Urban Taskforce
AUSTRALIA

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Ms Anthea Sargeant
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Locked Bag 5022
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cc. Ms Kiersten Fishburn, Secretary

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Dear Ms Sargeant

Edgecliff-Woollahra Precinct State-led Rezoning Proposal

I write in relation to the public exhibition of the draft Edgecliff-Woollahra State-led rezoning planning proposal.

In general, Urban Taskforce Australia members support the intent of the NSW Government to rezone Edgecliff-Woollahra for higher density residential property.

However, we are concerned that document, as published, has no chance of realising the stated goal to create 9,400 homes.

The draft document as exhibited has effectively ensured that the State Government's targets are unachievable. This is because it:

- Deferred to Woollahra Council's development controls which Urban Taskforce has consistently argued represent a deliberate effort to stop housing supply by rendering it;
- Set high, unachievable affordable housing levies;
- Quarantined up to 50% of potential development sites for deep soil planting; and
- Compelled site amalgamations that will make projects unfeasible.

As a result, Urban Taskforce is very concerned that DPHI has pulled together a document that will systematically ensure that the housing goals stated in that document are not achieved.

Planning Minister Paul Scully has publicly stated – most recently at Urban Taskforce's Annual Policy Conference – that this precinct is not going to be obstructed by Woollahra Council's NIMBYism. He particularly singled out concepts such as "heritage trees", confirming that they will not stop new homes.

The document, in fact, copies the Council's attitude and mapping on "heritage trees, and in so doing, DPHI is undermining the Minister's stated intent. This is consistent with many aspects of this document that appear to have been lifted directly from the Council's efforts to frustrate housing supply in this LGA.

The Draft Planning Proposal appears to have uncritically embraced the very restrictions and conditions that Woollahra Council introduced to *"minimise the impact of the recently*

introduced low and mid-rise housing reforms" (page 1) seeking to render the NSW Government's housing supply policies, unworkable.

Urban Taskforce urges DPHI and the NSW Government to strip back the controls and barriers being placed on housing projects in the Edgecliff-Woollahra precinct to facilitate the timely delivery of the plan's scope and aspiration for 9,400 new homes.

Feasibility

The feasibility calculations supporting the rezoning appear to apply consistent land values and development assumptions across all sites. This fails to consider individual site circumstances or the realities of the current market adequately. This is lazy work, ill-informed work by DPHI and Atlas.

For example, the Atlas report assumes 100% debt funding at 6% interest. Current development funding costs are closer to 9%, based on a typical funding structure of 70% debt and 30% equity, with equity requiring a return of approximately 20%.

The results of the analysis are therefore unrealistic, because the analysis significantly understates the actual cost of development and overestimates feasibility. This, in turn, has influenced the indicative design of the precinct, with pencil towers that accommodate approximately five apartments per floor and that have highly constrained floor plates and relatively low FSRs being floated as commercially viable.

The rezoning does not reflect the economics of high-rise residential development, and the construction efficiency, core-to-floorplate ratios, structural requirements, and minimum floorplate sizes needed for a project to be feasible.

In short, the concept plans may look nice but will be difficult to deliver.

Urban Taskforce contends that many sites will be unfeasible for development, because:

- assumptions about feasibility are not independently assessable and do not appear to match real world experience (this is sadly a recurring theme with DPHI work and was one of the drivers for the creation of the HDA);
- analysis of land amalgamations has not adequately accounted for the costs, complexity, and time taken to combine multiple sites;
- modelling assumes that landowners would be willing to sell, without recognising the commercial realities of amalgamating sites;
- market demand, absorption rates, and the ability to deliver the proposed housing products have not been factored into calculations;
- significant differences between sites, including existing improvements, ownership structures, constraints, and development potential, have not been adequately addressed;
- additional costs such as stamp duty, land tax, acquisition costs, holding costs, and other development-related expenses are not fully considered in feasibility calculations; and
- the significantly higher construction costs, financing requirements, and risk profiles associated with high-rise development have not been adequately considered.

Collectively, these issues raise serious concerns about the reliability of the feasibility assessment. More detailed modelling, with a clear indication about the consultant's assumptions, will be needed to ensure an accurate assessment of whether the rezoning is viable. Most importantly, the work done by any consultant needs to be peer reviewed by independent property valuation advisers, quantity Surveyors and Cost Estimators.

As there is no current plan to allow for an applicant to vary controls through the Housing Delivery Authority to seek more feasible options, whatever gets put into this Planning Proposal could make or break housing in the precinct. This will inevitably need to be changed, as was the case after the Tier 1 Accelerated TODs were originally released.

Recommendation1: That DPHI commission a feasibility analysis, in consultation with industry peaks, that provides a realistic assessment of project feasibility within the Edgecliff-Woollahra precinct.

