

STATEMENT OF ENVIRONMENTAL EFFECTS

S4.55(1A) Application for **SSD 15_7417**
Regiment Mixed Use Student Accommodation
The University of Sydney – Camperdown Campus
Part D – D1 Development Contributions



Prepared by:
The University of Sydney
Campus Infrastructure & Services - Planning

23 January 2019

1. PROPOSED MODIFICATION OF CONSENT

This Statement of Environmental Effects (“SEE”) report is prepared by Stephane Kerr, qualified Town Planner, within the University of Sydney’s Campus Infrastructure & Services.

The University of Sydney (the “University”) is deemed to be a Crown development applicant pursuant to section 4.32 of the *Environmental Planning & Assessment Act 1979* (“EP&A Act”), and pursuant to clause 226 of the *Environmental Planning & Assessment Act Regulation 2000*.

1.1 THE SECTION 4.55 (1A) APPLICATION

This SEE report is in support of a section 4.55 (1A) Application to modify the *SSD 15_7417 Regiment Mixed Use Student Accommodation* development by amending consent condition *D.1 Development Contributions* from the approved Notice of Determination (“Modification Application”).

The Minister for Planning approved SSD 15_7417 on 2 November 2017 for the redevelopment of the H01 Regiment Building, H02 Darlington House, and Superintendent’s Residence for student accommodation and teaching space. The Regiment redevelopment site is located on the University’s Darlington campus and works have been substantially commenced. SSD 15_7417 includes the following Condition D1:

PART D	PRIOR TO OCCUPATION OR COMMENCEMENT OF USE
Development Contributions	
D1. To meet the demand for additional public facilities and infrastructure generated by the development on the site, contributions are required in accordance with the Redfern-Waterloo Authority Contributions Plan 2006.	
The levy is calculated as 2 per cent of the proposed cost of development, indexed between the date of determination and the date the levy is required to be paid, in accordance with clause 25J(4) of the <i>Environmental Planning and Assessment Regulation 2000</i> and clause 10 of the Redfern-Waterloo Authority Contributions Plan 2006.	
Pursuant to the Redfern-Waterloo Authority Contributions Plan 2006, a contribution of the amount of \$1,586,446.24 plus indexation between the date of approval and date of payment, in accordance with Consumer Price Index (All Groups Index) for Sydney, is to be paid via bank cheque for deposit into the Redfern-Waterloo Fund (towards the cost of one or more of the public facilities set out in the Works Schedule to that Plan).	
Proof of payment of this contribution to the UrbanGrowth NSW Development Corporation shall be provided to the Certifying Authority prior to final occupation of the building.	

This Modification Application seeks to modify SSD 7417 by the **amendment** of Condition D1 to reflect Urban Growth's intention of applying a consent condition in relation to Development Contributions proposed for other current University projects within the Darlington campus (Engineering & Technology Precinct, Darlington Terraces), and for the modification to read as follows:

"(1) The Applicant must either:

- a) pay a monetary contribution of \$1,586,446.28 to UrbanGrowth NSW Development Corporation pursuant to the Redfern-Waterloo Authority Contributions Plan 2006; or*
- b) undertake public domain improvement and local infrastructure works (which may include pavement treatment, improved lighting, landscaping, street tree planting, and the like) to a minimum value of \$1,586,446.28 in lieu of paying a monetary contribution pursuant to the Redfern-Waterloo Authority Contributions Plan 2006. Such works are to be consulted with, and agreed by, the City of Sydney Council.*

(2) If the Applicant makes a monetary contribution pursuant to Condition D1(1)(a), proof of payment of this contribution to the UrbanGrowth NSW Development Corporation shall be provided to the Certifying Authority prior to final occupation of the building.

