

# Macquarie Park Innovation Precinct

## Affordable Housing Contribution Scheme

Department of Planning,  
Housing and Infrastructure

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# Document Control

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# Glossary of Terms and Abbreviations

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## Terms

<b>Affordable Housing</b>	Housing for Very Low, Low and Moderate income households (as defined by <i>State Environmental Planning Policy (Housing) 2021</i> , Chapter 2 - Affordable Housing and the <i>Environmental Planning and Assessment Act 1979</i> ).
<b>Affordable Rental Housing</b>	Affordable housing managed by a community housing provider and rented to Very Low, Low or Moderate income level households.
<b>Community Housing Provider</b>	Community housing providers are registered under the National Regulatory System of Community Housing. In NSW, a community housing provider must be registered by the Registrar of Community Housing to receive assistance from the Department of Family and Community Services or NSW Land and Housing Corporation.
<b>Contribution Rate</b>	The contribution rate that is used in the calculation of the monetary contribution for a relevant development and is annually adjusted for indexation purposes.
<b>In-kind Dedication</b>	Dedication of a completed affordable rental housing dwelling on-site to a planning authority.
<b>Gross Realisation Value</b>	The value of new housing stock upon completion of development.
<b>Housing Affordability</b>	The relationship between expenditure on housing cost (whether a mortgage or rental payment) and household income. An accepted benchmark measure of housing affordability is where no more than 30% of gross household income is spent on housing costs.
<b>Inclusive Housing</b>	Inclusive housing refers to housing that caters to a wide range of users, including households in housing stress, seniors, people with disabilities, students, key workers, and section of the broader residential market (e.g. First Home Buyers).
<b>Inclusionary Zoning</b>	A planning intervention which mandates a certain proportion of development be delivered (or included) as affordable housing dwellings as a condition of planning consent.
<b>Land Dedication</b>	Dedication of land on-site to a planning authority for the purposes of affordable housing.
<b>Low Income Household</b>	As defined under <i>State Environmental Planning Policy (Housing) 2021</i> , Chapter 2 - Affordable Housing, households with gross incomes between 50% and 80% of the median household income of the Sydney Statistical Division (i.e. Greater Sydney).
<b>Market Housing</b>	Housing provided in the private market which is sold and/ or rented at market rates.
<b>Moderate Income Household</b>	As defined under <i>State Environmental Planning Policy (Housing) 2021</i> , Chapter 2 - Affordable Housing, households with gross incomes between 80% and 120% of the median household income of the Sydney Statistical Division (i.e. Greater Sydney).
<b>Very Low-Income Household</b>	As defined under <i>State Environmental Planning Policy (Housing) 2021</i> , Chapter 2 - Affordable Housing, households with gross incomes less than 50% of the median household income of the Sydney Statistical Division (i.e. Greater Sydney).

## Abbreviations

ABS	Australian Bureau of Statistics
ANZSIC	Australia New Zealand Standard Industry Classification. The ANZSIC is hierarchical classification with four levels: Division (the broadest level), Subdivisions, Groups and Classes (the finest level).
CHP	Community Housing Provider
CoR	City of Ryde Council
DCP	Development Control Plan
DPHI	NSW Department of Planning, Housing and Infrastructure
ERP	Estimated Resident Population
DCJ	Department of Communities and Justice
FSR	Floor Space Ratio
GCC	Greater Cities Commission
GFA	Gross Floor Area
GRV	Gross Realisation Value
LEP	Local Environmental Plan
LGA	Local Government Area
LHS	Local Housing Strategy
LSPS	Local Strategic Planning Statement
NDA	Net Developable Area
RBA	Reserve Bank of Australia
RFB	Residential Flat Building

# 1. Strategic Context and Background

## 1.1 Objectives of the Scheme

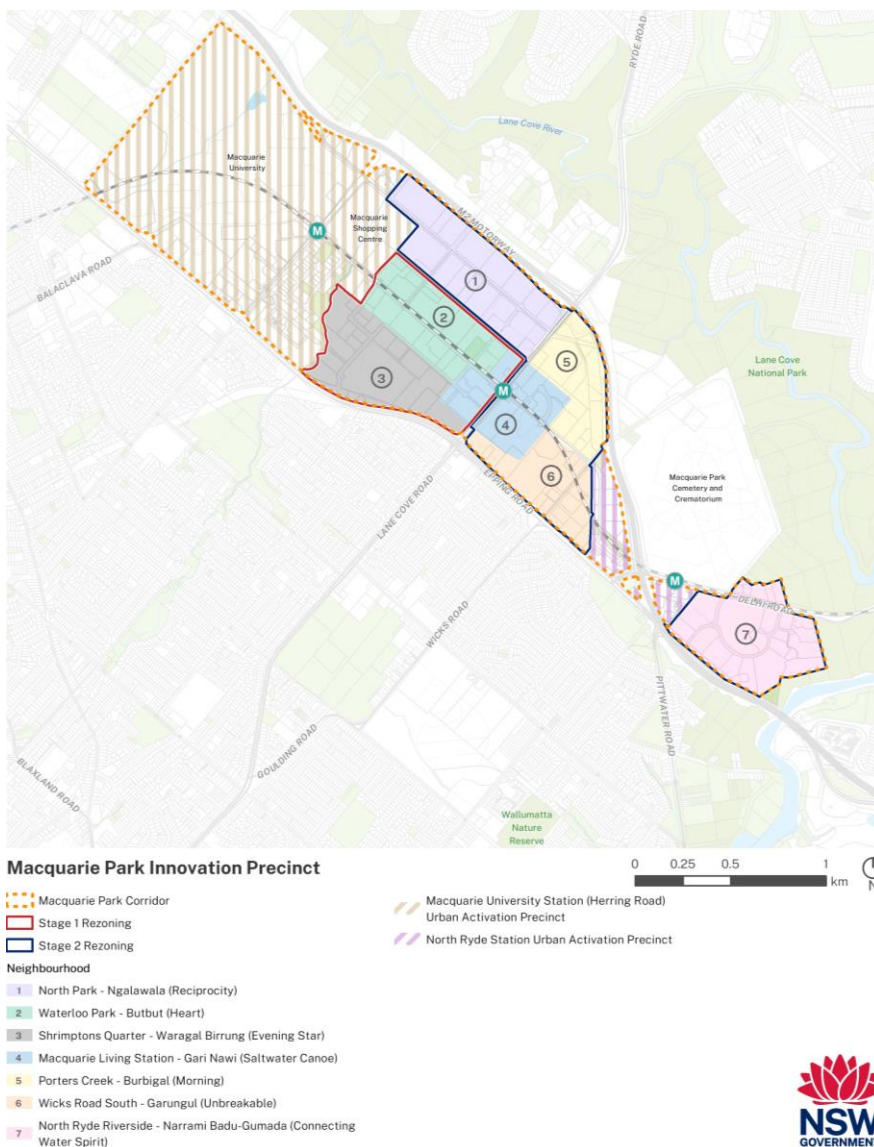
The purpose of the Macquarie Park Innovation Precinct (**the Precinct**) Affordable Rental Housing Contributions Scheme (the Scheme) is to provide for the collection of development contributions for the delivery of affordable rental housing in the City of Ryde LGA. This relates to several key policy objectives to:

- Identify existing and projected unmet need for affordable rental housing in the Ryde LGA.
- Provide for the delivery of affordable rental housing through the planning system, recognising its role as vital economic and social infrastructure.
- Ensure that the Ryde LGA retains its affordability advantages and remains an attractive and inclusive location for a range of residents.

## 1.2 Where Does the Scheme Apply?

The Scheme applies to the Precinct, referred to as the 'Contribution Area'. The Contribution Area is shown in **Figure 1-1**, comprised of seven neighbourhoods with new planning controls introduced in rezoning areas (Stage 1 and Stage 2).

**Figure 1-1: MPIP Contribution Area**



Source: DPHI

The Scheme will apply to residential uses in the Contribution Area:

- As permitted under existing planning controls; and
- When new planning controls in the neighbourhoods are made.

SCHEDULE 1 identifies the contribution rates that apply to different land within the Contribution Area. Additional sites may be added to the Scheme by amendment of SCHEDULE 1 by Council resolution and amendment of the Ryde LEP.

### 1.3 What Types of Development Does the Scheme Apply To?

The Scheme applies to all types of residential accommodation development except:

- Developments which do not result in at least one additional dwelling being created.
- All non-residential development.
- Exempt development.
- Development solely for the purpose of social and/or affordable rental housing.
- Secondary dwellings.
- Boarding houses.
- Group homes.
- Supportive accommodation.
- Seniors housing.

For development which comprises a mix of market housing and affordable rental housing and/or social housing, this Scheme will only apply to the proportion of the private housing within the development.