Scope

Urban Taskforce contends that any areas that fall within the pre-existing Low and Mid-rise (LMR) housing policy boundaries should be included within the Planning Proposal.

While the *Explanation of Intended Intent* states that LMR for sites within the precinct boundary will be retained if those lots receive no height increase, the paper also makes it clear that the infill affordable housing bonus scheme will not apply. Urban Taskforce finds this exclusion of development potential offensive and strong urges that if there I not to be any uplift beyond LMR limits, the infill affordable housing bonuses provisions of the Housing SEPP continue to apply.

As proposed, the draft PP disadvantages properties that would have been better off under the LMR controls with the option of a 30% uplift. These sites will now be required to make an automatic 3% in perpetuity affordable housing contribution, without the opportunity of uplift. The plan effectively reduces housing supply in these locations.

Low- and mid-rise development is approximately 30% cheaper to construct than high-rise buildings and can be delivered under existing planning controls within shorter timeframes.

The infill affordable housing bonus scheme should remain in place for LMR zoned properties within the precinct that have not been given uplift under the Planning Proposal.

Sites within current LMR zoned areas surrounding Woollahra Station, such as parts of Bellevue Hill, should be incorporated into the precinct and given the opportunity to be rezoned with additional uplift as well. Further, the scope of the proposal should not exclude cut-outs such as 99-115 New South Head Rd Edgecliff.

This would open up more opportunity for additional housing in the short to medium term.

Recommendation 2: That the infill affordable housing bonus scheme be retained for LMR zoned properties that have not be rezoned by the draft Planning Proposal, so that sufficient uplift can still be attained on those sites.

Recommendation 3: Sites within current LMR zoned areas surrounding Woollahra Station, such as parts of Bellevue Hill, should be incorporated into the precinct. Further, the scope of the proposal should not exclude cut-outs such as 99-115 New South Head Rd Edgecliff

Deferral to Woollahra Council

Having made the case against Woollahra Council's alternative plan for the Edgecliff-Woollahra precinct, and criticised the Council for taking an anti-development stance, it is extremely disappointing to see the degree to which the NSW Government has deferred to its local government counterpart.

The *Explanation of Intended Intent* (page 10) states that: *"Built form principles have established street wall heights, setbacks, and height transitions to respond to heritage interfaces and local character."*

However, in the *Draft Design Guide*, many of these principles appear to be deferred to conditions set by the *Woollahra DCP (Chapter B4 – Housing in Accessible Areas)*.

This is highly problematic, as it seems that the Planning Proposal relies heavily on what has deliberately been planned to be a development-killing DCP. **Why would DPHI rely on such a plan as its guide, unless it was seeking to undermine the intent of the government (as Woollahra Council have explicitly stated they are)?**

Council don't even try to hide the fact that they are seeking to use this rezoning process to achieve their anti-housing supply objectives – and they seem to have succeeded.

On page 7 of Woollahra Council's report to its Environmental Planning Committee about the proposed DCP (dated 7 October, 2025), staff appeared to fully anticipate that their amendments would be overruled:

> *"Another relevant project underway is the state led rezoning around the Woollahra and Edgecliff Stations. Whilst the implementation details are yet to be outlined, it is anticipated that a form of 'Design Guide' (similar in structure and intent to those developed for Transit-Oriented Developments) will be prepared to guide future development outcomes. This Design Guide would override any DCP provisions. However, Council staff will continue to advocate during the state led rezoning process for best planning outcomes, including maximum numbers of parking spaces."*

To our shock and dismay, Council's fears appeared to have been unfounded, as the DPHI draft PP is largely based on the Council's draft guide.

Council flagged that its "desired future character" statements would play a role in any assessment:

> *"Staff acknowledge that the character statements in the Woollahra DCP 2015 do not fully align with the development permitted under the LMR reforms. Nevertheless, the statements will continue to inform assessments and help preserve key features of different areas. The Draft DCP controls are also intended to* ***mitigate the impacts of the increased development scale*** *and better align outcomes with the character of the area."* (our bold)

We anticipated, in a letter we sent to Secretary Kiersten Fishburn on 5 February of this year, that Council's DCP would not only create problems for LMR developments, but for any proposed future housing delivery around the new Woollahra Station. A copy of our letter to Kiersten Fishburn is attached.

As we note in the introduction, Council has clearly tried to undermine and subvert the NSW Government's policy agenda with its DCP, and the deference given to Council's wishes by the Department of Planning, Heritage, and Infrastructure is allowing it to succeed.

On issues such as apartment mix, parking restrictions, heritage protection, "heritage trees", and deep soil planting, the Planning Proposal acquiesces (or in some cases exceeds) the NIMBY positions of Woollahra Council.

