

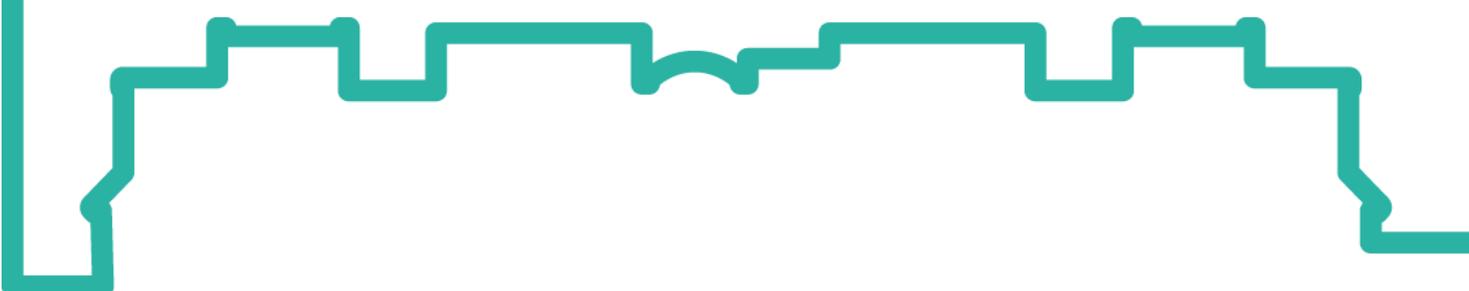


NSW Department of Planning and Environment

DRAFT CENTRAL COAST REGIONAL PLAN 2041

Shelter NSW submission

11 March 2022



About Shelter NSW

Shelter NSW has been operating since 1975 as the State’s peak housing policy and advocacy body. Our vision is to create a sustainable housing system that provides secure homes for all. We pursue our vision through critical engagement with policy, practice, and thought leadership. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system to resolve housing inequality.

We are especially concerned for low-income households which struggle to afford good-quality and well-located housing in the private market.

Our approach involves engaging, collaborating, and connecting with government, the private and not-for-profit sectors, stakeholders, and consumers. Our research centres on the causes of inequity and injustice in the housing system.

We consider a sustainable housing system one that delivers what we call Triple-A housing and Triple-P outcomes.

Affordable and diverse homes	Accessible and well-located housing	Appropriate and high-quality development
Housing supply and demand	Proximity to jobs and services	Amenity and aesthetics
Tenure forms and rights	Access to public transport	Energy and environment
Housing types and sizes	Accessibility and adaptability	Standards and maintenance
Productive cities and regions	Poverty-free communities	Protected neighbourhoods
Access to jobs and services	Housing stress and homelessness	Energy use and consumption
Housing costs and consumption	Physical and mental health	Urban heat
Financial and economic stability	Education access and attainment	Climate resilience and adaptation

At Shelter NSW, we believe that all people deserve to live in housing that delivers these priorities and objectives. We assert for example, that someone renting has as much right to secure, affordable, and sustainable housing as someone who owns their own property. We believe the housing system should be ‘tenure blind’ and delivering outcomes for all.

About our submission

Shelter NSW thanks the Department of Planning for the opportunity to comment on the draft *Central Coast Regional Plan 2041* (‘CCRP’). The Australian housing market has moved a long way from what many would say is its inherent and essential purpose – to provide secure, functional, and affordable shelter to all people at various stages of their lives. Housing is now considered a financial product or a wealth-generating vehicle. The private housing market in this country is consistently and persistently failing to provide secure, well-located, and affordable shelter especially for the lowest 40 percent of income earners.

Given our firmly held position that the private market fails to provide enough quality, well-located, affordable housing, we call on governments to make an urgent and widespread investment in social housing acquisition and construction. This is consistent with Infrastructure Australia's report¹ explicitly identifying the subpar quality, supply, and design of social housing across the country. The same report notes the projected need for almost 730,000 new social housing properties over the next 15 years (with current social housing stock only 4% of Australia's total housing compared to the OECD average of 6%). Further, Garry Fielding's Regional Housing Taskforce recommendations report to Minister Anthony Roberts calls for the NSW Government to "consider social and affordable housing as essential social and economic infrastructure"².

Shelter NSW has strengthened its interest in and advocacy for regional housing solutions in NSW. In May 2021, we formally engaged the Regional Australia Institute ('RAI') to undertake a review of every local government area in regional NSW. Our investigation found that **the Central Coast LGA is the number one locality of concern** when it comes to housing pressures in regional NSW. We have outlined the implications of this needs-assessment in our submission.

