



**FAITH
HOUSING
ALLIANCE**



CATHOLIC
ARCHDIOCESE
OF SYDNEY

**sydney
anglicans⁺**
SYDNEY ANGLICAN
PROPERTY

SP2 Permissible Uses

Issue

Faith-based organisations are keen to play a significant role in providing new, well-located homes to help solve the current housing crisis across New South Wales. Yet, they are hampered by zoning constraints that prevent the use of many sites for integrated faith and housing developments, particularly for the delivery of social and affordable housing.

Recommendation

The Minister could easily expand permissible uses in ‘SP2 – Place of Public Worship (and/or Education and/or Infrastructure)’ zones to unlock the potential for housing supply across NSW. We recommend pursuing both short-term and long-term approaches to address this issue in a timely way to speed up housing delivery:

1. Short-term approach

- Simple amendments to the relevant sections of the Housing SEPP to include SP2 – Place of Public Worship (and/or Education and/or Infrastructure) zones as one of the “relevant zones” to which social and affordable housing policies apply.
- Expansion of the relevant sections of the Housing SEPP to include development on SP2 land for the purposes of a place of public worship, an educational establishment, a hospital, specialist disability accommodation or where seniors housing is permitted on the land.

2. Long-term approach

- Amend the standard instrument to make housing permissible in SP2 – Place of Public Worship (and/or Education and/or Infrastructure) zones.
- This change could be implemented immediately, but its application would be dependent on the timing of Councils adopting the standard instrument in their LEP reviews.

Potential Impact

Faith Housing Alliance conducted an initial pilot of a mapping tool, with support from the NSW Community Housing Industry Development Strategy (CHIDS), that identified and conducted an initial analysis of 2,434 parcels of land with places of worship located on them across NSW:



Intention

The recommended changes aim to provide housing for the community's benefit on underutilised or disused faith-owned land without replacing public places of worship. These sites are some of the best located in NSW, offering easy access to public transport, local services, infrastructure, education, jobs, and opportunities for community connection. Many sites could be redeveloped to support a range of residential needs alongside existing places of worship and a mix of community uses, thereby maximising their potential.

The recommendations are aimed at increasing housing supply. Unlike speculative developers, faith-based organisations stay in their communities, providing a wide range of social services and supports. Allowing places of worship at least the same opportunities to provide housing as adjacent land uses will help meet the NSW Government's commitments under the National Housing Accord, as well as increasing the supply of social, affordable and key worker housing by faith-based Community Housing Providers.