### 1.4 Need for Affordable Rental Housing

#### Overview

Housing affordability has risen as a central issue for both State and local government across much of Australia's east coast over the past two decades. Significant and sustained price growth in property values has outpaced wage rises, resulting in declining housing affordability and growing public debate around the need to improve accessibility to the housing market.

Sydney is at the forefront of Australia's housing affordability debate. Not only is Greater Sydney the least affordable capital city in Australia (ANZ/CoreLogic, 2021), it has been consistently ranked amongst top three most unaffordable cities globally and is now only outranked by Hong Kong in terms of unaffordability (Demographia, 2022).

In the Ryde LGA, price growth for houses and units was significant over the 2020-2021 period with the median house price recording a peak annual growth rate of 33%. The surge in property prices is consistent with that broadly observed across Greater Sydney. In 2022, the median price of houses and units was \$2.2 million and \$800,000 respectively, representing a notable average annual growth of 11% (houses) and 4% (units).

The median dwelling price in Ryde at \$985,000 is 9 times greater than the median Ryde household income in 2021. For households earning *below* the median annual income, there is increasingly no alternative other than renting permanently.

The social cost associated with deteriorating housing affordability are significant. Households on very low, low and moderate incomes can be displaced from local areas, resulting in poor community diversity and social cohesion. Furthermore, displacement of 'key workers' can result in a reduced labour force of key workers essential to local economies.

#### Demand for Affordable Rental Housing

In 2021, there were some 2,480 and 7,125 very low to moderate income households experiencing mortgage and rental stress respectively. In addition to these households, demand for affordable rental housing is driven by Ryde's other resident groups who could equally require affordable rental housing, including:

- The ~1,540 households across the Ryde LGA currently on the waiting list for social housing accommodation.
- The ~6,090 residents who require assistance with core activities due to a disability.

The capacity of these various groups to enter the private housing market without entering high levels of housing stress are limited. Analysis suggests that very low and low income households would be unable to afford renting most forms of private housing accommodation without entering housing stress.

The 2021 housing stress data indicates that 25% of Ryde households experience rental stress (7,125 of 28,429 households). If a same proportion were assumed and applied to DPE household projections in the coming decades, approximately 15,000 households could potentially experience rental stress by 2031, and some 18,000 households by 2041.

### Existing Supply of Subsidised Housing

The most recent community housing data is sourced from NSW Community Housing Industry Association (CHIA) (2021). Based on the data, there are approximately 1,824 existing subsidised housing in the Ryde LGA. This includes 1,677 social and affordable housing dwellings and other various types of subsidised housing. These are summarised below.

- **Social Housing**  
As at 2021, some 1,675 social housing dwellings were being managed by various community housing providers (CHPs) across the Ryde LGA.
- **Affordable Rental Housing**  
Only 2 affordable rental housing dwellings have been identified in the Ryde LGA (CHIA, 2021). This excludes affordable housing provided by non-profit organisations and private developers.
- **Boarding Houses**  
A total of 9 registered boarding houses with a total of 131 rooms were identified in the Ryde LGA (Atlas/NSW Fair Trading 2023).
- **Other Subsidised Housing**  
There were 16 other dwellings managed by CHPs, including the 14 dwellings for crisis accommodation and 2 dwellings for transitional housing.

APPENDIX 1 (The Evidence Base) provides a more detailed analysis of the need for affordable housing in the Ryde LGA.

## 1.5 Legislative Basis for Affordable Housing Contributions

Section 7.32 of the *Environmental Planning and Assessment Act 1979* (the Act) allows for the collection of development contributions for the purpose of affordable rental housing provision if a State environmental planning policy identifies there is a need for affordable housing within the area and:

- The consent authority is satisfied that the proposed development will or is likely to reduce the availability of affordable rental housing within the area, or
- The consent authority is satisfied that the proposed development will create a need for affordable rental housing within the area, or
- The proposed development is allowed only because of the initial zoning of a site, or the rezoning of a site, or
- The regulations provide for this section to apply to the application.

Section 14 of the *State Environmental Planning Policy (Housing) 2021 (Housing SEPP)* identifies there is a need for affordable housing within each area of the State.

Subject to compliance with relevant requirements of a State environmental planning policy and authorisation under a local environmental plan, a consent authority may grant consent to a development application subject to a condition requiring:

- The dedication of part of the land, or other land of the applicant, free of cost to be used for the purpose of providing affordable housing, or
- The payment of a monetary contribution to be used for the purpose of providing affordable housing, or both.



## 1.6 Relationship to Other Affordable Housing Provisions

### Ryde Local Strategic Planning Statement 2020

Increasing the supply of affordable rental housing is a key objective under Planning Priority H4 (Improve the affordability of housing) of the Ryde Local Strategic Planning Statement 2020.

A key action under Planning Priority H4 is to ensure five per cent of all new dwellings are affordable by 2031.

### Ryde Local Housing Strategy (2020)

The Ryde Local Housing Strategy (LHS) identified a need for additional affordable housing supply across the Ryde LGA. The LHS affirmed the guiding principles of the Ryde Affordable Housing Policy and recommended mandating delivery of Affordable Housing. Key recommendations that relate to mandating the delivery of Affordable Housing include:

- Implement Council's Affordable Housing Policy, including 5 per cent of all new housing to be affordable housing for key worker households.
- As part of future centre masterplanning, undertake feasibility analysis to support a future affordable housing contribution scheme for specific centres.
- Undertake annual review of affordable housing delivery and work with State and community housing providers to track anticipated delivery.

The Ryde LHS was approved by DPHI in September 2021 subject to requirements that includes preparation of an Affordable Housing Contribution Scheme.

### Ryde Voluntary Planning Agreements Policy

The Ryde Voluntary Planning Agreements (VPA) Policy sets out Council's policy and the principles and procedures that apply to planning agreements under section 7.4 of the *Environmental Planning and Assessment Act 1979*.

The VPA Policy allows the provision of affordable housing as a potential material public benefit in any planning agreement.

The minimum requirements for affordable housing as set out in this Scheme will apply to applicable development regardless whether a Voluntary Planning Agreement is negotiated with Council. In some instances, contributions additional to Affordable Housing will be negotiated and required in a Voluntary Planning Agreement.

### City of Ryde Affordable Housing Policy

The City of Ryde Affordable Housing Policy 2016-2031 contains a framework to advocate for, facilitate, provide and manage affordable housing in the Ryde LGA.

The Affordable Housing Policy identifies various planning mechanisms under which affordable housing could be sought.

- Value sharing agreements which are negotiated between Council and a proponent based on the uplift in value that results from a rezoning. A similar process applies under Council's VPA Policy. This mechanism is voluntary and there can be competing objectives for contributions (e.g. green space, affordable housing or community space).
- Precinct-based density bonus model where an increased height and/ or floorspace is offered in return for the inclusion of a percentage of affordable housing within the development.
- Mandatory inclusion where a certain percentage of units is designated affordable housing as a mandatory condition of the rezoning.

The Affordable Housing Policy sets a 5% affordable housing target for all new housing in the next 15 years (2016-2031).

The Affordable Housing Policy specifies that:

- CHPs would manage affordable housing that is allocated/ dedicated to Council.
- A Memorandum of Understanding (MoU) would detail the proportion of rent to the CHP for tenant administration, maintenance and potential to acquire new affordable housing stock.
- Council will partner with accredited CHPs through the council procurement process.

- Rental rates are to ensure that affordable housing properties are available to a range of income groups, with rent either set as a discount to market rent (20%-25%) or to be no more than 25%-30% of gross household income.

The Affordable Housing Policy has a vision of providing for affordable housing that will enable an increasing number of key workers in the local economy to live locally.

## 1.7 Affordable Rental Housing Principles

Consistent with the principles for affordable rental housing in the Housing SEPP, the Ryde Affordable Housing Policy seeks to, *inter alia*:

- Increase the amount of affordable housing available in the City of Ryde to households with Very Low, Low and Moderate incomes.
- The definitions under the Housing SEPP make households who earn up to a Moderate income eligible for Affordable Housing. Rent can be income-based (no more than 30% of household income) or discounted from market (by at least 20%) for households that would be eligible to occupy.
- Protect the existing stock of low cost rental accommodation in the City of Ryde.
- Encourage a diverse range of housing in the City of Ryde.

“Affordable Housing” is defined in the Environmental Planning and Assessment Act 1979 (**EP&A Act**) as “*housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument*”.

