minimum lot width requirement for multi dwelling housing (18m) (excluding 3 villas) and residential flat buildings (24m) developments.	D5

Zoning Map:

No.	Action	Strategy
LZN1	Windang – review residential development potential in high and medium flood risk precincts and subject to coastal inundation	L3
LZN2	Fairy Meadow - review residential development potential in high and medium flood risk precincts	L4
LZN3	Review R1 General Residential zone which surrounds the Wollongong City Centre – rezone to a mix of R2, R3 and R4	L7
LZN4	Expand R3 Medium Density Residential zone in some locations	L5
LZN5	Review the zoning of town centres which could result in changes to both the Business and Residential zones	CW10, L10, L11, L13
LZN6	Review the rezoning of large lots in the Illawarra Escarpment foothills to reduce development potential (review commenced)	L1
LZN7	Review the SP1 Hospital zone at Wollongong – consider rezoning to R3 Medium Density Residential and R4 High Density Residential zones (following the completion of the Department of Planning and Environment / NSW Health master plan)	L9
LZN8	Review the zoning of 6-8 Grandview Parade, Lake Heights from R2 Low Density Residential to RE1 Public Recreation	SH3
LZN9	Flinders Street, North Wollongong – review parts of the B6 Enterprise Corridor which have a residential function	L12

Floor Space Ratio (FSR) Map:

No.	Action	Strategy
FSR1	Review FSR for the R3 Medium Density Residential zone - increase from 0.75:1 to 1:1 or 1.2:1 in appropriate locations for larger sites	D5
FSR2	Review the FSR in town centres to encourage additional residential development, without reducing retail and employment opportunities	CW10, L10, L11, L13
FSR3	Review the FSR in small isolated B1 Neighbourhood Centres to be consistent with surrounding residential development	CW10

	bedroom / studio dwellings from 10% to 20% in developments containing more than 20 dwellings <ul style="list-style-type: none"> ▪ Require EV charging spaces in larger developments ○ Introduce development controls for Villas ○ Introduce development controls for Fonzie Flats ○ Update controls to increase the sustainability and energy efficiency of dwellings 	D1 D2 D3 CW11
DCP3	DCP chapter D1 Character Statements - Review and update the character statements for each suburb, including where required statements for precincts within each suburb. Scheduled to occur following the completion of the Housing Strategy and Retail and Business Centres Strategy. Staged approach. Commence with Gwynneville and Keiraville	D7
DCP4	DCP Chapter E3 Car parking, Access, Servicing / Loading facilities and Traffic Management <ul style="list-style-type: none"> ○ Introduce car parking requirement for villa developments – 1 space per <100m² unit ○ Introduce car parking requirement for Fonzie flat – 1 space per dwelling ○ Reduce the car parking requirement for small units (<70m²) within Residential Flat Buildings and Shop top housing developments located within the Wollongong City Centre or 400m of a railway station (footpath distance) from 0.75 spaces per dwelling to 0.5 spaces per dwelling ○ Require EV charging spaces in larger developments 	
DCP5	Consider application of best practice sustainability controls across relevant DCP chapters.	CW11

d. Review and update Development Contribution Plans

To implement the Housing Strategy the modification of the following Development Control Plans are required:

No.	Action	Strategy
CP1	Wollongong City-wide Development Contributions Plan 2022 – to exclude the payment of development contributions for emergency housing, accessible housing and affordable rental housing by registered providers	H2, AH2, ARH2
CP2	West Dapto Development Contributions Plan 2020 – to exclude the payment of development contributions for emergency housing, accessible housing and affordable rental housing by registered providers	H2, AH2, ARH2
CP3	A new draft Affordable Housing Development Contributions Plan will be required to be prepared, exhibited and adopted to support the introduction of an Affordable Housing Contributions Scheme.	ARH4, ARH5

e. Review and update Fees and Charges

To implement the Housing Strategy an amendment to Council's Fees and Charges Policy will be required:

No.	Action	Strategy
FC1	Waive the payment of development application fees for emergency housing, accessible housing and affordable rental housing by registered providers (or part thereof for mixed use developments)	H1, AH1, ARH1

f. Program

The implementation of the Housing Strategy actions will need to be prioritised and will occur over multiple years. The following program is proposed:

Priority	Project (Implementation Action number)	Indicative Timing
1	Assessment of existing draft Planning Proposals	On-going
2	Review of large R2 lots in the Illawarra Escarpment foothills and preparation of a draft Planning Proposal (LZN6)	Commenced 2022-24
3	Amend Fees and Charges Policy to waive the payment of development application fees for emergency housing, accessible housing and affordable rental housing by registered providers (FC1)	2022-23 as part of draft Annual Plan (to commence 1/7/23)
4	Amend the City-Wide and West Dapto Development Contribution Plans to waive the payment of development contributions for emergency housing, accessible housing and affordable rental housing by registered providers (CP1, CP2)	2022-24 – as part of scheduled reviews
5	Review of Transport Corridors to tidy up the zoning of private land zoned SP2 Infrastructure – Road Corridors and preparation of a draft Planning Proposal (Housekeeping amendment) (S3)	Commenced 2022-24
6	Review of Council owned public reserves currently zoned R2 Low Density Residential and preparation of a draft Planning Proposal (Housekeeping amendment) (S4)	Commenced 2022-24
7	Preparation of a draft Planning Proposal for amendments to the Minimum Lot Size standards in the Illawarra Escarpment foothills and the Northern Villages (north of Thirroul to Stanwell Tops) (C3)	2023-24
8	Preparation of a draft Affordable Housing Policy and draft Affordable Housing Development Contributions Scheme (CP3)	2023-24
9	Preparation of a draft DCP amendments to Chapter B2 Residential Development	2023-24
10	Preparation of updated suburb Character Statements to include in DCP Chapter D1 Character Statements (DCP3) – Staged approach. Commence with Gwynneville and Keiraville	Commencing 2023-24 3-5 years
11	Preparation of a draft Planning Proposal for changes to the general housing controls, including review medium density controls and the R3 precincts	TBD

12	Preparation of a draft Planning Proposal for areas proposed to be rezoned to permit additional residential development	TBD
13	Preparation of a draft DCP amendments to Chapter B1 Subdivision	TBD
14	Preparation of a draft DCP amendments to Chapter E3 Car Parking	TBD
15	Preparation of a draft Planning Proposal for medium and high flood hazard risk precincts	TDB

g. Monitoring

Council will monitor the implementation of the Housing Strategy actions, through:

- the progression of the program and completion of implementation projects
- The NSW Department of Planning and Environment's Illawarra Shoalhaven Urban Development Program dashboard (updated annually)³
- The Housing Monitor (updated every 6 months) <http://housing.id.com.au/wollongong>
- ABS census data (undertaken every 5 years)
- Council's Development Application approval data – for key locations and housing types

Change will take time and may not be apparent for some years. Given the existing housing stock of over 89,000 dwellings, percentage changes will be small. Historic annual dwelling approval data shows that housing delivery fluctuates, and this is likely to continue based on a range of local, State and National factors. A one-year dip or peak in approval data should not be regarded as a trend or that delivery is behind or ahead of targets.

If required, further changes and refinements will be made to the strategy to improve housing outcomes.

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<https://app.powerbi.com/view?r=eyJrIjoiYzlyNDQ5NzYtNjliMy00ZDcxLThtNmQtOWJlNGNkMDFIM2I1IiwidCI6IjYkZWY4ODIxLTJhMzktNDcxYy1iODIhLTU3YjA4MzNkZDNiOSJ9>

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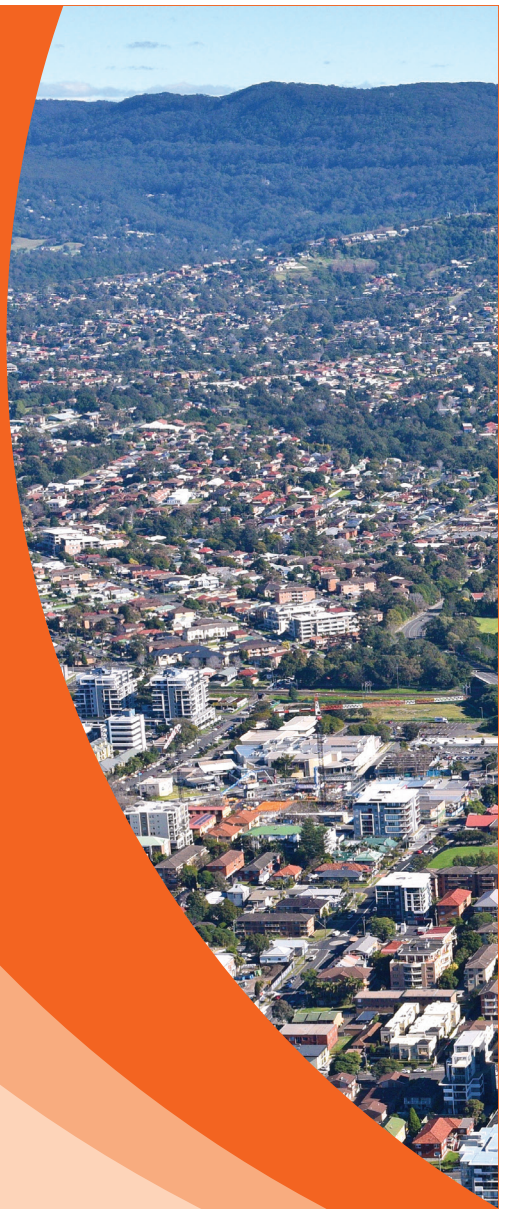
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From the mountains to the sea, we value and protect our natural environment and will be leaders in building an educated, creative, sustainable and connected community.

We value and protect our environment

We have an innovative and sustainable economy

Wollongong is a creative, vibrant city

We are a connected and engaged community

We have a healthy community in a liveable city

We have affordable and accessible transport



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