

Sale of Surplus Residential Property - Affordable and Diverse Housing

File No: X099483

Summary

The City supports the delivery of affordable housing through the levies it collects, land discounts for community housing providers, its planning power and grants to non-government organisations.

Increasing the supply of affordable rental housing contributes directly to building an adaptable, diverse and equitable city inclusive of all ages, gender and cultural backgrounds. Affordable housing ensures people on lower incomes can afford to live near to where they work and is essential to a functioning city. Diverse housing - including supported accommodation models - is key to breaking the cycle of homelessness. Homelessness cannot be solved without increasing the supply of social and affordable rental housing, and investing in more supported accommodation.

On 18 September 2023, Council resolved to conduct an Expression of Interest for suitably qualified and experienced entities to acquire surplus City owned residential properties at Potts Point, Darlinghurst and Beaconsfield with the potential to be refurbished and yield a minimum 15 bedrooms at a significant discount to market value for affordable and diverse housing in perpetuity, with all sale proceeds to be allocated to the City's Affordable and Diverse Housing Fund for grants to future projects.

The key objectives of the Expression of Interest were to increase the quantum of affordable and diverse rental housing within the City of Sydney Local Government Area encouraging a broad range of community housing providers with a demonstrated commitment to diversity and inclusion together with the resources and experience to deliver and operate in accordance with the applicable regulatory requirements, such as NSW Affordable Housing Guidelines, leveraging opportunities for additional funds from sources external to the City and its programs.

This report provides details of the Expression of Interest process undertaken by the City, including documentation and interviews with selected applicants and evaluation against criteria developed to minimise transaction and delivery risk.

The recommendations will deliver on the City's key objectives through:

- (a) the two Potts Point properties being sold at a significant discount to B Miles Women's Foundation Limited, who deliver care and services to women with complex needs;

- (b) the seven Darlinghurst properties being sold at a significant discount to Common Equity NSW Ltd (CENSW) to partner with All Nations Housing Co-operative to establish the first dedicated housing project to transgender (trans) women; and
- (c) substantially increasing funds in the Affordable and Diverse Housing Fund by allocating 100 per cent of the proceeds from the sale of the above properties together with proceeds from the market sale of the Beaconsfield property.

Recommendation

It is resolved that:

- (A) Council note the outcome of the Expression of Interest for the sale of surplus residential properties for affordable and diverse housing including the process, submissions received and assessment against the objectives and criteria;
- (B) in respect of Units 7 and 8, "Springfield Palms", No. 12 Springfield Avenue, Potts Point (being Lots 7 and 8 in Strata Plan 21921):
 - (i) Council note that one expression of interest was received for this property and that it was in compliance with Council's endorsed criteria;
 - (ii) Council endorse the sale of these properties to B Miles Women's Foundation Incorporated (INC9894299) at a price of \$396,000 excluding GST, with the sale being subject to the placement of a restriction on the title to the land to ensure that the properties are used in perpetuity for affordable housing; and
 - (iii) authority be delegated to the Chief Executive Officer to progress and finalise contract negotiations and enter into all necessary documentation to effect the transaction;
- (C) in respect of 5-17 Norman Street, Darlinghurst (being Lot 1 in Deposited Plan 576799):
 - (i) Council note that three expressions of interest were received for this property with one being subsequently withdrawn;
 - (ii) Council note that none of the expressions of interest received met the full criteria endorsed in the Council resolution of 18 September 2023;
 - (iii) Council endorse the sale of this property to Common Equity NSW Ltd (ACN 140 152 398) at a price of \$2,500,000 excluding GST with the sale being subject to the placement of a restriction on the title to the land to ensure that the property is used in perpetuity for affordable housing; and
 - (iv) authority be delegated to the Chief Executive Officer to progress and finalise contract negotiations and enter into all necessary documentation to effect the transaction;

- (D) in respect of 169 Victoria Street, Beaconsfield (being Lot C in Deposited Plan 310434):
 - (i) Council note that there were no expressions of interest received for this property;
 - (ii) Council endorse the immediate sale of this property in the open market; and
 - (iii) authority be delegated to the Chief Executive Officer to progress and finalise any negotiations and enter into all necessary documentation, including any relevant contract to effect the transaction;
- (E) Council endorse that the proceeds from these transactions are to be allocated to the Affordable and Diverse Housing Fund; and
- (F) Council to be updated on the progress of these transactions through CEO Updates.

