

6 November 2023

At the conclusion of the Environment Committee

## **Housing For All Committee**

**Agenda**

- 1. Confirmation of Minutes**
- 2. Statement of Ethical Obligations and Disclosures of Interest**
- 3. Grants and Sponsorship - Amended Grant Application - Affordable and Diverse Housing Fund - RJ Williams Redevelopment, Glebe**

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1. Register to speak by calling Secretariat on 9265 9702 or emailing [secretariat@cityofsydney.nsw.gov.au](mailto:secretariat@cityofsydney.nsw.gov.au) before 10.00am on the day of the meeting.
2. Check the recommendation in the Committee report before speaking, as it may address your concerns so that you just need to indicate your support for the recommendation.
3. Note that there is a three minute time limit for each speaker (with a warning bell at two minutes) and prepare your presentation to cover your major points within that time.
4. Avoid repeating what previous speakers have said and focus on issues and information that the Committee may not already know.
5. If there is a large number of people interested in the same item as you, try to nominate three representatives to speak on your behalf and to indicate how many people they are representing.

Committee meetings can continue until very late, particularly when there is a long agenda and a large number of speakers. This impacts on speakers who have to wait until very late, as well as City staff and Councillors who are required to remain focused and alert until very late. At the start of each Committee meeting, the Committee Chair may reorder agenda items so that those items with speakers can be dealt with first.

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**Item 1.**  
**Confirmation of Minutes**

Minutes of the following meetings of the Housing For All Committee are submitted for confirmation:

Meeting of 11 September 2023

**Item 2.****Statement of Ethical Obligations**

In accordance with section 233A of the Local Government Act 1993, the Lord Mayor and Councillors are bound by the Oath or Affirmation of Office made at the start of the Council term to undertake their civic duties in the best interests of the people of the City of Sydney and the City of Sydney Council and to faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the Local Government Act 1993 or any other Act, to the best of their ability and judgement.

**Disclosures of Interest**

Pursuant to the provisions of the Local Government Act 1993, the City of Sydney Code of Meeting Practice and the City of Sydney Code of Conduct, Councillors are required to disclose and manage both pecuniary and non-pecuniary interests in any matter on the agenda for this meeting.

In both cases, the nature of the interest must be disclosed.

This includes receipt of reportable political donations over the previous four years.

### Item 3.

#### **Grants and Sponsorship - Amended Grant Application - Affordable and Diverse Housing Fund - RJ Williams, Glebe**

**File No: S117676**

#### **Summary**

The Affordable and Diverse Housing Fund was originally established with \$10.3 million from the sale of land at Harold Park in 2015. Since its inception, the Fund has been publicly advertised and consultation undertaken with various community housing providers to promote the opportunities the Fund provides. An additional \$10 million for Affordable and Diverse Housing has been provided for in the City's Long Term Financial Plan.

In 2019, Wesley Mission lodged a development application (DA) to completely refurbish its RJ Williams property located at 274-276 Glebe Point Road, Glebe, to provide 74 self-contained boarding house rooms.

On 14 December 2020, Council approved a \$3 million cash grant to Wesley Community Services Limited to develop the 74 new boarding house rooms in the RJ Williams property in Glebe for the purposes of affordable housing. The 74 rooms were arranged as a mix of nine four-bedroom units, 64 studio apartments (including one manager's room) to cater for a maximum of 113 residents.

On 8 September 2022, Wesley Mission submitted a modification of consent application (section 4.55 application) for the RJ Williams property and following extensive consultation with the City the final design consists of 56 rooms in 39 dwellings to cater for up to 92 residents at one time (including one manager's room).

This section 4.55 modification application was determined under delegation of Council and was granted approval on 1 August 2023.

In accordance with the Grants and Sponsorship Guidelines for the Affordable and Diverse housing fund the City will secure the use of the property as affordable housing in perpetuity through a registered positive covenant on the land used for the project.

It is recommended that Council note the modification of consent approval for the RJ Williams property and approve that the City proceed with providing a \$3 million cash grant through the Affordable and Diverse housing fund to Wesley Mission for this project as amended.

