

LOW- AND MID-RISE HOUSING AMENDMENT (LMR) OVERVIEW

July 2025



Low and Mid-Rise Housing Policy Staging

The Policy was delivered in 2 stages:



Stage 1 - commenced 1 July 2024

Permitted the development of dual occupancies and semi-detached homes in R2 low density residential zones



Stage 2 - commenced 28 February 2025.

Permitted the development of low to mid-rise housing typologies in town centres.
Applicable from commencement

Where does the policy apply?



Low and mid-rise housing area – includes nominated stations and Town Precincts)



The whole of NSW – permitting dual occupancies and semi-detached dwellings in Zone R2 Low Density Residential



Within particular land-use zones and subject to exclusions

Low and mid-rise housing area

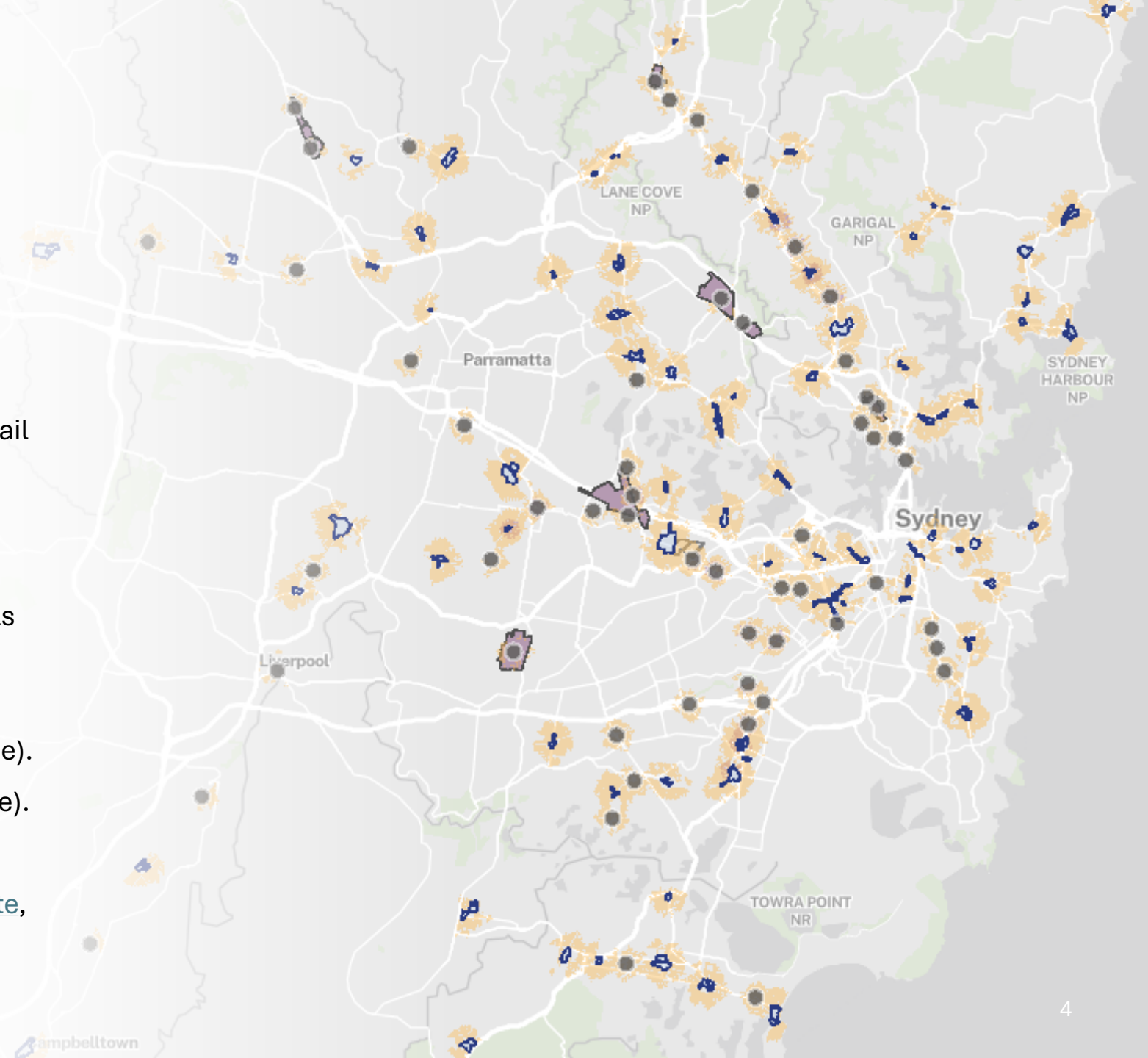
Means land which is within 800 metres “walking distance” around nominated ‘Town Centres’ and rail stations across Sydney.

