

# Affordable Housing

## Affordable rental housing supports key city workers

This type of housing is rented to very low to moderate income households for an affordable proportion of their income. It is managed by a registered community housing provider.

Very low to moderate income households typically include key workers such as hospitality workers, carers and aides, cleaners, teachers and childcare workers.

Housing stress happens when a household spends more than 30 per cent of their gross income on rent.

In the City of Sydney area, the private housing market is unlikely to provide rental housing which does not put housing stress on a very low to moderate income household.

That is why we want to increase the proportion of affordable rental housing in our area.

## Affordable rental housing is especially important in Sydney

Sydney is Australia's least affordable city. The high cost of housing is an important economic and social issue. Affordable rental housing is essential to the cultural and social vitality, economic growth and liveability of a city.

We must ensure the people who work in our city can afford to live here – everyone from teachers and nurses to social services workers and police.

It's important we carefully manage the location of affordable rental housing as well as its proximity to employment and diversity in price, type and quality.

## All new developments must make affordable housing contributions

When a private developer proposes a new development, they have to make an affordable housing contribution.

The contribution can be made by dedicating affordable housing dwellings, or by making a monetary contribution to the City of Sydney. This money will go to a registered community housing provider.

The contribution is part of the conditions of consent for a development application. It must be paid or agreed on before a construction certificate is issued.

## Minor developments may be exempt

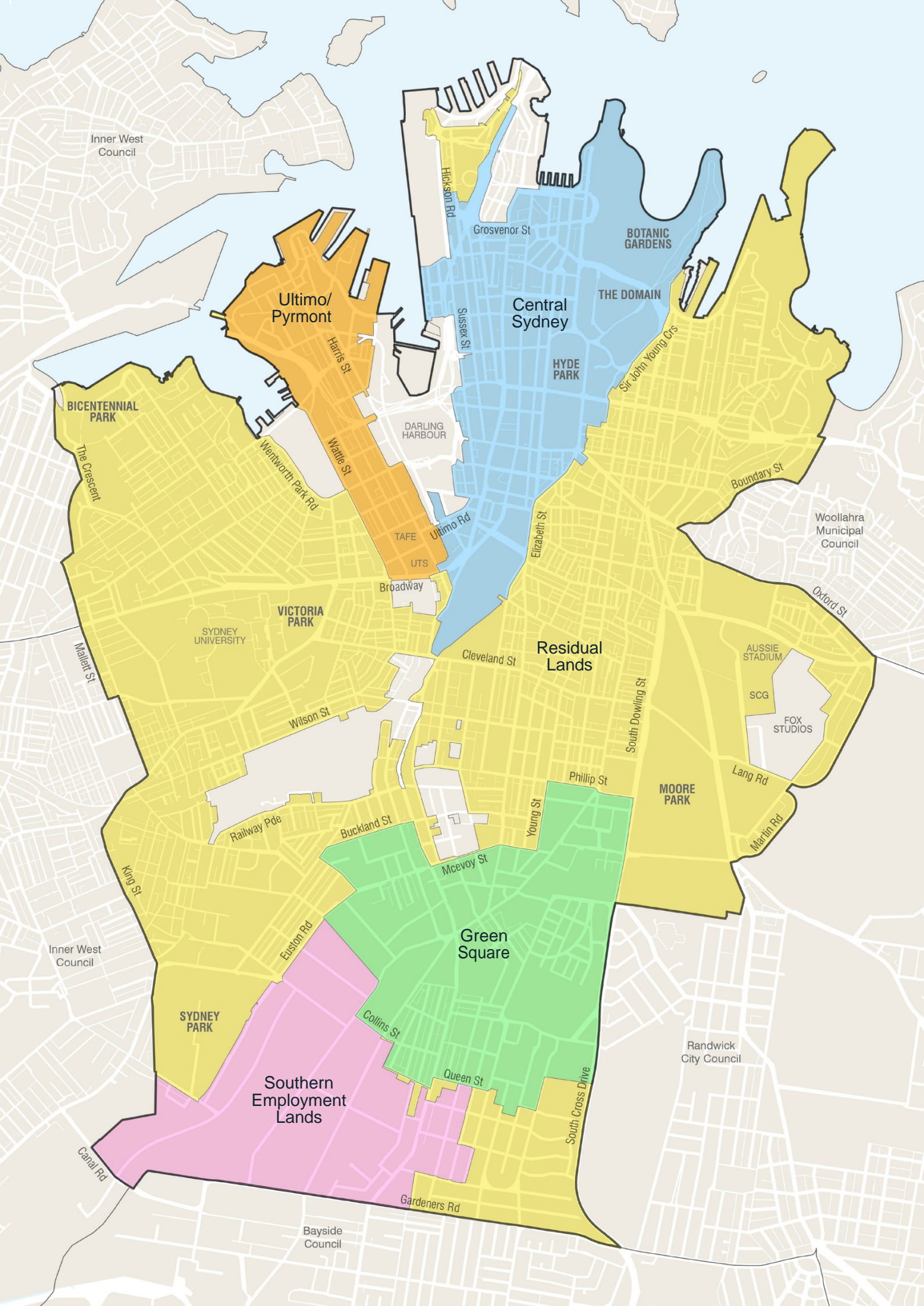
Minor developments may be exempt from contributions. This depends on where the property is located, the type of development proposed and the cost of works.