(3) If the Applicant undertakes public domain improvement works pursuant to Condition D1(1)(b), the Applicant must provide the following to the Council and the UrbanGrowth NSW Development Corporation:

- a) an outline of the proposed works, timeline and estimated costs prior to final occupation of the building; and*
- b) evidence of the actual costs and satisfactory completion of the public domain improvement works once the works are complete."*

2. THE SITE

The site is the University's Regiment Building and Darlington Centre on the University's Darlington campus. It is located on the corner of City Road and Darlington Road, west of the existing Merewether Building and Institute Building. The site is not heritage listed or located within any heritage conservation area. The site does adjoin the H03 Institute Building, which is listed as an item of local heritage significance as the "*Former NSW Institute for the Deaf, Dumb and Blind Group, University of Sydney including interiors*" under the *Sydney Local Environmental Plan 2012* ("Sydney LEP") as item I523 and located at 96-148 City Road Darlington.

3. THE DEVELOPMENT CONTRIBUTION PLANS

3.1 STATUS OF THE RWA DEVELOPMENT CONTRIBUTION PLANS

The Department of Planning & Environment ("DPE") has confirmed that the *Redfern-Waterloo Authority Contributions Plan 2006* ("RWA CP") and the *Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006* ("RWA AHCP") (together referred to as the "RWA Plans") are the applicable Development Contribution Plans for State Significant Development on this site.

The RWA Plans currently apply to State Significant Development on the University's Darlington Campus (being Lot 1 in DP790620 and adjoining properties owned by the University) by virtue of clause 4 of Schedule 2 of the *Environmental Planning & Assessment (Savings, Transitional and Other Provisions) Regulation 2017*.

The Minister has exercised his power in applying consent conditions on the grant of Regiment SSD 7417 consent including the application of development contributions condition calculated in accordance with the RWA Plans.

3.2 UNIVERSITY COMMENT ON THE RWA PLANS

The University notes the following in relation to the RWA Plans:

- (a) The RWA CP Schedules 1 and 2, and RWA AHCP Schedule 2, provide a nexus of works intended to be funded by development contribution monies received by Urban Growth within a delivery timeframe of 5-10 years. This timeframe expired in May 2017. The RWA Plans have not since been updated with any new schedule of works intended for development contribution expenditure. Furthermore, none of the Schedule works are directed at or within the University's Darlington campus. The University notes that the RWA CP proposes a \$60,000 intersection upgrade of the junction at Shepherd Street and Cleveland Street and which adjoins the southeast corner of the Darlington campus. These works do not directly

affect any principal address, gateway entry, or primary pedestrian pathway for the University.

- (b) Student accommodation provided by the University is owned and managed by the University and is affordable in that the University is obliged to keep rents at least 25% below the market rate. The University acknowledges that Urban Growth has agreed to exempt recent University student accommodation developments (Regiment and Abercrombie Student Accommodation) from the RWA AHCP. Notwithstanding, despite the University's commitment to funding, providing and managing roads, footpaths and stormwater infrastructure within Darlington, any monetary development contribution levied upon University affordable student accommodation development jeopardises the "affordability" status of the University's student accommodation projects.
- (c) Urban Growth and the RWA Plans do not recognise or acknowledge the University's funding and management of the extensive open space and community facilities that are available and accessible to the public on the Darlington-Camperdown campus.

Such facilities, which constitute 'material public benefits', are those that a Council/Government agency would normally provide utilising development contributions received from private development. Sections 4 and 5 of this SEE report detail the specific public domain and campus domain works and benefits provided as part of the Regiment development.

4. DPE ASSESSMENT REPORT SSD 7417- DEVELOPMENT CONTRIBUTIONS

DPE's assessment report (page 40) addresses development contributions for the Regiment SSD 7417 as follows:

<i>Regiment Student Accommodation Development The University of Sydney (SSD 7417)</i>	<i>Environmental Assessment Report</i>
<p>The Department referred the application to UrbanGrowth NSW Development Corporation (UGDC) as the administrator of both the AHCP and CP.</p> <p>UGDC supports the Applicant's request to be exempt from the payment of affordable housing contributions under the AHCP. This is on the basis that the application proposes the construction and delivery of affordable rental accommodation for students and the Applicant is a representative of the Crown (i.e. not a private developer). Exemption from the AHCP would preclude the payment of \$545,109.60 in contributions from the Applicant.</p> <p>UGDC does not support the Applicant's request to be exempt from the payment of development contributions under the CP. While the Applicant has provided a list of works considered to be material public benefits to be provided by the University, UGDC notes that these 'high level' works are not benefits explicitly provided as part of this SSD application.</p> <p>Further, in terms of the CP, the included Works Schedule identifies a number of projects to which contributions in the local area are intended to fund. Detail has not been provided in the subject application of the specific works proposed which the Applicant is seeking an exemption. As such, the proposed benefits do not present automatically as a contributions offset or works-in-kind arrangement under the CP.</p> <p>In response to UGDC's comments relating to the application of the CP, the Applicant proposed an alternative contribution involving the provision of public domain works immediately around the Regiment site in the order of approximately \$1.5 million that would have a direct nexus to the proposed student accommodation development on the Regiment site</p> <p>The Department has considered the advice from UGDC and the Applicant's justification for an exemption from the CP. The Department does not consider that the public domain works proposed by the Applicant would be sufficient to remove the CP payment obligations as these works either form part of the proposed development already (i.e. through-site link) or would normally be carried out as part of the proposed development where required (i.e. footpath upgrades, pedestrian crossing or wayfinding signage).</p> <p>The Department believes, consistent with the position of UGDC, the University should pay the full contribution amount required under the CP.</p> <p>When briefed on the Department's final position regarding the payment of contributions, the Applicant agreed to the imposition of a condition requiring the payment of the CP contribution prior to the final occupation of the building. A condition has been drafted accordingly.</p>	

The University addresses the DPE Assessment Report comments as follows:

DPE comment 1:

"While the Applicant has provided a list of works considered to be material public benefits to be provided by the University, UGDC notes that these 'high level' works are not benefits explicitly provided as part of this SSD application."

USYD response: The University's list of various and significant works throughout the Darlington-Camperdown campus demonstrates how the University acts in a similar role to a Council / Government authority in providing a full range of stormwater infrastructure, roads and footpaths, open space and community facilities on University grounds.

The provision of these works by the university are/were not assisted or funded by any Council or Government agency monies received through their respective development contribution schemes. Furthermore, neither the *City of Sydney Development Contributions Plan 2015* nor the RWA Plans, dedicate any development contribution monies received to projects within or around the Darlington-Camperdown campus.

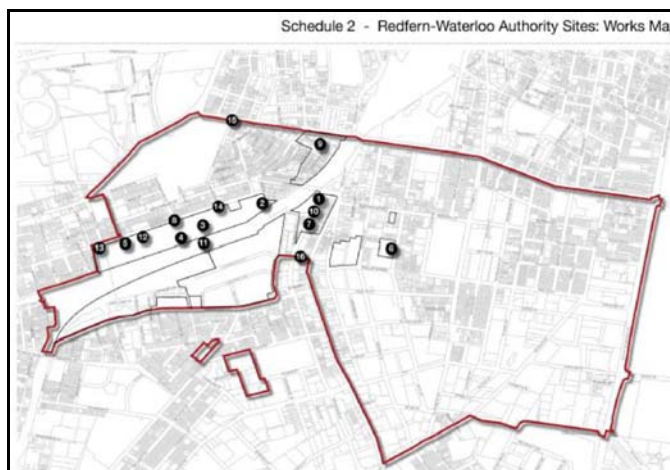
Notwithstanding, this proposed amendment to Condition D1 provides a vehicle of consultation and agreement between The University of Sydney, the City of Sydney, and Urban Growth, to dedicate local public/campus domain, local infrastructure works, and local community benefits that can be carried out in lieu of levying a monetary contribution.

DPE comment 2:

“...in terms of the CP, the included Works Schedule identifies a number of projects to which contributions in the local area are intended to fund. Detail has not been provided in the subject application of the specific works proposed.”

