

19 May, 2026

Mr Craig Covich
General Manager
Mosman Council
PO Box 211
SPIT JUNCTION NSW 2088

Email: council@mosman.nsw.gov.au

Dear Mr Covich

Mosman Masterplan

I write in relation to Council's Masterplan, which has been released as an alternative to the NSW Government's low- and mid-rise housing policy (LMR).

This draft plan appears to be the latest in a series of attempts to oppose and undermine LMR within the LGA, and to discourage development more generally.

Any changes proposed must significantly add to the housing supply in the LGA. Taking the proposal as a whole, they must show that what is proposed delivers a better outcome generally, is feasible and represents a realistic alternative to the State Government's LMR initiative.

The focus of the Mosman Masterplan appears to be – as advocacy group Sydney YIMBY has noted – to cram density in the worse places in terms of amenity for residents, in order to save the amenity for a few privileged residents.

Urban Taskforce Australia members have identified many significant issues with the Masterplan, which are outlined below.

1. Ratepayers are not being presented all options

The Masterplan presents two options to replace current LMR zoning but does not outline the LMR policy itself as an option.

While Urban Taskforce recognises that Council is seeking feedback on its proposals, we assert that those options must be presented fairly against the system that they seek to replace.

The current LMR zoning is shown in a small picture on page 19 of the Masterplan (part of a "Did you know" commentary box), but no explanation is given about what the State Government's policy seeks to do.

Instead, the Masterplan makes several claims about the current policy that are either not true or are inaccurate.

For example, it states that the LMR policy "excluded" local centres from uplift and does not require planning for community benefits:

"Local centres are excluded from the LMR uplift, limiting opportunities to reinforce activity and services and the prioritisation of housing near transport."

This is not entirely correct.

While LMR does not relate to sites already identified for transport-oriented development and is seeking to address shortfalls in dwelling development within R2 and R3 zones, the policy specifically refers to shop top housing.

Local centres are not excluded under the LMR policy and are acceptable locations for development. It is already within Council's power to allow for residential development within town centres.

Council presents a comparison between the Masterplan and the LMR policy that is misleading, as shown in the table below:

Masterplan driver	Council comment	Urban Taskforce Response
Prioritise housing near public transport and services	<i>Some uplift aligns with the centre and frequent bus routes, but development potential is not consistently focused around transport corridors.</i>	LMR policy specifically identifies properties within 800m of transport routes. Those properties closer to transport are more likely to have mid-rise development, while those further out are going to be low-rise (duplexes, or the like). But measurement for these zones is specifically from transport corridors, so this claim is not correct.
Plan strategically for long-term community needs	<i>While additional housing capacity is enabled, the LMR does not address community infrastructure needs or deliver public benefit beyond dwelling yield.</i>	Applications must still go through Council development assessment process. Community infrastructure requirements will be addressed as part of that assessment.
Safeguard the scenic protection area	<i>Development extends into scenic protection area, affecting valued views and landscape character and dominance.</i>	LMR does not automatically mean mid-rise buildings. Properties further away from transport will be lower density, while those closer will be higher. A property 800m away from a transport corridor will not suddenly be approved for a 20-storey development as a result of this policy. The Scenic Protection area on Balmoral's slopes can quite easily be managed, given that it only slightly encroaches on existing R3 zones.