## Recommendation

It is resolved that:

- (A) Council note its resolution on 14 December 2020 to approve a \$3 million (excluding GST) cash grant to Wesley Community Services Limited to support the redevelopment of the RJ Williams building located at 274-276 Glebe Point Road, Glebe for the purpose of affordable housing provided that if the project changed from the proposal reported at that time Council reserved the right to withdraw the grant offer;
- (B) Council note the modification of consent approval for the RJ Williams property located at 274-276 Glebe Point Road, Glebe to develop 56 new rooms for the purposes of affordable housing;
- (C) Council confirm the \$3 million (excluding GST) cash grant through the Affordable and Diverse Housing Fund to Wesley Mission for the development of the RJ Williams building located at 274-276 Glebe Point Road, Glebe for the purpose of affordable housing in accordance with information contained in Attachment C to the subject report;
- (D) Council note that the grant amount is exclusive of GST;
- (E) Council confirm that the resolutions made on 14 December 2020 continue to apply;
- (F) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the agreement with Wesley Mission approved for a grant under terms consistent with this resolution and the Grants and Sponsorship Policy; and
- (G) authority be delegated to the Chief Executive Officer to correct minor errors to the matters set out in this report, noting that the identity of the recipient will not change, and a CEO Update will be provided to Council advising of any changes made in accordance with this resolution.

## Attachments

- Attachment A.** Council Report - Affordable and Diverse Housing Fund - Wesley Missions RJ Williams Redevelopment
- Attachment B.** 14 December 2020 Resolution of Council - Affordable and Diverse Housing Fund - Wesley Mission RJ Williams Redevelopment
- Attachment C.** Additional Information - Wesley Mission - RJ Williams Glebe
- Attachment D.** Summary of Changes to Development - Wesley Mission - RJ Williams Glebe

## Background

1. In 2019, Wesley Mission lodged a development application (DA) to completely refurbish their RJ Williams property located at 274-276 Glebe Point Road, Glebe, to provide 74 self-contained boarding house rooms.
2. As part of the refurbishment process, Wesley Mission engaged with Council, industry stakeholders and the community. As part of the development application process concerns were raised by the community regarding overshadowing and noise, the size of the rooms, the operating hours of the counselling rooms and parking. Wesley Mission addressed these concerns and made some adjustments to their proposal and received DA approval in July 2020.
3. On 14 December 2020, Council approved a \$3 million cash grant to Wesley Community Services Limited to develop the 74 new boarding house rooms in the RJ Williams property in Glebe for the purposes of affordable housing. The 74 rooms were arranged as a mix of nine four-bedroom units, 64 studio apartments (including one manager's room) to cater for a maximum of 113 residents.
4. No formal grant agreement was entered into following the Council resolution of 14 December as Wesley Mission subsequently advised that it would be submitting an amendment to the approved development consent for the property.
5. Wesley Mission identified that the Covid-19 pandemic has changed the way people live and work with the need for more personal space being paramount. In addition, as with other community housing providers they have seen an increasing demand for affordable housing from low-income families as the rising cost of living is impacting on our diverse communities.
6. As a result, Wesley Mission reconsidered what they could offer affordable housing tenants and how they could incorporate a broader mix of dwelling types to accommodate a range of family types and lifecycle stages at the RJ Williams site.
7. On 8 September 2022, they submitted a modification application (section 4.55 application) to amend the approved development consent for the property. Following extensive consultation with the City the final design consists of 56 rooms to cater for 92 residents (including one manager's room) as per the following:

Quantity	Bedroom configuration	Target group
2	4 bedroom	Key worker/s with 2 children
4	3 bedroom	Key worker/s or multi-generational co-living
3	2 bedroom	Key worker/s with 1 child
25	1 bedroom	Key worker/s, youth, women +55
4	1 bedroom (accessible)	Key worker, youth, women +55



Quantity	Bedroom configuration	Target group
1	1 bedroom	Manager

8. In addition, the final design includes several communal spaces for residents including a function room, counselling room, four lounge/multipurpose rooms, rooftop garden, rooftop terrace and BBQ facility and courtyard with lounge area.
9. This section 4.55 modification application was determined under delegation of Council and was granted approval on 1 August 2023.
10. Details of the 4.55 modification application and determination have been provided to Council previously through a CEO Update on 21 August 2023.
11. Wesley Mission have revised the project costs since the initial development plans were approved with an estimated project cost of \$14,000,000. Wesley Mission has undertaken detailed project feasibilities for the modified development and is in the process of finalising the detailed funding plan with an estimated total project cost of \$16,500,000.
12. City staff will work with Wesley Mission to finalise the Affordable and diverse housing fund grant agreement and will secure the RJ Williams property as affordable housing in perpetuity through a registered positive covenant on the land used.
13. As per the Grants and sponsorship guidelines the grant funds for this project will not be released until a construction certificate is issued for the development.
14. It is currently anticipated that the Construction Certificate will be issued in March 2024 with construction to be undertaken between August 2024 to July 2025 and the property to be handed over to Wesley Mission in August 2025.

## Key Implications

### Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

15. 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 grant is aligned with the following strategic directions and objectives:
  - (a) Direction 6 - An equitable and inclusive city - the recommended grant project in this report contributes to community development and support active participation in civic life. They empower the community to address issues that matter to them and drive projects to create a more inclusive and resilient city.
  - (b) Direction 7 - Resilient and diverse communities - the recommended grant projects in this report contributes to improved wellbeing, well located, inclusive and affordable services that improve social connections and embrace a safe city.