We attended a Zoom community workshop on the CCRP on 23 February 2022. Our submission is generally in **support of the 15-minute mixed use neighbourhood** principles outlined in the session. We ask for further details to be provided on **affordable housing targets** and the **Urban Development Program**.

Other key asks in our submission call for the **innovative use of publicly-owned land** and **better regulation of short-term rental accommodation**. A summary of our recommendations is included on pages 14 and 15.

Sincerely Yours,

John Engeler
Chief Executive Officer, Shelter NSW

Kayla Clanchy
Policy Officer, Shelter NSW

¹ Australian Government, Infrastructure Australia. (September 2021, p. 19). *Reform to meet Australia's future infrastructure needs: 2021 Australian Infrastructure Plan*. Retrieved from <https://www.infrastructureaustralia.gov.au/publications/2021-australian-infrastructure-plan>

² Fielding, G. (October 2021, p. 5). *Regional Housing Taskforce: Recommendations Report*. Retrieved from <https://www.planningportal.nsw.gov.au/regional-housing>

Context: LGA of highest housing need

At the population level, regional and rural communities are often home to an ageing demographic which increasingly wants to age-in-place (this is considered best practice and reflected in the Aged Care Royal Commission's recommendation to increase in-home aged care by 80,000 new packages into 2022)³. Downsizers, ex-farmers, and older people in general will need housing which is easy to maintain, affordable, and well-located with respect to key health and social services. The Central Coast is no different; it is anticipated that population growth will be highest in the 65+ year age group in the coming years for this LGA⁴.

Migration trends during the COVID-19 pandemic have contributed to a deepening regional housing crisis for NSW⁵. Single-parent families and households in mortgage or rental stress are overrepresented on the Central Coast, compared to the rest of regional NSW⁶. This is particularly concerning, as the latest *SGS Economics Rental Affordability Index*⁷ found a single-parent family (with one child under five) receiving government parental payments supplemented with casual or part-time work faces "severe to extreme" rental affordability constraints in all parts of the Central Coast LGA. A single pensioner aged 65 or older seeking to rent a 1-bedroom dwelling similarly faces "severe" rental affordability constraints⁸.

Meanwhile, the proportion of dwellings as social housing stock is 3 percent, which is relatively high compared to other regional LGAs. Nonetheless, there are more than 3,000 people on the general social housing waitlist waiting in excess of 5 years for all dwelling types⁹.

Due to the above factors (and other parameters outlined in our housing-need report), **the Central Coast LGA is ranked number 1 out of all regional LGAs in our report on**

³ Royal Commission into Aged Care Quality and Safety. (February 26, 2021). *Final Report - Recommendation 39*. Retrieved from https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-1_0.pdf

⁴ Shelter NSW in partnership with Regional Australia Institute. (November 2021, p. 16). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

⁵ Pawson, H., Martin, C., Thompson, S., & Aminpour, F. (2021, p. 45). *COVID-19: Rental housing and homelessness policy impacts*. ACOSS/UNSW Poverty and Inequality Partnership Report No. 12. Retrieved from https://shelternsw.org.au/wp-content/uploads/2021/11/Covid-19_rental-housing-and-homelessness-impacts-in-Australia-24-Nov.pdf

⁶ Shelter NSW in partnership with Regional Australia Institute. (November 2021, p. 16). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

⁷ SGS Economics. (November 2021). *Rental Affordability Index: Key Findings*. Retrieved from <https://www.sgsep.com.au/sgs-lab/rental-affordability-index> [interactive map]

⁸ Ibid [interactive map]

⁹ Shelter NSW in partnership with Regional Australia Institute. (November 2021, p. 16). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

areas of high housing need¹⁰. Shelter NSW is of the view that the most effective way of improving the housing situation in this locality is through the rollout of:

- an extensive social and affordable housing acquirement/construction program,
- Affordable Housing Contributions Schemes or fit-for-purpose and transparent Affordable Housing Planning Agreement Policies,
- mixed use, residential infill strategies targeting specific sites in established towns/cities and satellite villages,
- public land dedicated to non-market housing, and
- tighter regulations on short-term rental accommodation.

