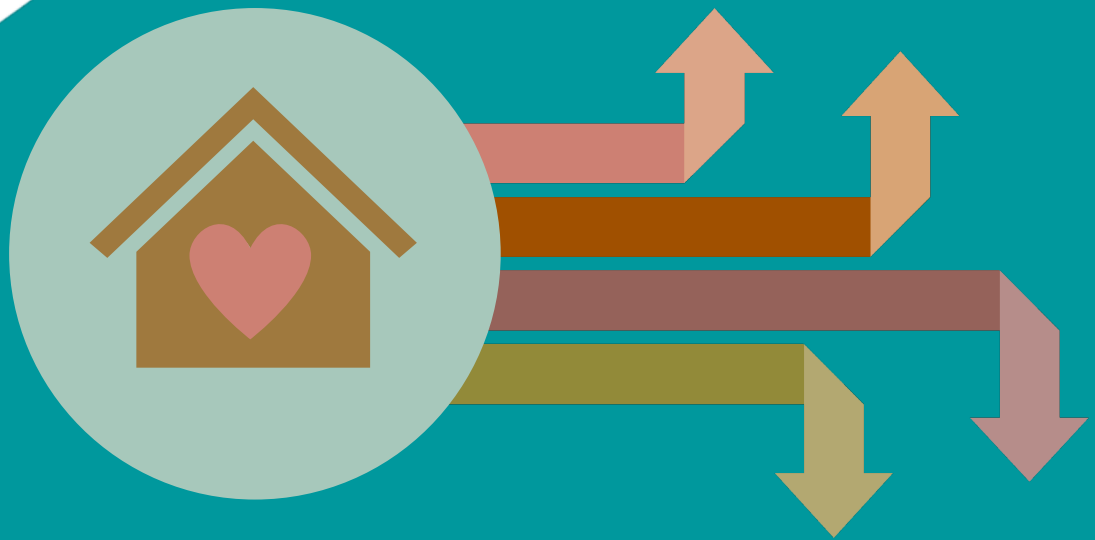


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Refreshing the Residential Strategy **Housing Options Paper**



Acknowledgement of country

In the preparation of this Options Paper, Council acknowledges and pays respect to the Bundjalung of Byron Bay – Arakwal People as Traditional Custodians of the land within Byron Shire, and form part of the wider Aboriginal nation known as the Bundjalung. In addition, Council acknowledges and respects the Widjabal and Mindjungbul people as Traditional Custodians within the Byron Shire. Council acknowledges the Aboriginal and Torres Strait Islander people who now reside within this area.

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Introduction

The Residential Strategy sets a policy framework for how and where future housing in Byron Shire's urban residential areas will be delivered for the next 20 years.

Council adopted the Strategy in December 2020. It was the result of three years of planning, research and community consultation. It identifies that we need a diverse supply of housing for a range of incomes, lifestyle choices, household types and life stages to maintain community diversity and social cohesion.

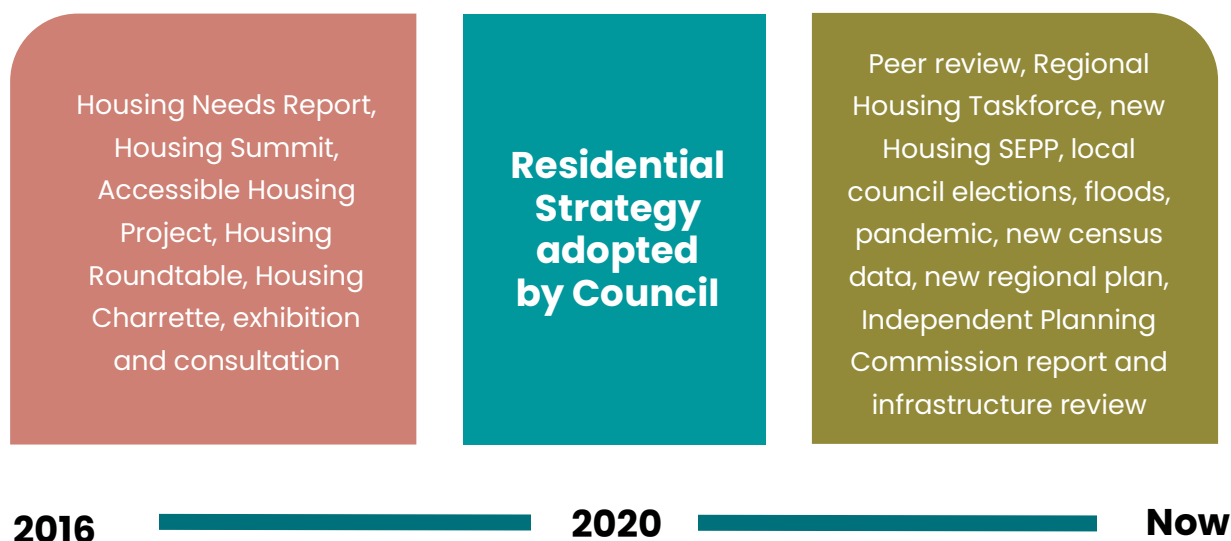
The Strategy was not endorsed by the NSW Department of Planning and Environment (DPE). Endorsement is required so that proposals for new land release and some infill opportunities may be progressed.

A peer review provided options to move forward, with the preferred option recommending a refresh of the Strategy to include staging & sequencing, monitoring & review and the introduction of an implementation plan.

Since then, many significant events have occurred, changes have been made to State and local policies, and critical decisions have been made that inform and affect housing options in the Byron Shire.

This Options Paper has the primary purpose of documenting what has changed since 2020 and guiding targeted community engagement about ways we can deliver housing to meet the needs of our community. The feedback will ultimately inform the refresh of the Strategy.

It is important to note that housing is a complex issue that requires coordinated action across all levels of government. The Strategy is one lever that can influence housing supply. Alone, it cannot solve the housing crisis.



Overview of Residential Strategy

The Strategy vision, along with its main overarching policies and directions, remain current. These underpin a focus on the people that make up our community now and into the future and ensure that housing meets the needs of those people.

Vision

Byron Shire towns and villages will offer a diversity of housing to meet the needs of its community both now and in the future.

Residents will be able to find housing that suits their current and future needs in terms of type, tenure, size and cost. More diverse housing such as town houses, units and apartments will be located in locations with convenient access to shops, services, transport and open space, where it is easy to walk or cycle.

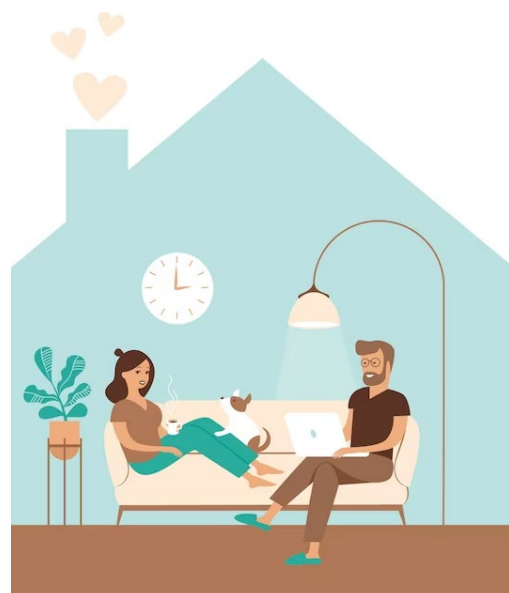
Greater housing diversity will create a more self-sufficient Shire so that residents do not have to move outside the Shire to find the housing they want.

20
year horizon

85%
New homes
will be in
existing urban
settlements

How does the Strategy fit in the planning system?

The Strategy is one of Council's 'growth management strategies'. It works together with the Business & Industrial Lands Strategy & Rural Land Use Strategy. It must be consistent with the North Coast Regional Plan 2041 and be approved by the NSW Government. It informs changes to the Local Environmental Plan and Development Control Plan, and sets actions under Council's Operational Plan.



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Residential Strategy on a page

The existing Strategy sets a broad picture of the preferred growth scenario for the existing urban centres in the Byron Shire across four key policies.

Policy 1

Providing land
for future
housing

Direction 1.1 – The majority of our Shire’s future housing will be in urban towns and villages.

Direction 1.2 – Land for housing will be suitable for the use.

Direction 1.3 – New subdivisions and infill will support the attributes of liveable neighbourhoods.

Policy 2

Improved housing
choice, diversity &
equity

Direction 2.1 – Enable opportunities for innovative new residential forms & models.

Direction 2.2 – Facilitate & promote growth in the proportion of rental and to buy housing aimed at the lower end of the market including those with very low incomes.

Direction 2.3 – Encourage use of low-rise medium density housing types other than the detached house.

Direction 2.4 – Support ‘urban village’ pockets of mixed-use activities close to business centres.

Direction 2.5 – Continue to support detached houses but with a stronger emphasis on more diversity in lot and house size and using adaptable and liveable house design.

Policy 3

Housing that
reflects the local
in places

Direction 3.1 – Respect the current and/or emerging character & values, as recognised in residential character narratives for specific areas.

Direction 3.2 – Maintain and enhance the sense of community.