Direction 10 - Housing for all - the recommended grant aligns with the City's position on affordable housing, homelessness and social sustainability, as set out in A City For All, the social sustainability strategy, as well as Housing for All, the City's housing strategy.

**Organisational Impact**

16. The grants and sponsorships contract management process will involve key staff across the City of Sydney. Identified staff will set contract conditions and performance measures for the approved project, and review project acquittals, which include both narrative and financial reports.

**Social / Economic / Cultural / Environmental**

17. The City's Grants and Sponsorship Program provides the City with a platform to support cultural, economic, environmental and social initiatives from the communities and business, within the local area.

**Financial Implications**

18. Consistent with the previous Council resolution, there are sufficient funds allocated in the 2023/24 grants and sponsorship expenditure budget, included in the City's operating budget for 2023/24 to support the recommended grant.
19. Approval of the grant will reduce the affordable and diverse housing fund internal cash restriction by \$3 million.
20. An additional \$10 million for Affordable and Diverse Housing has been provided for in the City's Long Term Financial Plan.

**Relevant Legislation**

21. Section 356 of the Local Government Act 1993 provides that a council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.
22. Wesley Mission is a registered not-for-profit organisation and therefore public exhibition of this grant is not required.

**Critical Dates / Time Frames**

23. As per the Grants and sponsorship guidelines the grant funds for this project will not be released until a construction certificate is issued for the development.
24. Should the development not be substantially progressed within three years, the City reserves the right to reconsider its options and will report back to Council accordingly.

**EMMA RIGNEY**

Director City Life

Julie Giuffre, Manager Grants

# **Attachment A**

**Council Report – Affordable and Diverse  
Housing Fund – Wesley Mission RJ  
Williams Redevelopment**

## **Affordable and Diverse Housing Fund - Wesley Mission RJ Williams Redevelopment**

**File No: S117676**

### **Summary**

The Affordable and Diverse Housing Fund ('Fund') was established with \$10,350,000 from the sale of land at Harold Park in 2015. To date, six grants and some further operational expenditure have been approved and committed from the Fund totalling \$7,010,000. Currently \$3,340,000 remains unallocated.

The City has received a grant application from Wesley Mission, a Tier 2 Community Housing provider, to support the redevelopment of an existing and currently vacant building to create 74 new dwellings under the Affordable Housing State Environmental Planning Policy. Located at 274-276 Glebe Point Road, Glebe, and known as the RJ Williams building, it has been derelict for some time and Wesley Mission propose affordable rental housing with target groups to include women aged over 55 who are at risk of homelessness or are experiencing homelessness, families impacted by domestic or family violence, and key worker housing. Wesley Mission has been granted development consent for the project which includes nine four-bedroom units suitable for families as well as studio units with plans to cater for 100 to 121 residents at a time (including children).

The unique proposal aligns with the criteria of the Affordable and Diverse Housing Fund and the City's Social Sustainability Policy. It is recommended for support.

## Recommendation

It is resolved that:

- (A) Council approve a \$3,000,000 (excluding GST) cash grant to Wesley Community Services Limited to support the redevelopment of the RJ Williams building located at 274-276 Glebe Point Road, Glebe for the purposes of affordable housing as outlined in Attachment A to the subject report subject to the following conditions:
  - (i) Council reserves the right to withdraw the grant offer:
    - (a) if the project changes from the current proposal for subsidised accommodation and supporting facilities consistent with the development outlined in Attachment A to the subject report; or
    - (b) if Wesley Community Services Limited are not able to demonstrate that funding is available to the agreed value of the project within 18 months of Council approval of this grant;
  - (ii) the grant funds are only to be paid when all of the following are satisfied:
    - (a) no sooner than 1 July 2021; and
    - (b) when a Construction Certificate for the project has been issued; and
    - (c) when Wesley Community Services Limited have demonstrated that funding is available to the agreed value of the project, either in the form of other grants or partnerships, or through Wesley Mission Services Limited cash reserves; and
    - (d) when the applicant has provided a suitable Plan of Management for the purposes of providing best practice affordable rental housing for the types of tenants proposed in the application as well as engaging local Aboriginal and Torres Strait Islander communities to ensure equitable access to the affordable housing to be provided;
  - (iii) the City reserves the right to require the \$3,000,000 grant to be repaid in full indexed annually by CPI if:
    - (a) Wesley Community Services Limited does not complete the development by 31 December 2025; or
    - (b) the project changes from the current proposal for subsidised accommodation and supporting facilities as outlined in Attachment A to the subject report;

- (iv) the property supported though this grant will remain as subsidised accommodation and supporting facilities as outlined in Attachment A to the subject report in perpetuity to fulfil the aims of the Affordable and Diverse Housing Fund, unless Council exercises a right under paragraph (i) or (iii) above;
  - (v) the City will require a covenant to be registered on the land title to protect the land use referred to in paragraph (iv) unless the grant funds are repaid in accordance with paragraph (iii); and
- (B) authority be delegated to the Chief Executive Officer to finalise negotiations, execute and administer a grant agreement with Wesley Community Services Limited relating to the project described and on the terms described in clause (A).