Section 13 of the Housing SEPP defines *Very Low, Low and Moderate income households* as being:

- Households whose gross incomes are within specified ranges of:
  - Very Low income household - less than 50%
  - Low income household - 50% to less than 80%
  - Moderate income household - 80 to 120%
 and pay no more than 30% of the gross income in rent.
- Households that are eligible to occupy rental accommodation under the National Rental Affordability Scheme (NRAS) and that pay no more rent than would be charged under the NRAS. The rent charged for a dwelling in NRAS must be at least 20% less than the market value rent for the dwelling.

## 2. Affordable Housing Contributions

### 2.1 Contribution Rates

Affordable housing contribution rates provided in the Scheme are in addition to other contributions applicable in the LGA, including local contributions (s7.11 or s7.12) and state and regional infrastructure (Housing and Productivity contributions).

As a condition of development consent, all residential development in the Contribution Area must contribute to affordable housing according to the rates provided in the Scheme. Other conditions of consent are provided in section 2.6.

#### MPIP Contribution Area

The following contribution rates apply to development that results in residential accommodation *not* enabled by a rezoning and applies to Build-to-rent Housing.

**Table 2-1: Residential Accommodation (not a result of a Rezoning)**

Year of Commencement (from LEP amendment)	Contribution Rate
Year 1	Nil
Year 2	1%
Year 3	2%
Year 4	3%

Source: Atlas

For residential development enabled by a rezoning and residential additional permitted use, contribution rates are contained in SCHEDULE 1.

DPHI is proposing mandatory affordable housing contributions of 10-15% in perpetuity for all new residential development on land within the TOD accelerated precincts. The Department has proposed outcomes-based contribution rates that reflect the urgency of the need to address the current housing crisis in NSW. The contribution rates apply regardless of whether the incentive floorspace or height is accessed.

There are three methods by which a contribution requirement may be satisfied:

- Dedication of completed dwellings (refer to section 2.2)
- Making an equivalent monetary contribution (refer to section 2.3)
- Contribution of land for affordable housing (refer to section 2.4)

When submitting a development application, the documentation should specify which method of contribution is proposed.

### 2.2 Dedication of Completed Dwellings

The affordable housing contribution requirement may be satisfied through the dedication of completed dwellings free of cost, and to the satisfaction of Council. The completed dwellings must meet the following requirements:

- Align with the affordable housing principles in section 1.7.
- The location, size and quality of the affordable housing dwellings are to be to the satisfaction of Council and its nominated Community Housing Provider (CHP) and generally consistent with the standard of new housing in the LGA including minimum sustainability and energy-efficiency requirements.
- The dwellings should not be distinguishable from market housing within the LGA. If not to its satisfaction, Council may require the contribution to be satisfied by way of an equivalent monetary contribution.
- Completed dwellings (and land) are dedicated to Council in perpetuity and free of cost. Council or its Community Housing Provider will be responsible for rental arrangements.

- Total gross floor area (GFA) exceeds 50sqm. If the GFA is less than 50sqm, a monetary contribution will instead be payable (as described in section 2.3 of the Scheme).
- The internal living space (net saleable area) of the completed dwellings is to be a similar efficiency ratio to the overall residential dwellings.
- Where only part of a contribution is satisfied through dedication of completed dwellings, any remaining requirement is to be paid as a monetary contribution.

An example is provided below on how to calculate the dwelling contribution based on a contribution rate of 10% and 15%.

Calculating the Dwelling Contribution (assuming a 10% and 15% contribution requirement)

Example: A development application comprises 2,000sqm residential GFA

10% contribution = 2,000sqm x 10%  
= 200sqm affordable housing GFA required to be dedicated

15% contribution = 2,000sqm x 15%  
= 300sqm affordable housing GFA required to be dedicated

If the dedication of dwellings is less than the GFA requirement, the balance of the GFA is paid as a monetary contribution using the methodology in section 2.3.

### 2.3 Equivalent Monetary Contributions

Where a monetary contribution is to be made, the contribution amount will be calculated as a percentage of gross realisation value (GRV). The GRV is selected based on an analysis of sales activity of residential developments in the Precinct. **Table 2-2** outlines the dollar contribution rates that correspond to various percentage contributions.

**Table 2-2: Affordable Housing Dollar Contribution Rates, the Precinct**

Gross Realisation Value (GRV)	Dollar Contribution Rate	Dollar Rate (\$/sqm GFA)
(a)	(b)	(c) = (a x b)
\$11,832	10.0%	\$1,183
\$11,832	15.0%	\$1,775

Source: Atlas Economics

The dollar contribution rates are indexed quarterly pursuant to section 3.2 of the Scheme.

Depending on the percentage of Affordable Housing required, the corresponding dollar contribution is applied to the residential GFA.

An example is provided below on how to calculate the monetary contribution based on a contribution rate of 10% and 15%.

Calculating the Monetary Contribution (assuming a 10% and 15% contribution requirement)

Example: A development application comprises 2,000sqm residential GFA

10% contribution = 2,000sqm x \$1,183  
= \$2,366,000 monetary contribution required

15% contribution = 2,000sqm x \$1,775  
= \$3,550,000 monetary contribution required

If the dedication of dwellings is less than the GFA requirement (calculated in section 2.2), the balance of the GFA is paid as a monetary contribution using the corresponding dollar contribution rate.

## 2.4 Dedication of Land

The acceptability of land for dedication (as an alternative to dedication of dwellings or monetary contribution) is subject to Council's discretion and approval, in consultation with the community housing sector and Council's nominated CHP. The following requirements are identified to guide the assessment of suitability.

- Minimum area of 800sqm.
- Within 5-min walking catchment (400m) of bus station or 10-min walking catchment (800m) of train station.
- Not be subject to environmental constraints, in particular:
  - Be of residential building quality, not contaminated or require remediation.
  - Be of good quality building land, not subject to flooding or flood constraints.
- Have access, locational and site characteristics comparable to the proposed residential development.

The value of the dedicated land (assuming the associated floorspace potential is not transferred/ realised elsewhere on the site) should be equivalent to the monetary contribution calculated under the Scheme.

If the floorspace potential of the dedicated land is able to be transferred and developed elsewhere on the site, the land should be dedicated to Council at nominal cost (\$200/sqm to cover cost of legal and administrative matters) and a monetary contribution will still be required for affordable housing.

If the floorspace potential of the dedicated land is not transferred and developed elsewhere on the site, the expertise of a valuer/ land economist is required. In this circumstance, the following steps are relevant for the land as a contribution.

- Assess if the land to be dedicated meets with the identified requirements.
- If land is suitable for dedication, identify the proposed land in a subdivision plan to be approved by Council.
- Calculate the equivalent monetary contributions payable.
- Obtain independent valuation of land to be dedicated.
- If the assessed land value is less than the equivalent monetary contribution payable, subject to acceptability by Council, pay the difference in monetary contribution.

If the assessed land value exceeds the equivalent monetary contribution, no offset or refund is applicable.

An example is provided on how to calculate the land contribution based on a contribution rate of 10% in two scenarios:

- Floorspace potential associated with the dedicated land can be transferred and developed elsewhere on the site.
- Floorspace potential associated with the dedicated land cannot be transferred and developed elsewhere on the site.

Calculating the Land Contribution (assuming a 10% contribution requirement)

Example: A development application comprises 2,000sqm residential GFA

10% contribution = 2,000sqm x \$1,183 = \$2,366,000 monetary contribution required

- Scenario 1 - floorspace can be transferred and developed elsewhere on the site.
  - The land should be transferred to Council at a nominal cost of \$200/sqm.
  - If land proposed for dedication measures 800sqm, a monetary contribution of \$990,000 could be required, calculated as follows: \$2,366,000 - \$160,000 (800sqm x \$200/sqm) = \$2,206,000
- Scenario 2 - floorspace cannot be transferred and developed elsewhere on the site.
  - If land proposed for dedication is valued at \$3,000,000, its value exceeds the required monetary contribution of \$2,366,000. If accepted for dedication, no offset or refund is applicable.
  - If land proposed for dedication is valued at \$2,000,000, its value is less than the required monetary contribution. A monetary contribution of \$366,000 is required.

A Development Application must include the following information:

- The area and location of land to be dedicated and any residual amount for which a monetary contribution is required.
- Identification on the subdivision plans the land proposed for dedication.
- Demonstration of the value of the land to be dedicated against the equivalent monetary contribution.
- Demonstrate the appropriateness of the land proposed for dedication with reference to the principles of the Scheme.

## 2.5 Exemptions and Exclusions

The following development is exempt from the Scheme:

- i. Development for non-residential floorspace (unless identified as adaptable floorspace).
- ii. Exempt development.
- iii. Refurbishment or repair of a building that results in additional residential floorspace less than 100 square metres.
- iv. Development for the purposes of affordable housing or social housing.
- v. Development of community facilities, public roads or public utility undertakings.