Policy 4

Make our
neighbourhoods
local

Direction 4.1 – Make dwellings homes again.

Direction 4.2 – Identifying areas and mechanisms where STRA can be excluded.

Options paper framework

The purpose of this Options Paper is to inform Council's refresh of its existing Residential Strategy.

The Paper explores what has changed since 2020 and explains how this impacts the Strategy. It outlines the options for how housing could now be delivered whilst responding to these changes. This includes options for new release areas, infill, existing residential zoned land (vacant land) and how we could live differently. The Paper then sets out a preferred way forward based on the localities across the Shire.



How will this Paper result in changes to housing supply in the Byron Shire?

Following consultation with the community about the options and preferred way forward, Council will investigate the preferred options to enable a refresh of the Residential Strategy in 2024. This will then inform future changes to Council's Local Environmental Plan and other planning controls.

Any proposed changes to the zoning of specific parcels of land will be subject to the 'Planning Proposal' process. Any specific developments will be subject to the appropriate planning pathway (e.g. development application, complying development).

What has changed since 2020?

A lot has changed since the Residential Strategy was adopted by Council in 2020. The housing crisis has significantly worsened and the cost of housing (both buying and renting) and the level of housing stress remain critical issues.

Housing needs in the Byron Shire must now also consider and respond to two significant events – the COVID-19 pandemic and the 2022 floods. Both these events will have an ongoing impact on housing supply and affordability, which the refresh of the Strategy must address.

The Strategy must also take into account:

- Changes in the characteristics of people living and working in the Byron Shire
- Changes to NSW Government land use plans and policies
- The actions progressed by Council at a local level

This Paper focuses on relevant parts of documents and decisions that can now inform the refresh of the Strategy, in the context of housing supply. A snapshot of these is provided below.

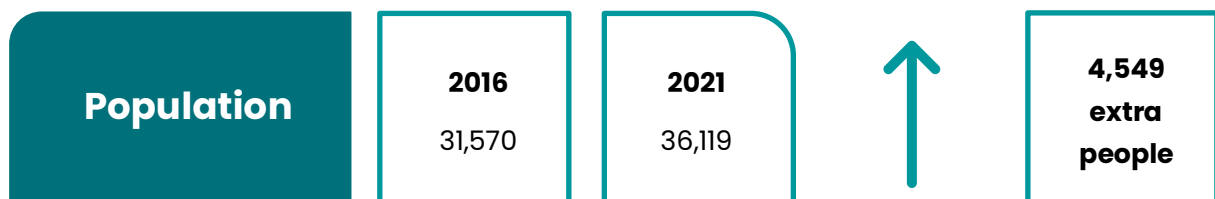
2020	2021	2022	2023
January: first case of Covid-19 announced in NSW March: first round of Covid-19 lockdowns in NSW December – Residential Strategy Adopted by Council	March: NSW Housing Strategy 2041 released June: Peer review of Residential Strategy & Regional Housing Taskforce Established July: second round of Covid 19 lockdowns in NSW November: New Housing SEPP. December: Local government elections	February/March: Floods June: Our Byron, Our Future 2032 adopted by Council. June/July: Staged release of 2021 census data. July: Creation of NRRC & NSW Independent Flood Inquiry Report August: Parliamentary Flood Inquiry Report November: Government response to Flood Reports December: After the Floods Discussion Paper adopted by Council & Updated Regional North Coast Plan 2041.	April: IPC Report on STRA May: Eco-villages addendum report from Echelon May: NSW Productivity Commission Housing Report June: Draft Northern Rivers Resilient Lands Strategy July: Infrastructure capability audit August: Housing Options Paper Now: 

Changing demographics of our Shire

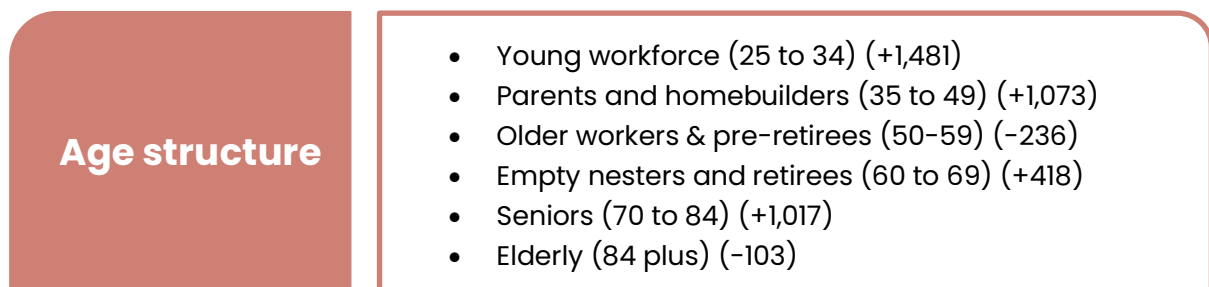
The fabric of our communities changed with the COVID-19 pandemic and the floods. In the past three years, population growth far outweighed expectations in all areas. This has exacerbated housing affordability and availability and makes housing diversity and choice a critical priority.

In mid-2022 the Australia Bureau of Statistics began the release of data from the 2021 census. This data provides important insight into the changing demographics of our communities and highlights key shifts, living arrangements and housing needs over the past five years (from 2016 – 2021).

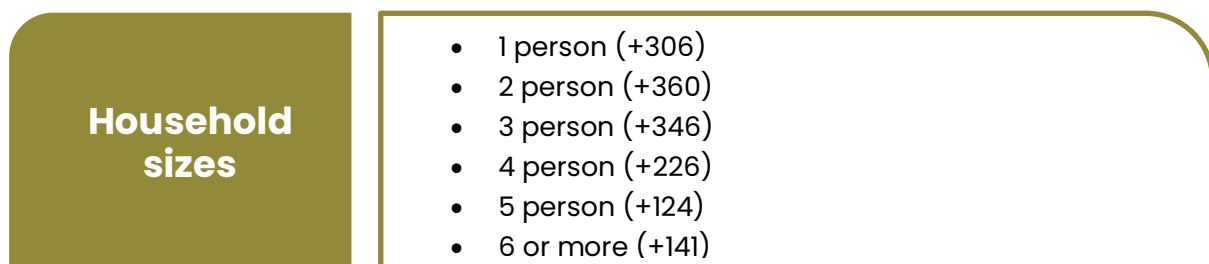
The number of people calling our community home has increased by 14.4%



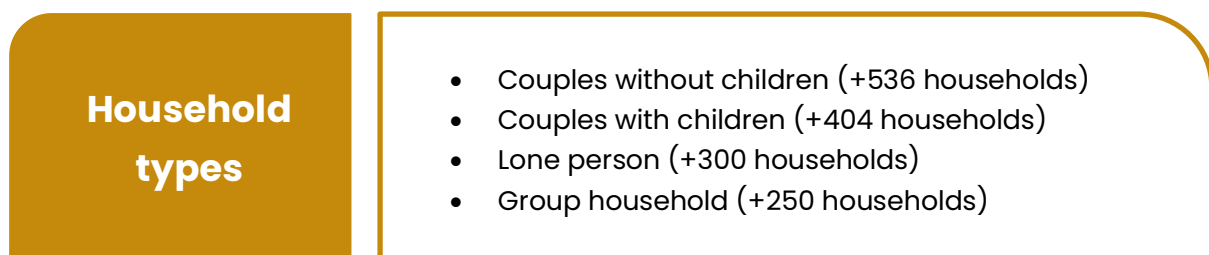
The make up of our community has shifted towards a younger population



There has been a greater increase in smaller households



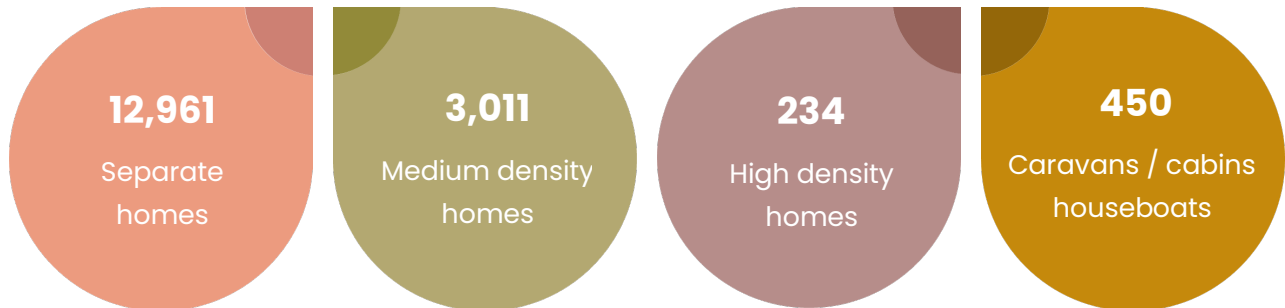
There remains a diverse range of household types to be catered for



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Over the past five years, our housing stock has not substantially changed. There is still a predominance of detached housing.

Compared to regional NSW, there is more medium density housing (17.8% versus 14.6%) but less high density (1.4% versus 2.9%). Below is a snapshot of the housing stock in the Byron Shire in 2021, based on the categories in the census data.