How can a DCP designed to block LMR policy be applied to a Planning Proposal that seeks to increase height and density above LMR thresholds?

If the controls introduced by Council were designed to frustrate 2-6 storey developments, they will almost certainly block taller structures with higher density.

These controls should be relaxed, lest they make projects within the precinct unfeasible. If that were to occur, the only beneficiary would be Woollahra Council.

Recommendation 4: Remove all references to the Woollahra DCP and generate controls that work effectively to facilitate feasible housing supply.

Development uplift in return for public benefits

Urban Taskforce members contend that the proposed planning framework is fundamentally inequitable, because sites that are required to deliver public benefits are not being granted sufficient uplift to compensate for it, particularly compared to their neighbours. Further, the supply of more housing should be seen as a public benefit. Why do government planners seem to always miss this point.

In many cases, requirements for public open space, additional affordable housing, through-site links, improved pedestrian connectivity, and community infrastructure are being placed on sites that have lower heights and FSRs than other buildings within the precinct.

Without the opportunity to gain sufficient uplift, this will reduce feasibility. And with site consolidation costs likely to be extensive, it will cause projects to fail.

There appears to be little planning or economic sense in such decisions.

Affordable housing

The NSW Government's proposals for affordable housing within the Edgecliff-Woollahra precinct will significantly undermine housing development feasibility.

The requirement for a minimum of 3% and as much as 15% affordable housing in perpetuity will add to the costs of construction and reduce property value, squeezing margins and making projects unviable.

Urban Taskforce opposes the high rates of in-perpetuity affordable housing contributions. They make development unfeasible.

Instead of reinforcing the very successful infill affordable housing bonus scheme, which the Minister highlighted at our Policy Conference this week, this draft planning proposal is doubling down and assuming that only in perpetuity affordable housing matters.

Further, the analysis of the feasibility of these rates did not consider the impacts that affordable housing has on house prices and development margins, using a residual land value benchmark as a proxy. Again – a lazy piece of under-analysis.

No consideration appears to be given to the premium placed on developable land, or the costs of consolidating sites, beyond stating that acquisition can be a "high-risk and high resource" activity.

Of interest, despite criticising SGS for doing feasibility assessments on lower affordable housing rates of 2.5% but recommending 5%-10%, Atlas Economics does effectively the same thing – conducting a RLV review at 3% and 5% but providing no feasibility commentary on the 6% - 15% rates that are scattered through the precinct.

Despite saying that the SGS rates of 2.5% to 5% "are not low rates", the consultants have no comment on the 3-15% proposed in the Planning Proposal.

What is not factored in by Atlas is controls such as setbacks and canopy restrictions, which reduce the developable size of the site and will eat into feasibility even further.

While the consultants say that there will be a value uplift for landowners, developers, and business owners, they may no effort to validate the claim and fail to recognise the impact of the levy on developers and their customers or the costs of consolidating sites.

If land values increase because of the rezoning, very few developments will be feasible once affordable housing contributions have been applied.

Height and FSR increases will be needed to overcome the cost of purchasing the site, particularly if a high rate of affordable housing is being applied. This isn't considered in the analysis. Nor is the additional cost of construction entailed in increasing height.

Urban Taskforce has been critical of the high rates of affordable housing contributions applied to development in New South Wales, and the impacts that it has on prices for homebuyers.

The Edgecliff-Woollahra precinct applies contribution rates that will undermine the feasibility of many projects.

Recommendation 5: That DPHI undertake a fresh feasibility assessment of affordable housing within the Edgecliff-Woollahra precinct, based on real-world assumptions and peer reviewed by industry peaks, financiers, professional private sector valuers, quantity surveyors and cost estimators.

Biodiversity

Edgecliff-Woollahra has been urban space for at least 160 years, with subdivisions and major growth following the proclamation of the Council in 1860.

As a result, while some parkland in the precinct may have retained a degree of biodiversity, it is questionable that this is the case for any built-up areas.

The Planning Proposal will therefore not encroach upon biodiversity or allow new housing to do so.

To extend such protections to areas that have already been developed – and which thus had largely extinguished whatever biodiversity may have existed – makes no sense.

While the *Explanation of Intended Effect* had a traditional definition of biodiversity, the *Draft Design Guide* provides objectives that appear to take a very liberal definition:

- *Maintain and enhance a highly intact, heritage-led village neighbourhood where fine-grain streetscapes, tree-lined character and boutique high street qualities are preserved.*
- *Ensure integrated, low-scale intensification that enhances amenity, supports walkability and respects the unique historic identity.*

It is not clear how these objectives are relevant to biodiversity.

But the Planning Proposal goes further. As part of its overall biodiversity stance, it specifies that any development should be "*[p]rotecting existing planting locations identified under the Woollahra Urban Forest Strategy*".

