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Property Council of Australia
ABN 13 00847 4422

Level 1, 11 Barrack Street
Sydney NSW 2000

T. +61 2 9033 1900
E. nsw@propertycouncil.com.au

propertycouncil.com.au
[@propertycouncil](https://twitter.com/propertycouncil)

30 March 2020

Monica Barone
Chief Executive Officer
City of Sydney
GPO Box 1591
SYDNEY NSW 2001

Email – sydneyyoursay@cityofsydney.nsw.gov.au

Dear Ms Barone

Planning Proposal – Planning Controls for Affordable Housing in the Green Square Town Centre

The Property Council welcomes the opportunity to provide comments to City of Sydney (City) on the amended planning controls for affordable housing in the Green Square Town Centre.

As Australia's peak representative of the property and construction industry, the Property Council's members include investors, owners, managers and developers of property across all asset classes. We are pleased to provide the following comments for your consideration.

The Property Council provided comments to the City in respect to the city-wide Affordable Housing Review in July 2018 (attached). Our position regarding the City's expansion of its Affordable Housing Contribution Program remains the same as it was then. **We do not support further expansion of the Scheme as has been proposed.**

COVID-19

The impact of the COVID-19 pandemic on the Australian and NSW economies has been severe and the implications for the development industry and residential apartment market are still uncertain. Given the current uncertain economic period and the impact it will have on development in places such as Green Square, we recommend Council not proceed with the proposed changes to its affordable housing program and contribution rates until there is greater certainty about the impact of the COVID-19 pandemic on the Australian and NSW economies.

Current Planning Proposal

We understand the current planning proposal implements the recommendations of the City's Affordable Housing Review specifically for the two Green Square Town Centre LEPs (namely *Sydney Local Environmental Plan (Green Square Town Centre) 2013* and *Sydney Local Environmental Plan (Green Square Town Centre – Stage 2) 2013*).

The planning proposal involves amendments to the Green Square Town Centre LEPs to establish a framework to identify "Planning Proposal land" that will be eligible to benefit from increased development capacity. It does this through a site-specific planning proposal to generate uplift and require payment of a supplementary affordable housing contribution. Other minor changes are proposed to integrate the Green Square Town Centre affordable housing program with a new scheme that is being developed under *Sydney Local Environmental Plan 2012*.

Submission on earlier planning proposal

Below are the key issues that we identified in 2018 regarding the proposed changes to the City's Affordable Housing Contribution Scheme. They included:

- Impact on housing affordability;
- Cumulative impact of development charges and planning layers;
- Consistent policy approach to affordable housing;
- Application to commercial development; and
- Use of collected funds.

These issues remain current and in the context of a broader review of the infrastructure contributions in NSW by the Productivity Commissioner, require the City to defer any final decision to implement changes to its affordable housing contributions scheme until such time as the findings of this review are known.

Should you have any questions regarding the content of this submission, do not hesitate to contact Troy Loveday, Senior Policy Advisor, on 0414 265 152 or tloveday@propertycouncil.com.au

Yours sincerely



Belinda Ngo
Acting NSW Executive Director
Property Council of Australia

Attachment – Property Council submission to City of Sydney dated 23 July 2018