## **Attachments**

**Attachment A.** Wesley Mission RJ Williams Redevelopment

## Background

1. On 29 June 2015, Council resolved to endorse the sale of land at Harold Park and reserve the money from the land sale for a dedicated affordable and diverse housing fund. Since then, Council has resolved to support multiple initiatives from the Fund:
  - (a) On 26 October 2015, Council resolved to approve a \$250,000 grant to the Salvation Army for design and planning costs for an affordable housing development at 5-19 Mary Street, Surry Hills. This grant was ceased, as the project did not progress. No money was paid.
  - (b) On 16 May 2016, Council resolved to approve a \$1,500,000 grant to HammondCare for the development of an affordable housing aged care facility at 118A Darlinghurst Road, Darlinghurst. This grant has been paid.
  - (c) On 26 June 2017, Council resolved to approve a \$3,000,000 grant to SGCH Portfolio Limited, a subsidiary of St George Community Housing Limited for the development of 51 Youth Foyer units and up to 25 general affordable housing dwellings in Chippendale. This grant remains allocated and is payable when the project receives an Occupation Certificate.
  - (d) On 11 February 2019, Council resolved to undertake the Affordable Housing Ideas Challenge, with the approval of a \$350,000 operational expenditure budget, with funds to be sourced from the Affordable and Diverse Housing Fund. This funding has been expended.
  - (e) On 17 February 2020, Council resolved to approve two grants totalling \$1,150,000:
    - (i) \$1,000,000 was awarded to Wesley Mission for the Wesley Edward Eager Centre redevelopment. This grant remains allocated and yet to be paid; and
    - (ii) \$150,000 was approved for St George Community Housing Limited for their initiative to increase opportunities for Aboriginal and Torres Strait Islander persons to access affordable housing. This grant has been paid.
  - (f) On 9 March 2020, Council resolved to approved two grants totalling \$1,010,000:
    - (i) \$1,000,000 was awarded to UTS for the Indigenous Residential College. This grant remains allocated and yet to be paid; and
    - (ii) \$10,000 was awarded to Housing All Australians for their Housing All Australians economic study. This grant has been paid.
2. On 9 March 2020, Council also resolved to contribute an extra \$10,000,000 to the Fund in value through the future discounted sale or leasing of surplus City land and/or cash. None of the additional value/cash has been committed.
3. If this recommendation totalling \$3,000,000 currently being considered by Council is adopted, \$340,000 will remain in the Fund for further allocations .

**Wesley Mission's Proposal**

4. The City has received a grant application from Wesley Mission, a Tier 2 Community Housing provider, to support the redevelopment of the RJ Williams building located at 274-276 Glebe Point Road, Glebe.
5. The application meets the criteria of the Affordable and Diverse Housing Fund. The development application for the project was approved by the Local Planning Panel on 1 July 2020.
6. In accordance with its development consent, Wesley Mission will create 74 new dwellings under the Affordable Housing State Environmental Planning Policy and activate a vacant building once used as an aged care facility. The building is currently unable to be used for accommodation without refurbishment.
7. The redevelopment will provide affordable rental housing for target groups including women aged over 55 who are at risk of homelessness or are experiencing homelessness, families impacted by domestic or family violence, and key workers.
8. The key features of Wesley Mission's proposal include:
  - (a) 74 dwellings with a mix of nine four-bedroom units, 64 studio apartments and one unit for an onsite caretaker with plans to cater for 100 to 121 residents at a time (including children). All units feature internal bathrooms, two units have accessible bathrooms, 80% of units have balconies, and 40% have internal laundries.
  - (b) Communal facilities include a meeting room, reception and lobby area, kitchen, dining and living area, lounge/multipurpose rooms, rooftop garden, rooftop terrace with BBQ facility, and a courtyard with lounge area. Support and counselling services will also be available on-site.
9. Eligibility to access affordable housing will be assessed based on an income criteria. The resident mix will comprise:
  - (a) those working in the local community who currently cannot afford housing in the City of Sydney Local Government Area;
  - (b) those living in the local community who are experiencing housing stress and would benefit from affordable housing;
  - (c) older people who would like to remain living in their community or need to be close to local infrastructure, such as hospitals; and
  - (d) those studying at local educational institutions.
10. Wesley Mission will prioritise eligible clients based on vulnerabilities such as:
  - (a) women and children who have experienced domestic or family violence;
  - (b) older women (aged over 55) who are at risk or experiencing homelessness; and
  - (c) key workers on low incomes.