Social and affordable housing targets

Shelter commends the inclusion of 'affordable housing targets' in the Plan¹¹:

Central Coast affordable housing targets

	Small renting	Family renting	Small purchasing	Family purchasing
Affordable to very low income households	8,000 (+1,900)	5,900 (+1,400)	2,100 (+500)	1,400 (+500)
Affordable to low income households	2,100 (+500)	3,800 (+900)	1,900 (+500)	2,300 (+600)
Affordable to moderate income households	500 (+100)	900 (+100)	800 (+200)	1,800 (+400)

For increased transparency, it would be useful to outline:

- what is meant by 'affordable' versus 'social housing' in the CCRP,
- whether the above targets are a mix of social and affordable housing, and
- what proportion of the above targets will remain 'affordable' in perpetuity.

It would be pertinent for the Implementation Plan to outline how/when these targets will be delivered and by whom.

¹⁰ Ibid, pp. 6 & 16

¹¹ NSW Government. (November 2021, p. 41). *Draft Central Coast Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/central-coast-2041>

Affordable housing

The term 'affordable housing' is defined in the NSW planning system 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.*¹²

Affordable housing is not necessarily public or community housing ('public' and 'community' housing both come under the umbrella of 'social' housing¹³). Affordable housing can be funded (and delivered) by local Councils, particularly where private development must contribute funds/land/dwellings for the purposes of affordable housing.

Affordable housing is nearly always affordable rental housing. A greater variety of households may be eligible for affordable rental housing than social housing. Indeed, income brackets for affordable rental housing eligibility tends to include key workers such as teachers, nurses, aged care workers, trade apprentices, and other industry workers who are essential to local communities. Providing more housing opportunities for these working cohorts is therefore imperative to advancing any region's economic growth goals.

The NSW Department of Planning can and should assist local Councils in scoping out the viability of creating Affordable Housing Contributions Schemes or Affordable Housing Planning Agreement Policies.

The Regional NSW Housing Taskforce initial findings report¹⁴ acknowledges that using the Department's viability tool for Affordable Housing Contributions Schemes can be cumbersome and that more training for regional planners is required to ensure the tool can be practically used. Additionally, the Department has a ministerial direction and practice note setting out the need for an underlying local Planning Agreement policy to be in place before negotiating any planning agreements¹⁵. It is not known whether specific guidance and resources are provided by the Department to local Councils on crafting policies for Affordable Housing Planning Agreements.

¹² NSW Government. (current version December 1, 2021). *Environmental Planning and Assessment Act 1979 No 203*, s1.4 Definitions. Retrieved from <https://legislation.nsw.gov.au/view/whole/html/inforce/current/act-1979-203>

¹³ NSW Government. (current version November 26, 2021). *State Environmental Planning Policy (Housing) 2021*, Dictionary="social housing provider". Retrieved from <https://legislation.nsw.gov.au/view/whole/html/inforce/current/epi-2021-0714>

¹⁴ Fielding, G. (September 2021, pp. 35 & 36). *Regional Housing Taskforce: Initial Findings Report*. Retrieved from <https://www.planningportal.nsw.gov.au/regional-housing>

¹⁵ NSW Government. (February 28, 2019). *Ministerial Direction: Environmental Planning and Assessment (Planning Agreements) Direction 2018*. Retrieved from <https://www.planning.nsw.gov.au/-/media/Files/DPE/Directions/ministerial-direction-s7-9-environmental-planning-and-assessment-planning-agreements-2019-06-11.pdf?la=en> ; NSW Government. (February 2021). *Planning Agreements: Practice note*. Retrieved from <https://www.planning.nsw.gov.au/-/media/Files/DPE/Practice-notes/practice-note-planning-agreements-2021-02.pdf?la=en>

Social housing

The intent of both public and community housing (as subsets of social housing) is to accommodate people on very low, low, and moderate incomes in affordable housing.

Social housing renewal and augmentation is a State responsibility and in 2022, our ask of the NSW Government in this respect is to:

1. Fast track investment in social housing to prevent homelessness and support economic recovery across the state (including in regional areas):
 - a) Build or acquire 5,000 additional units of social housing each year for the next 10 years to address the current backlog and enable an effective response to the growing demand
 - b) Invest \$500 million in an expanded repairs and maintenance program for existing social housing stock. This would include upgrades to inefficient fixtures (water, heating and cooling) and improve the thermal performance of existing social housing stock
 - c) Build three new Youth Foyers in NSW providing integrated housing, education and employment support to vulnerable young people otherwise at risk of homelessness.

In addition to the above, Shelter NSW routinely advocates for at least 5% of all dwellings in all LGAs to be social housing.