There are several ‘exclusions’, discussed later.

Divided into two areas, which impacts the controls which apply:

1. Inner area (within 400 meters walking distance).
2. Outer area (400 – 800 meters walking distance).

The areas can be viewed on [Planning NSW Website](#),

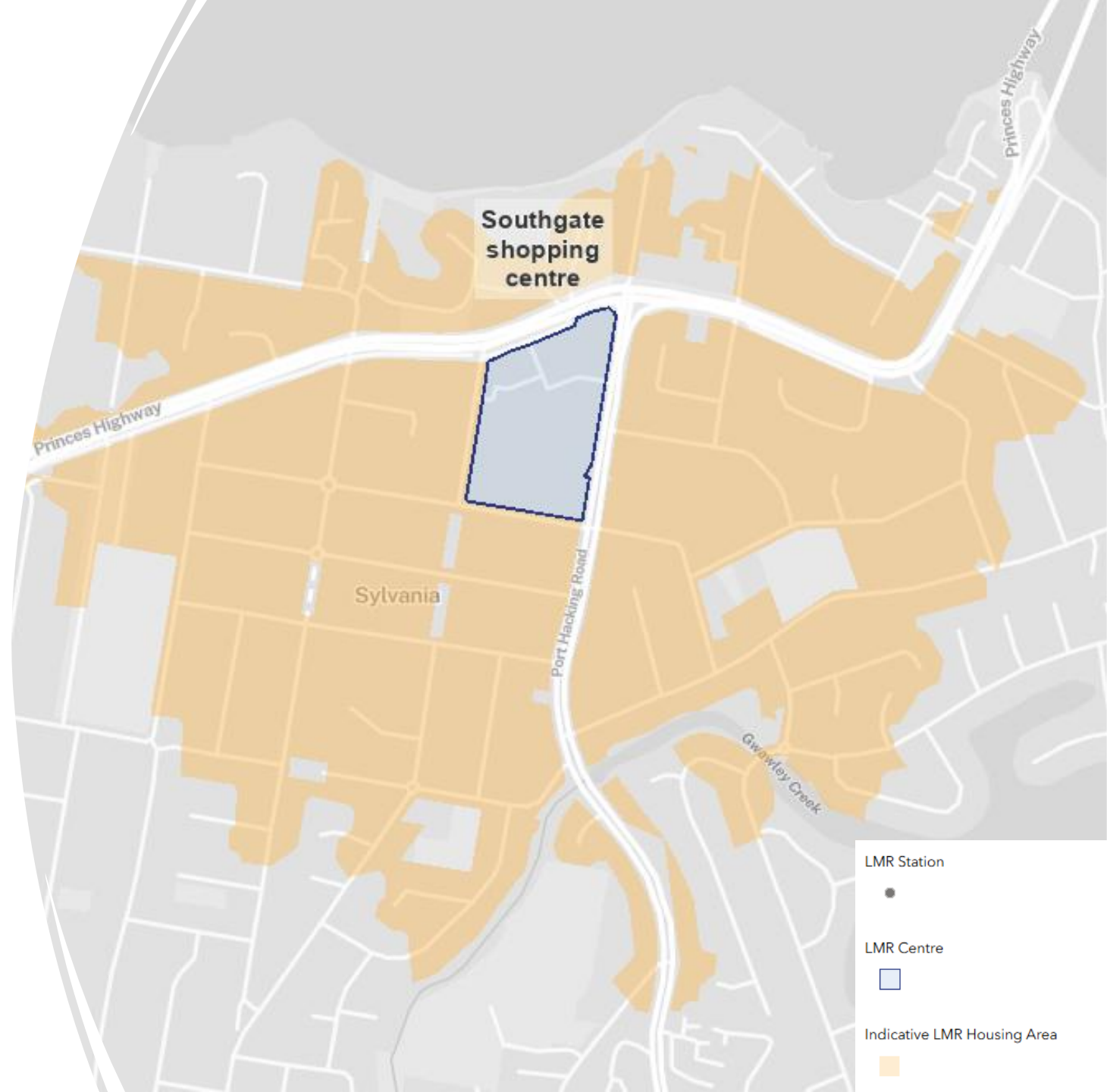


Example: Southgate Shopping Centre

DPHI has supplied an 'Indicative Map' marking out a guideline of 'walking distance' from the town centre.

