



7 September 2023

Department of Planning and Environment,
Activation Precincts – Regions, Industry and Key Sites
Level 4, 6 Stewart Avenue, Newcastle West, NSW 2302

Attention: Lee McCourt, Principal Planning Officer

RE: – STATEMENT OF INTENT: PROVISION OF AFFORDABLE RENTAL HOUSING AT KANWAL

Dear Ms McCourt

This statement of intent is a commitment between the Minister for Planning and Public Spaces and Vivacity (Land Lease SPV). The purpose of this statement is to provide a summary of the intention to provide for the provision of affordable rental housing within the proposed new community at Kanwal.

Vivacity is committed to contributing positively towards economic growth and social outcomes through our greenfield and urban renewal projects, including developing and operating land lease communities for retirees and mixed-use developments.

We are dedicated to creating an attractive, safe, and active community at Kanwal in which the residents of the Central Coast can live, work, play and prosper.

Vivacity intends to develop the site for a mixed-use community comprising approximately 800 apartments and 5,900sqm of employment generating uses including a new supermarket and public open space, generally in accordance with the Concept Masterplan.

In July 2023, the subject site was selected by the Department of Planning and Environment (DPE) as a successful candidate under the Rezoning Pathways Program. As such Vivacity was invited by DPE to submit a planning proposal for the site under the State Assessable Planning Proposal (SAPP) process. At that time the initial concept plan had a 10% provision of affordable rental housing.

Following further discussions with DPE, Vivacity has elected to increase the affordable housing provision to 15%. Under the new changes proposed by NSW Government the project will trigger the State Significant Development provisions and will be eligible for a 30% floor space and height bonus. The relevant authority for the development application will be the Department of Planning.





Consistency within Strategic Context

The proposed development and the provision of affordable housing is consistent with the following strategies:

- NSW Housing Strategy 2041: Four Pillars – Supply, diversity, affordability, resilience.
- Central Coast Regional Plan 2041: Objective 5 ‘Plan for nimble neighbourhoods, diverse housing and sequenced development’. Performance Outcome 7(a) ‘A diversity of housing provides for choice, independence, and affordability to match the specific needs of different communities.
- Central Coast Local Strategic Planning Statement: Urban Management Strategy 01 Revitalise our Centres – Ensure the protection of affordable housing and investigate opportunities to provide additional affordable housing options in our Centres.
- Central Coast Affordable and Alternative Housing Strategy: Target to provide 7,600 affordable homes between 2016-2036.

Table 5: Central Coast affordable housing targets 2016-2036

Central Coast affordable housing targets 2016-2036				
	Small renting households	Family renting households	Small purchasing households	Family purchasing households
Affordable to very low income households	+1,900	+1,400	+500	+500
Affordable to low income households	+500	+900	+500	+600
Affordable to moderate income households	+100	+100	+200	+400

Central Coast Council, *Affordable and Alternative Housing Strategy*, 2020

The proposal will provide a significant number of affordable units to be made available to low- and moderate-income households and those with special needs, noting that these groups make up at least 60% of people in the Central Coast community.

Following initial discussions with local employers and community housing providers (CHP), there is a significant demand for essential worker housing, in particular health workers, given the proximity to Wyong Hospital and expansion of staff and facilities, and workers within local employment zones and the planned employment zones in Warnervale. Within the current rental market employers are reporting difficulties in hiring and retaining staff due to high rents and lack of supply in rental housing, which forces workers to make long commutes from Sydney and Newcastle. The proposal will make an important contribution to increasing the general supply of housing and affordable housing for key workers to support the surrounding locality.





Our Commitment

- 15% of the future units within the proposed community will be provided as affordable housing (est. 120 units based on an overall yield of 800 units).
- The affordable units will be designed and constructed by Vivacity. This will likely include a mix of standard and adaptable units. The final unit mix will be determined according to the local market demand.
- The affordable units will be spread throughout the community and mixed in with regular housing. The affordable units will be indistinguishable from the privately owned apartments within the community.
- The affordable apartments will be managed under a private agency or registered CHP appointed by Vivacity through a tender process.
- The affordable units will remain in Vivacity's ownership and will be used for affordable housing for a minimum of 15 years from the date of the issue of an occupation certificate. Vivacity (at its discretion) may also consider alternative proposals from CHPs to divest a portion of the affordable units.
- Given the number of units in the community, several CHPs may be appointed.

If you require any further information with respect to the above, please feel free to contact me.

Kind Regards
Tom Copping
Planning Manager
Vivacity Property