USYD response: The RWA CP does include a Schedule of Works intended for projects in specific areas of Urban Growth’s jurisdiction to be funded by contributions received by Urban Growth. Schedule 1 clarifies that these works were based on delivery between a short term (up to 5 years) and medium term (5 to 10 years). Given the RWA CP’s gazettal date of May 2007, both short and medium term projects and delivery periods have since expired and not been updated.

These works are summarised in the RWA CP Schedule 2 map extract illustrated below. The University notes that none of the scheduled works have any nexus to the University’s Darlington campus. Notwithstanding, this proposed amendment to Condition D1 provides a vehicle of consultation and agreement between The University of Sydney, the City of Sydney, and Urban Growth, to dedicate local public/campus domain, infrastructure and community benefits that can be carried out in lieu of DPE levying a monetary contribution.



DPE comment 3:

“...the Applicant proposed an alternative contribution involving the provision of public domain works immediately around the Regiment site in the order of approximately \$1.5 million that would have a direct nexus to the proposed student accommodation development on the Regiment site.”

“The Department does not consider that the public domain works proposed by the Applicant would be sufficient to remove the CP payment obligations as these works either form part of the proposed development already (i.e. through-site link) or would normally be carried out as part of the proposed development where required (i.e. footpath upgrades, pedestrian crossing or wayfinding signage).”

USYD response: Circular D6 confirms that for *Educational Services* (a Crown activity), appropriate categories of development contributions can be levies for offsite works towards drainage and the upgrade of local roads and local traffic management where deemed necessary.

The University acknowledges that DPE is currently conducting a review of Circular D6 with various Crown applicant agencies including universities (through the New South Wales Vice Chancellors Planning Reform Committee). The University is participating in this review.

The University argues that, in accordance with Circular D6, local public domain and infrastructure works be identified in lieu of paying a direct monetary contribution. Such works could include, for example, the City of Sydney’s proposal (City Traffic Engineer) for local public domain/traffic works including:

- a) The potential closure of Darlington Road and/or creating a raised threshold at the junction of Orange Grove Road, to improve pedestrian safety; and
- b) Installing a pedestrian crossing across Orange Grove Road south of the junction with Darlington Road.

The request for a safe pedestrian crossing was raised by local community concerns (submissions) to the University and the City of Sydney.

This proposed modification to Condition D1 provides a vehicle of consultation and agreement between The University of Sydney, the City of Sydney, and Urban Growth NSW in dedicating local public/campus domain, local infrastructure, and local community benefit works that can be implemented, in lieu of DPE levying a monetary contribution, on the Regiment development.

5. MATERIAL PUBLIC BENEFITS PROVIDED BY THE UNIVERSITY:

The following report section demonstrates the University's past and future planned commitments to providing campus/public domain works, local traffic management works, infrastructure upgrades, and community benefits in and around the Darlington-Camperdown campus and suburbs.

The University has a public charter and its Darlington-Camperdown campus is open to the public as an accessible and permeable precinct, which provides a number of material public benefits over and above its core focus on education and research. These include public access to and use of the University's libraries, spaces for cultural events, community facilities such as childcare centres, sporting facilities (including an aquatic centre), playing fields and stadiums, entertainment spaces, retail facilities and professional services, and large areas of open space. These are analogous to the public amenities and services, which a local Council or Government agency provides for its local jurisdiction / operational area.

The past, current and planned future works and services the University contributes within the Darlington-Camperdown campus that have a material public benefit can be summarised as follows:

PAST Committed Infrastructure and Public Works 2012-2017	
WORKS	\$
Stormwater Drainage	5,500,000
Traffic & Transport	4,453,605
Open Space	19,000,000
Community Facilities	40,850,000
TOTAL	69,803,605

FUTURE Committed Infrastructure and Public Works 2018-2023	
WORKS	\$
Stormwater Drainage	8,000,000
Traffic & Transport	3,206,000
Open Space	20,000,000
Community Facilities	74,400,000
TOTAL	105,606,000

(a) **Open space**

In total, there is approximately 4.6 hectares of lawn area and 4.6 hectares of garden beds within Darlington-Camperdown Campus. The grounds are accessible and regularly used by the general public, in addition to the students and staff of the University. Details of past committed and planned budgets are detailed in the table above.