This is problematic as, according to one of its proponents, the Strategy was developed deliberately to stop development:

> *"Ettinger Epstein contacted councillors who agreed that "this patch of forest should be studied so when the state government comes along to chop it all down, council can say, 'sorry, the owls live here'. It's a classic tactic to retain the amazing lungs of our area".* AFR, 17 July, 2026

This reinforces industry concerns that the wholesale adoption of Council controls will work to undermine any development potential of the precinct.

That frustration of housing supply can be demonstrated by provision 8 under section 3.8 of the *Draft Design Guide*, which states that applicants must:

> *"Maintain solar access to vegetation and open space."*

For many sites, achieving this provision will be impractical and unrealistic.

Recommendation 6: That DPHI remove all reference to the Woollahra Urban Forest Strategy from the draft Planning Proposal, given that its explicit purpose was to stop development and frustrate the NSW government's housing supply objectives.

Infrastructure

One of the community criticisms of the Planning Proposal has been that there is "not sufficient infrastructure" to support an increase in population.

The NSW Government has disputed this and argued that a key reason for proposing this infill development is that infrastructure is already in place.

However, the details in the supporting papers for the Proposal appear to undermine that argument.

The *Infrastructure Delivery Plan* estimates that infrastructure will be needed for the precinct, at a cost of $1.33 billion dollars (page 51).

This tally includes site remediation, which would normally be part of the development costs, and places a premium on infrastructure that the EIE said was not needed. Despite the total indicative price, the works schedules provide no actual costs, so it is difficult to see what the actual estimated costs might be.

This will be levied through s.7.12 levies (s.7.11 contributions do not apply). The *Infrastructure Delivery Plan* assumes that a 4% s.7.12 levy would be applied, although one of the other papers stated that contributions would be determined in collaboration with the Council. Urban Taskforce opposes this level of tax. A 4% s7.12 levy is typical of a new precinct in a greenfield location. **This is a gross cash grab from Council, and DPHI's draft planning proposal appears to have fuelled the get-away car!**

In addition, there will be a $15,000 Housing and Productivity Contribution (tax) and the aforementioned affordable housing contributions (taxes).

In total, developer contributions are estimated to be $556 million, while state funding (presumably out of the HPC transport charges) would be $462 million. So, the cost to new homes could be as much as $1.02 billion. That level of new infrastructure is not support nor justified.

For a precinct that did not require much infrastructure, this is more than the Homebush TOD ($203 million) or Canada Bay ($744 million), so the calculations appear to be rather excessive.

Recommendation 7: That DPHI completely re-do its infrastructure scope and costs analysis in the Infrastructure Delivery Plan and reduce the quantum of the s.7.12 levy proposed for the precinct to no more than 2%.

Controls

The *Explanation of Intended Effect* states that development must be consistent with the *Draft Design Guide*, which will be given statutory weight through the Woollahra LEP.

This includes requiring development to respond to the unique local character and heritage of each specific sub-precinct.

Again, given Woollahra Council's antipathy towards the rezoning, it seems to be counterproductive to defer to the LGA's controls and local character settings.

The *Draft Design Guide* specifies a range of different planning controls based on these sub-precincts, even though the dividing lines between each area are subjective and arbitrary. This could cause confusion for the development industry and will do little to streamline planning.

There should be more consistency across the precinct, aligned with the *Apartment Design Guide* and other Departmental policies, rather than setting a hodge podge of controls throughout.

Built form

This section of the draft planning proposal requires a significant re-drafting. Urban Taskforce members contend that the proposed building height controls appear to be arbitrary and not supported by a clear or consistent planning rationale. For example:

- strategically located sites near Edgecliff railway station, that have limited impacts on heritage, open space, or *surrounding* amenity, have been assigned significantly lower building heights than other locations within the precinct; and
- sites offering the greatest opportunities for housing delivery and public benefit have been provided with little or no meaningful uplift compared with existing planning controls.

Yet in these locations additional height could readily be accommodated without unacceptable environmental or amenity impacts.

Further, restrictions on the design and bulk of these developments will make housing more expensive and harder to deliver, with the Planning Proposal being highly proscriptive about:

- adequate separations between tall buildings and pre-determined tower orientations;
- interfaces with heritage control areas;
- the incorporation of rooftop plant into overall building height, reducing what can be delivered;
- the provision of through site links for key locations;
- the preservation of view sharing and "visual permeability";
- podium sizes;
- minimum site areas (see more below);
- front, side, rear, and upper-level setbacks; and
- specified dwelling mixes (see below).

As noted earlier, in many of the "Built form" descriptions for different local character areas, the Planning Proposal specifies that:

> *dwelling size and mix are to align to the controls in the Woollahra DCP (Chapter B4 – Housing in Accessible Areas)*

reinforcing the requirement to rely upon controls that were specifically drafted to make development more unfeasible.