Attachments

- Attachment A.** 18 September 2023 Resolution of Council and Report excluding Attachment F (Commercial Considerations - Confidential)
- Attachment B.** Expression of Interest Commercial Considerations (Confidential)

Background

1. Providing affordable and diverse housing is a key focus of Sustainable Sydney 2030-2050 Continuing the Vision. The City's extensive engagement with our community over many years has reinforced the City's leadership role in delivering affordable and diverse housing.
2. Sustainable Sydney 2030-2050 Continuing the Vision adopts the targets set by the City's local housing strategy for at least 156,000 private dwellings and 17,500 non-private dwellings by 2036, with 15 per cent to be social housing and affordable housing.
3. State and Federal Government hold the levers for social and affordable housing, but since 2007, the City has taken every opportunity to tackle affordability.
4. Local government, private developers, community housing providers and other not for profit agencies have a role to play in increasing the supply of affordable housing.
5. The City identified four properties to test for suitability to divest into the affordable and diverse housing market including:
 - (a) Units 7 and 8, "Springfield Palms", No. 12 Springfield Avenue, Potts Point: two strata title one bedroom units within close proximity to transport and services;
 - (b) 5-17 Norman Street, Darlinghurst: a row of seven semi-detached heritage listed terraces on one title with a combined total of 11 bedrooms and in need of refurbishment; and
 - (c) 169 Victoria Street, Beaconsfield: a two-bedroom 1940 free standing brick and tile residence with a land area of 234 m2.
6. On 18 September 2013, Council resolved to conduct an Expression of Interest (EOI) to divest these surplus properties, endorsing the objectives, eligibility and assessment criteria for these residential properties at Potts Point, Darlinghurst and Beaconsfield.
7. Details of the properties including photos and identification plans are included within Attachment A to this report.

Expression of Interest (EOI) Objectives and Eligibility

8. The objectives of the Expression of Interest include:
 - (a) maximising the quantum of affordable and diverse rental housing within the City of Sydney Local Government Area (LGA), both on site and through future grant projects from income received as part of the sales;
 - (b) the leverage of additional funds from sources external to the City and its programs, including private debt finance, charitable donations and grants from State and Federal Government;
 - (c) encouraging a broad range of community housing providers to invest in and operate diverse housing within the City Local Government Area ;
 - (d) ensuring the continued use of funded projects as subsidised housing;
 - (e) ongoing management in accordance with the applicable regulatory requirements;

- (f) achieving timely delivery utilising appropriately experienced and capable principals and contractors; and
 - (g) ensuring sufficient financial capacity of the purchaser to secure the long term provision of affordable housing.
9. Eligible applicants were required to operate within the Local Government Area and be either:
- (a) Not-for-profit organisations;
 - (b) Registered providers of Community Housing; or
 - (c) Organisations that are part of a consortium that includes a Community Housing Provider.
10. For-profit organisations, unincorporated community groups or individuals were not eligible to participate.