Recommendations

- Make clear in the Plan what is meant by 'affordable housing' in the 'affordable housing targets' table on page 41
- Delineate the proposed mix of social and affordable housing in the targets table of the Plan
- State what proportion of 'affordable housing' which will be affordable in perpetuity
- Include details in the Implementation Plan on how/when affordable housing targets will be reached and by whom
- Set an additional target of at least 5% of all dwellings in the Central Coast LGA being social housing
- Provide more hands-on assistance to local Councils in developing/implementing Affordable Housing Contributions Schemes and Affordable Housing Contributions Policies, and indeed make clear the difference between these two mechanisms in delivering affordable rental housing outcomes.

Central Coast Urban Development Program ('CCUDP')

Shelter welcomes the Plan's announcement that the Urban Development Program Committee will include the Darkinjung LALC. We are curious to know what bodies/Organisations have been invited to join the Committee and how the Committee membership was decided.

Given the challenges facing the Central Coast in planning and delivering well-located, affordable, and quality housing, **a housing affordability roundtable should report to the Committee.** Such a roundtable is proposed in the draft *New England North West Regional Plan 2041*:

The Department... will establish a New England North West Housing Affordability Roundtable with councils, community housing providers, State agencies and the housing development industry to collaborate, build knowledge and identify measures to improve affordability and increase housing diversity¹⁶

We propose a similar function be established to inform the CCUDP with invitations to the roundtable extended to the Department of Communities and Justice, Aboriginal Housing Office, and Community Housing Industry Association NSW, among others. A key focus for the roundtable should be the preparation of a joint delivery plan (government, not-for-profit, and private sectors) to meet affordable and social housing targets, which have elsewhere been stated in the CCRP and Implementation Plan.

Recommendations

- Release details on how membership to the Urban Development Program Committee was/is being decided
- Establish a subcommittee/roundtable on housing affordability which informs the CCUDP and commits to a joint-delivery plan on social and affordable housing.

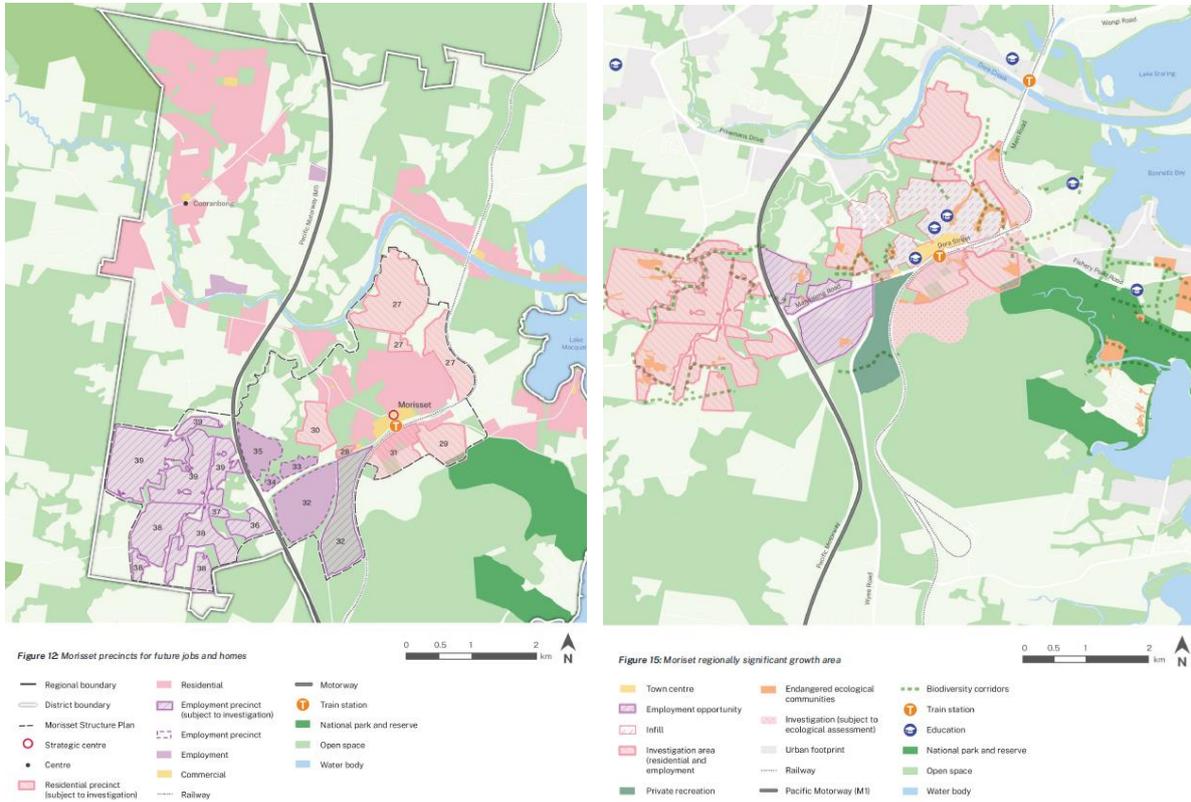
Mixed use, infill residential development