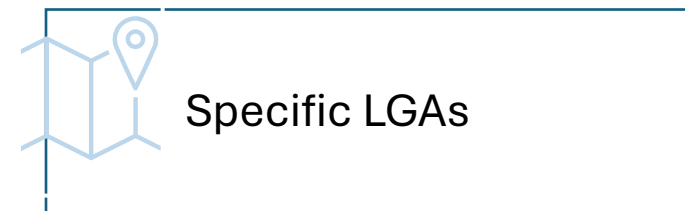
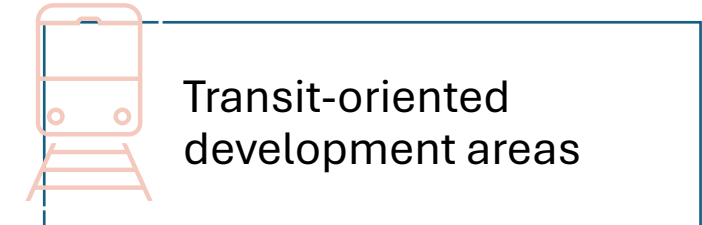
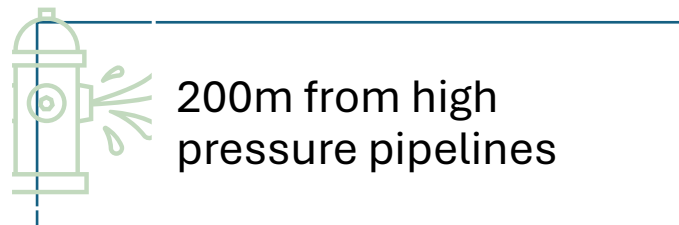
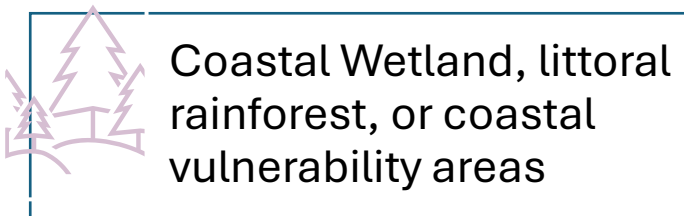
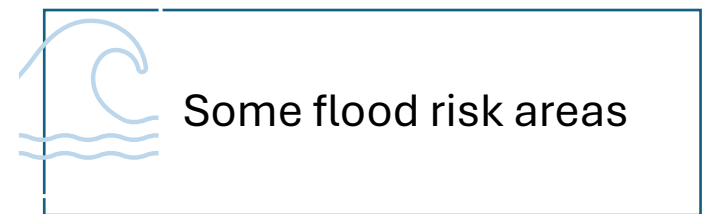
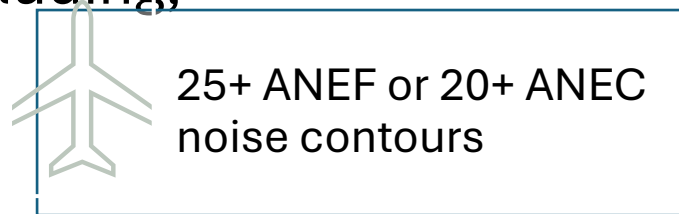
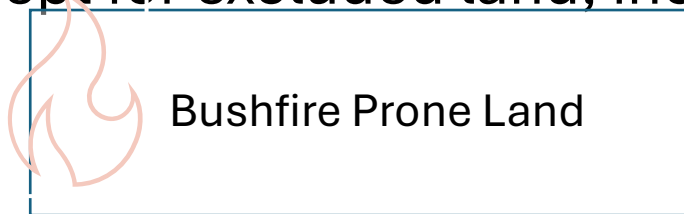
The indicative map can't factor in individual property constraints, and local walking networks, and does not differentiate between inner and outer areas.