Expression of Interest (EOI) Conditions and Assessment

11. The Expression of Interest documentation comprised three parts including Part A Invitation and Conditions, Part B Property and Transaction Details and Part C Returnable Schedules.
12. The properties were offered for sale on the following key terms:
- (a) 'As is' condition – Each property was offered for sale on an 'as is' basis in its current condition and state of repair. Each applicant was provided the opportunity to inspect with their team during the Expression of Interest period.
 - (b) Minimum threshold price – A minimum threshold price was endorsed by Council for each property. Offers below the threshold price would be considered non-conforming. Proceeds from the sale of these properties will go into the City's Affordable and Diverse Housing Fund.
 - (c) Covenant on title – Consistent with all sales of City owned land at a discount from market for affordable housing, a public positive covenant would be registered on title for each property (on terms required by the City) to ensure the continued use of the property as affordable and or diverse housing.
13. Assessment of applications were evaluated on the following:
- (a) Amount, nature of subsidised housing and any other uses being delivered;
 - (b) Experience in the operation and management of the type of housing in compliance with relevant regulations;
 - (c) Relevant capability in property refurbishment / development;
 - (d) Financial capacity;
 - (e) Evidence of diversity, inclusion, and equity;
 - (f) Proportion of the total project cost requested as City funding (including cash, value-in-kind and land); and

- (g) Proportion of total project cost funded by the applicant and other sources.
14. Applicants were advised that each of the mandatory assessment criteria above is critical to this Expression of Interest and that they may not be of equal weight for evaluation and nor listed in order of priority.

Expression of Interest (EOI) Process

15. The Expression of Interest was pre-notified by email to all tier 1, 2 and 3 community housing providers and any party who had expressed interest in the Expression of Interest following the Council resolution on 18 September 2023.
16. A dedicated page on the City's website informed the process for participating in the Expression of Interest with links to Tenderlink, with interested parties required to register as a pre-requisite.
17. On 30 October 2023, the Expression of Interest (EOI), being E-2023-1138 - Acquisition of Surplus City Owned Residential Properties for Affordable and / or Diverse Housing, commenced with all documentation, the Q & A forum and updates available through Tenderlink.
18. On 8 December 2023, the Expression of Interest closed following a six-week period during which:
- (a) two virtual briefings were conducted through the City's Tenderlink portal;
 - (b) the Expression of Interest was advertised in the Sydney Morning Herald;
 - (c) each property was available on three separate occasions for interested parties to inspect with principals and consultants; and
 - (d) reminder notifications were issued to all registered parties.
19. Four expressions of interest were received as follows:
- (a) Potts Point - One applicant;
 - (b) Darlinghurst - Three applicants, with one subsequently withdrawing; and
 - (c) Beaconsfield - Nil.
20. The Evaluation Panel reviewed the applications and together with the Chief Operating Officer conducted interviews with each applicant, and received and reviewed additional information.

Commercial Considerations

21. Details of the evaluation including scoring of the Expression of Interest submissions are detailed within Attachment B - Expression of Interest Commercial Considerations (Confidential).

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

22. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the City to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 10 - Housing for all - The proposal meets Objective 10.3: An increased supply of affordable housing supports diverse communities and the economy by delivering housing stock into the inner City directly through the physical asset and indirectly through the City's Affordable and Diverse Housing Fund.

Risks

23. The Expression of Interest process, including supporting documentation confirming objectives and evaluation criteria, has reduced risk by ensuring clarity, enabling effective risk management at the initial transaction stage and in delivery of the affordable housing outcomes.

Social / Cultural / Community

24. The divestment of these properties will contribute to the supply of affordable and / or diverse housing within the City.

Financial Implications

25. Proceeds from the sale of these properties are to be reserved to the Affordable and Diverse Housing Fund. The amounts within this fund are set aside by Council for the purposes of contributing toward the delivery of future affordable and / or diverse housing projects.

Relevant Legislation

26. The properties subject of the report are classified 'operational' under the Local Government Act 1993 (the Act) and as such there is no legislative impediment to Council endorsing the sale.
27. Under section 377 of the Act (which contains the general power of a Council to delegate), a council may, by resolution, delegate certain functions, but not the function to sell or acquire land or other property.
28. Section 55 (3)(d) of the Act provides that council does not have to invite tenders before selling land.
29. Local Government Act 1993 - Sections 10A and 10B provide that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business and if discussion of the information in an open meeting would, on balance be contrary to public interest.