Shelter supports Objective 3 of the CCRP for mixed use 15-minute neighbourhoods, specifically Strategy 3.1:

Development proposals will need to demonstrate how various employment, commercial, community, recreational and education services will be located within 15-minute walking (urban contexts) and cycling (suburban contexts) trips of housing in residential and mixed-use zones... planning and development controls will permit a greater variety of land uses within neighbourhoods, streets and blocks, even if such uses are not initially proposed by developers within developments

¹⁶ NSW Government. (2021, p. 64). *Draft New England North West Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/new-england-north-west-2041>

We note that some localities are mapped with ‘mixed use investigation areas’ (such as Tuggerah as a regionally significant growth area) and other localities are ear-marked for further residential sprawl with distinct employment versus residential precincts and no mixed use areas in between (e.g. Figure 12 Morisset, inset below left). Figure 15 (inset below right), however, indicates more infill opportunities for Morisset and appears to be at odds with Figure 12 especially for growth west of the Pacific Motorway:



The Plan should have clear alignment between ‘precinct’ maps and ‘regionally significant growth area’ maps for the same localities.

Fifteen and 30 minute passive travel bubbles have not been overlaid on locality maps, which we assert is a missed opportunity for the community to visualise what walkable/cyclable catchments entail.

We advocate for infill development to be a primary housing and urban renewal option in regional towns and cities. Greenfield estate development has long been on the Americanised trajectory of sprawling, detached, single-storey ‘McMansions’ with limited footpath infrastructure, heavy car reliance, and no minimum estate-wide targets for universally accessible design. Poorly designed suburban sprawl estates are incompatible with an ageing population, provision of cost-effective infrastructure, and climate change more generally. The lack of diversified housing in regional centres is at odds with ABS

data indicating the number of people per household in regional locations is more conducive to 1-to-2 bedroom dwellings¹⁷.

Our submission to the Regional Housing Taskforce¹⁸ in September 2021 included the recommendation for land use zoning typologies to be reimagined for regional and rural settings, with diminishing prevalence of land zones that promote sprawl in LEPs. In this vein, **we believe an action should be included in the CCRP to assess the viability of certain land zone typologies** (R2 and R5 zones at urban fringes when compared to R1, RU-, and Enviro zones) and increase preference for other land zone typologies (R3 and Mixed Use near commercial cores and employment hubs) in LEPs. This action should specifically mention the role of Local Housing Strategies (under development or review) in auditing land use zone typologies.

Infill development opportunities must be explored in conjunction with Department of Communities and Justice ('DCJ') and community housing providers, and incentives offered to private developers to dedicate affordable rental housing in these infill sites (either through Planning Agreements or Affordable Housing Contributions Schemes).

Recommendations

- Provide consistency between 'precinct' and 'regionally significant growth area' locality maps, especially for Morisset
- Overlay locality maps with 15 and 30 minute travel bubbles
- Incorporate more mixed use investigation areas into locality maps
- Include numeric targets for social and affordable housing properties (with reference to dwelling types/sizes/numbers of bedrooms) in infill, mixed use strategies, to ensure new social and affordable housing stock is not relegated only to greenfield development areas
- Commit to reviewing viability of certain land zone typologies when furthering the objectives of mixed use development whilst cross-referencing the roles and outcomes of Local Housing Strategies.

¹⁷ Australian Bureau of Statistics. (2011-2016). Census of Population and Housing (Enumerated). Compiled and presented in profile.id, retrieved from <https://profile.id.com.au/australia/population?WebID=180>

¹⁸ Shelter NSW. (September 2021). Regional Housing Taskforce submission. Retrieved from <https://shelternewsw.org.au/wp-content/uploads/2021/09/Regional-Housing-Taskforce-Shelter-NSW-submission.pdf>

Preventing ribbon development

Figure 2 for future 'potential growth areas' occurring wholly west along the Pacific Motorway appears incongruous with Objectives 3 and 4 of the Plan for 15/30 minute neighbourhoods and optimum density development:

Figure 2: Map of potential growth areas.