Masterplan driver	Council comment	Urban Taskforce Response
Provide a gradual height transition	<i>Height is largely concentrated at six storeys near centres, stepping down to four storeys; however, transitions remain abrupt and midblock around the periphery adjoining low scale areas.</i>	<p>This is an assumption, not LMR policy. LMR allows for a range of development, from four to six storeys for mid-rise down to duplexes and terraces with a maximum height of one to two storeys in low-rise development.</p> <p>The claim here is incorrect. Height concerns will be managed during assessment, and a variety of heights and densities will be allowed within LMR zones.</p>
Protect heritage conservation areas	<i>Ten HCAs are affected, with uplift extending extensively into valued heritage precincts.</i>	<p>Reasonable accommodations can be made in LMR to account for heritage. Heritage sites are protected.</p> <p>However, not all properties within HCAs are heritage-worthy, and blanket bans will not be supported.</p>
Minimise impact on heritage items	<i>Uplift occurs without sensitive management of heritage interfaces.</i>	<p>As noted above, this can be managed during assessment. Uplift will not occur within a vacuum.</p> <p>However, not all properties within HCAs are heritage-worthy, and blanket bans will not be supported.</p>
Protect mature trees, especially street trees	<i>Uplift extends to streets containing heritage-listed trees, increasing the likelihood of adverse impacts.</i>	Uplift does not mean that heritage-listed trees are at risk. This can be managed during assessment.
Strengthen and include local centres	<i>Local centres are excluded from the LMR uplift, limiting opportunities to reinforce activity and services and the prioritisation of housing near transport.</i>	<p>LMR specifically references shop-top housing, and Council already has the ability to approve higher density in local centres.</p> <p>Locations such as Spit Junction are ideal for greater density, opening up the gateway to Mosman, and Urban Taskforce would support Council encouraging development in this area.</p>

The focus of the State Government's policy is to address the 'missing middle', areas that could have higher density, but have been prevented from development by local environment plans.

In its response to the LMR policy, Mosman Council has ignored that intent and attempted to centralise all development within a very narrow band in its Masterplan. Both are necessary to ensure we address the housing supply crisis.

Any effort which results in an undermining of the delivery of housing or which quarantines properties that could reasonably be redeveloped for new housing must be reconsidered or rejected.

2. The amount of housing required is significantly understated

The Masterplan notes that housing capacity under the LMR is 950,000 sqm of developable space and estimates that this equates to 4,700 dwellings.

This significantly underestimates the amount of housing that would be provided, if the plan were to base its calculations on current development standards.

4,700 dwellings would result in an average of 202sqm per dwelling. This is double the size of the average apartment in modern developments.

A 1-bedroom apartment is around 70sqm, a 2-bedroom apartment is around 90sqm, and a 3-bedroom apartment is around 120sqm. If you look at a mix of 30% 1-bedroom, 50% 2-bedroom, and 20% 3-bedrooms in apartment developments, this averages out to 90sqm per dwelling. Even taking into consideration the propensity of some consumers to finance larger apartments, Council's calculations are not supported by available data.

If you based the calculations on the Sydney average of 90 sqm per apartment, Mosman should be delivering approximately 10,500 dwellings under its new plan – 2.2 times the number of dwellings estimated by Council.

The Mosman Masterplan is currently promising less than 45% the dwellings anticipated under the State Government's LMR zoning. This must be rejected by DPHI unless Council revises its position.

3. Many sites will not be developable

Mosman's Masterplan contains no analysis about feasibility. This alone renders it unacceptable.

It proposes areas for higher density without any attempt to determine whether the properties in those locations are eligible for redevelopment or the housing targets can be delivered.

For example, the Masterplan adds height to large existing strata complexes. These are already valuable and would be too costly to purchase, redevelop, and sell for any potential profit, making any projects unfeasible. Some illustrations include:

- 164, 174, 176, 180 Spit Rd – these are all approximately ten storey strata buildings that have 40+ owners. They have been rezoned to 9-15 storeys in both options.
- Sacred Heart Church, School and Retirement Village – the options propose that this site be rezoned to 9-15 storeys. However, given that the Catholic Church has completed a retirement village on the site in the last 15 years, this is almost certainly not going to happen.
- Bridgepoint Shopping Centre and 27 apartments – this is an operating shopping centre with a strata residential building above it. The two options propose rezoning it to 16-20 storeys (lower and wider) or 21-25 storeys (taller and narrower).
- Bridlewood Gardens – Mirvac developed this 80-unit strata complex. It is currently five storeys plus a basement but is being rezoned to five to eight storeys in both options.

In short, the two options identify an unrealistic alternative to the LMR that purports to deliver certain outcomes but, in fact, will not have any possibility of achieving them.

4. The principles are anti-development

Council appears to give the game away with the principles outlined within the draft Masterplan.

Not one of the principles supports – or even mentions – new housing development.

