

Relevant Information for Council

FILE: X019011 **DATE:** 17 February 2020

TO: Lord Mayor and Councillors

FROM: Graham Jahn AM, Director City Planning, Development and Transport

SUBJECT: Information Relevant To Item 9.2 – Post Exhibition - Draft Local Strategic Planning Statement and Draft Local Housing Strategy

Alternative Recommendation

It is resolved that:

- (A) Council note the matters raised in submissions to the public exhibition of City Plan 2036: Draft City of Sydney Local Strategic Planning Statement, Housing for All: Draft City of Sydney Local Housing Strategy and Housing for All: Draft City of Sydney Local Housing Strategy - Technical Paper as shown at Attachment A to the subject report;
- (B) Council endorse City Plan 2036: Draft City of Sydney Local Strategic Planning Statement, as shown at Attachments B1 to B6 to the subject report, for referral to the Greater Sydney Commission for their support under section 3.9(3A) of the Environmental Planning and Assessment Act 1979 **subject to:**
 - (i) ***the amendment to the 'Collaborate and plan for a shared vision' key move as described in the Information Relevant to Item 9.2 Memorandum dated 17 February 2020; and***
 - (ii) ***the amendment to various sections of the draft Planning Statement to clarify affordable and social housing targets as described in this Information Relevant to Item 9.2 Memorandum dated 17 February 2020;***
- (C) authority be delegated to the Chief Executive Officer to make City Plan 2036: City of Sydney Local Strategic Planning Statement, as shown at Attachments B1 to B6 to the subject report, if the Greater Sydney Commission provides support under section 3.9(3A) of the Act without requiring any changes be made or with minor changes that do not alter the targets or intent of the priorities or actions of the planning statement;

- (D) Council adopt Housing for All: Draft City of Sydney Local Housing Strategy and Housing for All: Draft City of Sydney Local Housing Strategy - Technical Paper, as shown at Attachment D and Attachment E respectively to the subject report, ***subject to the amendment to various sections of the draft Housing Strategy to clarify affordable and social housing targets as described in the Information Relevant to Item 9.2 Memorandum dated 17 February 2020***, and if required, refer it to the Department of Planning, Industry and Environment for their approval;
- (E) authority be delegated to the Chief Executive Officer to make any minor amendments to City Plan 2036: City of Sydney Local Strategic Planning Statement, as shown at Attachments B1 to B6 to the subject report, and Housing for All: Draft City of Sydney Local Housing Strategy and Housing for All: Draft City of Sydney Local Housing Strategy - Technical Paper, as shown at Attachment D and Attachment E respectively to the subject report, to correct any drafting errors or to ensure it is consistent with any direction given by the Greater Sydney Commission in assuring the City Plan 2036, so long as the direction does not alter the intent, priorities or actions of City Plan 2036; and
- (F) Council note the intended program for implementation of the planning statement and update of the planning controls as described in the subject report.

Purpose

To amend the draft Local Strategic Planning Statement and draft Housing Strategy to:

- incorporate community feedback following the meeting of the Transport, Heritage and Planning Committee on 10 February 2020, and
- make minor changes to the text in the draft Planning Statement and draft Housing Strategy to clarify that the affordable housing target, provided in housing and jobs targets tables, relates to private housing.

The recommended amendments are provided below.

Background

Amendment to “Collaborate and plan for a shared vision” key move

At the meeting of the Transport, Heritage and Planning Committee on 10 February 2020, a speaker raised the importance of local community consultation and suggested the local community is explicitly recognised in the key move related to collaboration.

A minor amendment is recommended to the draft Planning Statement and supporting overview document to clarify that the City will collaborate with the local community, as well as others, to achieve the vision and planning priorities for the city.

The recommended changes are shown below in ***bold italics*** with deletions in ~~strike through~~.

**Recommended amendment to page 69 of draft Local Strategic Planning Statement:
Collaborate and plan for a shared vision**

The City will collaborate with others, ***including the local community, governments and key stakeholders***, on a range of planning issues. ***This includes*** including the NSW Government on state significant urban renewal projects, Inner West Council on the Camperdown-Ultimo Health and Education Precinct, North Sydney Council on the Harbour CBS metropolitan centre, Bayside Council on the Green Square-Mascot strategic centre, Eastern District councils on housing, sustainability and infrastructure issues and the councils within the Eastern Economic Corridor to strengthen the contribution of the Corridor to the Sydney region.

Amendment to various sections of the draft Planning Statement and draft Housing Strategy to clarify affordable and social housing targets

The draft Planning Statement and draft Housing Strategy provide a detailed table of the City's housing targets, breaking housing into two categories including private and non-private. Private dwellings refer to a self-contained living space with a private entrance and comprises 'market housing', generally includes homes in private ownership or being rented, 'affordable rental housing' and 'social housing'. Non-private dwellings are dwellings that typically have shared and communal spaces, such as student housing, boarding houses, groups homes, seniors and co-housing housing.

The table provides a target for affordable and social housing as subsets of 'total private dwellings'. The target does not apply to 'non-private' dwellings. This is because:

- the City's definition of 'affordable housing' as being housing that is owned by government or a community housing provider, and rented to lower income households, would typically result in such housing being delivered as 'private housing'
- non-private housing, while not considered an affordable housing product, is typically (though not always) targeted towards the lower end of the housing market. A reasonable proportion of this stock continues to operate as boarding houses and student housing that provides some diversity for lower income earners.