Indeed, unless it is ingrained that each future locality of Jiliby, Alison, Mardi, and Somersby must be self-sufficient, walkable, accessible, compact, mixed use neighbourhoods, then there is the potential for sprawling ribbon development to continue along the Pacific Motorway. **Speculation in zoning uplift for this western corridor is also potentially detrimental to the application of any future Affordable Housing Contributions Scheme.**

We acknowledge the disclaimer under Strategy point 4.5 that Figure 2 does not constitute a 'development commitment'. Nonetheless, we are flagging the vulnerabilities in nominating these growth localities along the western side of the Pacific Motorway in the current Plan.

Recommendations

- Reconsider inclusion of Figure 2 in the Plan.

Publicly-owned land and innovative housing

Similar to the draft *Central West and Orana Regional Plan 2041*, Shelter advocates for inclusion of a specific Strategy or Action point for leveraging publicly-owned land:

*Facilitate pilot projects that test... the use of publicly-owned land to test new housing typologies in partnership with industry and community housing providers.*¹⁹

We note Strategy 4.3 of the CCRP seeks to:

Support community driven innovative housing solutions, such as prefabricated and manufactured housing, 3-D printed housing, and tiny houses.

We are of the view that **broader examples of innovative non-market housing** could be touted in the Plan.

The NSW Government's *Local Government Housing Kit* contains many case studies on innovative, non-market housing approaches²⁰ such as the 'Homes for Homes' initiative which relies on donations from property sales in a community to fund affordable housing projects²¹. There is also the ACT Suburban Land Agency's rent scheme whereby purchase of land is not required in order to build a home on newly available allotments²². In more recent times, Bellingen alongside Kempsey and Port Macquarie-Hastings Councils have established a community land trust to operate as a not-for-profit organisation, providing housing potentially through co-ownership or a 99-year lease model²³.

Recommendations

- Include a Strategy or Action point which makes specific reference to leveraging the use of publicly-owned land for non-market innovative housing.

Short term rental accommodation ('STRA')

We are pleased to see an acknowledgement in the Plan (Strategy 4.6) that STRA places pressure on housing stock and affordability:

Planning for residential housing should be done while also considering demand for hotels, motels and short-term rental accommodation. The visitor economy requires affordable housing for the workforce. Residential housing can be taken up by short-term rental accommodation if demand for tourist accommodation is not considered.

¹⁹ NSW Government. (2021, p. 50). *Draft Central West and Orana Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/central-westorana-2041>

²⁰ NSW Department of Communities and Justice ('DCJ'). (2019). *Local Government Housing Kit: Module 5 case studies and resources*. Retrieved from <https://www.facs.nsw.gov.au/resources/nsw-local-government-housing-kit/chapters/Local-Government-Housing-Kits-Full-Kit-and-downloadable-modules>

²¹ Ibid, p. 15

²² Ibid, p. 6

²³ Housing Matters Action Group. (n. d.). *Current Projects*. Retrieved from <https://www.housingmatters.org.au/current-projects/>

Short-term letting platforms such as Airbnb are marketed toward tourists who can afford (or are willing) to pay a higher price for short term accommodation than residents who are seeking temporary housing. This is evident in the NSW Department of Planning's 2017 Option Paper on regulating short term holiday letting, which went on to form the basis of the STRA provisions in the Affordable Rental Housing SEPP and now the consolidated *Housing SEPP 2021*.

Increasingly in Australia, the type of STRA available on Airbnb is whole-house conversions of investment properties²⁴ – presumably from the long-term rental market or owner-occupied premises following a sale to a property investor. Domestic tourism during COVID-19 has significantly increased in many regional towns and locations. The lure of higher-profits per week in converting a dwelling to short-term rental accommodation through easy-to-use platforms such as Airbnb has diverted a lot of long-term rentals from the private rental market. This has demonstrably been the case in the regions of Shoalhaven, North Coast, Snowy River, and Central Coast, to name a few:

Region/Town	Number of whole-house STRAs listed on Airbnb - Q1 2019 ²⁵	Number of whole-house STRAs listed on Airbnb - March 2021 ²⁶	Change in rental vacancy rates between March 2019-2021 ²⁷
Shoalhaven	<4000	4720	-1.8 (2.6 to 0.8 for South Coast)
Byron Bay	<2000	2782	-0.8 (1.1 to 0.3 for Northern Rivers)
Gosford & Wyong	<3000	3159	-1.9 (2.8 to 0.9 for Central Coast)
Snowy River	<500	891	-2.3 (2.9 to 0.6 for South East)

Whilst the NSW Government has developed a planning framework for somewhat regulating short-term rental accommodation, this legislation does not go far enough particularly in light of domestic tourism trends. We do commend the Government's creation of a Code of Conduct for hosts and guests, as well as the formulation of STRA state-wide register. However, we note that it is not explicitly stated on public-facing NSW Fair Trading²⁸ and NSW DPIE²⁹ websites what the penalties will be for lack of compliance with the Code and not listing properties on the register. We are concerned that the combination of generous STRA planning rules (toward hosts and property investors) and the lack of information on enforcement measures and lack of committed local enforcement resources, will result in regulation which is not implemented across the

²⁴ Sigler, T & Panczak, R. (February 13, 2020). *Ever wondered how many Airbnbs Australia has and where they all are? We have the answers*. Retrieved from <https://theconversation.com/ever-wondered-how-many-airbnbs-australia-has-and-where-they-all-are-we-have-the-answers-129003>

²⁵ AirDNA. (n.d.). *Vacation Rental Data*. Retrieved from <https://www.airdna.co/>

²⁶ Australia listings. (March 9, 2021). *Inside Airbnb*. Retrieved from <http://insideairbnb.com/get-the-data.html>

²⁷ REINSW. (April, 2021). *Residential vacancy rate*. Retrieved from https://www.reinsw.com.au/Web/Members/Property_data/Vacancy_Rates_Survey.aspx

²⁸ NSW Fair Trading. (n.d.). *Changes to laws for short-term rental accommodation*. Retrieved from <https://www.fairtrading.nsw.gov.au/about-fair-trading/legislation-and-publications/changes-to-legislation/changes-to-short-term-rental-accommodation>

²⁹ NSW DPIE. (n.d.). *Short Term Rental Accommodation (STRA)*. Retrieved from <https://www.planningportal.nsw.gov.au/STRA>

state. This regulatory failure would exacerbate the gap in addressing known social, economic, and environmental negative externalities associated with the majority of STRA.

With reference to our assertion that “generous STRA planning rules” exist for hosts, we note that regional councils have to opt-in to the 180 day annual cap for regulating whole-home STRAs through a planning proposal, and the cap can be no lower than 180 days (potentially excluding Byron Bay). The justification for the 180-day arbitrary lower threshold has not been communicated to the public. **Opting-in to a day cap is an unnecessary administrative process for local councils to go through.** With keen regard to the domestic tourism boom, all LGAs should be opted into the 90-180 day cap for non owner-occupied hosted STRA without needing to request this through a planning proposal.

In the longer term, the preference for day cap mechanisms to limit non-hosted STRAs in the legislation should be phased out. Research internationally³⁰ has shown that annual day-caps for STRA use are less efficient in returning dwellings to the long-term rental market than policies limiting the total number of STRAs per suburb. We suggest that the total number of non owner-occupied hosted STRAs should be capped per LGA in accordance with local studies into the maximum allowable number of STRAs that can occur without adverse impact on the long-term rental market in each location. This approach is being investigated in Tasmania³¹, as state government and local councils try to address the housing crisis in Hobart and other high amenity locations as a result of Airbnb and other holiday accommodation platforms.

Furthermore, total STRA volume caps for LGAs should be guided by density caps (e.g. no more than x number of non-hosted STRAs per y square metres/suburb), to ensure hollowing out of high amenity neighbourhoods for STRA use does not occur. Local research and evidence for density caps will be required. **The sociospatial disadvantages of STRA use are well documented globally³², in that local residents are generally pushed further afield from their areas of employment and community facilities,** with significant burdens on planning for transport, open space, schools, and other physical and social infrastructure. Density caps that are tipped more favourably to STRA uses in certain neighbourhoods will allow better infrastructure planning, more creative precinct planning, and more holistic leisure experiences in line with tourism goals of cities and regions.