Recommendation 8: For each of the local character areas, the Built Form sections need to be significantly redrafted to consider the issues raised above with a mindset of applying the NSW Government's housing supply agenda and the now legislated objective of proportionate application of controls which consider the impact on feasibility.

Heights

In a global sense, the increase in maximum building height to 121m (or 34 storeys) is a positive move.

This, however, masks the site-by-site nature of the Proposal, which means that very few sites will be granted the biggest height allowance (one site in Edgecliff is 120.7m, a second is 114.4m, and a very large amalgamation site in Edgecliff Road is 119m), and then only in return for significant community contributions.

Incentive heights and FSRs are only offered for certain sites, not for the whole precinct, and often require significant land amalgamations and the delivery of community benefits.

There also appear to be some inconsistencies. While the *Explanation of Intended Effect* states that height would be concentrated on ridges, there are sites in Manning Road (in the valley) that are higher than those in Edgecliff and Wallaroy Roads (on the ridge).

Attunga Street, to the south of the precinct, has some significant building sizes (from 29.4m to 74.2m), which will pose some logistical problems. The street is blocked at the top, meaning that the only way to access it from Edgecliff Road is to turn into Stanley Street and the very narrow Chester Street. Given that it is the steepest street in Sydney, it would be difficult for heavily laden trucks to access the site from Manning Road.

Recommendation 9: That DPHI review the potential yields for key sites based on proposed building heights and FSRs to determine whether they are achievable with current proposed controls. As noted above, the DCP controls should not be referenced in any way in this document. Fresh controls should be developed which consistent with the government's housing supply agenda.

FSR

The FSR on offer for many sites is relatively low. The vast majority of sites have an incentive FSR of less than 4:1 and only three locations have a FSR of 6:1 or higher.

This restricts what can be delivered and, taking into account the high land prices, significant infrastructure and affordable housing contributions, the requirement to deliver community benefits, and the costs of construction, it will make it difficult to deliver a feasible housing project in many locations.

Sites closer to transport, which should be maximised for height and density, are not being given sufficient latitude to get the yields needed to proceed. There is a mismatch between heights and FSRs, made worse with high deep soil requirements, large site areas, and small building footprints.

Urban Taskforce members contend that the proposed FSRs and building envelopes outlined in the Planning Proposal will not achieve intended housing diversity.

Small, inefficient floor plates will be expensive to build and inevitably favour higher-value apartments in order to generate sufficient yield, if feasible.

This restricts dwelling mix, escalates property prices, increases construction costs per sqm, and reduces the ability to provide on-site affordable housing.

Recommendation 10: That DPHI review the potential yields for key sites based on proposed building FSRs to determine whether they are achievable with current proposed controls. As noted above, the council DCP controls should not be referenced in any way in this document. Fresh controls should be developed which consistent with the government's housing supply agenda.

Housing diversity

One area where the Department completely defers (it reads as a copy and paste) to Woollahra Council is in relation to dwelling mix.

Council's DCP – and the Planning Proposal – prescribes maximums for different apartment types: studios (20%), 1 bedrooms (30%), 2 bedrooms (50%), and 3+ bedrooms (20%).

Rather than letting market forces to determine the apartment mix that will work for individual buildings (based on a good working knowledge of customer preferences, drawn from hundreds of years of collective experience), Council has decided to dictate what should be provided.

It ignores the essential nature of residential development, namely that if a developer makes the wrong decision on apartment mix, they will lose money.

Extensive research goes into market sentiment, which informs planning and design, but this is being second guessed by council staff who have not themselves developed anything.

The Planning Proposal should not seek to determine the residential mix of Edgecliff-Woollahra through a form of hardline, inflexible social engineering.

The NSW Government should let industry build what it believes it can sell and allow the market to decide.

Recommendation 11: That DPHI remove the reference to dwelling mix that has been lifted from the Woollahra DCP and allow the market to determine what is feasible

Setbacks, street wall height, and separation

As noted earlier, setbacks, street wall heights, and building separations differ from local character area to local character area.

In some areas front setbacks can be as high as 10m, which is an inordinate buffer to be prescribing. Other locations can require between 3m and 7m.

Rear and side setbacks can be around 6m, upper levels can be required to be set back by a further 3m, while street walls can be as high as 2-4 storeys and some towers can require separation by 12-24m.

These are inconsistent with typical standard residential streets and are at odds with broader ADG controls, which typical place communal open space and large landscape areas at the rear.

They restrict design flexibility and can minimise the available developable space, reducing yields and putting pressure on feasibility.

Recommendation 12: That DPHI reduce the setbacks proposed with a view to the proportionate financial impact for each of the Local Character Areas to determine the impact they may have on project feasibility.

