

Attention of:  
NSW Department of Planning and Environment  
Via online submission form

### **Submission: Blackwattle Bay State Significant Precinct**

The Community Housing Industry Association NSW (CHIA NSW) welcomes the opportunity to provide a submission on the revised proposals for the Blackwattle Bay State Significant Precinct.

CHIA NSW is the industry peak body representing registered, not-for-profit community housing providers (CHPs) in NSW. Our members currently own or manage more than 54,000 homes across NSW for individuals and families who cannot afford to rent or purchase a home on the private market. Since 2012, CHPs have delivered more than 5,300 new homes across NSW, representing an investment of over \$1.8 billion. Critically, these are new homes that the private sector cannot – or will not – deliver in response to housing need.

More than 50,000 applicants are currently waiting for social housing in NSW. This includes 3,500 applicants within the City of Sydney and adjoining suburbs, which have some of the highest housing costs in Australia. Therefore, increasing the amount of housing available to lower income households is an urgent priority. Without significant investment in more affordable homes, some people will be left waiting for 10 years or more to be housed, forcing them to pay unaffordable rents, live in substandard housing, or, at worst, become homeless.

In this regard, CHIA NSW welcomes the changes made to the masterplan and proposed planning controls to increase the required affordable housing contribution. This includes increasing the requirement from 5% of residential floorspace to 7.5% of residential and commercial floorspace. Calculating equivalent monetary contributions using the indexed rate specified in the City of Sydney Affordable Housing Program, instead of the lower rate in the City West Affordable Housing Program, is also supported.

While the amendments are a positive step forward, the revised requirements remain relatively modest in the context of the acute and growing need that exists in the area, as evidenced in the Housing Diversity and Affordability Study that accompanies the proposal. CHIA NSW's strong view is that a higher proportion of social and affordable housing can and must be delivered in the precinct, particularly given the scale of development uplift being proposed.

Government ownership of much of the land in the precinct presents a real opportunity to maximise the delivery of social and affordable housing. The City of Sydney's Local Strategic Planning Statement seeks the provision of at least 25% of floorspace as affordable rental housing in perpetuity on all NSW Government sites. This is consistent with Strategy 11.2 of the Greater Sydney Region Plan, which requires State agencies disposing or developing surplus land to include, where viable, a range of initiatives to address housing diversity and affordable rental housing. CHIA NSW notes that the 5%-10%

rate outlined in the Greater Sydney Region Plan is an indicative benchmark in the context of privately owned land. It should not be used to limit provision on government-owned land, where higher targets are viable.

CHIA NSW recommends:

- An affordable housing requirement equivalent to at least 25% of total floorspace be applied to all government-owned land in the precinct. At the very least, the proposed 7.5% target should also be applied to retail and other non-residential uses in addition to residential and commercial floorspace. Retail, food and drink, community and cultural uses on the site will likely generate low-income jobs. The provision of affordable accommodation for these workers will support the economic success of these uses and the broader precinct.
- CHIA NSW supports the affordable housing requirements being clearly set out in the site-specific LEP provision for the precinct. This will provide certainty to stakeholders and the community. The planning provisions need to make clear that where in-kind dedication of dwellings is proposed, the suitability of such a contribution will be assessed from an operational perspective, including management and maintenance costs.
- CHIA NSW is generally supportive of the principles for affordable housing outlined in sections 6.4.3 and 6.4.4 of the draft Design Code. This includes the requirement for the end owner/manager of affordable housing to be engaged in its design. Suitable, early engagement with a CHP is essential to ensure the needs of future tenants are accounted for, operational costs are reasonable, and to consider management and maintenance arrangements.
- CHIA NSW recommends that the draft Design Code be amended to remove reference to affordable housing being owned and/or managed by government. This is consistent with the City of Sydney Affordable Housing Program, which establishes that contributions will be allocated to a registered CHP. Such an approach maximises the impact of government investment by providing CHPs with additional capital they can leverage to deliver additional homes in the local area. It is also consistent with the NSW Housing Strategy, which aims to support the growth of the community housing sector. The dedication of contributions to CHPs can be subject to appropriate controls to ensure the affordable housing is retained long-term.
- The draft Design Code seeks the delivery of a diverse range of residential uses that cater for the needs of existing and future residents. To support this aim, it is recommended that the Design Code includes a requirement that new development explore opportunities for innovative housing models to be delivered in the precinct, such as youth foyers.

CHIA NSW appreciates the opportunity to provide feedback on the Blackwattle Bay precinct. We would be happy to discuss any of the recommendations further with the DPE.

Kind regards,



Michael Carnuccio  
**Senior Policy Officer**