The justification for granting exemptions to these development categories is:

- In the case of i and v, above, the development of non-residential floorspace and community facilities, public roads or public utility undertakings are excluded from affordable housing contributions given they provide community value, employment opportunities and/ or community services (community facilities).
- In the case of iii the works are considered to be of a minor nature and imposition of an affordable housing contribution is not considered necessary in such circumstances.
- In the case of iv, development for the purposes of affordable or social housing will already contribute to the aims of the Scheme.
- For development which comprises a mix of market housing and affordable rental housing and/or social housing, this Scheme will only apply to the proportion of the private housing within the development.

## 2.6 Conditions of Consent

Council will levy developer contributions for affordable housing via conditions of consent.

The conditions of consent must include the following information:

- The total residential gross floor area of the development that was used to calculate the contribution or the monetary contribution required.
- The different floor areas that can contribute to the total contribution amount (this only applies in instances where rates differ between development types or between commercial and residential floor space).
- The relevant contribution rates.
- The indexation period at time of determination (for any monetary contributions).
- A requirement to demonstrate that the title of any dwellings will be transferred to a community housing provider or Council prior to the granting a Construction Certificate.
- A requirement to make any monetary payment at a specified time or stage in the development application process.
- A requirement that any dwellings that will be dedicated are shown on approved plans in the same development application and referenced in the affordable housing condition.
- The dedicated affordable housing is to be constructed to a standard which in the opinion of Council is consistent with other dwellings in the development.
- If a staged development, affordable housing must be provided at each stage.

## 3. Administration and Implementation

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### 3.1 How to Make a Contribution

All land to which the Scheme applies (identified in SCHEDULE 1) to is required to provide contributions for affordable rental housing as a condition of development consent. The contributions will need to be updated at the time of payment to the most recent indexed values, in accordance with the indexation formula set out in section 3.2.

There are three methods to make the required affordable housing contribution to Council.

- Dedication of affordable housing dwellings to Council.
- Monetary contribution by applying dollar contribution rates to residential GFA.
- Dedication of land and is expected to apply in certain situations where specified criteria are met.

Contributions could be made in a combination of methods.

A contribution requirement forms part of a development consent. Council will require evidence that the affordable housing contribution requirement is satisfied prior to granting of any construction certificate or complying development certificate. Where no construction certificate is required, evidence that the affordable housing contribution requirement is satisfied will be required by Council before commencement of use/occupation.

The Scheme also includes a methodology for the dedication of land, however it is expected that this method would only apply in certain circumstances.

#### Dwelling Contributions

Where affordable housing is proposed to be dedicated on site, the applicant must transfer the titles of the dwellings to Council. An agreement to transfer the titles must be made and evidence provided to Council prior to the granting of a Construction Certificate.

Council must be satisfied that the nominated dwellings achieve the affordable housing principles and design details as set out in this Scheme. Where appropriate Council will seek comment from the Community Housing Provider to ensure this.

Council and the Community Housing Provider (as appropriate) will also consider the suitability of the proposed dedication and quantum of dwellings from an operational perspective, that is, the cost implications of management and maintenance.

The dwelling contribution will be satisfied when the title is transferred to Council prior to issue of an Occupancy Certificate. An affordable housing covenant is required to be registered, before the date of the issue of the occupation certificate, against the title of the property, in accordance with section 88E of the Conveyancing Act 1919. The covenant will:

- Require affordable rental housing to be retained as affordable rental housing in perpetuity;
- Require affordable rental housing to be managed in accordance with the Affordable Rental Housing Principles;
- Allow at the sole discretion of Council for the removal of the covenant to facilitate the sale of affordable rental housing where Council is satisfied equivalent or better replacement stock is to be provided within the LGA; and
- Allow for the lifting of the covenant at the sole discretion of Council in the circumstance that the nominated CHP becomes insolvent and another CHP, or Council, is unable or unwilling to take over the interest in the asset.

#### Monetary Contributions

Where an applicant is to make a monetary contribution towards affordable housing the amount of the contribution will be specified in the condition of development consent. The contribution must be paid to Council prior to the issue of any Construction Certificate.

If the applicant is unable to pay the monetary contribution at Construction Certificate stage, evidence must be provided to Council to this effect and arrangements made for Council to secure payment such as a Bank Guarantee or equivalent at a later stage in the development period.

## Land Contributions

Where land is proposed to be dedicated as a contribution, Council will ensure the proposed land satisfies Council's requirements and refer the application to a nominated CHP for comment.

Council will undertake an assessment of the appropriateness of land proposed for dedication with reference to the affordable housing principles and comment received from the nominated CHP.

### **3.2 Indexation of Contribution Rates**

Contribution rates will be adjusted quarterly within one week of the first of March, June, September and December, to ensure that the contributions reflect the costs associated with the provision of affordable housing over time. Rates will be adjusted with reference to movement in the median price for strata dwellings in the City of Ryde LGA. All monetary contributions must be indexed at the time of payment to ensure funds received will cover the full costs of delivering the required affordable housing contributions.

The median strata price is published quarterly in the NSW Government Rent and Sales Report, Table 3: Sales Price - NSW LGAs Ryde - Strata.

The formula for the indexation is:

Next quarter contribution rate = Current contribution rate x (MDP2 ÷ MDP1)

Where:

MDP1 is the median strata dwelling price for the previous quarter

MDP2 is the median strata dwelling price for the current quarter

The City of Ryde Council's website will display the current rates within the Scheme.

### **3.3 Refunds for Demolition of Changes in Use**

Local environmental plans require that the consent authority must not refund an affordable housing contribution to the applicant where there is a change in use or demolition of a building.

To avoid doubt, the demolition of a building, or a change in the use of land, does not give rise to a claim for a refund of any contribution made under this Scheme.

### **3.4 Adjustment of a Monetary Contribution on a Development Consent**

Where a condition requiring a monetary contribution has been imposed, the contribution amount will be indexed to when the payment is made. The approach to indexing monetary contributions is outlined in section 3.2.

As specified in section 2.6, if a portion of land area is proposed for development of affordable and/or social housing within a broader residential or mixed-use development, this must be specified upon lodgement of a Development Application. This portion of land is not subject to contributions in this Scheme.

If this land designated for affordable and/or social housing is later proposed to be developed as market housing, Affordable Housing contributions under this Scheme would become payable.

### **3.5 Distribution and Management of Contributions**

Contributions will be pooled and managed by City of Ryde Council. Affordable Housing dwellings acquired or achieved under this Scheme or by any other means, are to be transferred in property title to the City of Ryde Council. Alternatively, the Council may nominate a Community Housing Provider, to which the property title is transferred.

Council will outsource the management of the affordable housing contributions and dwellings to a CHP with demonstrated experience and expertise in the management of affordable housing. Selection of the CHP to manage the dwellings will be conducted in accordance with Council's procurement policy. Council will enter into a management agreement for the affordable rental housing dwellings with the successful CHP following the selection process.



The nominated CHP will be consulted on the appropriateness of dwellings proposed to be contributed under this Scheme.

In circumstances where Council receives monetary contributions, as sufficient funding becomes available through the Scheme, Council will seek proposals from registered CHPs for the development of affordable housing within the Ryde LGA. Council will provide advice about the terms of tenders or requests for expressions of interest.

Tenders or requests for expressions of interest may be issued for:

- Immediate use of contribution funds for development in the LGA.
- Allocation of funding for eligible community housing providers to seek development opportunities in the LGA.
- Land and funding packages, where land is made available by supplementary sources for the purpose of developing affordable housing.

Terms will include, amongst other things, that proposals demonstrate how the resulting affordable rental housing will be consistent with the principles, objectives and requirements outlined in this Scheme. Proposals will also be required to demonstrate how funding will be leveraged to maximise the quantum of affordable housing dwellings. Priority will be given to eligible CHPs who have appropriate experience and resources. Proposals are to be evaluated by a tender assessment panel, convened by Council.

The appointed CHP will take full ownership and management responsibilities for any monetary or in-kind affordable housing contributions gained during their term. Affordable housing contributions transferred to the appointed CHP will be done so on the condition that all will be retained for the purpose of affordable housing in perpetuity.

### **3.6 Monitoring and Review of the Scheme**

The Scheme will be reviewed collectively by Council on a yearly basis. Key considerations will include:

- Number of delivered affordable housing dwellings.
- Size, type, quality and locational appropriateness of dwellings contributed.
- Maintenance and management issues.
- Retention and use of affordable housing revenue by Council after deduction of management and maintenance costs for the purpose of improving, replacing, maintaining or providing additional affordable rental housing.
- Total amount of funds contributed and awaiting pooling.
- Allocation of funds within that year to nominated CHPs.