Landowners will need to check the requirements in the legislation to determine if the policy applies to a specific property.



Excluded land

Generally, the provisions apply to areas within the low and mid-rise housing area, except for excluded land, including;



See full list of exclusions in s164 of the Housing SEPP.

Summary of zoning permissibility under Ch 6 of the Housing SEPP

	Permissibility
Dual Occupancies	Now permitted in R2 Low Density Residential zones across all NSW
Attached dwellings, multi dwelling houses including terraces	Now permitted in R2 Low Density Residential zones within ‘low and mid-rise housing areas’:
Residential flat buildings and shop top housing	Now permitted in the following zones within ‘low and mid-rise housing areas’: <ul style="list-style-type: none">• R2 Low Density Residential• R3 Medium Density Residential

Non-discretionary development standards

What are they?

Chapter 6 of the Housing SEPP contains non-discretionary development standards for development permitted under the LMR provisions.

A non-discretionary development standard is different to a normal development standard. If a non-discretionary development standard is complied with, the consent authority is limited in its ability to refuse a development because of the matter the subject of the standard (i.e height, floor space, site width).

Operates despite anything contrary in a LEP or DCP. *Unless* the LEP and/or DCP is already more permissive than the non-discretionary standards.



New low rise-residential non-discretionary development standards

	Lot size	Lot Width	Floor Space Ratio	Height of Building	Car Parking	Subdivision (R1, R2, R3 Only)
Dual Occupancies	Min. 450 m2	Min. 12 m	Max. 0.65:1	Max. 9.5 m	1 space per dwelling	Min. 225 m2 per lot and 6 m width per lot Does not apply to strata subdivision
Multi-dwelling housing	Min. 600 m2	Min. 12 m	Max. 0.7:1	Max. 9.5m	1 space per dwelling	No standard given
Multi-dwelling housing (terraces)	Min. 500 m2	Min. 18m	Max 0.7:1	Max. 9.5m	0.5 space per dwelling	Min. 165m2 per lot and 6m width per lot Does not apply to strata subdivision

New mid-rise residential non-discretionary development standards

	Zones	Lot size	Lot Width	Floor Space Ratio	Height of Building	Car Parking	Number of storeys
Residential Flat Buildings	R1 and R2 Zones	Min. 500 m2	Min. 12m	Max. 0.8:1	Max. 9.5m	0.5 space per dwelling	n/a
	R3 and R4 zones (inner area)	No minimum lot size	No minimum lot width	Max. 2.2:1	Max. 22m	n/a	Max. 6
	R3 and R4 zones (outer area)	No minimum lot size	No minimum lot width	Max. 1.5:1	Max 17.5m	n/a	Max. 4
Shop-Top Housing	R1 and R2 zones	Min. 500 m2	Min. 12m	Max. 0.8:1	Max. 9.5m	0.5 space per dwelling	n/a
	R3 and R4 zones (inner area)	No minimum lot size	No minimum lot width	Max. 2.2:1	Max. 24m	n/a	Max. 6
	R3 and R4 zones (outer area)	No minimum lot size	No minimum lot width	Max. 1.5:1	Max. 17.5m	n/a	Max. 4

Tree Canopy Guide for Low and Mid Rise Housing

Tree Canopy Guide

Before granting consent to any of the housing typologies in the LMR area, the consent authority must consider the *Tree Canopy Guide*.

Sets out tree canopy and deep soil expectations. Although not binding, developers would be expected to comply with these standards.

Find guide here: [Tree canopy guide for low and mid-rise housing](#)