Parking

Council's maximum parking rates have also been applied to the precinct.

These changes were made to the DCP despite Council criticising the LMR reforms when they were first introduced because they could lead to a lack of parking:

> *"We have significant concerns with the potential car parking impacts, including:*
>
> - *Lack of parking, with street parking already under immense pressure across our whole Council area from residents and visitors, and there is little opportunity to create more street parking or off-street parking areas"*

However, when it came to drafting the DCP, Council pivoted, making parking "optional", mandating car sharing, and penalising developers, through a loss in GFA, if they include parking.

The amendment to the DCP was nothing but a manipulative scam to get around loopholes in the ADG and LMR controls and Urban Taskforce called it out as such.

The controls penalise anyone who is not an office worker.

For many, owning a car is not simply a matter of convenience. Buyers look for parking in apartments so that they don't have to park in the street – the very issue Council raised in February, 2024.

Cars are essential for transporting young children to sports or arts and cultural activities. Cars are necessary for shift workers, whose shifts end after public transport ends for the night. Trades people need cars or vehicles to get to their workplaces, often carrying heavy and expensive equipment.

Council is effectively excluding these cohorts of people from its LGA. And the NSW Government has effectively endorsed that position.

Restricting parking in apartments won't stop people from owning cars, it will simply force them to live further afield.

Recommendation 13: That DPHI remove the references to parking restrictions that have been lifted from the Woollahra DCP and allow the market to determine what is feasible.

Lot Amalgamations

Forced amalgamation patterns will kill sites. There appears to be a complete lack of appreciation of the value and complexity associated with individual sites within the amalgamation patterns, including some sites with tall strata buildings, comprising 20+ strata lots.

The amalgamation sites are substantial, especially for some "medium density" fringe areas, requiring the amalgamation of multiple sites around 3,000m2 for a standard RFBs.

While these are theoretically voluntary, any developer who wishes to access the incentive heights and FSRs will be forced to create these lots.

Some sites can have huge numbers of properties that need to be amalgamated, many of which include buildings with strata titles and owners. For example, the site located

between Attunga Street, Manning Road, and Wallaroy Road, which has upwards of 30 sites that would need to be combined.

With retail prices ranging from $2.6 million for a semi-detached home to $16 million for a standalone home in Wallaroy Road (before any rezoning premium was placed on the properties), this site would be very expensive to amalgamate and is unlikely to be a feasible development project.

The sizes of the forced amalgamation sites require massive lot amalgamation and are unlikely to be realised.

The "medium density" fringe areas, with total lot sizes ranging from 1,000 sqm to 3,500 sqm, for standard residential flat buildings.

While some sites look like they comprise a small number of dwellings, but in reality each building represents 20+ strata lots. The time and money it would take to consolidate such a lot would not be worth the return.

But a developer who wishes to access incentive height and FSR bonuses would have to create the amalgamated lot in order to do so.

It does not appear that the Planning Proposal provides any option to seek variations, putting applicants at the mercy of homeowners who could individually veto an entire project.

Most sites will not work due to consolidation requirements, high open space requirements, relatively low FSR, relatively high affordable housing contributions and a design that does not maximise the potential for view sharing across the study area.

Recommendation 14: That DPHI amend their prescriptions on lot amalgamations to enable greater flexibility, so that uplift and density can be gained by residential projects even if not all lots in a proposed development area can be consolidated.

Heritage

The heritage listings under the Woollahra LEP remain in place, and development is supposed to be both sensitive to and directed away from heritage listed and contributory buildings.

Landscape elements must be retained in some character areas, and there is a clear recognition in the Planning Proposal maps of heritage trees.

Urban Taskforce notes that this draft Planning Proposal is in direct conflict to the view of Minister Scully.

At its recent Policy conference held on 27 October, Minister Scully was derisory in his public address about the concept of Heritage Trees could stop new housing supply.

He was clearly of the view that this concept came from Council, but this draft Planning Proposal, prepared by DPHI, proposes precisely this – Heritage Trees, in abundance, restricting housing supply. See figure 29 showing the Edgecliff Character Area.

Further, the maps are unclear and potentially contradictory. For example, the heritage map for Trumper Park Character Area highlights:

- HCA areas (the whole Local Character Area);
- heritage buildings;
- Council's heritage planning proposals;

- HCA contributory clusters;
- HCA non-contributory clusters; and
- HCA non-contributory items.

The latter two do not appear to overlap, raising questions about how to apply the concept. To a member of the community, it would appear that nowhere within that Local Character Area could be developed.

Recommendation 15: No new Heritage protection clauses should be introduced. Given the long history of weaponisation of local heritage controls applied by Woollahra Council, only State Heritage listings should be included in the draft planning proposal. In particular, DPHI should consider the views of Minister Scully and remove any reference to controls relating to heritage trees.