# References

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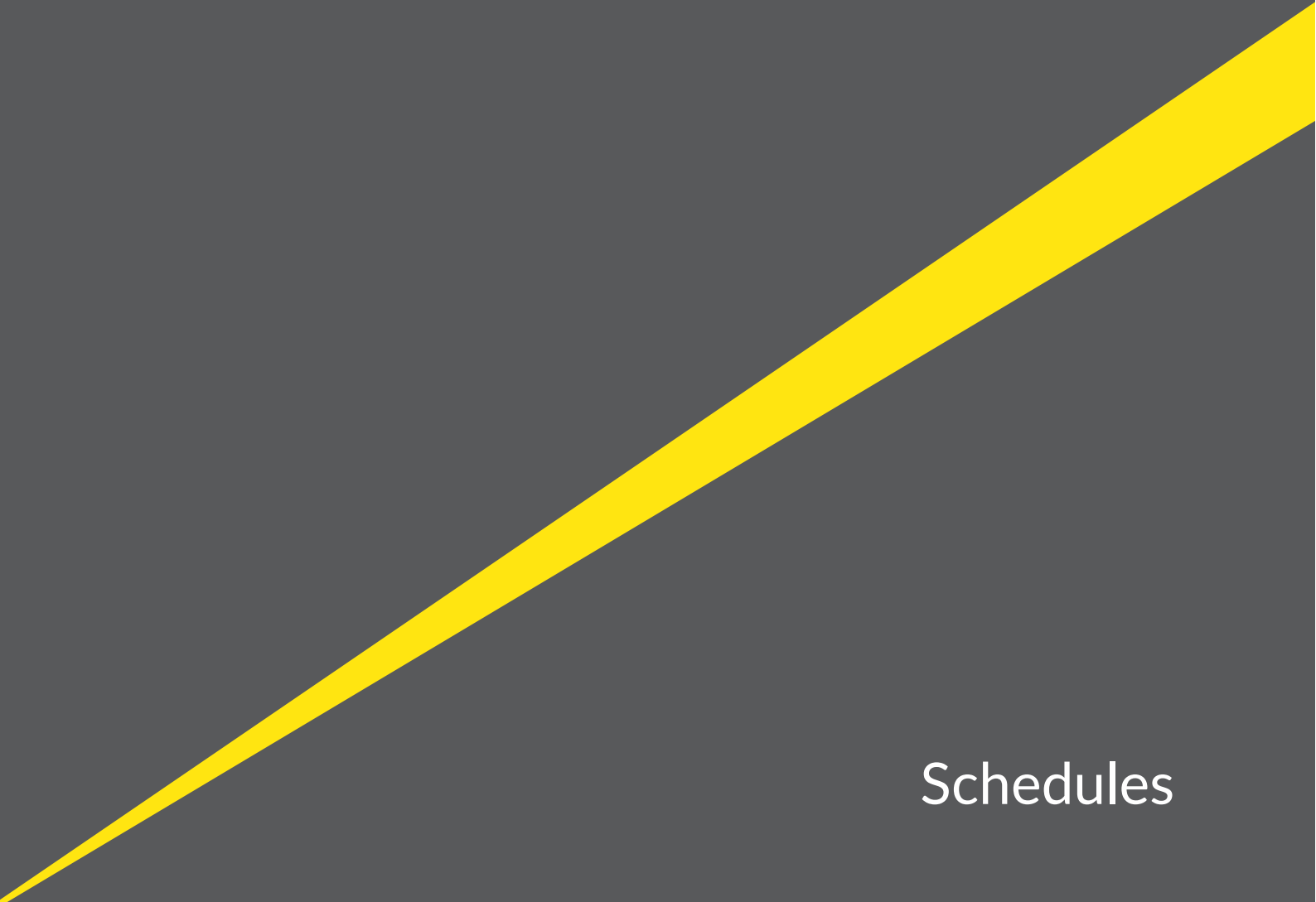
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Schedules

# SCHEDULE OF CONTRIBUTIONS

This schedule identifies the contribution rates that apply to different land within the Contribution Area land. Additional sites may be added to the Scheme by amendment of SCHEDULE 1 by Council resolution and amendment of the Ryde LEP.

## MPIP Contribution Area

The following contribution rates apply to development that results in residential accommodation not enabled by a rezoning and applies to Build-to-rent Housing. These rates do not apply to land separately identified for rezoning to permit residential.

**Table S1-1: MPIP Contribution Area**

Year of Commencement (from LEP amendment)	Contribution Rate
Year 1	Nil
Year 2	1%
Year 3	2%
Year 4	3%

Source: Atlas

## Stage 2 Rezoning Area

Figure S1-1 identifies land within the Stage 2 Rezoning Area where residential is enabled by a rezoning and residential additional permitted use. Residential uses will be permitted, in some cases subject to minimum non-residential FSR provision.

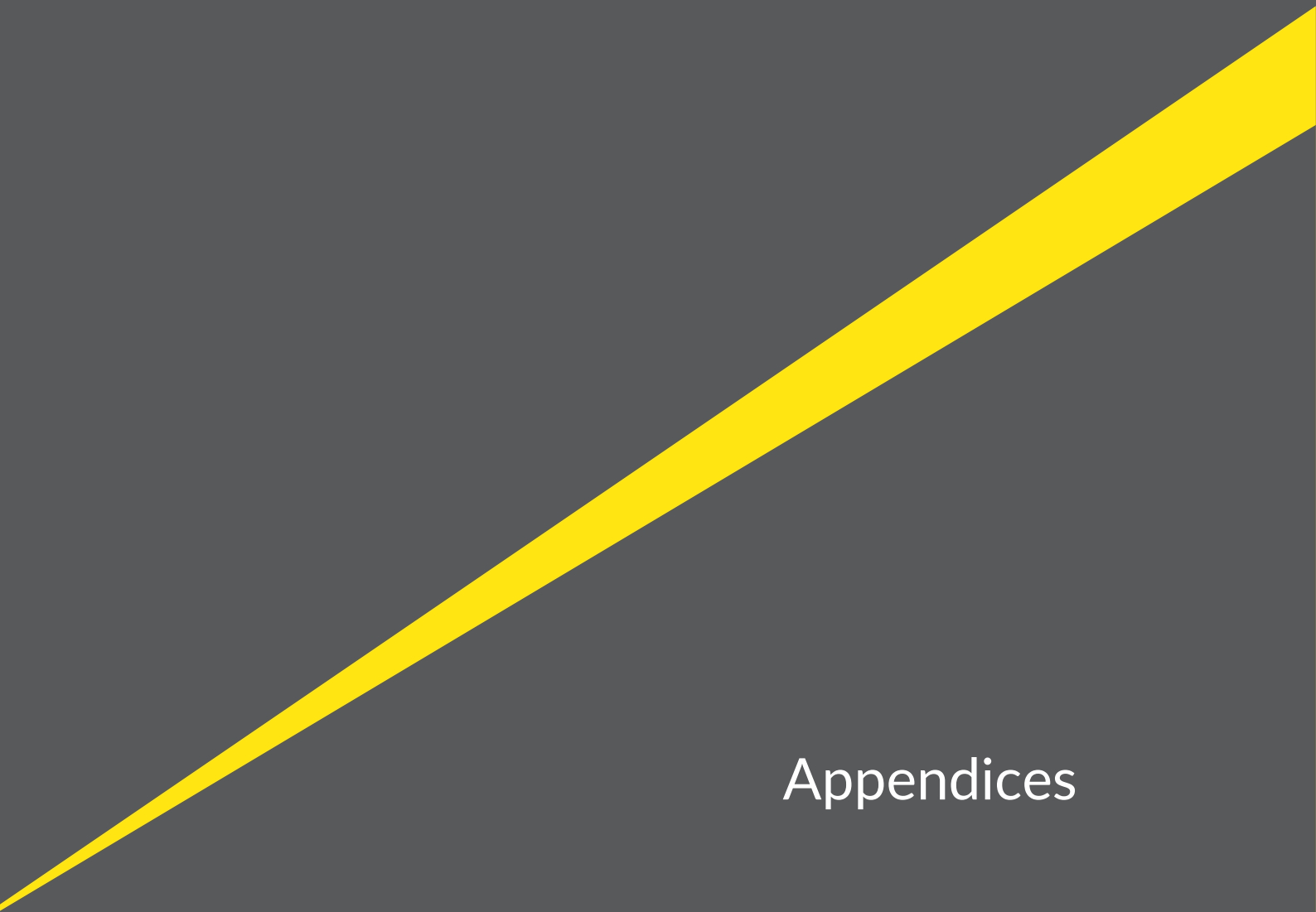
**Figure S1-1: Stage 2 Rezoning Area**



Source: DPHI

**Table S1-2: Stage 2 Rezoning Area**

Key Sites	Minimum Site Area	Maximum LEP Height of Building	Maximum LEP FSR	Land Dedication Requirement	Affordable Housing Contributions
Area 9	35,895sqm	125 metres	FSR 2.0:1	18,030sqm	10%-15%
Area 10	59,310sqm	190 metres	FSR 3.0:1	33,620sqm	10%-15%
Area 11	33,822sqm	190 metres	FSR 5.0:1	14,240sqm	10%-15%
Area 12	10,917sqm	45 metres	FSR 2.5:1	6,210sqm	10%-15%