30. Attachment B contains confidential commercial information which, if disclosed, would confer a commercial advantage on a person with whom the City is conducting (or proposes to conduct) business.
31. Discussion of this matter in an open meeting would, on balance, be contrary to the public interest because it would compromise the City's ability to negotiate fairly and commercially achieve the best outcome for ratepayers.

Critical Dates / Time Frames

32. Subject to Council endorsing the recommendations for the properties at Potts Point and Darlinghurst, the process to transact including documentation and negotiations will commence upon publication of the resolution.
33. Subject to Council endorsing the recommendation for the Beaconsfield property, the process to prepare the property for sale into the market will commence upon publication of the resolution.

Options

34. Should Council not proceed with the recommendation to sell the Potts Point and Darlinghurst at a discount to market value, then the City would forego the opportunity to increase the supply of affordable housing supporting specific target markets.
35. In respect of the Beaconsfield property, should Council not endorse the sale at market value, then Council would forego the opportunity to increase the supply of affordable housing through grants from the Affordable and Diverse Housing Fund.

Public Consultation

36. No further public consultation is required to implement the recommendations.

KIM WOODBURY

Chief Operating Officer

Marcia Morley, Senior Manager, Development and Strategy

Nicholas Male-Perkins, Commercial Manager, Development and Strategy

Attachment A

**18 September 2023 Resolution of Council
and Report excluding Attachment F
(Commercial Considerations -
Confidential)**

Resolution of Council

18 September 2023

Item 7.3

Affordable and Diverse Housing - Opportunities for City Owned Land

It is resolved that:

- (A) Council endorse conducting an Expression of Interest for suitable organisations to acquire one or more of the properties listed herein subject to the terms and conditions detailed in Confidential Attachment F to the subject report:
 - (i) 169 Victoria Street, Beaconsfield (Lot C DP 310434);
 - (ii) Units 7 and 8, "Springfield Palms", No. 12 Springfield Avenue, Potts Point (Lot 7 and 8 in Strata Plan 21921); and
 - (iii) 5-17 Norman Street Darlinghurst (Lot 1 in Deposited Plan 576799);
- (B) authority be delegated to the Chief Executive Officer to administer the Expression of Interest process in accordance with the principles set out in this report and Confidential Attachment F to the subject report;
- (C) Council note that a further report will be brought to Council following evaluation of the Expression of Interest against the criteria in Confidential Attachment F to the subject report for endorsement of the final outcome; and
- (D) Council note that as a result of motions moved by Councillor Scott:
 - (i) in May 2023, Council resolved for the Chief Executive Officer to undertake a new audit of vacant City of Sydney properties that may be utilised for the purposes of affordable housing or community use; and

- (ii) in May 2023, Council resolved for the Chief Executive Officer to investigate creating a public register accessible via the City of Sydney website, detailing the City-owned properties including part or whole vacancy status.

The amended motion was carried unanimously.

X099483

Item 3.

Affordable and Diverse Housing - Opportunities for City Owned Land

File No: X099483

Summary

Providing affordable and diverse housing is a key focus of the City of Sydney's long-term Sustainable Sydney 2030 vision for a City for All. Increasing the supply of affordable rental housing contributes directly to building an adaptable, diverse and equitable city inclusive of all ages, gender and cultural background.

Over many years the City has been implementing opportunities to provide for promoting the development of affordable and diverse housing within the Local Government Area.

Housing targets are set by the NSW Government. Councils are required to prepare Local Housing Strategies that respond to these targets.

Sustainable Sydney 2030-2050 Continuing the Vision adopts the targets set by the local housing strategy for at least 156,000 private dwellings and 17,500 non-private dwellings by 2036 with 15 per cent to be social housing and affordable housing.

Delivering this housing is incumbent on all parties to contribute across the housing spectrum and supply chain, including local and state government, private developers and community housing providers.

As of 30 June 2022, there are 1,427 built affordable housing units in the local area, 641 dwellings in the development pipeline and a further 701 that we expect to be built in the future.

The City's expanded levy scheme, which has covered all of the local government area since July 2021, is expected to deliver a further 1,950 affordable dwellings.