Higher percentage of homes with a smaller number of bedrooms

Compared to regional NSW, there is a higher proportion of homes with 2 bedrooms or less, and a lower proportion of dwellings with 4 bedrooms or more. Overall, 25.7% of households were in dwellings with 2 bedrooms or less, and 27.1% of 4 or more bedroom dwellings, compared with 21.4% and 33.3% for regional NSW respectively.

The major differences between the number of bedrooms per home in Byron Shire and regional NSW were:

- A larger percentage of 1 or no bedroom homes (includes bedsits) (10.3% compared to 4.7%)
- A smaller percentage of 2 bedroom homes (15.4% compared to 16.7%)
- A smaller percentage of 3 bedroom homes (37.2% compared to 38.9%)
- A smaller percentage of 4 bedroom homes (21.0% compared to 26.7%)

Higher percentage of unoccupied homes

A total of 85.7% of homes were occupied on census night, compared to 89.2% in regional NSW. Conversely, the proportion of unoccupied dwellings was 13.8%, which is larger compared than the regional NSW figure (10.5%), but remains similar to 2016 (13%).

Higher household loan and household rental payments

Compared to regional NSW:

- there was a smaller proportion of households who owned their home
- a smaller proportion purchasing their home
- a larger proportion who are renters

Household loan repayments and housing rental payments are substantially higher in Byron Shire than the remainder of regional NSW.

The impact of the floods

The floods of 2022 devastated the Northern Rivers and had a significant impact on housing supply across the region. Some previously identified land is no longer considered appropriate for new housing and there is a strong community desire to do things differently.

The floods have also caused increased demand in an already strained housing market. More than one year on from the floods, many people are still displaced from their homes and require access to housing.

Flood Inquiry reports

The floods triggered a series of responses, both at the state and regional level, on how to respond to this crisis in the short and long term. This included the NSW Independent Flood Inquiry Report and the Parliamentary Flood Inquiry Report into the events. The NSW Government agreed in principle to most of the recommendations from these reports.

This is likely to further restrict future development on floodplains and therefore reduce the amount of land that may have previously been considered appropriate for housing.

After the Floods: Settlement Discussion Paper

With much of the land surrounding and within our urban settlements situated within floodplains, in late 2022, Council prepared the After the Floods Discussion Paper to determine how the Shire could respond and provide a sustainable housing supply pipeline.

After extensive community consultation, Council adopted 20 overarching principles across four key pillars. There was a clear view that it is time for change. More of the same can only result in worsening impacts on communities over the long-term.

People want housing in safe locations, with greater sustainability and options for diversity. There is a desire to focus on existing urban centres and consider increasing density and height where appropriate, to assist with housing supply, and particularly for key workers.

There was also a desire to look at how we can live differently by using our existing homes in new and innovative ways, and to explore how flood free farmland could be used for housing.

2,000

Properties in the Byron Shire were directly impacted by the floods

60

Homes in the Byron Shire were destroyed or severely damaged

10,000

People were displaced from their homes across the Northern Rivers



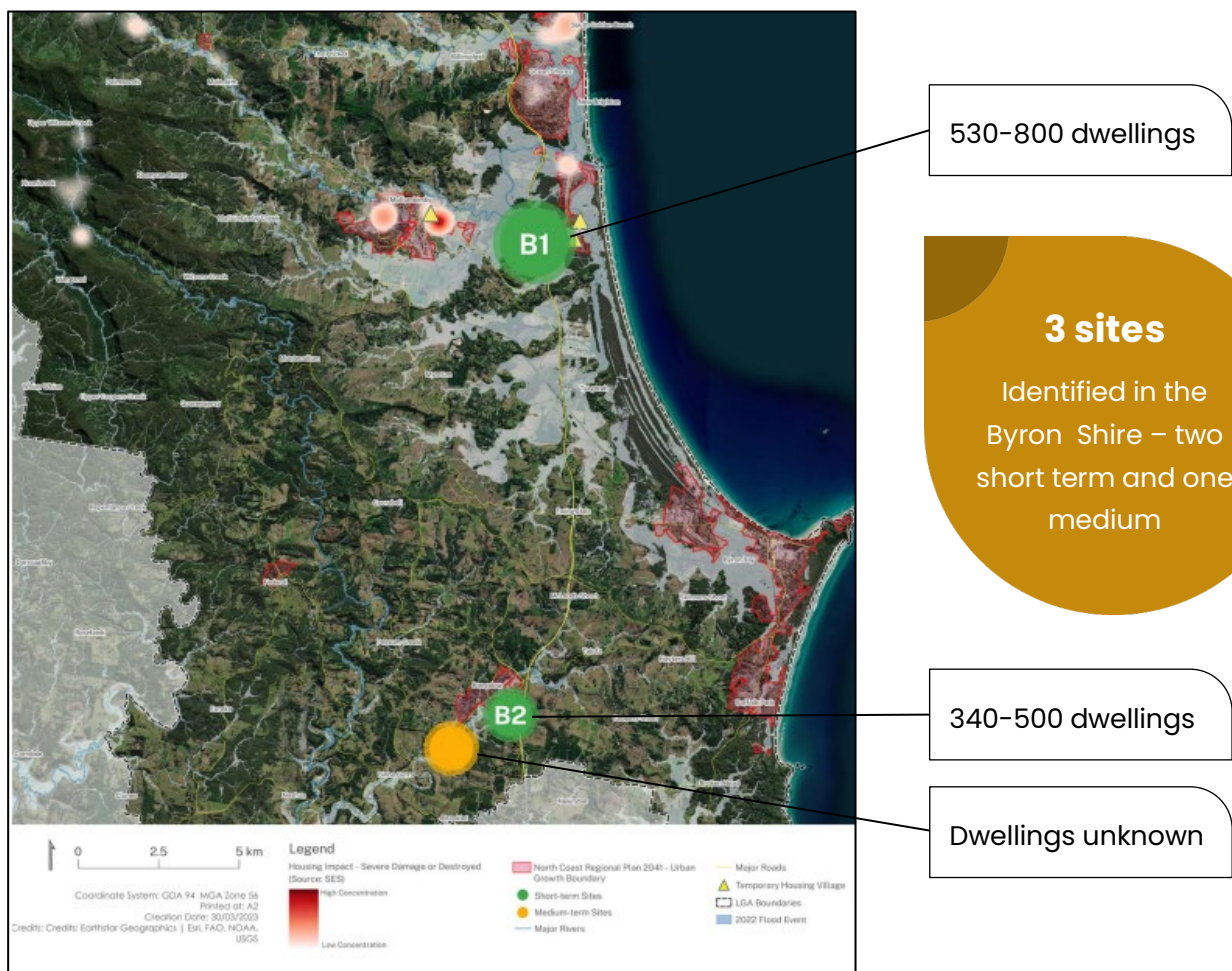
Draft Northern Rivers Resilient Lands Strategy

Following the floods, the Northern Rivers Reconstruction Corporation (NRRC) was established to guide the recovery and reconstruction efforts in the Northern Rivers. In June 2023, it released the draft Northern Rivers Resilient Lands Strategy for consultation.

This is part of a suite of measures the NRRC is coordinating to deliver a sustainable supply of land and housing for flood impacted residents in high-risk areas in the Northern Rivers region. It complements business-as-usual land release and housing development.

The Strategy identifies key housing challenges for the region including pre-existing unmet demand, loss of housing stock from flood events, high building costs, unaffordable housing options and lower income levels compared to the state average.

Across the Northern Rivers region, 22 sites have been identified for accelerated housing delivery. It is expected that 10,300 homes in the long-term.



Housing pressures in the Byron Shire

There is a recognised housing crisis that has been exacerbated by the COVID pandemic and floods. There is potential to regain housing back from short-term rental accommodation, but this must be matched with accelerated housing supply and greater housing diversity to reflect changing needs.

In March 2021 Council declared a housing crisis and asked other councils to be united for State and Federal Governments to do more to protect and provide for our communities. Since then, there have been ongoing impacts from the COVID-19 pandemic and floods which have exacerbated the housing crisis. There has been a significant shift in work patterns with more people working from home and migration from cities to regional areas such as the Byron Shire.

Housing stress is growing

Housing stress is on the rise with growth in land value, construction costs, rents and home sales not being met with equivalent wage growth. According to Financial Stress Map in NSW, in the Byron Shire 44.6% of renters and 35.4% of mortgagees are in housing stress.

Housing affordability and availability is worsening

The Shire currently has a low level of affordable rental housing and rental housing generally. In the 12 months to November 2022, there has been a decrease in the overall number of houses listed for purchase across the region when compared to the previous year. This has put upward pressure on housing prices.

Housing for key workers has become a more pressing issue

The Northern Rivers region is amongst the worst off in NSW when examining income to rent ratios for key workers, with the lack of housing for key workers continuing to impact our local businesses and economy.

Homelessness is growing

Council's street count in early 2023 found that there are 300 people sleeping rough in the Byron Shire – the highest count in the State. This does not account for people who are living in crowded or overcrowded homes or who are marginally housed in caravan parks.

