

Attachment C

**Draft City of Sydney Interim Affordable
Housing Contributions Distribution Plan**

Draft City of Sydney **Interim** Affordable Housing Contributions Distribution Plan



1. Purpose

This City of Sydney **Interim** Affordable Housing Contributions Distribution Plan (**Interim** Distribution Plan) sets out **a temporary plan for** how monetary affordable housing contributions (contributions) received under the City of Sydney Affordable Housing Program (Program) are to be distributed to Recommended Community Housing Providers (Recommended CHPs).

This **Interim** Distribution Plan was adopted by Council on **XX XX XXX** and commenced on that day.

2. Allocation of funds

This section sets out how contributions are to be allocated to Recommended CHPs.

2.1 Recommended CHPs

Recommended CHPs are the only CHPs who may receive a monetary contribution under the Program. The following are Recommended CHPs:

- City West Housing Pty Ltd.; and
- ~~an 'Alternate CHP', to be identified no later than 31 December 2023, following an Expression of Interest process.~~

The Program requires Recommended CHP's to use contributions for the purpose of providing affordable rental housing in accordance with the Program.

2.2 Distribution Plan

All affordable housing contributions are to be distributed to Recommended CHPs identified in this Interim Distribution Plan.

~~Affordable housing contributions are to be distributed in accordance with Table 1.~~

Table 1: Distribution Plan

| | Contributions paid to the City of Sydney |
|--|--|
| Year 1 (from adoption of this Plan up to and including 31 Dec 2023) | All funds remitted to City West Housing |
| Year 2 | <ol style="list-style-type: none"> 1. First \$20m remitted to City West Housing 2. Next \$10m remitted to the Alternate CHP 3. Next \$10m remitted to City West Housing 4. Ongoing: Alternating between Alternate CHP and City West Housing in tranches of \$10m |
| Year 3 | <ol style="list-style-type: none"> 1. First \$20m remitted to City West Housing 2. Next \$10m remitted to Alternate CHP 3. Next \$10m remitted to City West Housing 4. Ongoing: Alternating between Alternate CHP and City West Housing in tranches of \$10m |
| Year 4 | <ol style="list-style-type: none"> 1. First \$20m remitted to City West Housing 2. Next \$10m remitted to Alternate CHP 3. Next \$10m remitted to City West Housing 4. Ongoing: Alternating between Alternate CHP and City West Housing in tranches of \$10m |

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| | |
|---------------------------------|---|
| Year 5 | <ol style="list-style-type: none">1. First \$20m remitted to City West Housing2. Next \$10m remitted to Alternate CHP3. Next \$10m remitted to City West Housing4. Ongoing: Alternating between Alternate CHP and City West Housing in tranches of \$10m |
| Ongoing (pending review) | <ol style="list-style-type: none">1. First \$20m remitted to City West Housing2. Next \$10m remitted to Alternate CHP3. Next \$10m remitted to City West Housing4. Ongoing: Alternating between Alternate CHP and City West Housing in tranches of \$10m |

Note: contributions are to be remitted on a quarterly basis with residual funds being rolled over to the next calendar year

3. Review of the **Interim** Distribution Plan

This Interim Plan is intended to be replaced following consultation with the Community Housing sector and with other experts to determine how best to allocate affordable housing contribution funds into the future to:

- contribute to the City's affordable housing targets; and
- increase the amount of affordable housing for Aboriginal and Torres Strait Islander households.

Following consultation, a draft Distribution Plan will be exhibited for public comment before being reported to Council for consideration.

~~Providing certainty for CHPs about future funding is critical to ensure they can buy land, commit to projects and forward plan with confidence.~~

~~This Distribution Plan establishes a 5-year plan for the allocation of funding, with a periodic review at the end of that period.~~

~~The periodic review of the Distribution Plan comprises two key steps, including:~~

- ~~• establishing via an Expression of Interest process who will be the Recommended CHPs to receive funds in the new Distribution Plan; and~~
- ~~• a review of how funds will be distributed amongst Recommended CHPs ie revision of Table 1 above.~~

Expressions of Interest

~~Prior to the commencement of the review of the Distribution Plan, all Tier 1 and Tier 2 CHPs who operate in the City of Sydney will be invited, via an Expression of Interest process, to make an application to be identified as a Recommended CHP.~~

~~The following assessment criteria and considerations will be applied to applications:~~

- ~~• eligibility of the CHP;~~
- ~~• financial position of the CHP, as evidenced by a financial health check prepared by an appropriately qualified professional;~~
- ~~• current owned housing stock, current housing stock being managed on behalf of a third party and relevant partnerships;~~
- ~~• membership of the Board;~~
- ~~• track record of procuring development sites, undertaking development activity, managing social and/or affordable housing;~~
- ~~• demonstrated commitment to achieve realistic affordable housing targeted outcomes, as evidenced by a detailed business plan showing how funds received from contributions would build upon their track record;~~
- ~~• demonstrated commitment to increasing the amount of affordable housing for Aboriginal and~~

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Torres Strait Islander households;

- ~~demonstrated ability to source opportunities within a business framework that would be complemented by contributions from the Program i.e. evidence they will not be entirely reliant on contribution funds;~~
- ~~demonstrated understanding of the requirements of the Program.~~

Generally only two (2) Recommended CHPs will be identified in any 5 year period.

~~Applications by CHPs to be included as a Recommended CHP in this Distribution Plan outside of the review period will not be considered.~~

Review of Distribution Plan

~~Following identification of the Recommended CHPs, the Distribution Plan is to be reviewed, giving consideration to the following matters:~~

- ~~patterns of contribution receipts;~~
- ~~any submission made by any CHP already identified as a Recommended CHP,~~
- ~~expected future contributions;~~
- ~~current pipeline development projects.~~
- ~~Identified opportunities to improve the operation of the Distribution Plan;~~
- ~~opportunities to increase the amount of affordable housing resulting from the Distribution Plan.~~