Further considerations – merits

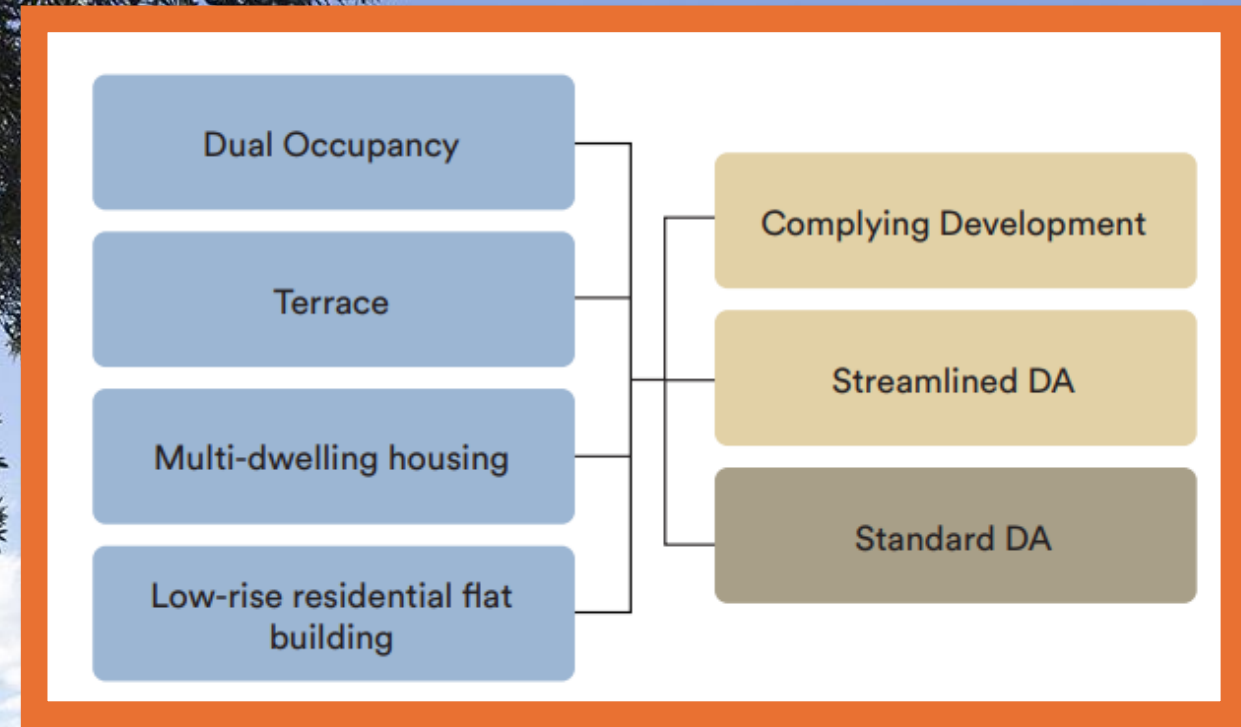
“Projects will not be automatically approved. Council must still conduct a merit-based assessment. Nothing stops council from assessing matters such as heritage significance, building materials and colours, front and side setbacks, amount and location of landscaping, streetscape character, location of car parking, subdivision pattern, and the bulk and scale of buildings.”

NSW Housing Pattern Book

- Contains designs and guidelines to support the construction of high quality LMR housing.
- The designs have been pre-assessed to be compliant with requirements and development standards of LMR

All users of the pattern book will benefit from a fast-track planning approval process – low rise developments only

- Unconfirmed whether there will be a fee to access the Pattern Book.



Pattern Book – Complying Development

Certifier or Council will only need to check Design Statement and follow complying development requirements as usual.

Where to use:

- Residential zones where housing typology is permitted
- LMR housing areas
- Outside of these areas subject to development standards

1. **Explore** the Pattern Book online platform:

Choose appropriate pattern - each pattern has site requirements that will be identified as complying development standards.

2. **Review** site and pattern suitability:

- General CDC requirements and mapping for site
- Pattern Book exclusion criteria and eligibility of site
- Relevant mapping and requirements under the SEPP
- Pattern Book complying development standards to check pattern is appropriate for the development

3. **Download** architectural drawing package and relevant guidance from the online platform.

4. **Prepare** supporting documentation:

- Pattern Book design statement prepared by architect or designer verifying compliance
- Indicate any adaptations to design on drawing
- Other necessary documentation for complying development

Pattern Book – Streamlined DA

It is proposed to allow Pattern Book development that does not meet the requirements to be complying development to be undertaken through a streamlined DA pathway.

Where to use:

- Residential zones where housing typology is permitted
- LMR housing areas
- Outside of these areas subject to development standards

1. **Explore** the Pattern Book online platform:

Choose appropriate pattern – development standards will be introduced for each pattern (maximum lot size, maximum building height and maximum floor space ratio)

2. **Review** site and pattern suitability:

- Pattern Book exclusions criteria and eligibility of site
- Relevant mapping and requirements under the SEPP
- Pattern Book development standards to check pattern is appropriate for the development

3. **Download** architectural drawing package and relevant guidance from the online platform.