³⁰ Frenken, K & Schor, J. (2019). Putting the sharing economy into perspective. In *A research agenda for sustainable consumption governance*. Edward Elgar Publishing ; Temperton, J. (February 13, 2020). *Airbnb has devoured London – and here’s the data that proves it*. Retrieved from <https://www.wired.co.uk/article/airbnb-london-short-term-rentals>

³¹ Tasmania Government. (n.d.). *Tasmanian Planning Reform: Short stay accommodation*. Retrieved from <https://planningreform.tas.gov.au/short-stay-accommodation-act-2019>

³² Shabrina, Z, Arcaute, E & Batty, M. (2021). Airbnb and its potential impact on the London housing market. *Urban Studies*. Retrieved from <https://doi.org/10.1177/0042098020970865>;

Cocola-Gant, A & Gago, A. (2019). Airbnb, buy-to-let investment and tourism-driven displacement: A case study in Lisbon. *Environment and Planning A: Economy and Space*. Retrieved from <https://doi.org/10.1177/0308518X19869012>

The concept of STRA volumes and density caps harmonises well with the NSW Government's apparent desire to foster more diverse neighbourhoods, and so it is hoped these recommendations will be seriously considered.

Recommendations

- State on easy-to-access webpages and other media content of NSW Fair Trading and NSW DPE what penalties (number of warnings, maximum monetary fines, court proceedings) are associated with lack of compliance with STRA planning reforms, including not listing properties on the register, not adhering to Code of Conduct, not following Exempt development standards, and breaching day-caps
- Fund and resource – through joint regional organisations or one-on-one liaison with local councils – compliance officers for implementing STRA reforms, particularly in the first two years of full regulatory commencement
- Remove the administrative step of requiring Councils to self-nominate for inclusion into the 180 day regulatory cap for non-hosted STRA
- Expand legislative reforms on STRA by pivoting to reliance on volume and density caps rather than annual day caps (e.g. no more than x number of non-hosted STRAs per y square metres/suburb), to ensure hollowing out of high amenity neighbourhoods for STRA use does not occur. Local research and evidence for density caps will be required.

Summary of recommendations

The recommendations peppered throughout this submission are collated below. Shelter NSW recommends the Department of Planning:

- Make clear in the Plan what is meant by 'affordable housing' in the 'affordable housing targets' table on page 41
- Delineate the proposed mix of social and affordable housing in the targets table of the Plan
- State what proportion of 'affordable housing' which will be affordable in perpetuity
- Include details in the Implementation Plan on how/when affordable housing targets will be reached and by whom
- Set an additional target of at least 5% of all dwellings in the Central Coast LGA being social housing
- Provide more hands-on assistance to local Councils in developing/implementing Affordable Housing Contributions Schemes and Affordable Housing Contributions

Policies, and indeed make clear the difference between these two mechanisms in delivering affordable rental housing outcomes

- Release details on how membership to the Urban Development Program Committee was/is being decided
- Establish a subcommittee/roundtable on housing affordability which informs the CCUDP and commits to a joint-delivery plan on social and affordable housing
- Provide consistency between 'precinct' and 'regionally significant growth area' locality maps, especially for Morisset
- Overlay locality maps with 15 and 30 minute travel bubbles
- Incorporate more mixed use investigation areas into locality maps
- Include numeric targets for social and affordable housing properties (with reference to dwelling types/sizes/numbers of bedrooms) in infill, mixed use strategies, to ensure new social and affordable housing stock is not relegated only to greenfield development areas
- Commit to reviewing viability of certain land zone typologies when furthering the objectives of mixed use development whilst cross-referencing the roles and outcomes of Local Housing Strategies
- Reconsider inclusion of Figure 2 in the Plan
- Include a Strategy or Action point which makes specific reference to leveraging the use of publicly-owned land for non-market innovative housing
- State on easy-to-access webpages and other media content of NSW Fair Trading and NSW DPE what penalties (number of warnings, maximum monetary fines, court proceedings) are associated with lack of compliance with STRA planning reforms, including not listing properties on the register, not adhering to Code of Conduct, not following Exempt development standards, and breaching day-caps
- Fund and resource – through joint regional organisations or one-on-one liaison with local councils – compliance officers for implementing STRA reforms, particularly in the first two years of full regulatory commencement
- Remove the administrative step of requiring Councils to self-nominate for inclusion into the 180 day regulatory cap for non-hosted STRA
- Expand legislative reforms on STRA by pivoting to reliance on volume and density caps rather than annual day caps (e.g. no more than x number of non-hosted STRAs per y square metres/suburb), to ensure hollowing out of high amenity neighbourhoods for STRA use does not occur. Local research and evidence for density caps will be required.