If considered all together the built, pipeline, expected and projected Affordable housing dwellings will equal 4,719 Affordable rental dwellings and Affordable diverse dwellings to 2036. This equates to 39 per cent of the 12,000 Affordable dwellings target for 2036, or about 2.9 per cent of all forecast dwellings.

Up to 30 June 2022, the City's levy has enabled the collection of \$377.8 million under the various affordable housing programs operating across parts of the council area. About \$11 million has been collected in 2022/23.

The City supports the delivery of Affordable housing through the levies it collects, land discounts for community housing providers, its planning powers and grants to non-governmental organisations. To date we have provided \$24.2 million in discount land and almost \$10 million in grants.

The City has demonstrated its strong commitment to affordable housing in its capacity as a landowner. The City's ongoing review of its property portfolio tests the effectiveness and suitability of individual properties to meet the City's core service delivery objectives.

This report identifies four surplus properties with the potential to yield a minimum of 15 bedrooms from the sale of these properties at a significant discount from market and allocating the proceeds from sale to the City's Affordable and Diverse Housing Fund to deliver a further estimated 12 bedrooms through future grant projects for a total of 27 beds.

This report seeks Council's endorsement to the sale of City owned residential properties for affordable and/or diverse housing in perpetuity (not time limited) by:

- (a) conducting an Expression of Interest for suitable organisations to acquire the surplus residential properties at a substantial discount and manage in perpetuity (not time limited) as affordable and/or diverse housing, and
- (b) allocate the proceeds from each sale to the Affordable and Diverse Housing Fund to contribute to fund new projects.

Should the Expressions of Interest not be successful for all properties, it is proposed that the balance of the properties be sold to the general property market with the full amount of sale proceeds going to the Affordable and Diverse Housing Fund.

Recommendation

It is resolved that:

- (A) Council endorse conducting an Expression of Interest for suitable organisations to acquire one or more of the properties listed herein subject to the terms and conditions detailed in Confidential Attachment F to the subject report:
 - (i) 169 Victoria Street, Beaconsfield (Lot C DP 310434)
 - (ii) Units 7 and 8, "Springfield Palms", No. 12 Springfield Avenue, Potts Point (Lot 7 and 8 in Strata Plan 21921), and
 - (iii) 5-17 Norman Street Darlinghurst (Lot 1 in Deposited Plan 576799);
- (B) authority be delegated to the Chief Executive Officer to administer the Expression of Interest process in accordance with the principles set out in this report and Confidential Attachment F to the subject report;;
- (C) Council note that a further report will be brought to Council following evaluation of the Expression of Interest against the criteria in Confidential Attachment F to the subject report for endorsement of the final outcome.

Attachments

- Attachment A.** Wider Area Identification Plan
- Attachment B.** Identification Plan and Photos - 169 Victoria Street, Beaconsfield
- Attachment C.** Identification Plan and Photos - Units 7 and 8, "Springfield Palms", 12 Springfield Avenue, Potts Point
- Attachment D.** Identification Plan and Photos - 5-17 Norman Street Darlinghurst
- Attachment E.** 16 May 2016 - Resolution of Council - Affordable and Diverse Housing Fund Criteria
- Attachment F.** Commercial Considerations (Confidential)

Background

1. Affordable rental housing is critical social infrastructure necessary to support a diverse and well-functioning city as supported in Sustainable Sydney 2030 and Sustainable Sydney 203-2050 Continuing the Vision.
2. The City's Local Housing Strategy – Housing for All – adopted by Council in February 2020, establishes a 20-year vision for housing. It seeks to increase the diversity and number of homes available for low-income households and maintains the Sustainable Sydney 2030 social and affordable housing targets. Based on a private dwelling target of about 160,000 to 2036, an estimated 12,000 affordable rental dwellings are required to achieve the City's target.