Conflict of Interest and process failure

Urban Taskforce understands that the consultants who developed the heritage report for the Planning Proposal performed the same role for Woollahra Council.

This represents a clear conflict of interests, and a fresh independent report should be sought as a matter of urgency.

Further, we have been advised that Woollahra has submitted a draft planning proposal to DPHI (awaiting gateway determination) seeking to identify sites as "Modern Heritage Sites" in response to the LMR reforms. The Planning Proposal for rezoning prepared by DPHI appears to have uncritically adopted those recommendations, without any proper consideration or consultation, resulting in sites being left out of the plan that could be viable redevelopment opportunities.

At best, this is an inadvertent oversight. At worst, it is an under-the table, consultation free means of alienating readily developable land. Either way, it is a significant problem.

Recommendation 16: DPHI should commission a fresh, independent Heritage report as a matter of urgency.

Tree canopy and deep soil

Added to the landscaping issues are some of the largest canopy and deep soil requirements Urban Taskforce has seen in a planning proposal.

While the Council's Urban Forest Strategy seeks to increase tree canopy cover from 27.4% to 30% by 2050, the canopy requirements for different Local Character Areas range from 23% to 50%.

For deep soil planting, the lowest requirement is 15% for deep soil coverage for mixed use development to 50% deep soil coverage for multi-unit residential development.

Development sites with a 40-50% deep soil requirement will be almost impossible to develop, as the buildable proportion of the site has literally been halved. At best, a developer might seek to construct deeper basements, but Council has already highlighted its concerns about geotechnical risks, so such proposals will be strongly opposed.

These requirements depart significantly from the 15% deep soil planting zones specified in the ADG and make development yields and feasibility almost impossible to achieve.

The result is that these requirements will kill off any potential for the Edgecliff-Woollahra precinct to deliver 9,400 homes.

Recommendation 17: That DPHI amend the tree canopy and deep soil planting requirements to bring them in line with the 15% benchmark applied in the Apartment Design Guide.

Conclusion

Urban Taskforce is concerned that the Department of Planning, Housing, and Infrastructure has been too accommodating to the wishes of Woollahra Council in its proposed rezoning of the Edgecliff-Woollahra precinct. In so doing, the draft planning proposal document incorporates many aspects of the anti-housing agenda of Woollahra Council. DPHI has facilitated the effective poisoning of the Government's stated intent with this iteration of the draft proposal.

The Planning Proposal gives lip service to housing delivery, while codifying restrictions and conditions that were developed by Council with the specific intent of stopping development.

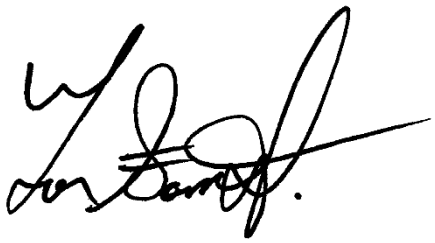
These controls will undermine housing diversity and delivery, making most of the precinct undevelopable.

The Proposal fails to consider the feasibility concerns of the development sector, the significantly increased construction costs being felt by the industry, and the commercial issues affecting residential development.

The NSW Government quite rightly criticised Woollahra Council's alternative plan for not being sufficiently ambitious. Urban Taskforce believes that the Government's own plan is not achievable.

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

Yours sincerely



Tom Forrest
Chief Executive Officer

Attachment: Letter to Kiersten Fishburn, Secretary DPHI, 5 February 2026

Urban Taskforce
AUSTRALIA

5 February 2026

Ms Kiersten Fishburn
Secretary
Department of Planning, Housing, and Infrastructure
Locked Bag 5022
Parramatta NSW 2124

cc. Monica Gibson; Paul Levins

Dear Kiersten

Councils are undermining LMR policies

I write to follow up a letter sent to the Minister on 26 November, 2025, highlighting Urban Taskforce Australia's concerns about moves to neuter the NSW Government's low and mid-rise housing (LMR) reforms.

The LMR reforms are an essential step in efforts to deliver much-needed new housing supply in this State.

This initiative has been widely supported by the development industry, particularly given the significant amount of housing supply still required to meet the ambitious targets set by the National Housing Accord.

However, Urban Taskforce members are increasingly concerned about brazen council attempts to obstruct, frustrate, and negate this important policy.

Examples of these attempts include:

- Mosman Council – seeking to "refine" LMR controls in different locations;
- Willoughby Council – designating almost the whole of Naremburn as a heritage conservation area;
- Northern Beaches Council – changing its DCPs to "set additional requirements" to hold development "to the same rules as other similar development" (which seems counter-intuitive);
- Ku-ring-gai Council – whose "local character area" requirements will put barriers in front of development; and
- Georges River Council – which has proposed an alternative plan that will deliver 1,400 fewer dwellings than the LMR policy.