76%

Growth in land value
in Byron LGA over
2018–2022

<2%

Rental vacancy over
the region between
early 2020 and early
2023

300 people

Sleeping rough in the
Byron Shire in 2023,
the highest number
in NSW

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Impacts of short-term rental accommodation

Significant progress had been made by Council in advancing its planning proposal to create localised caps for non-hosted STRA. However, after the exhibition of the proposal and extensive engagement with the community, the Minister revoked Council's delegations and referred the proposal to the Independent Planning Commission (IPC).

In April 2023, after a public hearing process, the IPC released its report. The report made 12 recommendations, two of which will directly impact the refresh of the Strategy:

- the cap on use of non-hosted STRA be reduced to 60 days across the whole Shire
- the NSW Government to work with Council to identify mechanisms to increase land for housing including infill locations, deliver housing supply, increase affordable and diverse housing and increase rental security.

Council is currently working with the Minister for Planning to finalise the planning proposal and implement the recommendations including enforcement of existing consents.

Key observations from IPC report

- Increased property prices
- Increased rental prices
- Increased homelessness
- Increased rental stress
- Decreased rental vacancies
- Change in renter profile



Causes of housing pressures

- Sought-after location with high-value natural & community capital
- Shortfalls in developable hinterland
- Vulnerability to flood impacts
- Specific statutory building height and density controls
- High proportion of non-hosted STRA

The housing market and housing pressures are different in Byron Shire than in other Australian locations, and the social impact of non-hosted STRA is more significant. Much of this difference is due to Byron Shire, particularly the Byron Bay township, being a highly attractive year-round destination for tourism and permanent residency.

- IPC report

Changes in NSW Government policy

There is growing acceptance of a regional approach to housing supply and acknowledgement of the unique pressures on the Byron Shire. However, the constraints on the use of significant agricultural land continue to hamper the supply of land on urban fringes.

Increased housing targets

The existing Strategy was based on the targets from the NSW Government that an extra 3,150 dwellings will be required to house an extra 6,400 people by 2036. The NSW Government has now increased this target to 4,522. This means we need to find more homes in our Shire for people to live in over the next 20 years.

4,522 homes

Are required to be built in the Byron Shire by 2041

North Coast Regional Plan 2041

In December 2022, the updated North Coast Regional Plan 2041 was released by DPE. It includes an urban growth area map for the Byron Shire identifying land for investigation. No new or additional land is identified, demonstrating a significant constraint on growth.

43,000 homes

To be built in the Northern Rivers and Mid North Coast over the next 20 years

With specific reference to Byron Shire, the Regional Plan recognises the growing pressure on many necessities such as housing, community services and local infrastructure.

Priorities for Byron Shire set out in the Regional Plan include:

- Investigate opportunities for increased housing diversity and density, including multi-unit dwellings and innovative housing models in appropriate locations
- Prioritise the delivery of affordable housing to support the local workforce and healthy and diverse communities
- Encourage design-led and collaborative placemaking initiatives to support healthy lifestyles and create liveable and inclusive places
- Deliver Place Plans for villages, towns and key precincts that define the community's vision and the priority projects that work towards that aspiration
- Deliver housing equitably to meet the needs of the community
- Support environmentally sustainable development that is responsive to natural hazards

Regional Plan approach

Infill development should be a key focus

New release areas should be next to or near existing urban areas

New rural residential housing must promote sustainable land use, must not conflict with significant farm land & must be located outside the environmentally sensitive and constrained coastal strip.

Housing Strategy 2041

The NSW Housing Strategy 2041 (released in 2021) sets a statewide 20 year vision reflected in the four pillars of supply, diversity, affordability and resilience of housing. The associated Action Plan (2021–2022) sets priorities to achieve the vision, including maximising the impact of government owned land and working with local governments and communities to achieve housing objectives. It recognises that each region will have separate, unique housing challenges and issues that are specific to that region, allowing for a targeted housing approach. A number of supporting initiatives are being rolled out across NSW as part of its implementation. Council has not received any funding under these initiatives. In May 2022, the NSW Productivity Commissioner also released a report identifying ways to overcome barriers to housing supply including in regional areas.

Statement Environmental Planning Policy (Housing) 2021

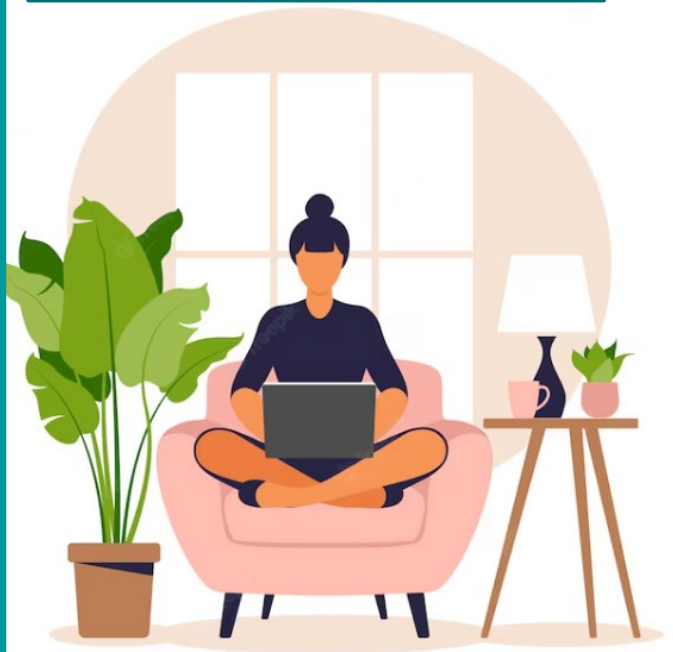
The refreshed Housing SEPP 2021 commenced in November 2021 to support the practical implementation of Housing Strategy 2041. The key aim of the SEPP is to facilitate the development of affordable and diverse housing across NSW. The SEPP is currently under review to encourage private developers to boost affordable housing and to enable State housing agencies to deliver their housing projects more quickly.

Key findings: Regional Housing Taskforce Report

- There are barriers to making existing residential zoned land suitable for housing development.
- There is a critical lack of housing diversity, meaning housing of different sizes, types, and tenures to accommodate households of different sizes and needs.
- There is growing demand for smaller and more accessible homes that is being driven by an ageing population, growing numbers of smaller households, and a need for housing at different price points.

Northern Rivers Housing Roundable

This is a key initiative sponsored by the Department of Planning & Environment under the North Coast Regional Plan to address housing at a regional level.



Changes at Council level

Council continues to make progress against the existing actions in the Residential Strategy and has been working on several fronts to improve housing accessibility and affordability. This includes direct housing delivery, planning policy amendments, reviewing infrastructure capacity and improving application assessment timeframes.

Review of infrastructure capacity

In July 2023, Council completed an infrastructure capacity review for Mullumbimby and Brunswick Heads to assess the water and sewer infrastructure required to support future housing supply.

Mullumbimby

The review assumed a projected dwelling yield of 979 homes on new release land & 227 homes from infill.

The proposed growth can be serviced by the existing water and sewer network with some minor augmentation and connection works being required subject to detailed design and hydraulic network assessments.

This is subject to a satisfactory resolution being achieved in regards to the overall Mullumbimby water supply capacity constraints and permanent Rous Water supply connection.

Brunswick Heads

The review assumed a projected dwelling yield of 1,597 homes for new release land & 137 homes from infill.

The proposed growth can be serviced by the existing water and sewer infrastructure without the need to undertake any major pipeline or network augmentations.

The second reservoir at Saddle Road may need to be recommissioned (subject to modelling) and some new sewer pump stations and sewer rising main infrastructure will be required at the sites. This will be addressed by developers at the detailed and construction phase.

The infrastructure capacity review of Bangalow will be undertaken once the flood study is complete. The existing water and sewer infrastructure for the Byron Bay area is currently being reviewed.

New housing options

Council continues to explore new and innovative housing options for the Shire. In May 2023, Council updated its Alternative Housing Report 2019 to provide further information on alternative housing models, with a particular focus on ecovillages. This outlines the characteristics of ecovillage models and how they may deliver diverse, affordable and sustainable housing.

Constraints mapping

Council has undertaken further constraints mapping to determine what land may no longer be suitable for residential development given known flood constraints. Three existing investigation sites in Mullumbimby are no longer considered suitable and will be removed in the Strategy refresh. There is also an area in the Mullumbimby town centre which is no longer considered suitable for infill development and will be removed in the Strategy refresh. This land is shown on Map 1. This means that 528 homes for 1,161 people need to be found somewhere else.

Old hospital site - Mullumbimby

The Mullumbimby Hospital Site Strategy and Urban Design Protocol was endorsed by Council in December 2022. This will see a vibrant mixed-use sustainable neighbourhood with a range of homes, including affordable, attainable and accessible housing. An R1 General Residential zone will enable the diversity of residential and community uses, with an 11.5m building height being a first for Mullumbimby.

130

Homes to be created
at Mullumbimby
Hospital site

Station Street development

Council is currently re-tendering for the development of a Council-owned car park site in central Mullumbimby. Freehold title on the site is being offered to a community housing provider and all homes will remain as affordable housing in perpetuity. Council will retain some housing to house key workers it employs.