Case Studies

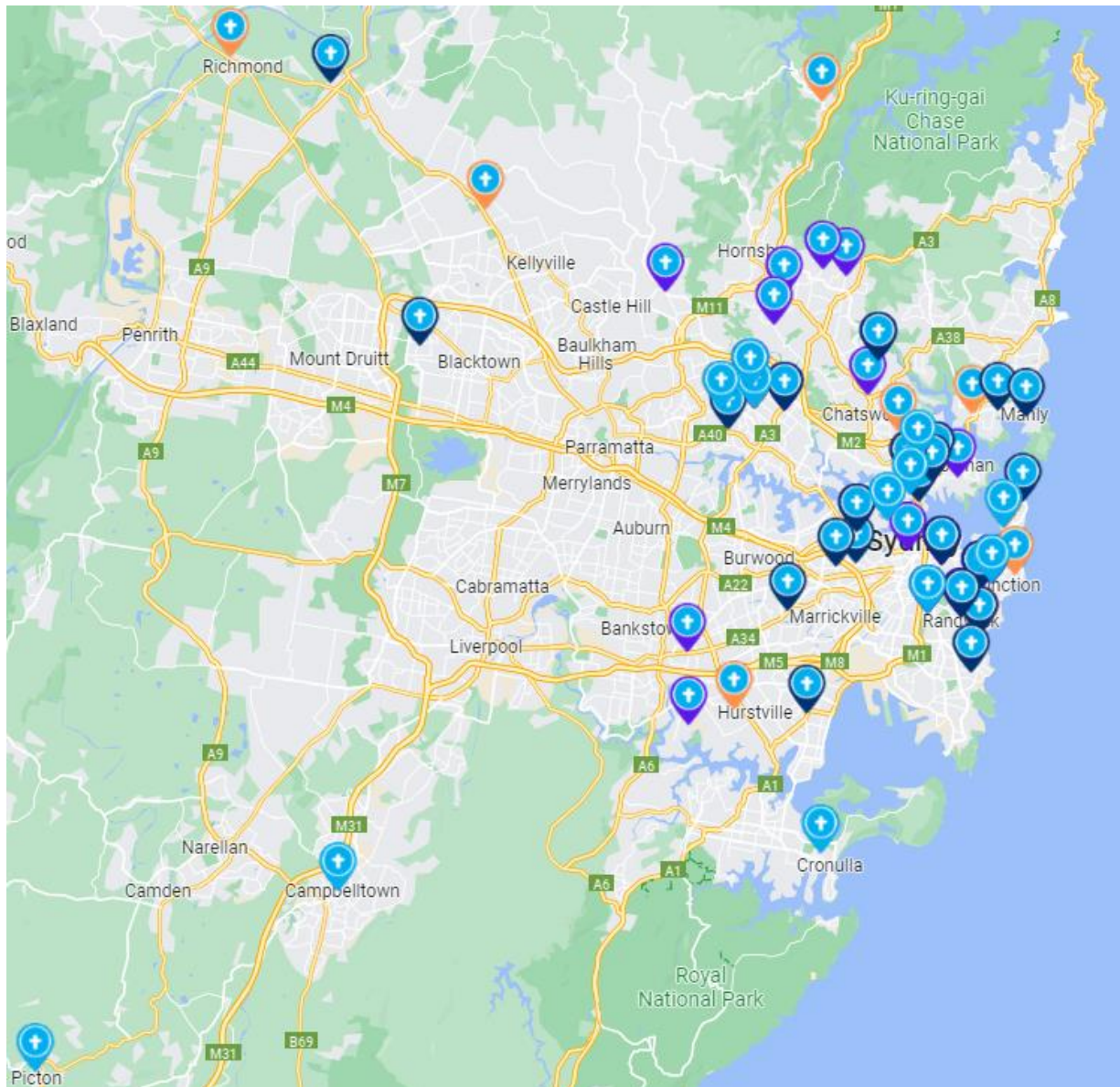
The following case studies demonstrate some specific examples of underutilised sites owned by faith-based organisations that are zoned SP2 and would be able to provide housing if the recommendations were adopted.