(b) **Traffic and transport facilities**

The University has committed and funded transport, traffic, public domain works and strategies on Darlington and Camperdown campuses (for details on budget commitments refer to table above), including:

- Abercrombie Codrington & Lawson footpath upgrade and pedestrian crossings, Darlington campus;
- footpath upgrade and pedestrian crossing to the Noel Martin Aquatic, Darlington campus;
- proposed shared road to Darlington Lane, Darlington campus;
- proposed Engineering & Technology precinct new pedestrian connection from Shepherd Street to Cadigal Green, Darlington campus;
- proposed Shepherd Street footpath upgrade, Darlington campus;
- footpath and campus domain upgrades to Fisher Road to the new F23 Administration building/Eastern Avenue, Camperdown campus; and

The University also provides/funds a free University shuttle bus service to transport people to and from the University campuses to Redfern Station.

(c) **Stormwater drainage**

The University has undertaken, and is planning to undertake, significant upgrades to its stormwater drainage infrastructure to support the planned developments and mitigate any impacts on infrastructure and the environment under the approved Campus Improvement Program (details in the table above).

(d) **Community facilities:**

The University provides many community facilities and services, which are open to the public including:

- Three childcare centres providing 148 spaces;
- Nine libraries across Main Campus totalling approximately 30,000m²;
- Sports and fitness facilities accessible by the public (annual budget expenditure of \$1,888,131 and a total \$28 million spent since 2012) including 10 outdoor venues, 5 indoor venues (including an aquatic centre with an Olympic-size swimming pool) and 44 sports clubs. These attract over 650,000 visitors per year (excluding staff/students);

- Three museums and an art gallery totalling approximately 5,000m²;
- Numerous events attracting over 25 million visitors per year (e.g. theatre, libraries, museums, Vivid, fairs, markets, educational forums such as Sydney Ideas);
- The benefit of conservation works to heritage buildings which, since 2014, has totalled \$12,850,000;
- Public access to retail and professional services totalling approximately 4,000m² including 28 cafes, 6 medical and health practices, 1 post office, 2 book stores, 5 banks, 2 bars, 2 travel centres, 2 beauty/hair salons, 2 fashion stores, 1 computer shop and 1 bicycle shop; and
- Museum: The recent SSD approval from the Minister for Planning for a new 8,000m² museum building costing \$66.2 million. The museum will be available to and accessible by the general public.

6. AFFORDABLE STUDENT ACCOMMODATION

Consistent with State and local Government objectives, the University is committed to providing affordable student accommodation. The University has identified the need to develop up to 4,000 beds of affordable student accommodation by 2020 to bridge the current under-supply in housing stock and meet the future expected growth in demand. The rents offered to students will be affordable, priced at least 25% below rates that are currently being charged by private sector student accommodation providers in the Eastern Sydney and Inner West jurisdiction.

The University recognises that student accommodation may be considered different to other development the University undertakes that is wholly within its boundaries in that new student accommodation developed by the University will increase the number of residents created by the development. However, the University notes the following:

- (a) The University's student accommodation facilities are or will be located on University land and wholly funded, owned and managed by the University. The University has a dedicated Student Support Services department dedicated to the support and wellbeing of student residents;
- (b) The University's delivery of student accommodation will provide affordable housing for students who would have otherwise lived elsewhere, most likely in adjoining suburbs within the Council's local area. Consequently, the University's affordable student housing has, and will continue to, relieve pressure on the surrounding local private rental market;