Appendices

APPENDIX 1

# EVIDENCE BASE – LOCAL HOUSING NEEDS ASSESSMENT



## Demographic Analysis of Residents

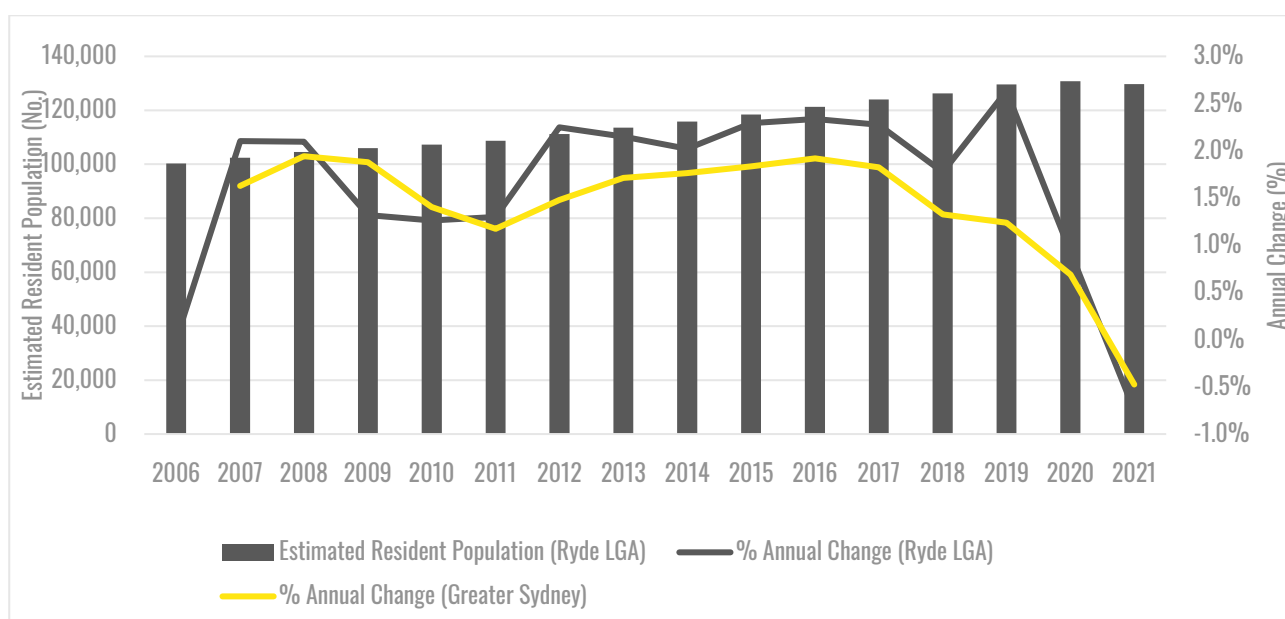
### Population Size and Growth

The Ryde LGA recorded significant population growth in the last decade. In 2011, there were approximately 109,000 residents in the Ryde LGA. By 2021, this grew to some 130,000 residents, reflecting an average annual growth of 1.8% over 2011-2021. This is in excess of the 1.3% average annual growth observed across Greater Sydney over the same period.

Population growth was focused in the Macquarie Park and North Ryde areas - driven by the delivery of new Metro stations and growth in the education sector. Development has been characterised by higher density housing projects being delivered in stages around Macquarie Park University and transport nodes.

**Figure A1-1** illustrates historical population growth in the Ryde LGA over the 2006-2021 period.

**Figure A1-1: Historical Population Growth (2006-2021), Ryde LGA**



Source: ABS (2021)

### Age Characteristics

In 2021, middle-aged adults (35-49 years) represented the highest proportion of residents in the Ryde LGA at 23%. This was closely followed by young adults aged 25-35 years at 18%. A similar age profile composition was observed in 2016.

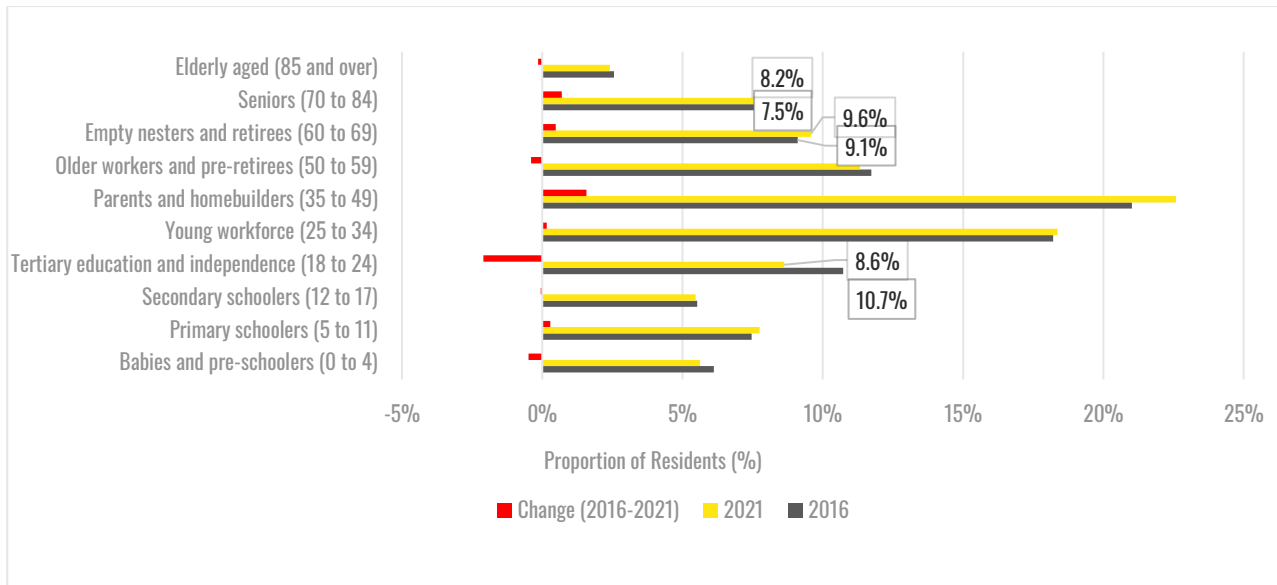
Over the 2016-2021 period, there were notable shifts in the resident age profile. This included a 2% decline in the proportion of residents aged 18-24 years, aligned with the loss of international students due to the COVID-19 outbreak.

Conversely, the Ryde LGA recorded nominal growth in the number of middle-aged adults and elderly population (60-84 years). In 2021, these elderly residents represented some 18% of the Ryde population.

Overall, whilst the age profile of the Ryde LGA remains relatively young, there is also a growing representation of elderly residents.

**Figure A1-2** illustrates the age characteristics of Ryde residents over the 2016-2021 period.

**Figure A1-2: Age Characteristics (2016-2021), Ryde LGA**



Source: ABS (2021)

**Household and Family Composition**

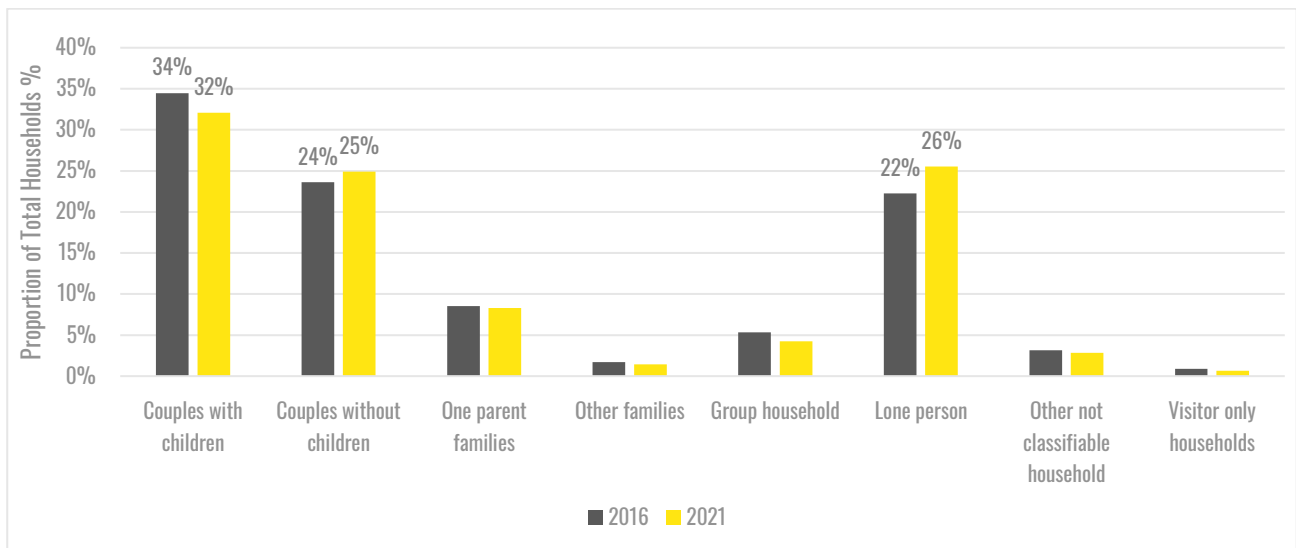
In 2021, most households in the Ryde LGA were couples with children (32% of households), as similarly observed in 2016.