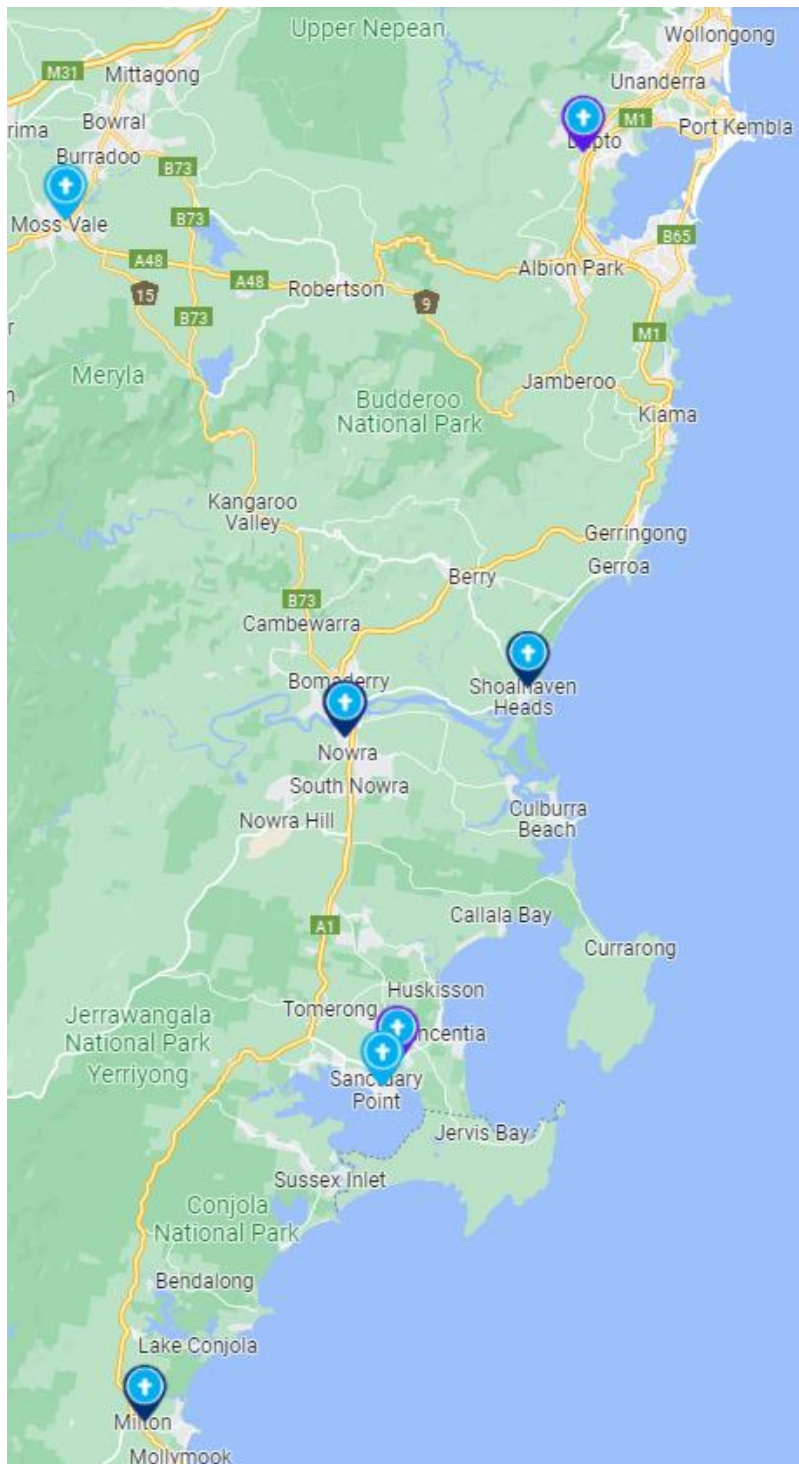
SYDNEY ANGLICAN
PROPERTY

Part 1: Sydney Anglican Property

There are 85 sites within the portfolio of parish properties owned by the Sydney Anglican Diocese with SP2 zonings, which are conservatively able to deliver 4,000 dwellings.



Above: Map of Sydney Anglican Property properties in SP2 zones within the Sydney region