32

Homes to be created
at the Station Street
development in
Mullumbimby

Affordable Housing Contribution Scheme

Council has made significant progress with the adoption of the Byron Shire Affordable Housing Contribution Scheme in August 2022 – the first regional council to do so.

The first planning proposal under this Scheme is currently underway. The Scheme requires an affordable housing contribution to upzoned land in Byron Bay, Mullumbimby and Bangalow.



How do we deliver housing now and into the future?

Much has changed in the last few years which has a direct bearing on housing supply in the Byron Shire. At the same time, some things remain the same.

Given the ongoing constraints on land supply in the Byron Shire, it is time to re-think how we deliver housing to meet community needs. Options include changes to height, density controls and lot sizes, more infill development, using significant farmland for housing and changing how we live, supported by incentive programs.

We now know that over the next 20 years we need to find 4,522 homes for 8,590 people to live in our Shire. Any future housing must be safe, focus on retaining the local character of places and ensure diversity of the people who call the Byron Shire home.

We now know that what we envisaged in 2019 (when the Residential Strategy was written) can't all be delivered as some land is no longer considered suitable for housing due to flood hazards. We need to take into account that infrastructure is reaching capacity in some locations and there are opportunities for greater density to meet our housing needs.

Council has identified the opportunities now available to deliver housing in four key ways:

1. Infill
2. New release
3. Vacant land
4. Living differently

The opportunities to deliver housing are supported and further informed by the locality based maps included at the end of the Paper.

Each of the opportunities are not mutually exclusive and make up a potential suite of approaches needed to provide homes for the Byron community.

After the options have been outlined, a preferred way forward is set out for each urban locality in the Byron Shire.

Zoning options

When developing the options in this Paper, Council has considered the different residential zones available under the Standard Instrument. The current zoning of land in the Byron Shire can be viewed on [Council's website](#). These are summarised below:

R1 General residential

Provides a wide variety of residential densities and housing types, including 'dwelling houses,' 'multi-dwelling housing,' 'residential flat buildings,' 'boarding houses,' and 'seniors housing.' The zone also includes other uses that provide facilities or services to residents, such as neighbourhood shops and child care centres.

R2 Low density residential

A tailored zone, applied to land where primarily low density housing is to be established or maintained. Typically it features detached dwelling houses, but it may be appropriate to include 'dual occupancy' (attached or detached) or some 'multi-dwelling housing.' This is the most restrictive zone in terms of other permitted uses.

R3 Medium density residential

A tailored zone, applied to land where a variety of medium density accommodation is to be established or maintained. Other residential uses (including typically higher or lower density uses) can also be permitted where appropriate. A variety of residential uses have been mandated by the state government in this zone to encourage housing choice and diversity.

R4 High density residential

Intended for land where primarily high density housing (such as 'residential flat buildings') is to be provided. The zone also includes additional uses that provide facilities or services to residents.

Note: There is no R4 zoned land in the Byron Shire and no option to introduce this zone.

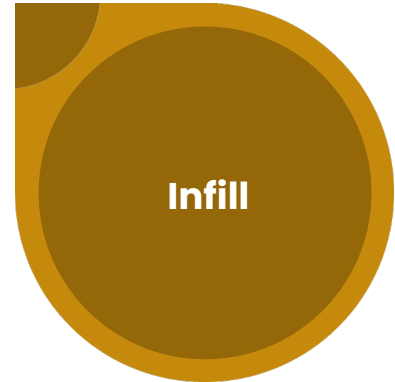
R5 Large lot (rural) residential

Intended to cater for development that provides for residential housing in a rural setting, often adjacent to existing urban areas. Lot sizes can be varied depending on the servicing availability and other factors such as topography, native vegetation characteristics and surrounding agricultural land uses.

Option 1 – Infill

Infill sites are under-utilised or vacant land (individual lots) in urban areas with a zone that allows residential development. Generally infill sites offer an opportunity to create more homes in areas where there is an existing community and services and facilities.

The options below explore the ways that infill development opportunities could provide more homes for the people of Byron Shire.



1A: Infill urban areas within existing rules

This option maintains the 'status quo' in existing urban areas that have a residential zone. This approach has localised rules for the Byron Shire relating to the minimum lot size.



Taking into account the land in Mullumbimby that is no longer considered suitable for infill development due to flood constraints (estimated to provide 28 new homes for 62 people), maintaining this approach would result in an expected 679 new homes.

This approach is not consistent with the rules for minimum lot size in State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 and would not meet the targets in the North Coast Regional Plan concerning 40% of new housing being infill development.

This option would not meet Byron Shire's housing needs in the medium to long term.

1B: Infill urban areas with reduced lot size

This option provides for increased numbers of people to be housed in existing towns and villages by amending the Local Environmental Plan and Development Control Plan to provide:



- reduced minimum lot sizes in the R2 Low Density Residential zone and R3 Medium Density Residential zone to allow for the subdivision of more sites to enable dual occupancy and other forms of low rise medium density development. The minimum lot size for all low rise medium density housing would decrease from 800m² to 400m² except for dual occupancy which would be decrease from 800m² to 600m².
- new guidelines for different types of housing to suit smaller household types.

This option would contribute up to 1,840 new homes of diverse housing types – providing housing for up to 4,048 people. It would also provide increased opportunity for the application of the Affordable Housing Contribution Scheme in certain locations.

Rules	Estimated homes
Option 1A: Current LEP controls	647
Option 1B: Proposed LEP controls –compliance with SEPP (Exempt & Compyping Codes) except for minimum lot size for dual occupancy	1,840
Full compliance with SEPP (Exempt & Compyping Codes)	1,942

1C: Infill urban areas by reviewing development standards in Byron Bay

This option provides for increased numbers of people to be housed in the Byron Bay town centre by amending the Local Environmental Plan and Development Control Plan to provide:



- Revised development standards (including height, floor space ratio and lot sizes) in the R2 Low Density Residential zone and R3 Medium Density Residential zone to support design options, variety of housing types and number of homes to be developed on each site.
- expansion of the R3 Medium Density Residential zone in Byron Bay Town Centre.
- new guidelines for the design, layout and appearance of higher buildings to respond to the existing character and setting.

This option responds to the observations in the IPC report that:

A key limitation to any future increased approval of medium and higher density typologies in the Byron Shire is its existing permissible building height controls. Across most of the Byron Shire a maximum building height of 9 metres (i.e. 1-2 storeys) applies, with a height of 11.5 metres (i.e. 3-4 storeys) allowed within the area roughly corresponding to the Byron Bay central business district.

It would also provide increased opportunity for the application of the Affordable Housing Contribution Scheme in certain locations.

This option on its own will not satisfy the infill targets in the North Coast Regional Plan. It requires further investigation and modelling to determine the impact this may have on future housing supply and on infrastructure capacity. The indicative area where this option will be explored in Byron Bay town centre is shown on Map 4.

1D: Urbanise rural residential areas in Mullumbimby

This option provides for increased numbers of people to be housed on the edge of existing towns and villages by amending the Local Environmental Plan and Development Control Plan to provide:



- Reduced minimum lot sizes in the R5 Large Lot Residential zone in Mullumbimby to allow for the subdivision of more sites whilst continuing to provide low density housing options.
- Investigating the rezoning of the R5 Large Lot Residential zone in Mullumbimby to a R2 Low Density Residential zone.
- New guidelines for the design and layout of new homes on these sites to respond to existing character and setting.

This option requires further investigation and modelling to determine the impact this may have on future housing supply and infrastructure capacity. The indicative area where this option will be explored in Mullumbimby is shown on Map 1.

Option 2 – New release

New release areas are land that has been identified to be rezoned from a non-residential zone to enable homes to be developed on the land. They are sometimes referred to as ‘greenfield’ areas and generally require services and facilities to be provided to support new housing and communities.

The options below explore the ways that new release area opportunities could provide more homes for the people of Byron Shire.



2A: Traditional urban expansion within existing policy settings

This option maintains the ‘status quo’ in relation to a traditional approach to urban release of land. This includes new urban areas being zoned a traditional R2 Low Density Residential.



Taking into account the land in Mullumbimby that is no longer considered suitable for new release development due to flood constraints (estimated to provide 500 homes for 1,100 people), this approach would result in an expected 503 new homes.

To address this short-fall, new potential investigation areas have been identified in **Mullumbimby** and **Brunswick Heads** (as shown on Maps 1 & 2). Taking into account these new potential sites, an expected 894 new homes would be created based on a traditional low density zoning.

This option would not meet Byron Shire’s housing needs in the medium to long term.

2B: Urban expansion into additional mapped significant farmland

In the recent IPC report, it was acknowledged that a significant barrier to the delivery of housing supply is the physical characteristics of the hinterland surrounding Byron Bay, with much of the hinterland being designated as significant farmland. It is also noted that the three sites identified in the Draft Northern Rivers Resilient Land Strategy are on mapped significant farmland.



This option provides for increased numbers of people to be housed in new release areas by investigating specific rural zoned land in **Bangalow and Brunswick Heads** (investigation areas as shown on Maps 2 & 3) that:

- generally adjoins existing urban areas or is in close proximity to urban areas
- is not subject to flood risk
- is mapped as significant farmland

to determine suitability for the provision of homes. This includes the two short-term sites under the Draft Northern Rivers Resilient Land Strategy plus the Saddle Road site.