- (c) Students living in the University's student accommodation will most certainly use the public amenities and services provided by the University including libraries, sporting facilities and open space (as described in more detail above in Section 7) as opposed to any other similar public amenities and services provided elsewhere in the local area;
- (d) The University's affordable student accommodation program is an instrumental component in ensuring the retention of students on Campus as well as supporting the University's success in education outcomes. A high quality student experience will be central across the student accommodation facilities, and is governed by a best practice framework incorporating accessibility, transition, retention, academic performance, engagement, careers and security;
- (e) The University is an endorsed charity pursuant to Division 176 of the *A New Tax System (Goods and Services Tax) Act 1999* ("GST Act"). Under section 38-250(1) of the GST Act, a supply of accommodation by an endorsed charity is GST-free if the rent charged is at least 25% below the GST-inclusive market value of the supply. The University retains this GST-free exemption (which applies to both the development and ongoing operation of its student accommodation) by ensuring that the rent it charges to students is at least 25% below the market rate. On 20 July 2015, the University obtained a private binding ruling from the Australian Taxation Office, which approved the University's proposed methodology for calculating rents to ensure that the University's student accommodation is priced at least 25% below the GST-inclusive market value of the supply.

Any direct levying of monetary development contributions on the University's affordable student housing will jeopardise the "affordability" status of the University's student accommodation projects, as well as eliminate our ability to proceed with development because the University will effectively be priced out of the market. It will also consequently result in an upward price re-adjustment of the student accommodation provided, thereby rendering the project as un-affordable to the intended student market. It is in both the University and Urban Growth's interest that the proposed 4,000 affordable beds be developed.

7. PRECEDENT – PAST SSD AND MAJOR PROJECT DETERMINATIONS

To date, University developments at the Darlington-Camperdown campus did not applied a condition for monetary development contributions for the majority of its Major Projects and State Significant Development applications to the Minister for Planning. These projects have been determined on a case-by-case basis, and involved the provision of local campus/public domain works, traffic management upgrades, local infrastructure upgrades, and provision of local community benefits including for the following developments across its Darlington-Camperdown campus:

- (i) Charles Perkins Centre (MP 09_0051): Construction of a new 8 level Centre for Obesity, Diabetes and Cardiovascular Disease building (45,000m²);
- (ii) Abercrombie Business Precinct & Student Accommodation (MP 07_0158): New 6 level Business School building (28,200m²), 2 basement parking levels for 82 spaces, and new 3 level student accommodation building (5,900m²) (noting that the University instead undertook road and public works under a voluntary planning agreement with the Council);
- (iii) Sydney University Sports & Aquatic Centre Extension, Darlington Campus (D/1995/329);
- (iv) Australian Institute of Nanoscience (SSD 5087_2011): Construction of a new 4 level Nanoscience building (10,540m²);
- (v) Faculty of Arts & Social Sciences (SSD 7081): Construction of a 6 storey Arts & Social Science education and training building and public domain works (7,200 m²);
- (vi) F23 Administrative building (SSDD 7055): Construction of a 5 storey staff and administrative building and public domain works (9,800 m²);
- (vii) LEES1 Science building (SSD 7054): Construction of an 8 storey Science research and teaching facility (9,800 m²); and
- (viii) New consolidated Museum building (SSD 7894) on Camperdown campus: Construction of a 5 storey museum (7,700 m²); and
- (ix) New Susan Wakil Health development (SSD 16_7974), Camperdown campus: Construction of an 8-storey health building (21,200 m²).

These determinations were supported by evidence that University populations place lesser demand on Council/Government agency infrastructure, roads/footpaths and infrastructure services. The University funds and provides all of its own facilities and infrastructure towards existing and future University and visiting populations. In particular:

- (a) There was no potential increase in demand for the use of the amenities, facilities and services, which Urban Growth and/or the Council provides. Recent University developments have been designed to consolidate and share facilities between various University Faculties, thereby maximising space and use efficiency as well as negating unnecessary staff/student travel between campuses, and consequently unnecessary burden upon local infrastructure;
- (b) The University is a not-for profit organisation and its developments provide a distinct community benefit on a not-for-profit basis;
- (c) The University is not a developer in the traditional sense. It does not seek to maximise floorspace/unit yield in return for profit. Rather it focusses on bespoke and world-class facilities dedicated to education, research and student welfare. The University relies on grants, donations and external funding to provide new campus facilities and infrastructure that will benefit the University population and wider local community;
- (d) The University Campus has a public charter, is open to the public, and provides material public benefits;
- (e) There is no nexus in the RWA Plans between development contributions sought and the demand generated for facilities outside the University given the nature and scale of the facilities provided by the University; and
- (f) The DPE's Circular D6 in its application to Educational Services supports the University case.

