Urban Taskforce

The Urban Taskforce represents Australia's most prominent property developers and equity financiers. We provide a forum for people involved in the development and planning of the urban environments to engage in constructive dialogue with government and the community.

28 October 2014

The Hon. Pru Goward, MP, Minister for Planning, Level 34, Governor Macquarie Tower 1 Farrer Place SYDNEY NSW 2000

Dear Minister Goward,

Draft State Environmental Planning Policy 65 and Draft Apartment Design Guide

I write to express my concerns with the recently exhibited draft State Environmental Planning Policy 65 ("the draft SEPP") and particularly the draft Apartment Design Guide that the draft SEPP refers too. While the Urban Taskforce is committed to a high standard of apartment design and the delivery of quality residential apartment living, we are worried about the impact that an exhibited draft environmental planning instrument, in the case being the draft SEPP, will have on current development applications and housing affordability. That is, the Environmental Planning and Assessment Act, 1979 requires that:

- In determining a development application, a consent authority is to take into consideration.....:
- (a) the provisions of:

(ii) any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority (unless the Director-General has notified the consent authority that the making of the proposed instrument has been deferred indefinitely or has not been approved)¹

Therefore, because the draft SEPP has been exhibited and is the subject of public consultation the draft SEPP and the draft Apartment Design Guideline must be considered by a consent authority when making a determination of a development application. However, there are many deficiencies in the draft SEPP and draft Guidelines. These deficiencies were recently highlighted to senior officers of the Department of Planning and Environment during an Urban Taskforce briefing session.

Your officers' attention was drawn particularly to incorrect and/or unjustifiable introduction of new standards and criteria, that will increase the cost of apartments in relation to:

- Deep soil zones;
- Room depth to ceiling height ratio;
- Building depth;
- Building separation;
- Solar access; and,
- Apartment layout

Your officers openly acknowledged that there were matters that may need review and refinement prior to the finalisation of the exhibited draft Apartment Guideline. Furthermore, your officers were of the view that this was the purpose of exhibition and consultation and that they were happy to receive feedback. While I don't dispute that this may be the purpose of exhibition in general, but in this instance, the adverse impact of this draft SEPP and Guideline warrants special and urgent action by Government.

¹ Environmental Planning and Assessment Act 1979, S79C. 1 (a) (ii).

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To avoid detrimental impact on housing affordability and project feasibility, the Government must immediately take action to ensure that until the draft SEPP and Guideline are finalised, no consideration or weight be given to them by a consent authority when making a determination of a development application. Unless this is done, Government will be shown to be pursuing a policy reform agenda that is in no way making apartment development more affordable. For instance, if the draft:

- room depth to ceiling height ratio criteria was to be considered by a consent authority as a matter that should be complied with, then according to one of our members, due to a loss of apartment yield per development, each standard apartment could become approximately \$50,000.00 more expensive; or
- deep soil zone and/or building separation from commercial buildings was to be implemented, then the dramatic loss of building gross floor area would simply mean that a development that was once considered feasible is no longer feasible.

In fact, there is little in the draft SEPP and Apartment Design Guideline that makes residential apartment development more affordable.

Seeing that:

- your media releases and supporting documentation found on the Department of Planning and Environment website justifies the review as being need to improve design and affordability; and,
- senior officers of the Department of Planning and Environment responsible for the review acknowledge that some draft criteria will require review or deletion altogether,

it is important that the Secretary of the Department of Planning and Environment takes appropriate action to ensure that the until the draft SEPP and draft Apartment Design Guide are finalised, they are not given any weight or consideration by a consent authority when determining a development application.

We would be pleased to meet with you to discuss this matter in more detail. The Urban Taskforce will be preparing a more detailed submission on the draft SEPP and Guideline, but in the meantime, should you require any further clarification of the content of this correspondence, please feel free to contact me on telephone number 9238 3927.

Yours sincerely

Urban Taskforce Australia

Chris Johnson AM Chief Executive Officer

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- Carolyn McNally Secretary Department of Planning and Environment
- Elizabeth Kinkade Executive Director-Planning Policy

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