Where it is found that the mapped significant farmland is not viable farmland or is no longer required to be mapped as significant farmland by the NSW Government, then Council would:

- proceed to rezone investigation areas to a residential zone (either R1 General Residential zone or R2 Low Density Residential zone)
- prepare new master plans and guidelines for the future subdivisions and homes to be built in the new release areas.

This option would contribute up to 1,660 new homes – providing housing for up to ,3,652 people.

2C: Urban expansion at greater density

This option is a combination of options 2A and 2B, however it provides for additional people to be housed in new release areas by investigating opportunities to deliver housing at a greater density. This option would also provide for a more diverse range of dwelling types in urban expansion areas.



Where it has been found that the land is suitable for the provision of homes, then Council would:

- proceed to rezone investigation areas to a residential zone (either R1 General Residential zone, R2 Low Density Residential zone or R3 Medium Density Residential zone)
- consider development standards as part of the rezoning process to create high yields of homes and efficient use of services
- prepare new master plans and guidelines for the future subdivisions and homes to be built in the new release areas

By delivering a greater density and diversity of dwelling types in urban expansion areas, this option would contribute 3344 homes (vs 2554 under options 2A and 2B).

2D: New urban form models

This option provides for increased numbers of people to be housed in new release areas by ensuring that all new release areas (and adjoining rural

settings) result in planning controls that support a variety of new urban form models, such as eco-villages. In order to support new urban form models, planning controls may need to consider less traditional approaches to flexible land use, car parking, open space, density, contributions and staging.



The number of new homes this option could contribute will be based on the specific sites where new urban form models are pursued.

Option 3 – Vacant land

Vacant land includes areas of residential zoned land that have not yet been physically subdivided and developed for residential purposes.

It also includes sites that have development approvals in place for new housing but construction has not yet commenced.



3A: Develop vacant land within existing rules

This option maintains the 'status quo' in relation to a traditional approach to the development of vacant existing residential zoned land.



This is expected to create 1,385 new homes across the Byron Shire, the majority of which are in the **Byron Bay and Sunrise area** as part of the West Byron development (as shown on Map 4). There is other vacant land in other urban areas (as shown on Maps 1, 2, 3 and 5).

3B: Develop vacant land with greater density

This option provides for increased numbers of people to be housed on the vacant land that has a residential zone by amending the Local Environmental Plan and Development Control Plan to provide:



- the most appropriate residential zone for the vacant land
- development standards that create high yields of homes and efficient use of services
- new guidelines for different types of housing to suit smaller household types and the character and setting of the area

This option requires further investigation and modelling to determine the impact this may have on future housing supply. It could provide increased opportunity for the application of the Affordable Housing Contribution Scheme in certain locations.

Option 4 – Living differently

Living differently includes changes to how we live, use and design our homes to respond to housing options and pressures in the Byron Shire.

Living differently is applicable to infill, new release and vacant land. It could include multi-generational living, dual key homes and work/live arrangements.



4A: Incentivise efficient use of land and existing homes

This option provides for increased numbers of people to be housed in Byron Shire by amending planning policy to provide:

- opportunities to support the development of multi-generational homes, dual key homes, work/live homes and the like in specific locations.
- appropriate planning controls to incentivise efficient and diverse home types that cater to Byron Shire's housing needs.



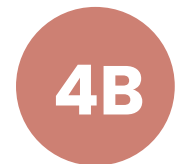
There are two work / live sites currently progressing in Byron Bay industrial area and Gulgan Road, Brunswick. These are shown on Maps 2 & 4.

This option will help achieving housing targets for infill and new release.

4B: Education and awareness about home design and use

This option provides for increased numbers of people to be housed in Byron Shire by educating people about:

- the social, economic and environmental benefits of diverse home types
- the ways that they can live differently to suit their own situation, including local case studies.



This awareness-raising will be ongoing by Council.

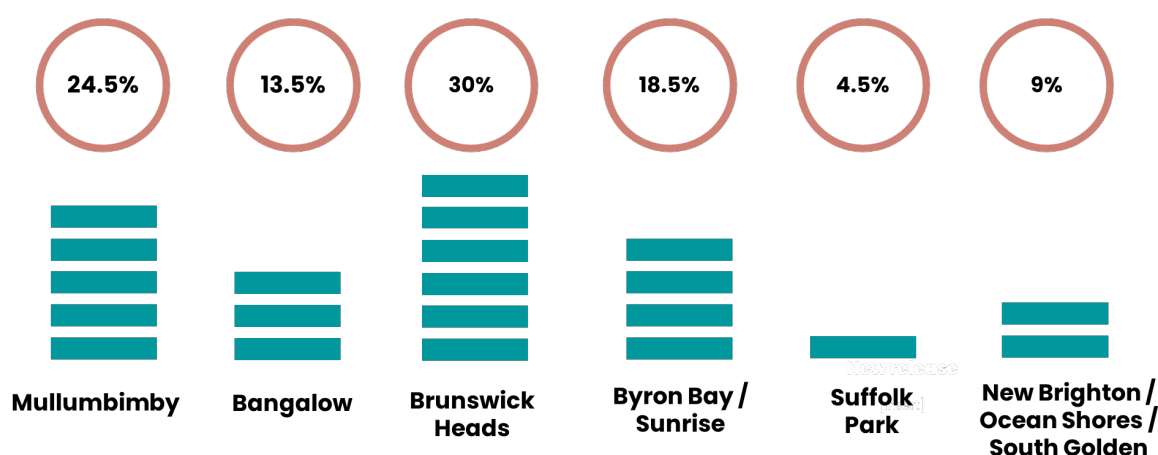
What is the preferred way forward?

No single policy direction will solve the housing crisis in the Byron Shire. We need a combination of different policy levers to create change and know it is time to explore new ways of delivering housing to meet the needs of our community.

In order to respond to the changes in recent years and to meet the new implied housing targets set by the NSW Government for 2041, Council will focus on:

- Increasing infill development
- Investigating new release areas that are safe and near existing urban centres
- Supporting the implementation of existing development approvals
- Facilitating the development of existing vacant residential zoned land
- Exploring ways we can live differently and better use our existing homes

The preferred way forward assumes that 6,695 new homes can be created in the Byron Shire over the next 20 years. This will include new homes in existing towns and villages as follows:



The mix of development (i.e. infill, new release and vacant land) for each locality will vary as shown on pages 29 to 31.

Council's preferred way forward, as set out below, will inform the refresh of the Residential Strategy in early 2024.

Key	
Not the preferred way forward	✗
Preferred way forward	✓
Option requires further investigation	✓

Infill

Council will initially focus on providing new homes in existing urban towns and villages – emphasising densification and infill development in places that are considered safe and accessible. There are some areas in Mullumbimby where infill development is no longer considered appropriate due to flood hazards.

Council's infill analysis concludes that 1,840 new homes could be realised over the next 20 years if the minimum lot size for dual occupancy is reduced to 600m² in the R2 Low Density Residential zone. This will allow for the subdivision of more existing sites to enable dual occupancy development.

In the medium term, Council is also open to exploring the urbanisation of some rural residential areas (subject to infrastructure capacity) and how changing developing standards in the Byron Bay town centre may further support future housing supply.

Options	
1A: Infill urban areas within existing rules	
1B: Infill urban areas with reduced lot size	
1C: Infill urban areas by reviewing development standards in Byron Bay	
1D: Urbanise rural residential areas in Mullumbimby	

New release

Council will facilitate the creation of new homes in areas which are considered to be safe and accessible. This means some previously identified new release areas in Mullumbimby can no longer be developed for residential housing due to flood hazards and new ones will be proposed.

Council's analysis concludes that 3,470 homes could be created in new release areas over the next 20 years. This includes the sites identified in the Draft Northern Rivers Resilient Lands Strategy near Bangalow and Brunswick Heads which are on significant farmland.

In the medium term, Council will continue to support new urban form models such as ecovillages and is open to exploring how new release areas can be developed at a greater density.

Options	
2A: Traditional urban expansion within existing policy settings	
2B: Urban expansion into mapped significant farmland	
2C: Urban expansion at greater density (e.g height and/ or lot size)	
2D: New urban form models	

Vacant land

In the short term, it is expected that already approved homes will be developed including the West Byron site. Over the medium term, there will be a focus on creating homes on vacant land that has an existing residential zone. It is expected that 1,385 new homes could be realised over the next 20 years, based on the current approvals and policy settings. Other opportunities may present themselves within the existing urban growth area.

In the medium term, Council is open to exploring how vacant land can be developed at a greater density.

Options	
3A: Develop vacant land within existing rules	
3B: Develop vacant land with greater density	

Living differently

Council will continue to explore innovative ways to live differently and how to incentivise better use of land and existing homes. This approach will apply to infill, new release and vacant land development in all localities across the Shire.

Options	
4A: Incentivise efficient use of land and existing homes	
4B: Education and awareness about home design and use	

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Going forward the following principles will continue to guide the refresh and the implementation of the Residential Strategy.