Other councils are trying similar approaches to restrict projects in their own areas.

Eclipsing these efforts in Woollahra Council – a hotbed of NIMBYist sentiment – which is currently exhibiting its draft DCP for a second time, due to a shortened consultation period first time around.

Woollahra's DCP

Woollahra makes no bones about its opposition to the LMR reforms, with a dedicated webpage encouraging residents to share their feedback with the Planning Minister and Premier.

In reports prepared to support the draft *Housing in Accessible Areas* DCP, Council openly states that its proposals are intended to *"minimise the impact of the recently introduced low and mid-rise housing reforms"*.

It also makes it clear that it will continue its advocacy "*against the LMR reforms, and their impacts on local character, heritage conservation, infrastructure, and surrounding amenity*".

According to Council, the measures proposed within the DCP are, on the one hand, designed to promote "*amenity*" and "*streetscape compatibility*", while, on the other, seeking to dictate housing mix and to restrict the provision of parking.

While it recognises that the draft DCP is not able to prevent LMR completely, it says that the proposals are being used to "*identify sections where improvements can be made to mitigate potential impacts from new development permissible under the LMR reforms*".

Consultation

During the first round of consultation on the DCP, Council approached a range of community organisations that were likely to support its proposals, and community members who had made submissions to the Environmental Planning Committee, but no attempt was to seek the views of the development industry, apart from a generic page on its "Your Say" website.

Unsurprisingly, these communications efforts led to 52 submissions – many of them as variations of a form letter – receiving only 12 submissions objecting.

As noted in our previous letter to the Minister, Urban Taskforce was one of the dissenting voices.

In the analysis of the responses (rushed to an Extraordinary Environmental Planning Committee meeting just 12 days after submissions closed), Council staff disagreed with all criticisms of the draft DCP and made just one change – to add to areas that must be protected from overshadowing.

No serious attempt has been made to address the concerns raised.

Potential impacts

These DCP proposals, if they go ahead, will significantly affect the ability of developers to deliver housing options and amenities sought by NSW residents within Woollahra LGA, and will result in projects becoming unfeasible.

While the LMR reforms are meant to override any local controls, previous comments by the State Government suggest that they will be considered as part of an approvals process.

Council has also flagged that its "desired future character" statements will play a role in any assessment:

> "*Staff acknowledge that the character statements in the Woollahra DCP 2015 do not fully align with the development permitted under the LMR reforms. Nevertheless, the statements will continue to inform assessments and help preserve key features of different areas. The Draft DCP controls are also intended to mitigate the impacts of the increased development scale and better align outcomes with the character of the area.*"

This will not only create problems for LMR developments, but for any proposed future housing delivery around the new Woollahra Station, and Council is clearly trying to impose its will to subvert the NSW Government's policy agenda.

Conclusion

Left to their own devices, Councils such as Woollahra will continue to frustrate housing supply and obstruct the NSW Government's plans.

They will throw up barriers to prevent new projects and block up the housing pipeline.

This cannot be allowed to happen.

The NSW Department of Planning, Housing, and Infrastructure is ideally placed to clamp down on these self-serving actions by Woollahra and other councils that prevent new housing within their LGAs.

These councils are acting cynically in their efforts to pander towards the more NIMBY elements within their rate-payer base assuming that, if they make enough noise, the problem will be shifted out to the western suburbs.

Many of these councils unable even to deliver on low targets – the 10 worst performers have delivered just 27.3% of the dwellings approved by the 10 best performers, 18.5% if the City of Sydney is taken out of the mix.

Yet, there is a clear desire to hang up the "We're full" shingle at the borders of each of these LGAs, and to make it someone else's problem.

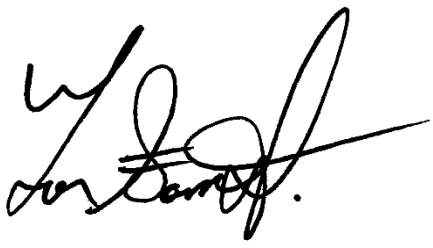
Urban Taskforce seeks your support to put integrity back into the planning system. Councils should not be able to shirk their responsibilities by hiding behind dubious claims of heritage preservation, streetscape continuity, or amenity.

Industry needs the Government's support to block such changes, to remove red tape, and to stand up to the anti-development activism that is increasingly preventing the delivery of cost-effective and affordable housing.

Intervention is needed to stop initiatives such as the Woollahra DCP from preventing housing affordability and reliable supply.

I look forward to your response on this matter and would be pleased to meet with you to discuss how this might better be addressed.

Yours sincerely



Tom Forrest
Chief Executive Officer

Attached: Urban Taskforce submission on Woollahra's Housing in Accessible Areas DCP