Affordable Housing - Opportunities for City owned land

3. The City's ongoing review of its property portfolio aligns to the Council's resolution to identify and test the suitability of surplus or underutilised properties to be developed or utilised for affordable rental housing.
4. The City has identified four properties suitable for divestment into the affordable and diverse housing market. The properties are all within close proximity to transport and amenities.
5. A brief description of the properties and their capacity follows:

169 Victoria Street, Beaconsfield

6. A two-bedroom 1940 free standing brick and tile residence with a land area of 234 m2. There is no onsite carparking.
7. Attachment B Identification Plan and Photos - Beaconsfield.

Units 7 and 8, "Springfield Palms", No. 12 Springfield Avenue, Potts Point

8. Each strata title unit has 1 bedroom. Neither unit has carparking.
9. Unit 7 has an area of 41 m2 plus a balcony of 4.5m2 with an easterly aspect over Springfield Gardens. The property was refurbished in 2016 and is currently leased on a holdover basis with the current at \$500 per week.
10. Unit 8 has an area of 52sqm plus a 4sqm balcony, is vacant and requires refurbishment.
11. Attachment C Identification Plan and Photos - Potts Point.

5-17 Norman Street Darlinghurst

12. A row of seven semi-detached heritage listed terraces on a site 700 sqm with no-on site parking within proximity to Oxford Street and the City. The terraces are in need of refurbishment and have development potential. The property comprises a combined total of 11 beds:
 - (a) three two storey, two-bedroom terraces,
 - (b) three single level one-bedroom terraces, and

- (c) one single level two-bedroom terrace.
- 13. Attachment D Identification Plan and Photos Darlington.
- 14. The City's principal objective is to maximise the quantity stock for affordable and diverse housing through the divestment of these properties.
- 15. The City's proposes to undertake an Expression of Interest to sell the above properties at substantial discount to the market value to realise additional affordable and/or diverse housing within the Local Government Area. The proceeds from each sale to the Affordable and Diverse Housing Fund will contribute to funding for future Affordable and Diverse Housing projects via the City's grants program.
- 16. Should the Expressions of Interest not be successful for all properties, it is proposed that the balance of the properties be sold to the general property market with the full amount of sale proceeds going to the Affordable and Diverse Housing Fund.
- 17. A further report will be brought to Council to advise of recommendations following the undertaking of the Expression of Interest process.

Expression of Interest

- 18. The following organisations will be eligible to make applications:
 - (a) Applicants must operate within the Local Government Area or be able to demonstrate significant benefits for the area's residents, workers and/or visitors;
 - (b) Not-for-profit organisations;
 - (c) Registered providers of Community Housing; or
 - (d) Organisations that are part of a consortium that includes a Community Housing Provider
- 19. For-profit organisations, unincorporated community groups or individuals will not be eligible.
- 20. The proposed assessment criteria for the expression of interest are given below:
 - (a) Amount, nature of subsidised housing and any other uses being delivered
 - (b) Experience in the operation and management of the type of housing in compliance with relevant regulations
 - (c) Relevant capability in property refurbishment / development
 - (d) Financial capacity
 - (e) Evidence of diversity, inclusion and equity
 - (f) Proportion of the total project cost requested as City funding (including cash, value-in-kind and land)
 - (g) Proportion of total project cost funded by the applicant and other sources

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

21. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 10 - Housing for all - The proposal meets Objective 10.3 An increased supply of affordable housing supports diverse communities and the economy by delivering housing stock into the inner City directly through the physical asset and indirectly through the City's Affordable and Diverse Housing Fund.

Social / Cultural / Community

22. The divestment of these properties will contribute to the supply of affordable and/or diverse housing within the inner City.

Environmental

23. This proposal will not negatively impact on the City's environmental outcomes such as the targets in the City's Environmental Management Plan.

Economic

24. Increasing the diversity of housing in local communities supports those economies.

Financial Implications

25. Proceeds from the sale of these assets are to be reserved to the Affordable and Diverse Housing Fund. The amounts within this fund are set aside by Council for the purposes of contributing toward the delivery of future affordable and/or diverse housing projects.