## Community housing providers manage contributions

Contributions are passed to a community housing provider who builds the affordable housing and manages it for the target income groups.

Community housing providers are registered by the national regulatory code.

The community housing providers who receive contribution funds are listed in our affordable housing program.



### Green Square

In Green Square, the current contribution requirement will continue to apply to development for substantial building works or when a change of use is proposed. We propose to increase the rates to align with rates for the southern employment lands. This will more accurately reflect the cost of providing affordable housing. We propose the method used to adjust these rates changes over time in line with housing prices in the local area.

### Southern employment lands

In the southern employment lands, the contribution requirement will continue to apply to development for substantial building works or when a change of use is proposed.

### Residual lands

This is all land outside Central Sydney not covered by current schemes. This is the first time contributions will apply to residual lands. These will apply to creation of new floorspace or a change of use of existing floorspace from non-residential to residential. The contribution requirement will be introduced over four years to allow the market to adjust.

### Central Sydney

This is the first time contributions will apply to Central Sydney. It will apply to development for substantial building works or when a change of use is proposed from non-residential to residential. The contribution requirement will be introduced over four years to allow the market to adjust.

### Ultimo/Pymont

In Ultimo/Pymont, the contribution requirement will continue to apply to development for substantial building works or when a change of use is proposed.

## About the proposed changes

The City proposes to extend affordable housing contributions to our entire local area, in all places where we are the consent authority. The changes also streamline our processes for these contributions.

Affordable housing contributions will continue to apply to land in Green Square, southern employment lands and Ultimo/Pymont.

A new contribution would apply to areas to Central Sydney and all other areas not covered by existing schemes (residual land). The contribution applies in a slightly different way to different areas. In all areas, exemptions are available for minor development. Details and examples are in our affordable housing program, which is now open for comment.

## Schedule 7 land

If a landowner seeks a change to the planning controls in the local environmental plan for a site – such as zoning, floor space ratio or building heights – this will often increase the value of the land.

Land that has benefited from this change is called 'Schedule 7 land'. To ensure a proportion of the increased land value returns to the community, an additional affordable housing contribution would apply.

## After comments close for the affordable housing contribution plan

The proposal is open for comment until 23 July 2018. After public exhibition the City will consider all submissions and report the outcomes to Council and the Central Sydney Planning Committee. If Council and the Central Sydney Planning Committee approve the proposal, they can ask the Greater Sydney Commission to amend the Sydney Local Environmental Plan 2012.

## Have your say on proposed changes to support affordable rental housing in the local area

You can view the proposal and give your feedback at [sydneyyoursay.com.au](http://sydneyyoursay.com.au) by 5pm on Monday 23 July 2018.

Help shape the future of Sydney.  
Have your say at  
[SydneyYourSay.com.au](http://SydneyYourSay.com.au)