4. **Prepare** supporting documentation:

- Pattern Book design statement prepared by architect or designer verifying compliance with pattern design and standards
- Indicate any adaptations to design on drawing
- Other necessary documentation for development applications

Pattern Book – Other possibilities...

Other changes being considered to create the fast-tracked pathway include the following:

- Certain local planning controls in development control plans, such as privacy and landscaped area, may be switched off for Pattern Book development as these matters are already addressed in the Pattern designs
- The role and need for pre-lodgement meetings will be reduced
- Opportunities to minimize DA notification timeframes and requirements to renotify Pattern Book DAs are being considered
- The Low Rise Housing Diversity Guide will not be a consideration for Pattern Book terrace and Low-rise residential flat building development



CDC SEPP - Low Rise Housing Diversity Code

Allows dual occupancies, manor houses and terraces (up to 2 storeys) to be built under fast-track complying development approval

Approval can be issued within 20 days if the proposal complies with the Complying Development Codes SEPP

This code ***does not apply*** to dual occupancies in Zone R2 Low Density Residential made permissible under the LMR amendment unless already permitted under an LEP

In effect:

Complying development is not available for dual occupancies made permissible under the LMR amendment

NSW government published that complying development will become a possible pathway for dual occupancies in mid 2025

Housing SEPP: Affordable Housing Bonus



At least 10% of GFA provided as affordable housing

Development is permitted with consent under an EPI (including Chapter 6)

Within six cities region

Or within an 'accessible area' – defined by distance to public transport

**2 X Affordable
Housing % =
Bonus height/FSR**

Bonus FSR of up to 30% above the 'maximum permissible'

Bonus height of up to 30% above the 'maximum permissible' for flat buildings and shop top housing

Housing SEPP: Affordable Housing Bonus – Implications



- The in-fill affordable housing bonus provisions applies to LMR area
- **This means the bonus provisions will apply on top of the non-discretionary standards**, rather than the base LEP controls.
- Affordable housing provided as a requirement under another EPI is not counted towards the affordable housing component under this division.
- This means, any affordable housing contribution required by an LEP will not be offset by this bonus and cannot contribute to this bonus.

maximum permissible floor space ratio means the maximum floor space ratio permitted on the land under Chapter 5 or 6, where relevant, an environmental planning instrument, other than this Policy, or a development control plan.

maximum permissible building height means the maximum building height permitted on the land under Chapter 5 or 6, where relevant, an environmental planning instrument, other than this Policy, or a development control plan.



Case Study: View west towards Sydney CBD with indicative building envelopes to Darling Point Road, Darling Point with indicative building envelopes under existing LEP controls (blue), LMR reforms (orange) and Housing SEPP AH bonus (yellow)

Source: Woollahra Council first submission to NSW Government, February 2024



Case Study: View north-east with indicative building envelopes to Epping Road, Double Bay with indicative building envelopes under existing LEP controls (blue), LMR reforms (orange) and Housing SEPP AH bonus (yellow)

Source: Woollahra Council first submission to NSW Government, February 2024

More Housing SEPP interactions

Co-living housing

Permissible with consent on land where the following are permitted under LMR:

- residential flat buildings
- shop top housing

Can benefit from greater height and FSR non-discretionary standards under LMR in some circumstances

Build-to-rent housing

Permissible with consent on land where the following are permitted under LMR:

- multi dwelling housing
- residential flat buildings
- shop top housing

Benefits from non-discretionary standards under LMR.

Seniors housing

Permissible with consent on land where the following are permitted under LMR:

- residential flat buildings
- shop top housing

Benefits from non-discretionary standards under LMR

PLUS additional senior housing FSR

Resistance from councils

- Council discretion is limited where the bulk and scale of a building complies with new non-discretionary standards
- Although the LMR process involved consideration of some existing infrastructure, we expect that many Councils will identify issues with available infrastructure



We anticipate that the LMR reforms may drive more planning appeals as Councils and developers grapple with the provisions

Council feedback - submissions



*“Due to the multiple issues and the highly destructive outcomes that would result from the proposal, as cited in this submission, and the TOD submission, **Council is unable to support the proposal.**”* Council requests:

- NSW government work in collaboration with councils
- One size fits all blanket provisions be replaced with locally responsive delivery
- Non-refusal standards be removed to allow genuine merit assessment