Whilst couples with children remained the dominant household type over 2016-2021, they were falling in proportional share. Conversely, smaller households - couples without children and lone person households were increasingly represented across the Ryde LGA.

Over the 2011-2021, there was a marked 4% increase in the proportion of lone person households and a nominal increase in couples without children. By 2021, smaller households accounted 50% of all household types in the Ryde LGA (compared to 46% in 2016).

Figure A1-3 illustrates the household and family composition observed in the Ryde LGA over 2016-2021.

**Figure A1-3: Household and Family Composition (2016-2021), Ryde LGA**

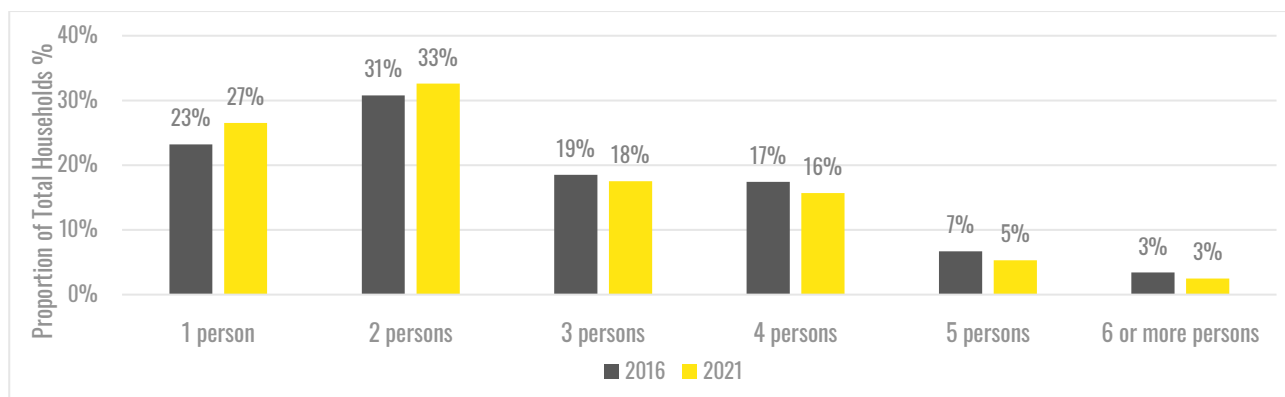


Source: ABS (2021)

The evolving household composition observed within the Ryde LGA is also aligned with household size trends over the same period. This is illustrated in Figure A1-4.



**Figure A1-4: Household Size (2016-2021), Ryde LGA**



Source: ABS (2021)

In 2016, small households (households comprising 1-2 people) accounted for 54% of all households in the Ryde LGA. This rose to 59% in 2021. The proportion of larger household sizes (households comprising 3 or more people), however, fell from 46% in 2016 to 41% in 2021.

This suggests that the Ryde LGA is increasingly represented by smaller households, typically attributed to the rise in lone person households and couples without children.

### Household Income

Income is a key indicator of socio-economic status. In 2016, Ryde LGA households recorded a median income of \$1,786 per week. In 2021, this grew to \$2,098 per week. By comparison, Greater Sydney recorded a median household income of \$1,750 per week in 2016 and \$2,077 per week in 2021.

Whilst the median income for households in the Ryde LGA is nominally higher than that of Greater Sydney, income levels of Ryde households grew at a slower rate over 2016-2021 (17% compared to the 19% in Greater Sydney).

**Table A1-1** summarises the median weekly household income in the Ryde LGA and Greater Sydney over 2016-2021.

**Table A1-1: Median Weekly Household Income (2016-2021), Ryde LGA**

	Ryde LGA		Greater Sydney	
	2016	2021	2016	2021
Median Weekly Household Income	\$1,786	\$2,098	\$1,750	\$2,077
<b>Total Change (2016-2021)</b>		<b>17%</b>		<b>19%</b>

Source: ABS (2021)

The Housing SEPP 2021 defines Affordable Housing as housing for Very Low, Low and Moderate income households, based on income benchmarks compared against that of Greater Sydney.

The analysis of household income at Very Low, Low and Moderate bands assists with an understanding of housing need.

**Table A1-2** outlines the various income benchmarks and corresponding income levels in Ryde LGA in 2021.

**Table A1-2: Household Income Levels (2021), Ryde LGA**

	Very Low Income	Low Income	Moderate Income	Total
<b>Income Benchmark</b>	<50% Gross Median Household Income of Greater Sydney	50-80% Greater Sydney Gross Median Household Income	80-120% Greater Sydney Gross Median Household Income	
<b>Income Range (per week)</b>	<\$1,039	\$1,039 to \$1,662	\$1,662 to \$2,492	
<b>No. of Households</b>	10,897	6,170	11,362	<b>28,429</b>
<b>% Households</b>	22%	13%	23%	<b>58%</b>

Source: ABS (2021)

Based on the 2021 median household income in Greater Sydney (\$2,077), the following observations can be made on households in the Ryde LGA:

- Around 10,900 households recorded weekly household incomes of \$1,040 or less. This income bracket broadly equates to the range of Very Low incomes.
- Around 6,200 households recorded weekly household incomes of between \$1,040 and \$1,660. This income bracket broadly aligns with the range of Low Incomes.
- Some 11,400 households recorded weekly household incomes of between \$1,660 and \$2,490. This income bracket broadly aligns with the range of Moderate Incomes.

In 2021 some 28,400 households had incomes within the Very Low, Low and Moderate income bands.

## Dwellings and Tenure

### Housing Tenure

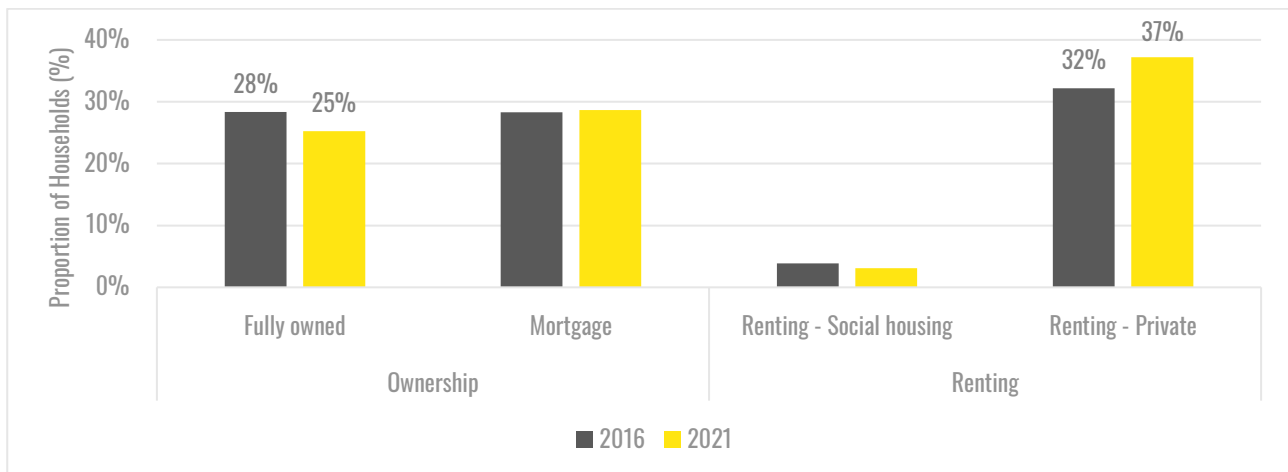
Housing tenure is a useful proxy to understand the socio-economic profile of a region. For example, if renters are the predominant occupier, this could indicate a younger and transient demographic whereas a higher concentration of homeowners indicates an established area with mature families/ empty nesters.