11. Wesley Mission estimate the project will cost \$11,600,000. If Council approves this grant of \$3,000,000 Wesley Mission will seek funding of \$8,600,000 from additional funding partners, fundraising activities, and Wesley Mission cash reserves.
12. The City is requesting further information from Wesley Mission to demonstrate that sufficient funding for the project has been made available prior to payment of the grant. This could include evidence of additional grants or partnerships, or the provision of signed Financial Statements to ensure the organisation has the financial capacity to undertake this development through using its own funds.
13. The City is also requesting further information from Wesley Mission to ensure the services and affordable housing offered to vulnerable communities fleeing domestic violence are conducted safely and best practice in nature through the provision of a Plan of Management. A further Plan of Management is also requested to ensure effective engagement with the local Aboriginal and Torres Strait Islander community to ensure equitable access to the affordable housing opportunity.

## Key Implications

### Strategic Alignment - Sustainable Sydney 2030

14. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This grant is aligned with the following strategic directions and objectives:
  - (a) Direction 8 - Housing for a Diverse Population - This proposal aligns with the City's position on affordable housing, homelessness and social sustainability, as set out in A City For All, the social sustainability strategy, as well as Housing for All, the City's housing strategy.

### Risks

15. Risks for the City in association with this investment have been addressed by setting the proposed conditions in the recommendations. If this grant is awarded, the applicant will be required to enter into an agreement governing the grant on terms satisfactory to the City.

### Social / Cultural / Community

16. A City For All is the social sustainability vision for a socially just and resilient Sydney. These grant recommendations are aligned with the following strategic directions and objectives:
  - (a) Inclusive growth and opportunities:
    - (i) Prevent homelessness and reduce rough sleeping through leading and participating in innovative approaches to addressing homelessness.
    - (ii) Increase supply of housing that is universally designed for people of all ages and abilities.
    - (iii) Provide improved access to facilities, programs and services for people on
    - (iv) Enable community led solutions to local social issues.

- (b) Connect City - diverse, cohesive communities
  - (i) Improve community safety through collaboration with government and nongovernment organisations to deliver improved services, programs and initiatives.

### **Financial Implications**

- 17. Of the \$10,350,000 allocated to the City's Affordable and Diverse Housing Fund, \$7,010,000 has already been committed leaving \$3,340,000 unallocated.
- 18. Should this recommendation be adopted of \$3,000,000, \$340,000 will remain in the Fund for future applications and subsidised land sales.
- 19. The funds for the recommendation set out in this report will be included in 2021/22 financial year's budget.

### **Relevant Legislation**

- 20. Section 356(1) of the Local Government Act states that a council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.

### **KIM WOODBURY**

Chief Operating Officer

Jeremy Kelshaw, Manager Grants

## **Attachment B**

**Resolution of Council 7.2 – Affordable and  
Diverse Housing Fund – Wesley Mission RJ  
Williams Redevelopment**

## Resolution of Council

**14 December 2020**

### **Item 7.2**

#### **Affordable and Diverse Housing Fund - Wesley Mission RJ Williams Redevelopment**

It is resolved that:

- (A) Council approve a \$3,000,000 (excluding GST) cash grant to Wesley Community Services Limited to support the redevelopment of the RJ Williams building located at 274-276 Glebe Point Road, Glebe for the purposes of affordable housing as outlined in Attachment A to the subject report subject to the following conditions:
  - (i) Council reserves the right to withdraw the grant offer:
    - (a) if the project changes from the current proposal for subsidised accommodation and supporting facilities consistent with the development outlined in Attachment A to the subject report; or
    - (b) if Wesley Community Services Limited are not able to demonstrate that funding is available to the agreed value of the project within 18 months of Council approval of this grant;
  - (ii) the grant funds are only to be paid when all of the following are satisfied:
    - (a) no sooner than 1 July 2021; and
    - (b) when a Construction Certificate for the project has been issued; and
    - (c) when Wesley Community Services Limited have demonstrated that funding is available to the agreed value of the project, either in the form of other grants or partnerships, or through Wesley Mission Services Limited cash reserves; and