“lazy blanket policy for ill-informed development”

“We will continue to advocate for responsible, place-based planning that meets the housing needs of the community while respecting its infrastructure and environmental constraints,”



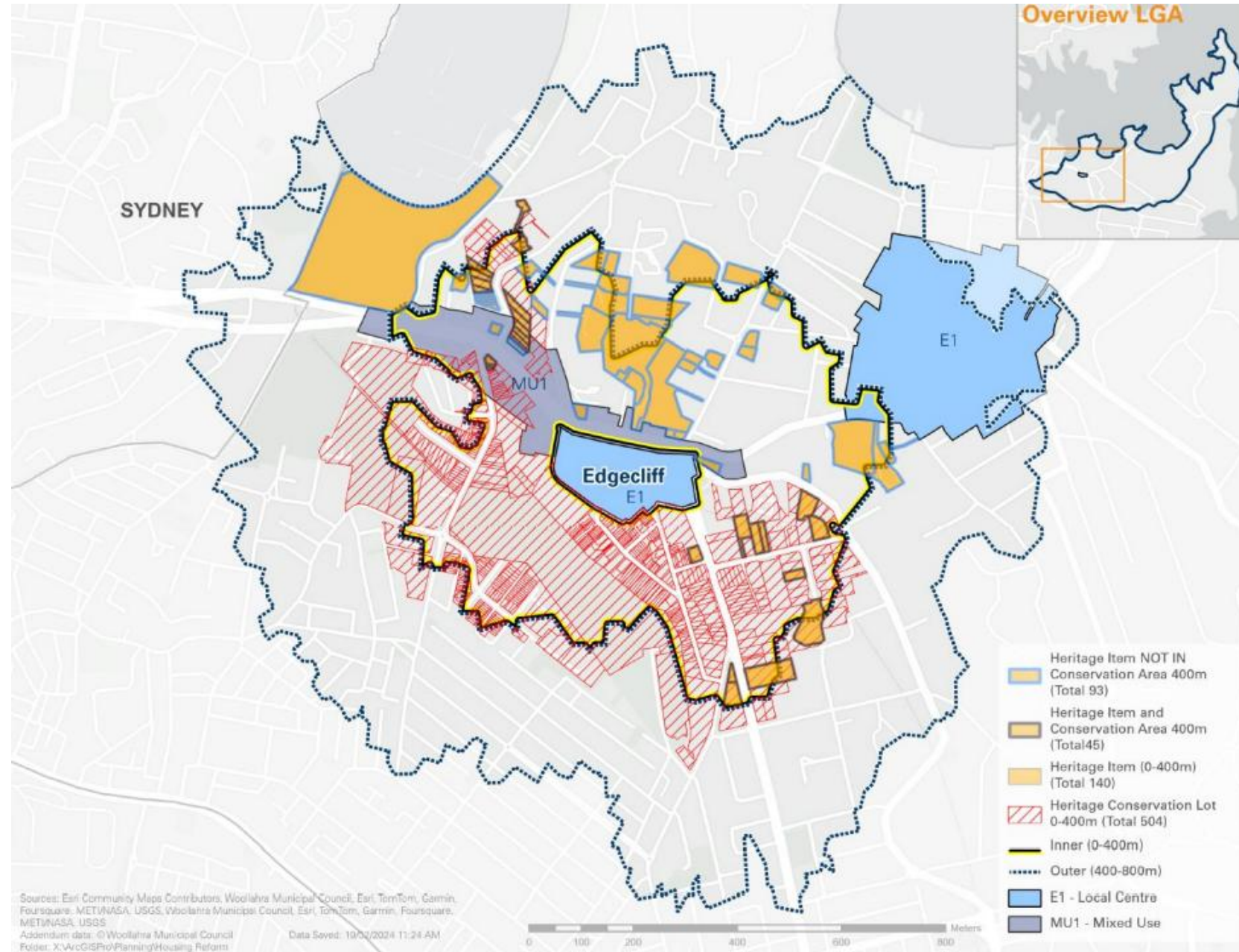
Heritage considerations

- Only *heritage items* are excluded from the LMR area, while *heritage conservation areas* are subject to the new reforms.
- DPHI released the following advice on heritage:

“It remains the case that any DA proposal, including changes to existing buildings, must maintain or enhance the heritage value of the heritage conservation area in order to be approved”
- As per cl 5.10(4) of an LEP, consent authorities must consider the effect of the development on heritage significance, but potential impacts are not a barrier to approval



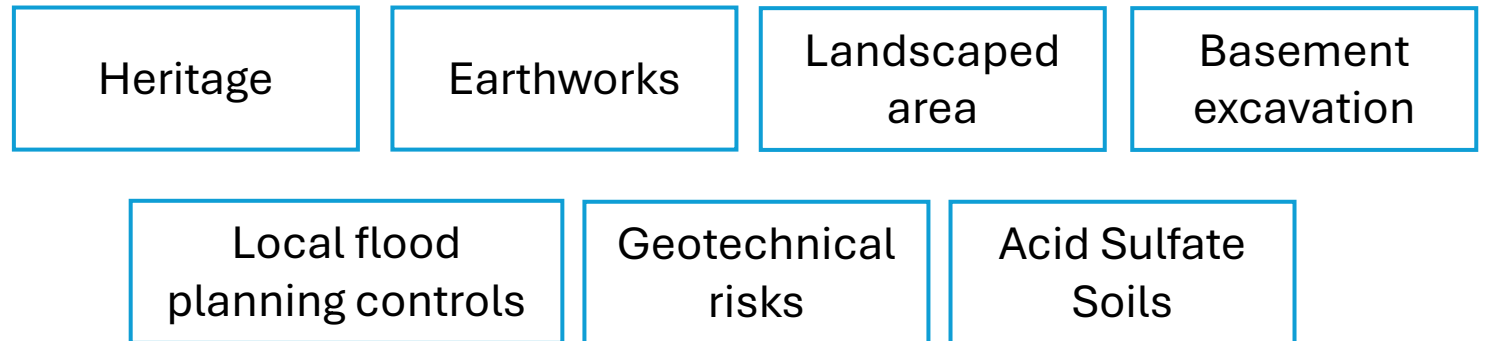
Case Study: Edgecliff Town Centre Heritage Areas



Source: Woollahra Council first submission to NSW Government, February 2024

Other LEP Controls

- The LMR Amendment turns off certain LEP controls, but not all.
- As a result, LEP clauses might restrict development or make it unfeasible where it would otherwise be permissible under LMR.
- Miscellaneous provisions and Additional local provisions E.g.



Walking Distance

Walking distance is defined under the LMR Amendment as:

“ the shortest distance between 2 points measured along a route that may be safely walked by a pedestrian using, as far as reasonably practicable, public footpaths and pedestrian crossings.”

- These walking distances do not have statutory mapping and there are no clearly defined boundaries to the LMR Housing Inner or Outer areas.
- Although there is an indicative map, it has no legal status.
- Refer to *Bennett v Northern Beaches Council* [2022] NSWLEC 1720 for discussion of ‘walking distance’



No explanation as to development sites or lots partly located within boundaries



Disputes may arise to determine whether properties are in fact within ‘walking distance’.

Setbacks

- There are no controls in the amendment that prevent Council from enforcing setback provisions that exist in DCP's
- After taking into account setbacks, it may be the case that the permitted FSR of a dwelling cannot be achieved within the height standards
- Enforcement of setback provisions may prevent a development from materially achieving LMR outcomes.

Site selection strategy

The LMR is a blunt instrument, while it may technically apply somewhere, this does not mean that site is going to be easy or feasible to develop.

Here are some factors to keep in mind:

Has the Council previously done any strategic planning in this location?

Developing in areas where Council may have anticipated upzoning may face less push-back. E.g. Northern Beaches Council Brookvale Structure Plan.

Due diligence on the basic network capacity of the area

locations which have spare capacity in their stormwater, road networks, etc will be easier to develop than sites which are already at capacity or may require significant upgrades. If there isn't this capacity, this may give the council a reason to refuse approval.

Some councils are working on revising their DCPs and contributions plans

This creates some uncertainty until some of these controls / contributions are known. Making an offer for a VPA may perhaps manage some of these uncertainties.

LMR does not apply in town centres

Town centre zoning is typically an E zoning and the LMR only applies to R zoned land.

General reminder to keep in mind the Housing and Productivity Contribution (HPC) on top of local infrastructure contributions

But watch this space? Note recent announcement that in-kind works may be accepted in lieu – but waiting on policy detail.