8. SECTION 4.15 (1)(B) – THE LIKELY IMPACTS OF THE DEVELOPMENT INCLUDING ENVIRONMENTAL IMPACTS ON BOTH THE NATURAL AND BUILT ENVIRONMENTS, AND SOCIAL AND ECONOMIC IMPACTS IN THE LOCALITY

Social and Economic Impacts

The University is a not-for-profit charity independently regulated by the Australian Charities and Not-for-profits Commission. It is not a private developer. The University is not part of the private residential housing market and the levying of any monetary development contributions will necessarily have a negative impact on the University's ability to deliver its projects.

Consequently, any direct levying of monetary development contributions on the Regiment development (in lieu of providing local public domain, infrastructure and community benefit works to the precinct) will:

- a) compromise the affordability status of the University's student accommodation projects, as well as eliminate its ability to proceed with other types of development because the University will effectively be priced out of the market;
- b) result in an upward price re-adjustment of the student accommodation provided, thereby rendering the project as un-affordable to the intended student market;
- c) fail to alleviate any pressure on the surrounding local rental market;
- d) prevent the University from positively contributing to State and Local Government objectives of encouraging and providing affordable student housing to the Eastern City District;
- e) compromise and limit the University's contribution to traffic upgrade management, stormwater infrastructure, open space and any "community benefits" provided on the university campus;
- f) redirect University funds that are otherwise committed to the provision of educational services, including the broad range of community benefits offered by the University; and
- g) contradict the clear intentions of the DPE's Circular D6.

Consequently, the University supports the opportunity of defining local public/campus domain, local infrastructure works and local community benefits, in consultation and agreement with the City of Sydney and Urban Growth NSW, which can be carried out in lieu of DPE levying a direct monetary contribution upon the Regiment development.

9. SECTION 4.15 (1)(C) – THE SUITABILITY OF THE SITE FOR DEVELOPMENT

The provision of affordable student accommodation and supporting educational establishment services/facilities on the University's Regiment site, Darlington campus, is an appropriate use for this site. This proposal to seek the amendment of the Condition D1 of SSD 15_7417 is appropriate for reasons including the:

- a) site's compliance with the SP2 Infrastructure (Educational Establishment) zoning of the site under the Sydney LEP;

- b) University's contribution to State Government and City of Sydney Council's policy intentions of encouraging and providing affordable housing. The University acknowledges the need to increase the amount of affordable housing in the City of Sydney government area and commends the City of Sydney Council for taking steps to achieve the target of 7.5% of all dwellings being affordable rental dwellings by 2030;
- c) University's commitment to providing stormwater infrastructure, local traffic management upgrade, and public/campus domain works surrounding the site in consultation and agreement with the City of Sydney and Urban Growth NSW;
- d) University's provision of community benefits throughout the Darlington-Camperdown campus; and
- e) University's adherence with Circular D6.

10. SECTION 4.15 (1)(D) – ANY SUBMISSIONS MADE

The University notes the submissions made by Urban Growth NSW to DPE dated 5 December 2018 regarding the Engineering & Technology Precinct development (SSD 8636), and the Darlington Terraces Mixed-Use Student Accommodation development (SSD 7539), both projects being located in Darlington. In its submissions, Urban Growth supports the options of DPE either levying the University for a monetary contribution, or requiring the University to seek agreement with the City of Sydney and Urban Growth for a raft of local public domain works to an equivalent value.