Relevant Legislation

26. All the properties subject of this report are classified 'operational' under the Local Government Act 1993 (the Act) and as such there is no legislative impediment to Council endorsing the sale.
27. Under section 377 of the Act (which contains the general power of a council to delegate), a council may, by resolution, delegate certain functions, but not the function to sell land or other property.
28. Section 55(3)(d) of the Act provides that Council does not have to invite tenders before selling land.
29. The contract documentation will be prepared in accordance with the Conveyancing Act 1919.

30. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
31. Attachment F contains confidential commercial information which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom City's is conducting (or proposes to conduct) business (Sec 10A (2) (c)), and
 - (b) prejudice the commercial position of the person who supplied it (Sec 10A (2) (d)(i)).
32. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise City's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.
33. Under section 377 of the Local Government Act 1993 as amended (which contains the general power of a council to delegate), a council may, by resolution, delegate certain functions, but not the function to sell or acquire land or other property.

Critical Dates / Time Frames

34. Subject to Council endorsement the Expression of Interest process will be open for at least 28 days.
35. A further report will be brought to Council in early 2024 to advise of recommendations following the undertaking of the Expression of Interest process.

Public Consultation

36. The City's extensive engagement with our community over many years has reinforced the City's leadership role in delivering affordable and diverse housing in the inner City and within close proximity to services and amenities.
37. There is no public consultation required for Council to endorse the disposal of these properties, however there will be extensive communications as part of the expression of interest process to ensure all potential eligible applicants are made aware.

