

Relevant Information for Council

FILE: X084801 **DATE:** 24 June 2022

TO: Lord Mayor and Councillors

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

SUBJECT: Information Relevant To Item 8.2 – 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

Alternative Recommendation

It is resolved that:

- (A) Council approve Planning Proposal - City of Sydney Affordable Housing Program Update, shown at Attachment A to the subject **Information Relevant To Memorandum**, for submission to the Department of Planning and Environment with a request for a Gateway Determination, **subject to the planning proposal being updated in accordance with (D) below**;
- (B) Council 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) Council approve the draft City of Sydney Affordable Housing Program Amendment 2022, shown at Attachment B to the subject **Information Relevant To Memorandum**, for public exhibition for a period of no less than 28 days, concurrently with the planning proposal;
- (D) Council approve the draft City of Sydney **Interim** Affordable Housing Contributions Distribution Plan, shown at Attachment C to the subject **Information Relevant To Memorandum**, for public exhibition for a period of no less than 28 days, concurrently with the planning proposal, **subject to the draft City of Sydney Interim Affordable Housing Contributions Distribution Plan being amended to distribute all affordable housing contribution funds equally amongst City West Housing, St George Community Housing and Bridge Housing**;

- (E) 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) **Council note further consultation will be undertaken with the Housing for All Working Group and 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 City of Sydney Affordable Housing Contributions Distribution Plan (final distribution plan) to allow for further consultation with the Housing for All Working Group and the community housing sector.

Background

At the meeting of Council's Housing for All Committee on 20 June 2022, the Committee requested the preparation of an alternative 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 Housing for All Working Group and the community housing sector.

An alternative recommendation was put to the Central Sydney Planning Committee (CSPC) at their meeting on 23 June 2023. The recommendation was generally supported by the CSPC, however the resolution was amended to alter the draft City of Sydney **Interim** Affordable Housing Contributions Distribution Plan (draft Interim Distribution Plan), that proposed the allocation of contribution funds arising from the Program maintain the status quo and instead the funds being allocated separately amongst three community housing providers.

The alternative recommendation requires changes to the planning proposal, draft Program and draft Distribution Plan as attached to the report. The proposed changes are shown respectively at Attachment A, Attachment B and Attachment C, with deletions ~~struck through~~ and additions shown in red. It is noted further changes are required to the attachments following the amendment to the alternative recommendation made by the CSPC.

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, St George Community Housing and Bridge Housing as the recipient of all affordable housing contribution funds, with funds being split equally amongst the three providers, noting the interim plan will only come into effect when the associated planning proposal and amendments to the Program are approved by Council and the Central Sydney Planning Committee following public exhibition and gazetted; 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 for subsequent updates to the any distribution plan adopted as part of the current planning proposal process.

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 subsequent distribution plans are made in future.

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.

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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

Approved



GRAHAM JAHN AM

Director City Planning, Development and Transport