The University acknowledges that this proposed Modification application will be referred to the City of Sydney and Urban Growth NSW for comment.

11. SECTION 4.15 (1)(E) – THE PUBLIC INTEREST

The approved development, and the proposed amendment of Condition D1 (Development Contributions), is in the public interest for reasons including:

- a) Any monetary development contribution levied on the Regent development will serve as a disincentive to the University in:
 - providing affordable student housing on campus; and
 - alleviating the pressure on the surrounding private rental market.
- b) The imposition of monetary contributions will discourage the University in positively contributing to current State and Local Government objectives of promoting affordable housing, including the Greater Sydney Commission's recently published Eastern City District Plan.

- c) Any monetary development contribution levied upon the Regiment development will redirect University funds dedicated to the provision of educational services and as well as the community benefits offered by the Darlington-Camperdown campus.
- d) The RWA Plans do not identify any works program within the Darlington campus area. Any monetary development contribution levied upon the Regiment development will not be directed to any upgrade of infrastructure, traffic management, open space or other community benefits for the University.
- e) As an offset to any applied monetary development contributions, the University proposes a range of public domain and campus domain works that will benefit the broader community and can include (but not necessarily be limited to) the following:
 - On-site and street stormwater infrastructure works to Darlington Road;
 - Publicly accessible through-site pedestrian link connecting Darlington Road to City Road and direct access to public transport stops and City Road pedestrian crossings;
 - Upgrade of Darlington Road footpaths; and
 - Contribution to Council's intended road closure of Darlington Road and pedestrian crossing across Orange Grove Road at its junction with Darlington Road; and
 - Any other works identified and agreed in consultation with the City of Sydney and Urban Growth NSW.

12. SUMMARY

The Modification Application will allow the University to pursue University and Government (Local and State) policy objectives of providing University managed affordable student housing on the Darlington campus and thereby alleviate the pressure on the surrounding rental market. All tiers of Government clearly acknowledge problems associated with the shortfall of affordable housing in Greater Sydney and the City of Sydney jurisdiction. Any levying of monetary development contributions upon University affordable student accommodation will compromise the University's contribution to affordable housing.

This SEE report clearly demonstrates the significant contribution the University of Sydney makes towards the funding and provision of local infrastructure (including stormwater facilities and traffic management upgrades), open space, and community benefits. Furthermore, this report also demonstrates the University's compliance and adherence to the provisions of Circular D6.

The Modification Application for the **amendment** of Condition D1 (Development Contributions) in consent SSD 7417 is concluded to be justified, reasonable and worthy of development consent. The University therefore requests that Condition D1 be amended to reflect Urban Growth's intention of applying a consent condition for other current University projects within the Darlington campus (Engineering & Technology Precinct, Darlington Terraces) with respect to Development Contributions, and to be read as follows:

“(1) The Applicant must either:

- a) pay a monetary contribution of \$1,586,446.28 to UrbanGrowth NSW Development Corporation pursuant to the Redfern-Waterloo Authority Contributions Plan 2006; or*
 - b) undertake public domain improvement and local infrastructure works (which may include pavement treatment, improved lighting, landscaping, street tree planting, and the like) to a minimum value of \$1,586,446.28 in lieu of paying a monetary contribution pursuant to the Redfern-Waterloo Authority Contributions Plan 2006. Such works are to be consulted with, and agreed by, the City of Sydney Council.*
- (2) If the Applicant makes a monetary contribution pursuant to Condition D1(1)(a), proof of payment of this contribution to the UrbanGrowth NSW Development Corporation shall be provided to the Certifying Authority prior to final occupation of the building.*
- (3) If the Applicant undertakes public domain improvement works pursuant to Condition D1(1)(b), the Applicant must provide the following to the Council and the UrbanGrowth NSW Development Corporation:*
- a) an outline of the proposed works, timeline and estimated costs prior to final occupation of the building; and*
 - b) evidence of the actual costs and satisfactory completion of the public domain improvement works once the works are complete.”*