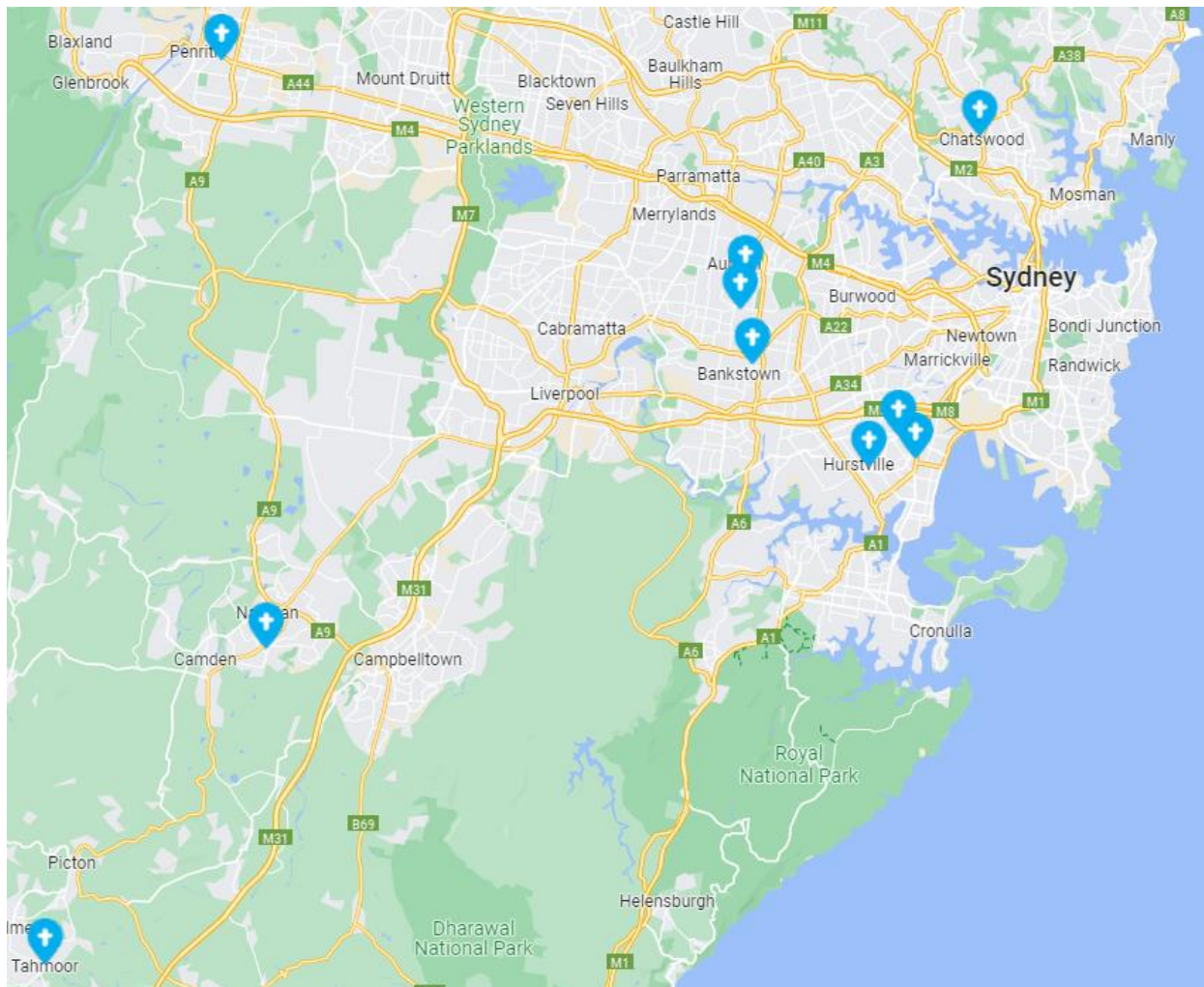


Above: Map of Sydney Anglican Property properties in SP2 zones within the Illawarra region

In March 2024, Sydney Anglican Property (SAP) made a submission under the Housing Australia Future Fund Facility (HAFFF) Round 1 for funding subsidies for nearly 1,000 dwellings across 11 sites.

This submission could have been even greater if SAP had included church sites with SP2 zonings. However, given the Round's express requirement that projects have a high level of planning certainty so that they might be 'shovel ready' in as short a time as possible, the SP2-zoned sites could not meet this requirement and were, therefore, not included in the submission.

Two examples are included below.