- (d) when the applicant has provided a suitable Plan of Management for the purposes of providing best practice affordable rental housing for the types of tenants proposed in the application as well as engaging local Aboriginal and Torres Strait Islander communities to ensure equitable access to the affordable housing to be provided;
  - (iii) the City reserves the right to require the \$3,000,000 grant to be repaid in full indexed annually by CPI if:
    - (a) Wesley Community Services Limited does not complete the development by 31 December 2025; or
    - (b) the project changes from the current proposal for subsidised accommodation and supporting facilities as outlined in Attachment A to the subject report;
  - (iv) the property supported though this grant will remain as subsidised accommodation and supporting facilities as outlined in Attachment A to the subject report in perpetuity to fulfil the aims of the Affordable and Diverse Housing Fund, unless Council exercises a right under paragraph (i) or (iii) above; and
  - (v) the City will require a covenant to be registered on the land title to protect the land use referred to in paragraph (iv) unless the grant funds are repaid in accordance with paragraph (iii); and
- (B) authority be delegated to the Chief Executive Officer to finalise negotiations, execute and administer a grant agreement with Wesley Community Services Limited relating to the project described and on the terms described in clause (A).

Carried unanimously.

S117676

# **Attachment C**

**Additional Information – Wesley Mission –  
RJ Williams Glebe (Confidential)**



## Applicant details

### Legal name of the organisation

Wesley Community Services Limited

### Trading name

Wesley Mission

### Type of organisation

Incorporated not-for-profit

### National Registry System for Community Housing registered community housing provider?

Yes

### National Registry System for Community Housing status?

Tier 2

### ABN

42 164 655 145

### Postal address

PO BOX A5555  
Sydney South NSW 1235

## Contact for application

### Contact name

Andrew Tyndale

### Position

Chief Investments & Assets Officer

### Contact number

0411 852 825

### Contact email address

andrew.tyndale@wesleymission.org.au

## Project details and City of Sydney support

### Project name

Affordable housing in Glebe

### Project address

RJ Williams  
274-276 Glebe Point Road  
Glebe NSW 2037

### Project status

Planning (DA approved)

### Project start date (estimated)

1.11.2019

### Project completion date (estimated)

31.08.2025



## Additional information for Affordable and Diverse Housing Fund

### Brief project description

Wesley Mission is proposing the adaptive re-use of an existing building, RJ Williams in Glebe, to create 39 new dwellings under the Affordable Housing State Environmental Planning Policy. The building is currently unable to be used for accommodation without refurbishment. The newly created dwellings will be used as affordable housing. 1 bedroom unit would be used by the on-site manager. The main focus of the project is housing for women aged over 55 who are at risk of homelessness or are experiencing homelessness, families impacted by domestic or family violence, and key worker housing.

### Detailed project description

The redevelopment of RJ Williams will create 39 dwellings that will be used as affordable housing (subsidised rental accommodation for people on very low, low or moderate incomes, managed in line with the NSW Affordable Housing Guidelines). The configuration will be:

Qty	Bedroom configuration	Internal bathroom	Target group
2	4 bedroom	2.5	Key worker/s with 2 children
4	3 bedroom	2	Key workers and or Multi-generational co-living
3	2 bedroom	1	Key worker/s with 1 child
25	1 bedroom	1	Key worker/s, youth, women +55
4	1 bedroom (accessible)	1	Key worker, youth, women +55
1	1 bedroom	1	Manager

All dwellings have at least one balcony and internal laundry.

The refurbished building will also include communal facilities:

- Function room
- Reception and lobby area
- Counselling room
- Kitchen
- Dining and living area
- 4 lounge/multipurpose rooms
- Rooftop garden
- Rooftop terrace with BBQ facility
- Rooftop sun lounge area and lawn area
- Courtyard with lounge area.

The design of the dwellings and the on-site facilities, together with planned community engagement strategies and programs, intentionally fosters inclusion and connections between the residents and also links the residents into the broader Glebe and City of Sydney community.

The 39 dwellings created at Wesley Mission's RJ Williams site in Glebe will provide housing for 80 to 92 residents at a time (including children).

Resident eligibility to access affordable housing will be assessed based on income criteria. The resident mix will comprise:

- Those working in the local community who currently cannot afford housing in the City of Sydney Local Government Area





## Additional information for Affordable and Diverse Housing Fund

- Those living in the local community who are experiencing housing stress and would benefit from affordable housing
- Older people who would like to remain living in their community or need to be close to local infrastructure, such as hospitals
- Those studying at local educational institutions.

Wesley Mission will prioritise eligible clients based on vulnerabilities such as:

- Women and children who have experienced domestic or family violence
- Older women (aged over 55) who are at risk or experiencing homelessness
- Key workers on low incomes.

The property will be managed through Wesley Community Housing, which is a Tier 2 Community Housing provider. Wesley Community Housing will manage:

- Vacancies
- Application process
- Dwelling allocation
- Rental agreements
- Rent setting
- Rent collection
- Planned and responsive maintenance
- Refurbishment.