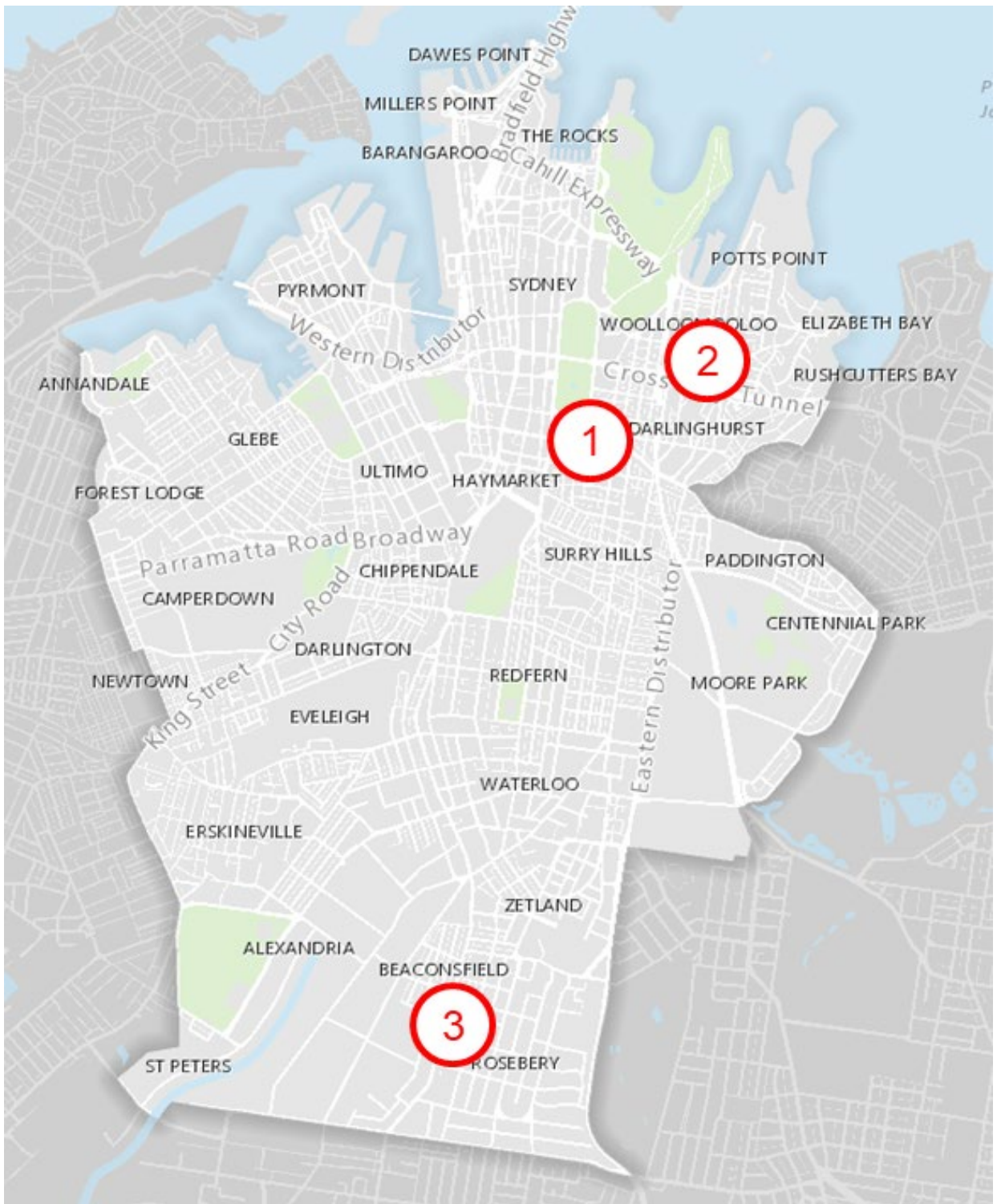
KIM WOODBURY

Chief Operating Officer

Nicholas Male-Perkins, Commercial Manager, Development and Strategy

Attachment A

Wider Area Identification Plan



1

5 – 17 Norman Street, Darlinghurst

2

Units 7 & 8/12 Springfield Avenue, Potts Point

3

167 Victoria Street, Beaconsfield

Attachment B

**Identification Plan and Photos –
169 Victoria Street, Beaconsfield**

169 Victoria Street Beaconsfield



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Notes

1/09/2023



Attachment C

**Identification Plan and Photos –
Units 7 and 8, “Springfield Palms”, 12
Springfield Avenue, Potts Point**

Units 7 & 8/12 Springfield Avenue, Potts Point





Attachment D

**Identification Plan and Photos – 5-17
Norman Street, Darlinghurst**

5-17 Norman Street Darlinghurst





Terraces 17-11 Norman St



Terraces 9 - 5 Norman St

Attachment E

**16 May 2016 – Resolution of Council –
Affordable and Diverse Housing Fund
Criteria**

Resolution of Council

16 MAY 2016

**ITEM 8.2 AFFORDABLE AND DIVERSE HOUSING FUND CRITERIA
(S124769)**

It is resolved that Council:

- (A) note that the Objectives, Assessment and Eligibility Criteria and Conditions of Grant for the Affordable and Diverse Housing Fund, as shown in Attachment A to the subject report to the Cultural and Community Committee on 9 May 2016, form part of the protocols proposed to determine the management of the City's Affordable Housing Fund as required by the resolution of Council dated 29 June 2015;
- (B) approve an amendment to the name of the Affordable Housing Fund such that from the date of this resolution it will be known as the Affordable and Diverse Housing Fund;
- (C) note that the Affordable and Diverse Housing Fund contains a broader description of the type of housing and development that could obtain a grant from the Fund than was contemplated by the resolution of Council dated 29 June 2015;
- (D) endorse the Objectives, Assessment and Eligibility Criteria and Conditions of Grant for the Affordable and Diverse Housing Fund, as shown in Attachment A to the subject report to the Cultural and Community Committee on 9 May 2016;
- (E) note that any proposal to make a grant from the Affordable and Diverse Housing Fund will be the subject of a further report to Council; and
- (F) note that if a for-profit entity is the proposed recipient of a grant from the Affordable and Diverse Housing Fund, the proposed grant will be advertised for at least 28 days prior to the proposed date of the grant in accordance with section 356(2) of the Local Government Act 1993.

Carried unanimously.

Document is Restricted