New release

Planning proposals will:

- deliver a diversity of homes in the most appropriate locations, with the right infrastructure at the right time.
- be supported and informed by master plans or neighbourhood plans, where appropriate, to ensure targeted housing outcomes are known at the rezoning stage.
- focus on housing that is responsive to natural and social change.
- ensure changes to the LEP (and DCP) that will encourage innovative home design opportunities.

Connecting to Country

Housing will be developed with a Country-centred approach guided by Aboriginal people, who know that if we care for Country, Country will care for us.

Recognising there are a variety of ways to deliver housing to facilitate living on Country, the conception, planning, design and delivery stages of housing provision will be informed by the cultural practices of Aboriginal people.

Based on guidance in the Connecting with Country Framework by NSW Government Architect.

Mullumbimby

The focus of growth in Mullumbimby will be new release areas, some infill development and the development of existing residential zoned land.

It is expected that there will be 1,632 new homes in Mullumbimby over the next 20 years.

This focus and expected growth is based on flood constraints, infrastructure capacity, public ownership of some land, location and size of Mullumbimby (and associated access to services and facilities).



6,695 potential additional new homes across the Byron Shire

1,632 potential additional new homes in Mullumbimby

Bangalow

The focus of growth in Bangalow will be new release areas, some infill development and the development of existing residential zoned land.

It is expected that there will be 905 new homes in Bangalow over the next 20 years.

The focus and expected growth is based on the rural setting, land form surrounding Bangalow and the Draft Northern Rivers Resilient Lands Strategy.



6,695 potential additional new homes across the Byron Shire

905 potential additional new homes in Bangalow

Brunswick Heads

The focus of growth in Brunswick Heads will be new release areas, some infill and the development of existing residential zoned land.

It is expected that there will be 1,990 new homes in Brunswick Heads over the next 20 years.

The focus and expected growth is based on availability of relatively unconstrained land, public ownership of some land, approved development on vacant land, the Draft Northern Rivers Resilient Lands Strategy and infrastructure capacity.



6,695 potential additional new homes across the Byron Shire

1,990 potential additional new homes in Brunswick Heads

Byron Bay & Sunrise

Overall, the focus of growth in Byron Bay & Sunrise will be the development of existing residential zoned land, infill and minimal release.

It is expected that there will be 1,245 new homes in Byron Bay and Sunrise over the next 20 years.

The focus and expected growth is based on the approved West Byron site and the location and size of Byron Bay (and associated access to services and facilities).



6,695 potential additional new homes across the Byron Shire

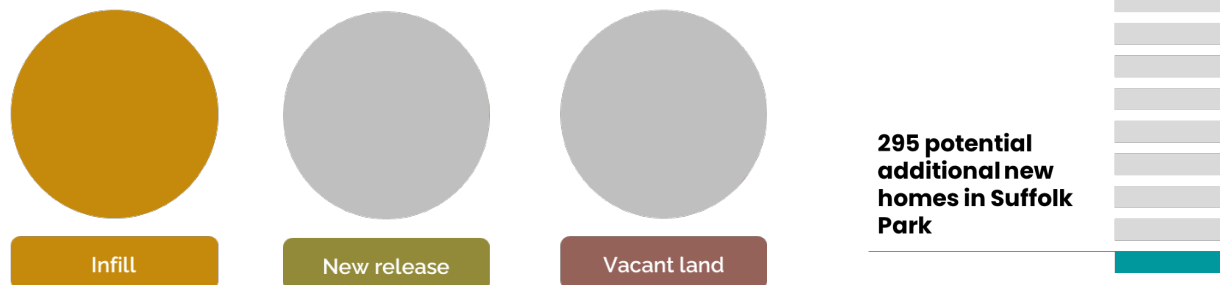
1,245 potential additional new homes in Byron Bay / Sunrise

Suffolk Park

The focus of growth in Suffolk Park will be infill development. There are no planned new release areas or vacant residential development zoned land.

It is expected that there will be 295 new homes in Suffolk Park over the next 20 years.

The focus and expected growth is based on the setting and constrained fringe of Suffolk Park for housing.



New Brighton Beach, Ocean Shores & South Golden Beach

The focus of growth in new Brighton Beach, Ocean Shores & South Golden Beach will be infill development and a small amount of development of existing residential zoned land.

It is expected that there will be 628 new homes in New Brighton Beach, Ocean Shores & South Golden Beach over the next 20 years.

The focus and expected growth is based on the setting and constrained fringes of New Brighton Beach, Ocean Shore and South Golden Beach for housing.



What are the next steps?

The feedback received during the exhibition of the Options Paper will inform the refresh of the Residential Strategy. The updated Strategy will be released in early 2024.

This Options Paper will be the subject of thorough consultation with the Byron Shire community during the exhibition period between 9 October 2023 to 6 November 2023.

Following the exhibition, Council will consider a report on the outcomes of the consultation. This will inform the refresh of the Strategy in early 2024.

For more information about the project, visit [Council's Your Say page](#).

Want to read more?

Floods

[After the Floods: Settlement Discussion Paper](#)

[Northern Rivers Resilient Lands Strategy](#)

[NSW Flood Inquiry Report](#)

Housing

[Independent Planning Commission Public Hearing Report](#)

[Council's STRA Planning Proposal](#)

NSW Government policy and reports

[North Coast Regional Plan 2041](#)

[Housing Strategy 2041](#)

[Housing SEPP](#)

[NSW Productivity Commission Housing Report](#)

[Connecting with Country Framework](#)

Council decisions and documents

[Housing: Meetings and presentations](#)

[Affordable Housing Contribution Scheme](#)

[Mullumbimby Old Hospital site redevelopment](#)

[Affordable housing project in Station Street Mullumbimby](#)

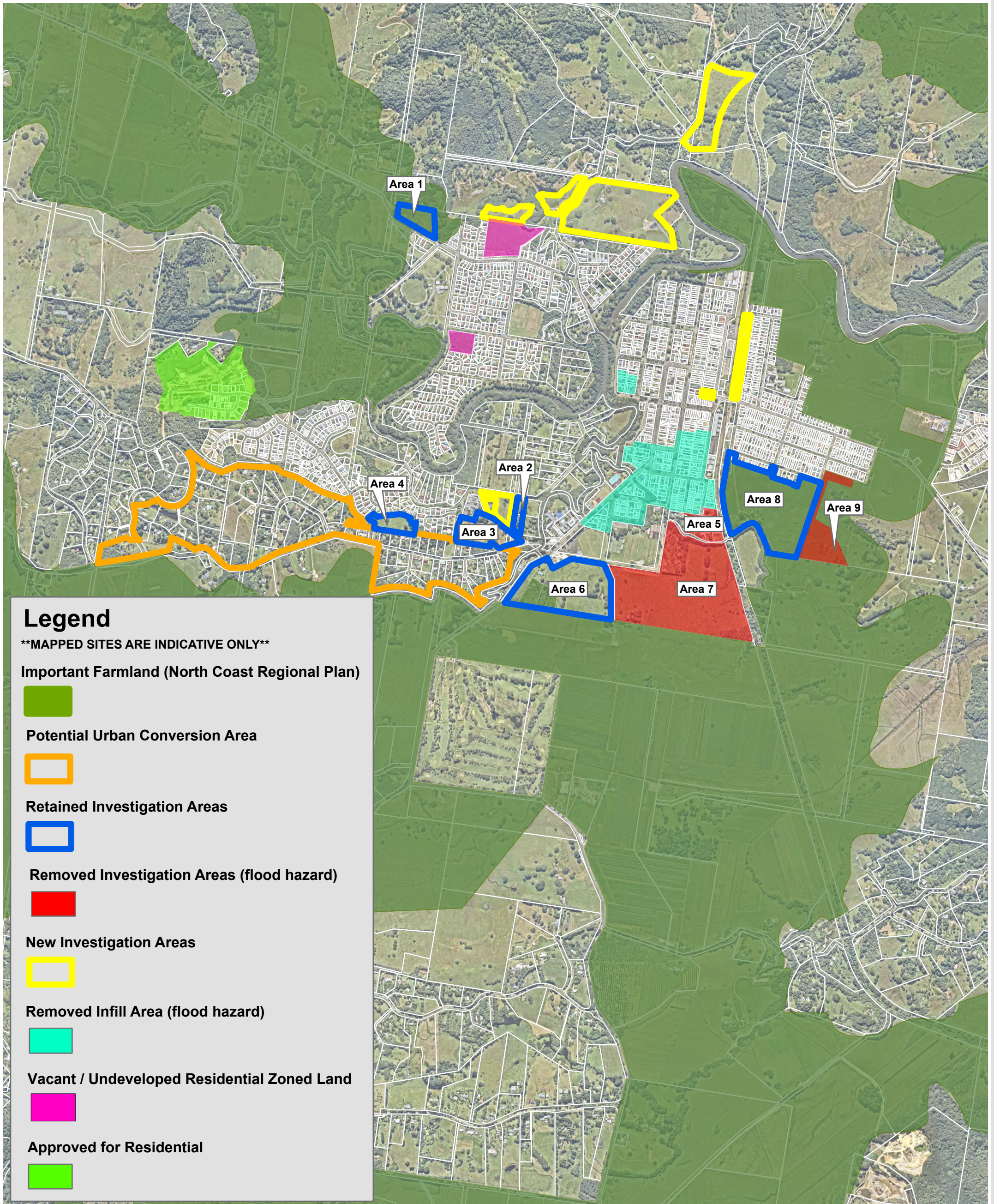
[Housing models research](#)

Housing supply by locality

Map 1: Housing Options Paper

Mullumbimby Housing Opportunities

NOTE:
The information provided on this map is for consultation purposes. The information is indicative only and should not be used as a basis for investment or other private decision making purposes about land purchase or land use.



