

5 December 2013

File No: SSD4949-2011 (MOD 6)

Our Ref: 2013/443337

Mr Chris Ritchie
Acting Director
Industry, Social Project and Key Sites
NSW Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention: Simon Truong
Email: Simon.Truong@planning.nsw.gov.au

Dear Mr Ritchie

**RE: Section 96 Application for Student Housing development at 157 – 163
Cleveland Street, Redfern**

I refer to your correspondence, dated 14 November 2013, advising of the section 96 application for the Student Housing development at 157 – 163 Cleveland Street, Redfern.

It is understood that the modifications proposed include amending Condition A4 of the consent to delete reference to payment of Section 94F Affordable Housing contributions and amend the awning on the Cleveland and Abercrombie Street elevations to be longer and slightly reduced in width.

Following a review of the exhibition material provided by the proponent, the following issue has been identified for your consideration in the assessment of the application:

(1) Affordable Housing Contributions

The application seeks to amend Condition A4 of the consent to delete requirement to pay Section 94F Affordable Housing contributions. The City does not support the deletion of this requirement.

It is also noted that Urban Growth NSW Development Corporation also does not support the deletion of this requirement.

The City acknowledges that students are a group disproportionately affected by housing affordability problems and that the development will go some way to relieving pressure on the local demand for housing. However, the type of student housing being provided is not consistent with the targeted type of affordable housing that the government, through legislation and plans, has committed to providing.

Redfern-Waterloo is characterised by higher levels of economic and social disadvantage. Plans, such as Built Environment Plan 1 and 2, seek to revitalise the area by facilitating greater housing choice supported by an

affordable housing contribution plan. The type of affordable housing that the Redfern Waterloo Affordable Housing Contribution Plan 2006 (the Plan) seeks to provide is defined in the Plan. The subject student housing does not constitute affordable housing as defined nor is it exempt from the Plan.

The affordable housing definition, under the EP&A Act, provides certainty that rents charged to eligible persons will be affordable. Practically it means housing that is subject to the NSW Affordable Housing Guidelines where a capital grant has been provided by Housing NSW. This results in housing allocated to eligible applicants based on published guidelines; let as a discount rate based on household income or capacity to pay; and managed and maintained for the purpose of affordable housing in perpetuity by a community housing provider.

It is unclear how the 'affordability' of the student housing is secured. If there is no certainty or guarantee that the student housing will be rented for the benefit of target tenants, at rents that have been established with reference to the Act or Plan; then the development should contribute towards affordable housing as per the Plan.

The Draft Redfern Waterloo Affordable Rental Housing Strategy and Program 2011-2030 should be noted. This Strategy excludes student housing on the basis it is catered for by the market (p2,3). This Strategy continues to rely on the EP&A affordable housing definition and seeks alignment with the NSW Affordable Housing Guidelines.

The comparison with one bedroom apartment accommodation does not demonstrate that the student housing will be affordable because the nature and characteristics of student housing (eg, shared facilities, smaller bedrooms, residential tenancy agreement not applicable) is different to private one bedroom apartments and studio rental properties.

The student housing identified as contributing to the targets in the City's Affordable Rental Housing Strategy are those where the University of Sydney and University of Technology have directly invested in the provision of subsidised housing for its students (p14). It is not intended to cover market housing that has a specific target market (ie, students).

The City thanks you for the opportunity to provide comment on the application and would appreciate the opportunity to review any amendments made to the scheme prior to determination, as well as being provided a copy of any modified conditions as a result of this determination.

Should you wish to speak with a Council officer about the above, please contact Amy Allen, Senior Planner, on 9265 9333 or at aallen@cityofsydney.nsw.gov.au.

Yours sincerely,



Graham Jahn AM
Director

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