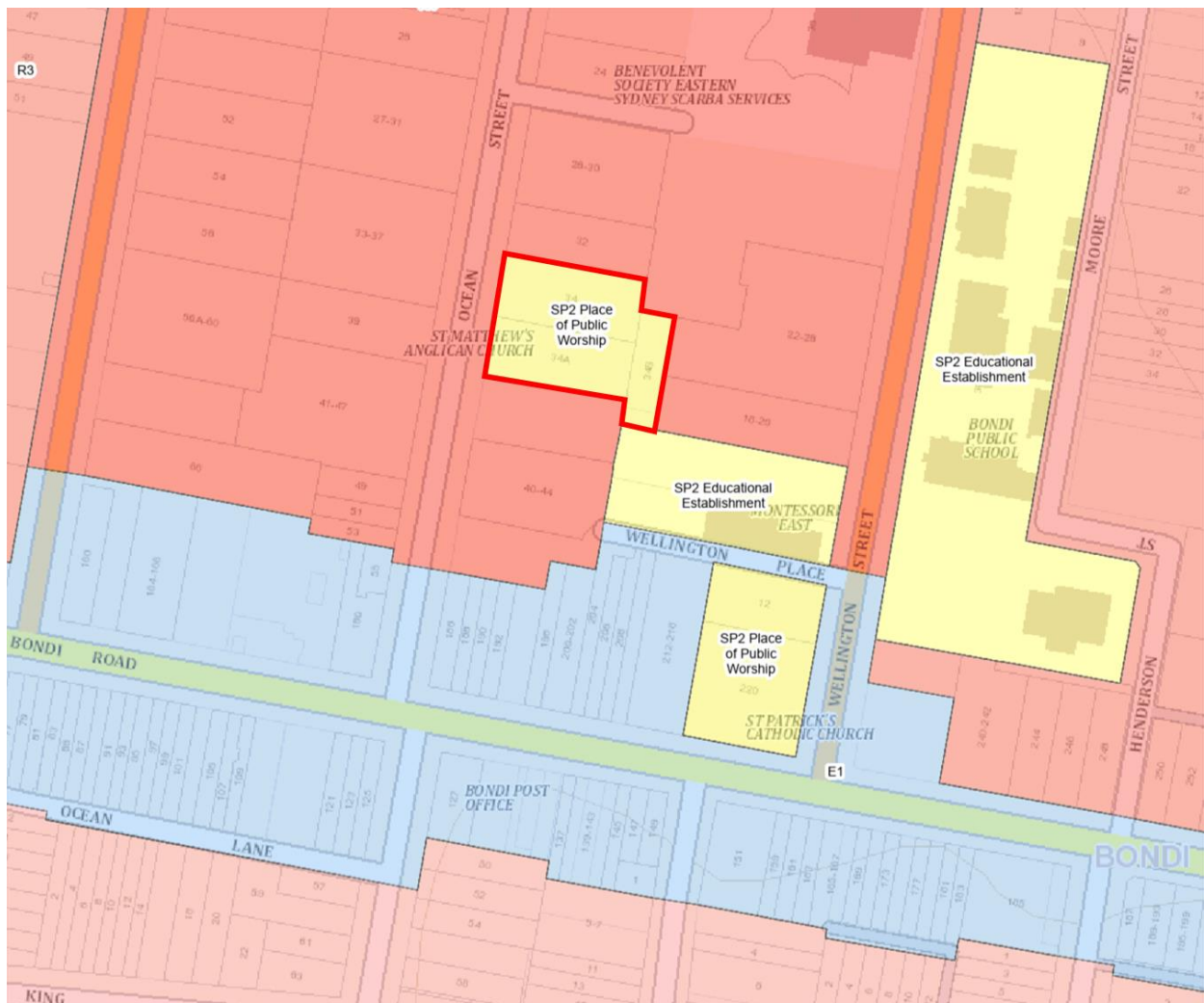


Above: Map of Sydney Anglican Property projects submitted for HAFFF Round 1



Sydney Anglican Property: St Matthew's Anglican Church (34, 34A and 34B Ocean Street North, Bondi)

Potential housing yield: 70 x 1-bedroom dwellings



Although SAP was in advanced negotiations to utilise sections of the Bondi site for housing (excluding heritage buildings), noting it is surrounded by R4 High Density Residential, it was decided to pause this project until such time as a zoning change can be achieved.



Sydney Anglican Property: St Paul's Anglican Church (3 Frenchs Forest Road, Seaforth)

Potential housing yield: 72 x 1-bedroom dwellings



Similarly, discussions around the potential development of this site were shelved early due to the SP2 zoning constraints, and it was decided not to include this project in the HAFFF submission.

Further to the sites considered to form part of the HAFFF Round 1 submission, several other sites are actively earmarked for development, where these developments include a significant proportion of the dwellings allocated to social and affordable rental dwellings.

Sydney Anglican Property: Darling Street Anglican Church (668 Darling Street & 3 Prosper Lane, Rozelle)

Potential housing yield: 72 x 1-bedroom dwellings



It is intended for this accessibly located site to become a multi-use development, including apartments of which a minimum of 15% would be social/affordable. Once again, the SP2 zoning of the site is thwarting any opportunity to convert underutilised portions of the prime 3,500sqm site, and preventing new housing from being provided to Sydney's inner west.



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Part 2: Catholic Archdiocese of Sydney

St Felix Catholic Primary School & De La Salle Catholic College, 347A Hume Highway, Bankstown

Potential housing yield: 260 x apartments

The Catholic Archdiocese of Sydney (CAS) proposes to develop the southern playing field (9,646m²) of De La Salle Catholic College for affordable rental housing but requires the site to be rezoned from SP2 Education to Residential to enable the project to proceed. The proposed affordable housing would meet the needs of staff at the school, Bankstown TAFE and the planned future hospital.





Above: Concept Plan for affordable housing proposal at St Felix, Bankstown site



Conclusion

This submission demonstrates that thousands of potential affordable homes are being blocked by archaic red tape in the planning system.

In light of the housing crisis, we seek an urgent review of the prohibition on most residential uses, such as affordable and social housing, on land zoned SP2, to enable the use of places of worship for a mix of uses, particularly social and affordable housing, and land uses ancillary to the provision of social and affordable housing.