Minor amendments are recommended to various sections of the draft Planning Statement and draft Housing Strategy to clarify that the 7.5 per cent target for social and affordable housing relates to the total private dwelling target. Corresponding changes are also recommended to the draft Planning Statement overview document and draft Housing Strategy – Technical Paper.

The recommended changes are shown below in ***bold italics*** with deletions in ~~strikethrough~~.

**Recommended amendment to page 51 of draft Local Strategic Planning Statement:
Table 1: Housing provision to 2036**

** This reflects the City's target that of all ***private*** housing, 7.5 per cent will be affordable housing and 7.5 per cent will be social housing. Despite this, it is acknowledged the City has limited influence over how much housing is provided as affordable or social housing.

Recommended amendment to page 54 of draft Local Strategic Planning Statement:

Social and affordable housing

Affordable rental housing and social housing are critical social and economic infrastructure necessary to support a diverse and well-functioning city. An increase of almost 11,000 affordable rental housing dwellings and about 2,000 social housing dwellings is required to 2036.

The social and affordable housing targets in Sustainable Sydney 2030 state that in 2030, 7.5 per cent of all housing will be social housing and 7.5 per cent of all housing will be affordable rental housing by 2030, delivered by not-for-profit and other providers. ***This target relates to private housing.***

Since this target was established in 2009, the proportion of social housing in the city has decreased from almost 11.7 per cent in 2006 to about 8.5 per cent in 2016, with only a small net increase of dwellings being added to the City's social housing stock since 2007. This proportion will continue to reduce as the number of homes in the city increases to over 160,000.

A substantial increase in the number of affordable rental housing dwellings is also required with only a modest increase being achieved since 2009, but a proportional decrease. The District Plan includes a requirement that at least 10 per cent of all new floor space in the District be provided as affordable housing. This is significantly below the City's target that 7.5 per cent of all ***private*** housing be affordable housing.

Recommended amendment to page 130 of draft Local Strategic Planning Statement:

Objectives

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Of all ***private*** housing in the City to 2036, 7.5 per cent will be affordable rental housing and 7.5 per cent will be social housing

Recommended amendment to page 134 of draft Local Strategic Planning Statement:

Supporting social and affordable housing

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Sustainable Sydney 2030 establishes an ambitious target that, in 2030, 7.5 per cent of housing will be social housing and 7.5 per cent will be affordable rental housing delivered by not-for-profit and other providers. ***This target relates to private housing.*** These proportions are to be retained over time as the total ***private*** housing supply grows. This means an increase of over 11,000 affordable rental housing dwellings and about 2,300 social housing dwellings to 2036.

Recommended amendment to page 13 of draft Local Housing Strategy:

Table 1: Housing provision to 2036

** This reflects the City's target that of all *private* housing, 7.5 per cent will be affordable housing and 7.5 per cent will be social housing. Despite this, it is acknowledged the City has limited influence over how much housing is provided as affordable or social housing.

Recommended amendment to page 14 of draft Local Housing Strategy:

Affordable and social housing

Affordable rental housing and social housing is critical social infrastructure necessary to support a diverse and well-functioning city. Based on the City's housing targets, this means an increase of almost 11,000 affordable rental housing dwellings and almost 2,000 social housing dwellings to 2036.

The affordable and social housing targets are based on the Sustainable Sydney 2030 target that states in 2030, 7.5 per cent of all housing will be affordable rental housing and 7.5 per cent of all housing will be social housing. ***This target relates to private housing.***

A substantial increase in the number of affordable housing dwellings is also required. Only a modest increase in the number of affordable housing dwellings has been achieved since 2009, but this represents a proportional decrease. The District Plan includes a target that 5 to 10 per cent of all new floor space in the District be provided as affordable rental housing. Delivering only 10 per cent of new floor space as affordable housing will not sustain the City's target that 7.5 per cent of the total *private* housing stock be affordable housing.

Recommended amendment to page 32 of draft Local Housing Strategy:

Objectives

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Of all *private* housing in the City to 2036, 7.5 per cent will be subsidised affordable rental housing for very low to moderate income earners

Recommended amendment to page 32 of draft Local Housing Strategy:

Increasing the diversity and number of homes available for lower-income households

Affordable rental housing is critical social and economic infrastructure necessary to support a diverse and well-functioning city. Increasing the amount of affordable rental housing available for lower income households is an urgent priority for the City. Sustainable Sydney 2030 establishes an ambitious target that, in 2030, 7.5 per cent of all housing will be affordable rental housing. ***This target relates to private housing.*** This proportion is to be maintained over time as the total housing supply grows.

Recommended amendment to page 38 of draft Local Housing Strategy:

Objectives

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Of all *private* housing in the city to 2036, 7.5 per cent will be social housing

**Recommended amendment to page 38 of draft Local Housing Strategy:
Increasing the amount of social and supported housing**

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Sustainable Sydney 2030 establishes a target that in 2030, 7.5 per cent of all housing will be social housing. ***This target relates to private housing.***

Memo from Graham Jahn AM, Director City Planning, Development and Transport

Prepared by: Christina Heather, Senior Specialist Planner

Approved



GRAHAM JAHN AM

Director City Planning, Development and Transport