



9 February 2015

Mr Cameron Sargent
Department of Planning and Environment
23-33 Bridge Street
Sydney, NSW 2000

Dear Mr. Sargent,

RE: Mixed Use Student Accommodation Development at 60-78 Regent Street, Redfern (SSD 6724)

Thank you for the opportunity to submit a response to the Environmental Impact Statement (EIS) for the above mentioned site. This submission refers to the development contributions as a result of the proposed development.

This EIS indicates (Section 5.1.10) that contributions will be paid in accordance with the Redfern Waterloo Contributions Plan 2006, at a rate of 2% of the total development cost (\$39,000,000). The expected contribution currently equates to \$780,000, which would need to be indexed annually until the contribution is paid.

The EIS proposes that development contributions under the Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006 should not be imposed for this development. The reasons provided, together with UGDC's comments, are below:

1. Meets the objectives of section 6 of the Affordable Housing Contributions Plan that exempts affordable housing providers;

Comment: The proposal does not include housing at below market rents and is not considered to meet the objectives of the Affordable Housing Contributions Plan as it does not offer subsidised rents. Iglu Pty Ltd is not a community housing provider or an organisation approved by the Minister. In accordance with the Affordable Housing Contributions Plan this is not a valid reason to allow the contribution to be waived.

2. Reduces the pressure placed on private rental accommodation by students.

Comment: In accordance with the Affordable Housing Contributions Plan this is not a valid reason to allow the contribution to be waived.

3. Consistent with similar and recently determined student housing proposals in the area.

Comment: The development at 157-163 Cleveland Street, Redfern, has been successful in modifying its development consent to avoid payment of an affordable housing contribution. Affordable housing contributions were not required because, at the time of the approval and modification, the condition requiring the contribution was considered invalid as it did not apply to State significant development, although this was always the intention.

As a result on 12 September 2014 the *Environmental Planning and Assessment Amendment (Redfern-Waterloo) Regulation 2014* was gazetted, ensuring that the contribution plans apply to State significant development.

The reason that the development at 157-163 Cleveland Street, Redfern avoided payment of contributions has been rectified through legislative amendments, and is not considered a valid reason to allow the contribution to be waived.

Additionally to the above, UGDC has undertaken specific research intended to review whether student housing should be considered affordable housing. The research concludes that affordable housing provision should be solely focused on provision of low cost housing for tenants on low, very low or moderate incomes and not address student housing as a category. Student housing which does not offer subsidised rents, such as the proposal, meets neither the criteria nor the objectives of affordable housing.

Should the proponent consider complying with conditions of rent setting at 80% of market rent or below 30% of the tenant's income the affordable housing contribution could be reconsidered. This may be through a Voluntary Planning Agreement.

In accordance with Clause 8 of the Affordable Housing Contributions Plan the current rate for the contribution plan is \$76.83/m². With a proposed total floor space of 9,885m² the contribution payable is approximately \$760,000 to be indexed annually. This will need to be reduced considering the amount of existing floorspace on the site (not indicated within the proponent's EIS). The contribution is based on additional floorspace only.

UGDC requests that Department of Planning and Environment ensure that conditions for development and affordable housing contributions are included within any development consent.

Please contact Sarah Glennan, (02) 9391 2906 or sglennan@urbangrowth.nsw.gov.au should you require further information.

Yours sincerely,



Stephen Driscoll
General Manager
UrbanGrowth NSW Development Corporation