Map 2: Housing Options Paper

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Bangalow Housing Opportunities

NOTE:
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Legend

****MAPPED SITES ARE INDICATIVE ONLY****

Important Farmland (North Coast Regional Plan)



Retained Investigation Areas



Vacant / Undeveloped Residential Zoned Land



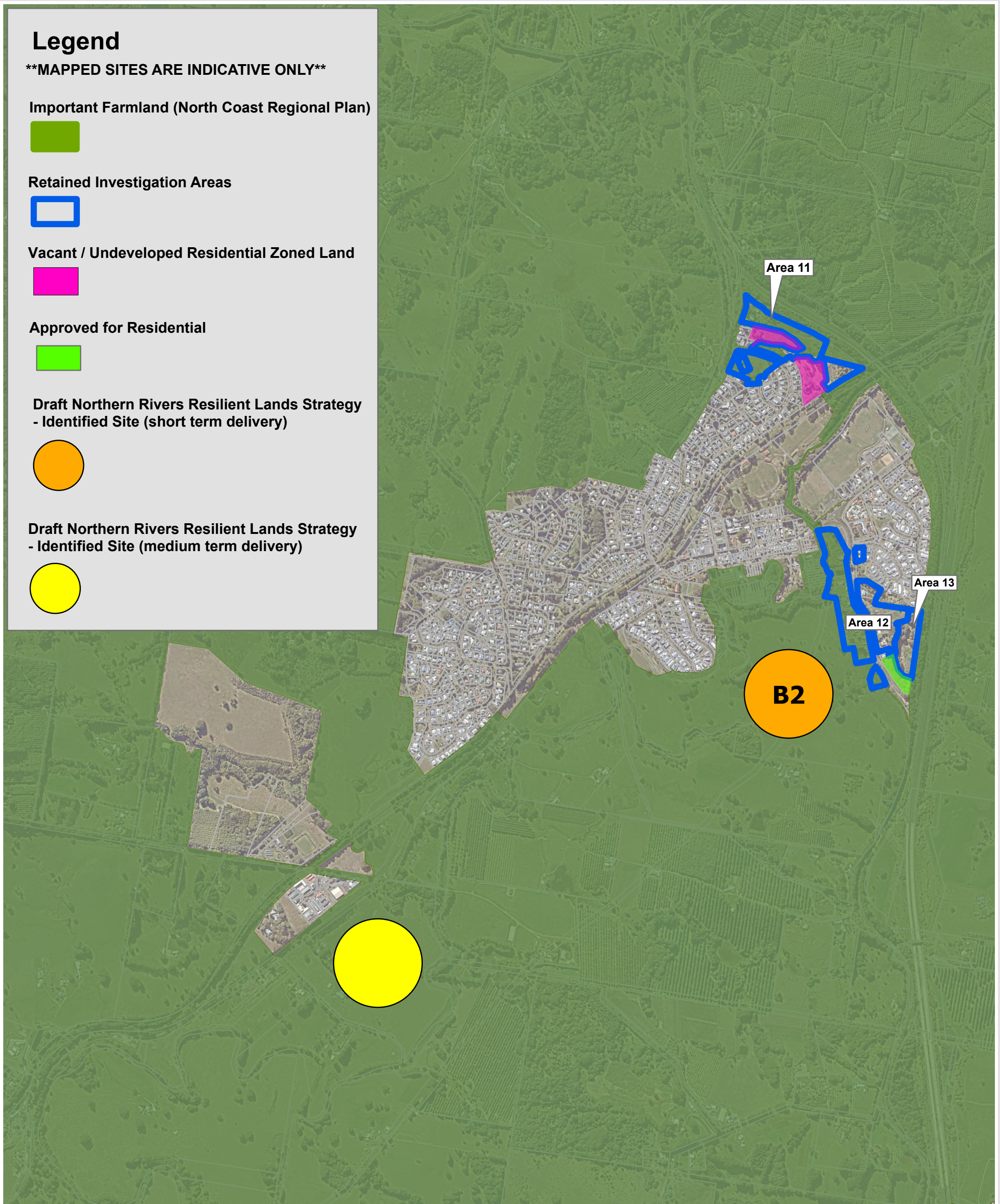
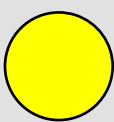
Approved for Residential



**Draft Northern Rivers Resilient Lands Strategy
- Identified Site (short term delivery)**



**Draft Northern Rivers Resilient Lands Strategy
- Identified Site (medium term delivery)**

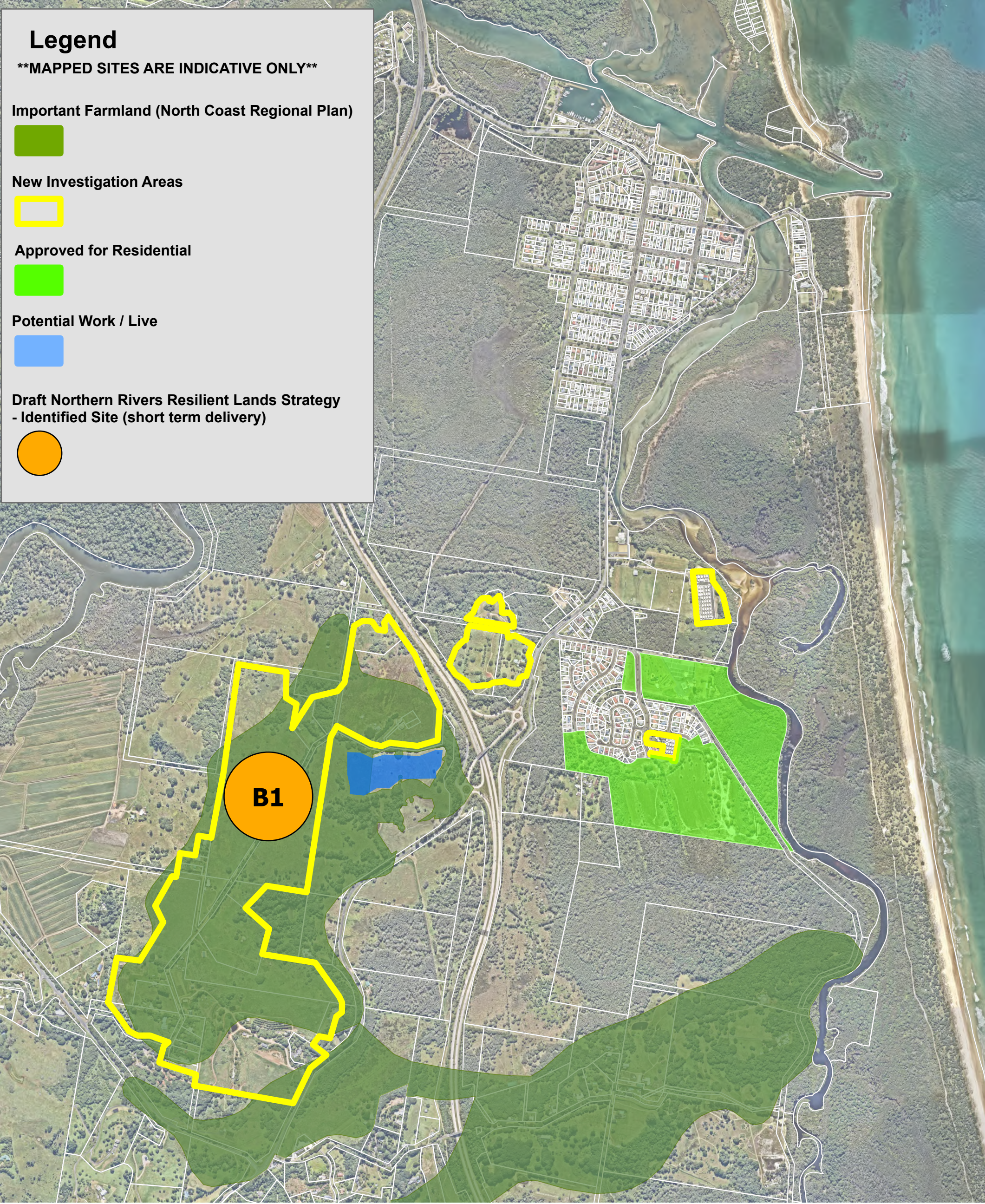


Map 3: Housing Options Paper

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Brunswick Heads Housing Opportunities

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Ocean Shores, South Golden Beach & New Brighton Housing Opportunities

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Byron Bay & Suffolk Park Housing Opportunities

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