Item 6
At Central Sydney Planning Committee
23 June 2022

Relevant Information for Central Sydney Planning Committee

FILE: **X084801** **DATE:** 23 June 2022

TO: The Central Sydney Planning Committee

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

SUBJECT: Information Relevant To Item 6 – Public Exhibition - Planning Proposal - Affordable Housing Program Update -Sydney Local Environmental Plan 2012, Sydney Local Environmental Plan (Green Square Town Centre) 2013, Sydney Local Environmental Plan (Green Square Town Centre - Stage 2) 2013, Draft City of Sydney Affordable Housing Program 2022 and Draft Affordable Housing Contributions Distribution Plan

Alternate Recommendation

It is resolved that:

(A) the Central Sydney Planning Committee approve Planning Proposal - City of Sydney Affordable Housing Program Update, shown at Attachment A to the subject ~~report~~ ***Information Relevant To Memorandum***, for submission to the Department of Planning and Environment with a request for a Gateway Determination;

(B) the Central Sydney Planning Committee approve Planning Proposal - City of Sydney Affordable Housing Program, for public authority consultation and public exhibition in accordance with any conditions imposed under the Gateway Determination;

(C) the Central Sydney Planning Committee note the recommendation to Council's Housing For All Committee on 20 June 2022 that Council approve the draft City of Sydney Affordable Housing Program Amendment 2022, shown at Attachment B to the subject ~~report~~ ***Information Relevant To Memorandum***, for public exhibition for a period of no less than 28 days, concurrently with the planning proposal;

(D) the Central Sydney Planning Committee note the recommendation to Council's Housing For All Committee on 20 June 2022 that Council approve the draft City of Sydney ***Interim*** Affordable Housing Contributions Distribution Plan, shown at Attachment C to the subject ~~report~~ ***Information Relevant To Memorandum***, for public exhibition for a period of no less than 28 days, concurrently with the planning proposal;

(E) the Central Sydney Planning Committee note the recommendation to Council's Housing For All Committee on 20 June 2022 that Council seek authority from the Department of Planning and Environment to exercise its delegation under section 3.36 of the Environmental Planning and Assessment Act 1979 to make the amending Local Environmental Plan; ~~and~~

(F) authority be delegated to the Chief Executive Officer to make any minor variations to Planning Proposal - City of Sydney Affordable Housing Program Update, the draft City of Sydney Affordable Housing Program Amendment 2022 and the draft City of Sydney ***Interim*** Affordable Housing Contributions Distribution Plan, to correct any drafting errors or inconsistencies, or to ensure consistency with any condition of the Gateway Determination~~.~~ ***and***

(G) ***the Central Sydney Planning Committee note further consultation will be undertaken with the community housing sector to inform the final distribution plan which will be reported to Council for consideration.***

Purpose

To provide an alternative recommendation to progress key elements of the Planning Proposal - City of Sydney Affordable Housing Program Update (planning proposal) and the proposed amendments to City of Sydney Affordable Housing Program (draft Program) and defer the preparation of a final distribution plan to allow for further consultation with the community housing sector and other experts.

Background

At the meeting of Council's Housing for All Committee on 20 June 2022, the Committee requested the preparation of an alternate recommendation to:

- allow the key elements of the planning proposal and the draft Program progress; and
- defer the preparation of a final distribution plan for the allocation of affordable housing contribution funds to allow for further consultation with the community housing sector and other experts.

To achieve the above, changes are required to the planning proposal, draft Program and draft Distribution Plan as attached to the report. The proposed changes are shown respectively at Attachment A to Attachment C, with deletions ~~struckthrough~~ and additions shown in red. The changes are explained below.

Draft City of Sydney Affordable Housing Contributions Distribution Plan

It is proposed to update the title and content of the draft Distribution Plan to:

- retitle the draft Distribution Plan to be called the draft City of Sydney **Interim** Affordable Housing Contributions Distribution Plan (draft Interim Distribution Plan), so that it is clear that the policy is temporary only and expected to be updated;
- identify City West Housing as the recipient of all affordable housing contribution funds for an interim period, noting this generally maintains the status quo, except that proposed changes to the Program will mean that funds from the Southern Employment

Lands will also go the City West Housing (currently these funds are remitted to the Department of Communities and Justice); and

- provide high level information about the anticipated preparation of a final Distribution Plan (to update the interim plan).

It is recommended the draft Interim Distribution Plan be retained as part of the suite of changes recommended to Council and the CSPC.

The planning proposal, draft Program and draft Interim Distribution Plan all work together and underpin the proposed change to the Sydney Local Environmental Plan 2012.

Establishing a distribution plan now will mean a further planning proposal to amend the LEP will not be required when a final distribution plan is adopted by Council or for subsequent updates to the distribution plan.

The City will publicly exhibit any final distribution plan prior to its adoption; however, it will not need to be part of a formal plan making process and will not require the endorsement of the NSW Government.

City of Sydney Affordable Housing Program Amendment

Minor changes are required to the draft Program to update references to the distribution plan so that further amendment to the Program and planning proposal is not required when a new (and final) distribution plan is made.

The draft Program is recommended to progress as it will:

- increase the affordable housing contribution obligation in Ultimo-Pyrmont, consistent with the NSW Government's Pyrmont Peninsula Place Strategy, so that it aligns with other areas in the City. The proposed changes may deliver up to an additional 250 affordable housing dwellings.

- require affordable housing contributions be distributed to community housing providers in accordance with any Distribution Plan adopted by the City of Sydney Council

- reallocate contribution funds arising from development in the Southern Employment Lands from the Department Communities and Justice, to community housing providers in accordance with any Distribution Plan adopted by the City of Sydney Council

- allow for the Program to apply to Redfern Waterloo Authority sites should the Department repeal the Redfern Waterloo Authority Affordable Housing Contribution Scheme; and

- make a number of housekeeping amendments to streamline the Program, remove unnecessary information, and make minor housekeeping amendments to clarify content.

Planning Proposal - City of Sydney Affordable Housing Program Update

Changes to the planning proposal reflect the abovementioned changes to the draft Program and the draft Interim Distribution Plan.

No changes are required to the planning proposal that would affect the proposed amendment to the Sydney LEP 2012.

Prepared by: Tamara Bruckshaw, Manager Green Square and Major Projects

Attachments

Attachment A. Planning Proposal - City of Sydney Affordable Housing Program Update

Attachment B. City of Sydney Affordable Housing Program Amendment

Attachment C. Draft City of Sydney Interim Affordable Housing Contributions Distribution Plan

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Approved

GRAHAM JAHN AM

Director City Planning, Development and Transport