Instead, they list all of the elements that Council is likely to use to oppose any new development application: local character, heritage, amenity, liveability, tree canopies, and environmental concerns.

The Masterplan is more focused on appeasing a minority of vocal advocates for “community sentiment”. It proposes value capture (a tax on housing supply), and development contributions, rather than ensuring that housing needs in the LGA are being met.

While there are some positive elements, such as plans to leverage council properties for possible new housing, the mooted “place-making outcomes” will be difficult to achieve if development potential is limited to Military Road and Spit Road.

5. Concentrated zoning means concentrated problems

Council's plans seek to minimise development outside of specific corridors.

Although this makes it appear as if there is significant uplift and development opportunity available for new homes, many sites will not be feasible, and development will not be possible.

The benefit of the LMR policy is that building height falls away from a reasonable height near transport (six storeys) to one to two storey developments further away from transport.

Council, in response, has instead proposed up to 28 storeys on a couple of key sites, up to 25, in main locations, but very little beyond the Military/Spit Road spine.

It will create much higher buildings than are allowed under the LMR policy, in order to concentrate development and protect wealthy homeowners elsewhere within Mosman.

This will exacerbate traffic congestion – one of Council's key objections to the LMR policy – increase disruption and noise, reduce feasibility and affordability, and prevent new housing almost anywhere else within the LGA. As Military and Spit Roads are state roads, it is questionable whether significantly higher density on these thoroughfares, rather than more equitable distribution throughout the Council region, would be acceptable to Transport for NSW.

Further, the two options give no consideration for the neighbours of the 25 already lodged LMR sites, who could miss out on benefitting from increased density and value, but will still be impacted by their neighbours.

6. Plans are afoot to increase costs and obstruct housing development proposals

Council has telegraphed within the Masterplan that a new affordable housing policy and a new contributions scheme will be developed in support of its plans.

These are likely to increase the cost of development significantly – which was highlighted by the stated intent to capture “a share of the value created through increased development potential”.

By rezoning sites the way Council has, it will add to the underpinning land value, increasing rates for those within the new zones, even if – as noted above – some of those sites are not developable.

This will tax existing residents without any ability to capitalise on the new zoning and will give Council a windfall gain, without any development occurring.

On top of that, Mosman's proposed new DCP, which Council says is:

"... intended to be an interim measure to help protect Mosman's character while the Mosman Masterplan is being developed. Implementation of these amendments will help to ensure that new housing developments utilising the LMR provisions under Housing SEPP are designed to respond to Mosman's unique local character and minimise impacts on existing developments, our valued streetscapes, tree canopy and heritage"

will be used as a further barrier to new developments and to additional housing.

Conclusion

Council's proposed limited increase in density on certain sites should happen in addition to the LMR reforms.

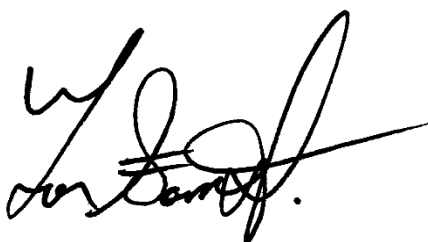
But their own proposal has not been subject to a feasibility analysis and simply doesn't stack up. Building taller buildings comes with much higher construction costs, and plans to increase fees, taxes, and charges (through affordable housing levies, developer contribution rates, value capture charges, and other potential council fees), will reduce the feasibility of projects.

Barriers to development, and the ongoing attitude of Council that new housing belongs elsewhere, will continue to make housing in Mosman unaffordable and unattainable. While that may benefit a small number of vocal retirees who don't want to see change in their local area, it will continue to lock younger people – their children and grandchildren – out of housing in Mosman.

The Mosman Masterplan, unless substantially revised to embrace LMR across the majority of the proposed areas under the NSW Government's policy, should be rejected by DPHI.

Should you wish to discuss any aspect of this submission further, please contact our Policy, Planning, and Research Analyst, Paul Waterhouse, on 0411-875-366 or via email paul@urbantaskforce.com.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tom Forrest', with a stylized flourish extending from the end.

Tom Forrest
Chief Executive Officer