An onsite manager will reside at the property and work as a Wesley Mission employee. During the initial implementation, a temporary additional resource will be engaged to support the dwelling allocation process.

### Number of dwellings constructed as a result of the project

39

### Number of dwellings demolished as a result of the project

0

### Need and opportunity for the project, including market gaps and evidence of community support

Wesley Mission supports an average of 2,000 people each month in the City of Sydney Local Government Area. Our local programs include a Specialist Homelessness Service, Wesley Edward Eagar Centre crisis accommodation in Surry Hills, financial and gambling counselling services, Lifeline crisis telephone counselling and emergency relief provision in the city. Through our experience supporting those most in need in the City of Sydney, Wesley Mission has identified a need for additional affordable housing in the community. This gap is evidenced by:

- **Affordable housing need:** The median weekly rent price for units in the City of Sydney is \$709 (NSW Department of Family and Community Services - Rent and Sales Report, June 2023). 14.6% of households earn a low income of < \$650 per week and 33.0% of households are in housing stress, where rent payments are 30% or more of household income (Australian Bureau of Statistics - Census of Population and Housing, 2021).
- **Growing homelessness among women:** Between 2016 and 2021 there was a 10% increase in women experiencing homelessness. The rate of women over 55 has stabilised while young women between 12-24 grew and represents the largest group. (Australian Housing and Urban Research Institute, 2023).
- **Housing instability:** In 2016 62.2% of City of Sydney residents were renting and by 2021 this had increased to 64.1%. 11.6% of dwellings are group households, which is 3 times the rate compared with the rest of the state (Australian Bureau of Statistics - Census of Population and Housing, 2021).
- **Lack of affordable housing options:** The expected wait time for Glebe (CS03 Leichhardt/Marrickville zone) for all social housing property types is 5 to 10 years for studio/1-bedroom and 10+ years for 2 or more bedrooms. There are 1,203 general and 351 priority approved applicants on the wait list (NSW Department of Family and Community Services Guide to Waiting Times for Social Housing, June 2022).



**Additional information for Affordable and Diverse Housing Fund**

Wesley Mission's project aligns with the City of Sydney's Affordable Rental Housing Strategy (2009-2014) and its commitment that "by 2030, of all housing in the LGA 7.5% will be social housing and 7.5% will be affordable housing delivered by non-for-profit or other providers".

Wesley Mission has been working with Left Field Communications to develop and implement a Strategic Community Engagement Plan. The plan addresses key issues of stakeholder interest through thorough analysis and consultation, and forms an action plan.

**Brief project timeline:**

Phase	Timing
Minor Change approved	August 2023
Detailed design	September 2023 to February 2024
Construction Certificate	March 2024
Tender	April 2024 to June 2024
Construction	August 2024 to July 2025
Property handed over to Wesley Community Housing	August 2025

**Estimate total cash amount requested from City of Sydney Council**  
\$3,000,000

**Use for the funding**  
Construction

**Project stage when funding is requested**  
Construction Certificate issued

**Total development cost of project including financial expenses**  
\$16,500,000

The cost breakdown is:

Item	Budgeted cost (excl GST)	Details
Construction costs	\$13,049,600	As per QS report 3/7/23 p
Professional services	\$1,396,000	Legal and Professional services fees for
Contingency)	\$1,691,945	Estimate only for internal business case purposes Estimate will be validated following detailed design
<b>Total</b>	<b>\$16,500,000</b>	

The Quantity Surveyor Report is based on the stamped architectural drawings and consent conditions as per the approved Minor Change Development Application (D/2019/1470) dated 1 August 2023.

**Total construction cost of project**

Construction costs are estimated at \$13,049,600, as per the Quantity Surveyor Report dated 3/07/2023. Final costs are subject to final Prime Cost items and provisional allowances, further geotechnical investigation, contract conditions, structural and services documentation, and potential variations to the proposed fixtures and finishes.

**How project is being funded**

Wesley Mission has undertaken detailed project feasibility studies and is in the process of finalising the detailed funding plan for a total project budget of \$16,500,000. The funding plan is as follows:



## Additional information for Affordable and Diverse Housing Fund

\$3,000,000 subject to approval  
\$13,500,000

City of Sydney Council Grant  
Wesley Mission (cash reserves and/or debt financing, minus any third-party contribution secured).

### Details

Project costs have been refined since the initial \$14m cost estimate through further detailed modelling and increased build costs and are now estimated at \$16,400,000. These remain subject to further detailed feasibility modelling.

