

Item 3.5

Haven House South Dowling Street

File No: S051491

Minute by the Lord Mayor

To Council:

For 3 years, the City of Sydney worked with the Property Industry Foundation to find an appropriate City-owned site for their Haven House project, which aims to provide long-term accommodation for young people experiencing or at risk of homelessness.

In 2020, Council approved a heavily discounted 50-year ground lease to the Property Industry Foundation worth \$5.9 million for our property at 545–549 South Dowling Street in Surry Hills. This site was chosen because it can accommodate more apartments, was available for 50 years providing security of tenure and is close to transport.

The Property Industry Foundation and the City entered into a formal agreement to secure the long-term lease and invest in redeveloping the property into a new flagship facility. This strong financial commitment enabled the Property Industry Foundation to leverage funding from the NSW Government and the Goodman property group towards planning and construction costs. Without this early commitment from the City and the tireless work of City staff, this project may not have got off the ground.

In February 2024, the Local Planning Panel greenlit the project to deliver a new four-storey building with 10 apartments that will be home for 19 young people. It includes communal recreation spaces and dedicated areas for support service providers.

The building is sensitively designed by architects, Fitzpatrick and Partners and is a modern interpretation of the traditional Victorian terrace, so it respects the streetscape. The design enables independent living with individual kitchens, living rooms and bathrooms in each apartment. Long-term, stable accommodation will promote long-term care and true transition to fully independent living.

While housing is primarily the responsibility of the NSW Government, the City uses every lever available to maximise Affordable Housing in our area. Long-term leasing or selling land at a discounted rate is one of these levers. Similar projects using this approach include Gibbons Street, Redfern, where we sold a former Council depot at a discount to St George Community Housing delivering 162 social and affordable units, with 45% for Aboriginal and Torres Strait Islander households. In Chippendale, we provided a \$3 million grant to St George Community Housing from our Affordable and Diverse Housing Fund to deliver 53 rooms for young people at risk of homelessness and 20 rooms for key workers.

Partnership model

The Property Industry Foundation's House Program leverages the skills and influence of property and construction industry leaders to build new facilities through in-kind contributions and increase affordable housing stock. They partner with frontline homelessness charities to provide safe, appropriate and affordable accommodation and the necessary wrap around support services.

To date the Property Industry Foundation has delivered 26 beds in NSW, Victoria and Queensland for young people at risk of homelessness. Haven House South Dowling Street will be their largest project delivered, adding another 19 beds to their portfolio.

For Haven House, the Property Industry Foundation has partnered with The Salvation Army to deliver early intervention programs and services on site to support young people once the development is complete. This means its future residents will have access to programs and services to support them through complex health and welfare needs, through services to improve education and financial skills, as well as providing employment training and mental health care.

I was very pleased when earlier this year, the NSW Government also agreed to support the project's construction through a \$3 million grant as well as \$1.5 million from private property group, Goodman. This project is a great example of what can be achieved when different levels of government, the private sector and the Community Housing sector work together.

Construction is due to start early next year and expected to be completed in 2026 with Roberts Co as lead construction partners. The Property Industry Foundation will be responsible for operational and structural maintenance and repair of the new building as well as all outgoings.

Haven House is about breaking the cycle of homelessness and providing young people the support and guidance they need in a safe environment.

Not all young people can rely on family support during their childhoods. This innovative model of care will provide those people with the time, personalised attention, mentoring, coaching and access to opportunities needed to lead fulfilling, independent and productive lives.

We are proud to see our initiative with the Property Industry Foundation and others come to fruition and for Haven House to take the next steps towards completion.

Recommendation

It is resolved that Council note:

- (A) the Haven House project at 545–549 South Dowling Street in Surry Hills will deliver long-term transitional housing for 19 young people experiencing or at risk of homelessness;
- (B) in order to bring this housing project to fruition, the City of Sydney provided the Property Industry Foundation with a heavily discounted 50-year ground lease for the site worth approximately \$5.9 million;
- (C) the additional financial support from the NSW Government, Goodman property group, as well as The Salvation Army who will provide on-site intervention programs and services to support future residents;
- (D) this project is a great example of what can be achieved when different levels of government, the private sector and the Community Housing sector work together; and
- (E) the important contribution of the City of Sydney's Chief Executive Officer, Executive team and staff to make this project possible all the way from idea to approval.

COUNCILLOR CLOVER MOORE AO

Lord Mayor