### Applying for or received any other grants or donations for the project

Yes

### Details

1. Trifalga has assisted Wesley Mission with the high-level design and planning for the site on a pro-bono and at discounted fees basis and has also procured consultant services for the project either pro bono or at discounted rates. Trifalga will continue to provide Development & Project Management services until completion of the project. Trifalga has also secured discounted fees for the Detailed design process under an ECI agreement with Growthbuilt and architecture from Stanton Dahl.
2. Wesley Mission is also in discussions with Housing Australia (formerly NHFIC) around securing financing for the project, either by way of a construction loan or term debt. Financing terms will depend on the type of loan secured. If Council approves the grant, we will come back to Council with any further requirements involving Housing Australia in relation to Council's interest in the land.
3. Wesley Mission will also be working to identify other community partners or donors that can contribute to the financial costs associated with this project.

## Additional information

Wesley Mission is committed to providing homes in line with our vision that 'every life matters. Two recent projects demonstrating this commitment are:

### 1. Wesley Edward Eagar Centre redevelopment

Our crisis accommodation in Surry Hills underwent a major site upgrade which was completed in 2021 to improve privacy, promote dignity and strengthen holistic care. The building has 40 secure rooms, each with private ensuite and there is a dedicated floor for women. The facility provides spaces for chaplain along with services like medical, counselling, and legal services to provide guests with easy access to wraparound support they need to break the cycle of homelessness.





## 2. Intensive Therapeutic Care program

Wesley Mission recently finished redeveloping two homes to be used for ten children and young people with significant disabilities who are living in Out of Home Care in hospital settings. Currently unable to live with their families, the children and young people will be able to call these sites their permanent home. The buildings were opened in August 2020. The homes have been intentionally designed with disability access principles and to allow for flexible and meaningful use of space. Under the management of Wesley Property, each home has been renovated to support young people with disability such as brain injury, cerebral palsy, vision or hearing impairment and is equipped for wheelchair users. Each bedroom will be tailored to meet the tastes of each young person.



# **Attachment D**

**Summary of Changes to Development  
Wesley Mission – RJ Williams, Glebe  
(Confidential)**

## Summary of Changes - Affordable and Diverse Housing Fund – Wesley Mission - RJ Williams, Glebe Redevelopment

The below information provides a comparison between the original development application and the modified consent application for the Wesley Mission - RJ Williams redevelopment in Glebe.

### Project design

#### Original development application - Approved July 2020

The original design consisted of 74 rooms to cater for a maximum of 113 residents configured as below:

Quantity	Bedroom configuration	Target group
5	4 bedroom	Families
4	4 bedroom (accessible)	Families
9	Studio with double bed	Singles or couples
3	Studio with double bed (accessible)	Singles or couples
8	Studio	Singles
20	Studio (able to interconnect to neighbouring studio)	Singles
24	Studio (including one managers)	Singles

#### Modified consent application - Approved August 2023

The modified design consists of 56 rooms in 39 dwellings to cater for a maximum of 92 residents configured as below:

Quantity	Bedroom configuration	Target group
2	4 bedroom	Key worker/s with 2 children
4	3 bedroom	Key worker/s or multi-generational co-living
3	2 bedroom	Key worker/s with 1 child
25	1 bedroom	Key worker/s, youth, women +55
4	1 bedroom (accessible)	Key worker, youth, women +55
1	1 bedroom	Manager

### Project Timeline

#### Original development application - Approved July 2020

Phase	Timing
Service Agreement executed	November 2020
Detailed design	November 2020 – May 2021
Construction Certificate	May 2021
Tender	April 2021 – June 2021
Construction	July 2021 – July 2022
Property handed over to Wesley Community Housing	July 2022

**Modified consent application - Approved August 2023**

<b>Phase</b>	<b>Timing</b>
Minor change approved	August 2023
Detailed design	September 2023 - February 2024
Construction Certificate	March 2024
Tender	April 2024 - June 2024
Construction	August 2024 - July 2025
Property handed over to Wesley Community Housing	August 2025

**Estimated project costs****Original development application - Approved July 2020**

<b>Item</b>	<b>Budgeted Cost (excl GST)</b>	<b>Details</b>
Construction costs	\$7,410,481	As per Quantity Surveyor Report by MCG Quantity Surveyors dated 2 September 2020
Development fee	\$1,000,000	Estimated cost for development management including detailed design, procurement and project management
Internal fit out	\$2,448,470	Estimate only for internal business case purposes Estimate will be validated following detailed design
<b>Total</b>	<b>\$11,600,000</b>	

**Modified consent application - Approved August 2023**

<b>Item</b>	<b>Budgeted Cost (excl GST)</b>	<b>Details</b>
Construction costs (including internal fit out)	\$13,049,600	As per Quantity Surveyor Report dated 3 July 2023
Professional services	\$1,396,000	Legal and professional service fees
Contingency	\$1,691,945	Estimate only for internal business case purposes Estimate will be validated following detailed design
<b>Total</b>	<b>\$16,500,000</b>	