Ryde LGA includes the Macquarie Park and North Ryde areas which are urban centres with high levels of planned growth. In 2016, most households in the Ryde LGA purchased their family home, either outright or with a mortgage (57% of households). In 2021, this fell to 54%. In comparison, Greater Sydney recorded a higher home ownership rate which largely unchanged at 59% over 2016-2021.

Conversely, the proportion of households in the Ryde LGA renting in the private market increased from 36% in 2016 to 40% in 2021. In 2021, approximately 3% of households rented social housing, slightly lower than the 4% in 2016.

Figure A1-5 illustrates the housing tenure in the Ryde LGA over the 2016-2021 period.

Figure A1-5: Housing Tenure (2016-2021), Ryde LGA



Source: ABS (2021)

Over 2016-2021, the proportion of homeowners in the Ryde LGA is being outpaced by renter households.

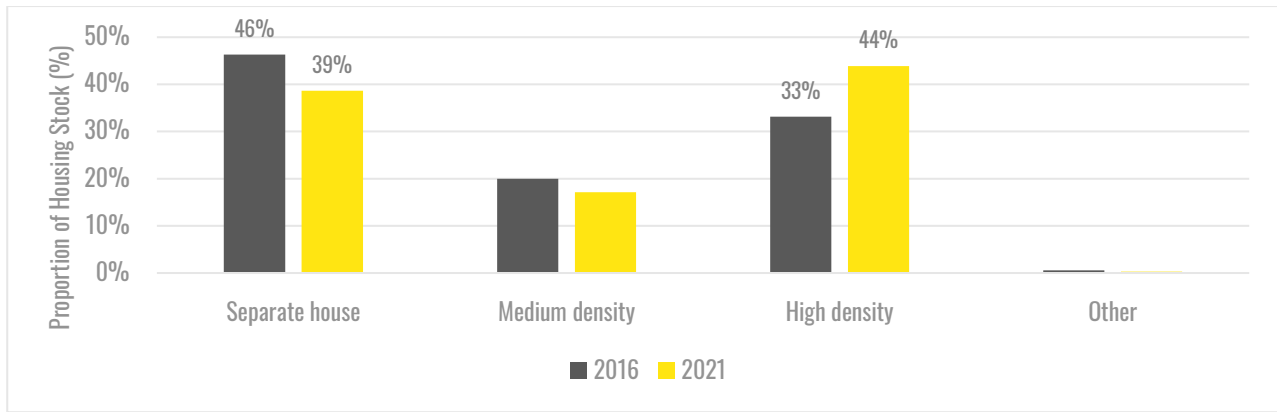
### Dwelling Type and Structure

The need and preference for dwellings changes in accordance with household and family trends. The evolving needs of households correlates directly with dwelling supply and need.

In 2016, low density housing was the predominant dwelling type in the Ryde LGA, accounting for 39% of all housing types. By 2021, this was overtaken by high density housing, which represented 44% of total stock. Medium density development remained modest, accounting for around 20% of housing stock over 2016-2021.

Figure A1-6 illustrates the shift in dwelling typologies in the Ryde LGA over 2016-2021.

**Figure A1-6: Dwelling Type (2016-2021), Ryde LGA**

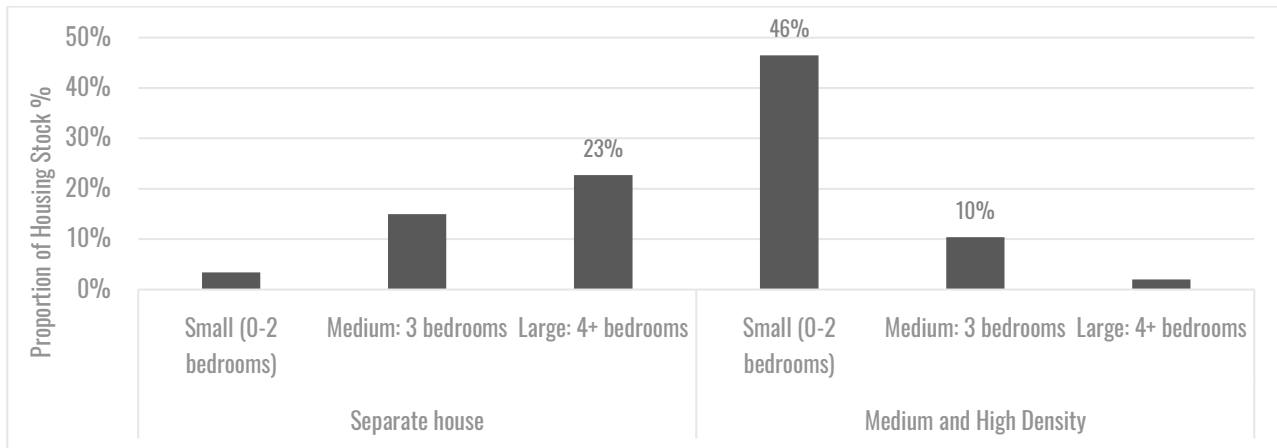


Source: ABS (2021)

As at 2021, almost 50% of housing within the Ryde LGA were of smaller formats (2-bedrooms or less) – consistent with the typical layouts offered within high density developments. This shift towards smaller dwelling typologies is also aligned with the changing household trends observed across the Ryde LGA, with smaller format households increasingly prevalent.

Figure A1-7 charts the housing stock by typology and size in the Ryde LGA as at 2021.

**Figure A1-7: Dwelling Structure (2021), Ryde LGA**



Source: ABS (2021)

**Historical Property Prices**

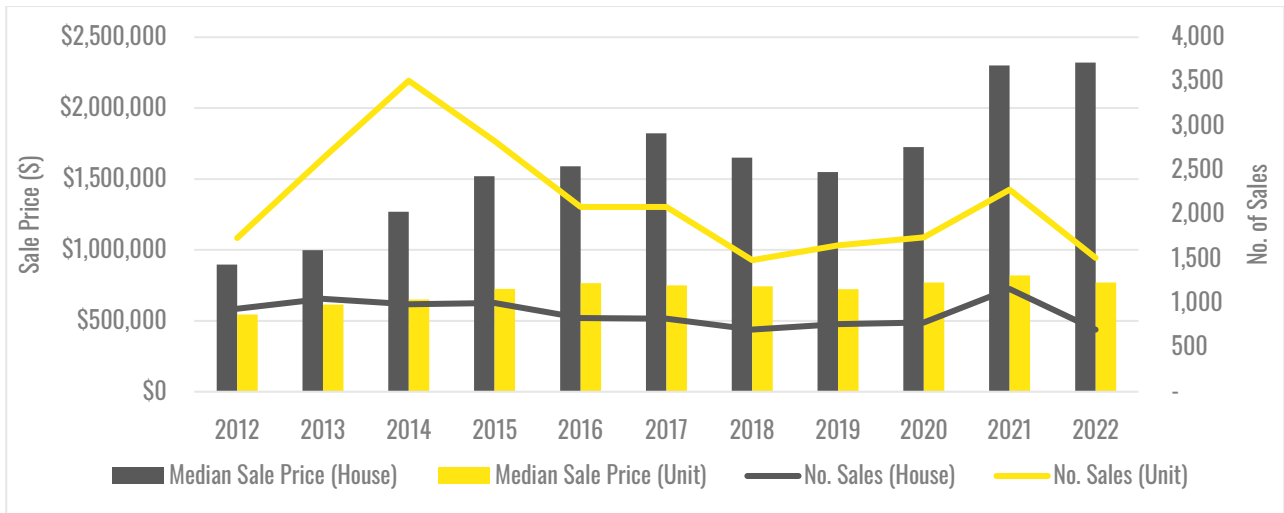
In 2012, the median sale price of dwellings and units across the Ryde LGA was approximately \$900,000 and \$545,000 respectively. By 2021, this rose to over \$2,300,000 and \$770,000 respectively, reflecting a notable average annual growth of 11% for houses and 4% for units.

Price growth was especially significant over the 2020-2021 period, with the median house price across the Ryde LGA recording a peak annual growth rate of 33%. This surge in property prices was also broadly observed across Greater Sydney.

Overall, the historical property price trends illustrate the increasing pressure of housing costs experienced across the Ryde LGA. This is likely a key influence behind the shift towards renting in the private market (as opposed to home ownership).

Figure A1-8 charts the median property price observed across the Ryde LGA over the 2012-2022 period.

Figure A1-8: Median Property Price (2012-2022), Ryde LGA



Source: Pricefinder (2023)

## Resident Workers and Non-resident Workers

### Employment Profile

In 2021, the main industries of employment in the Ryde LGA were:

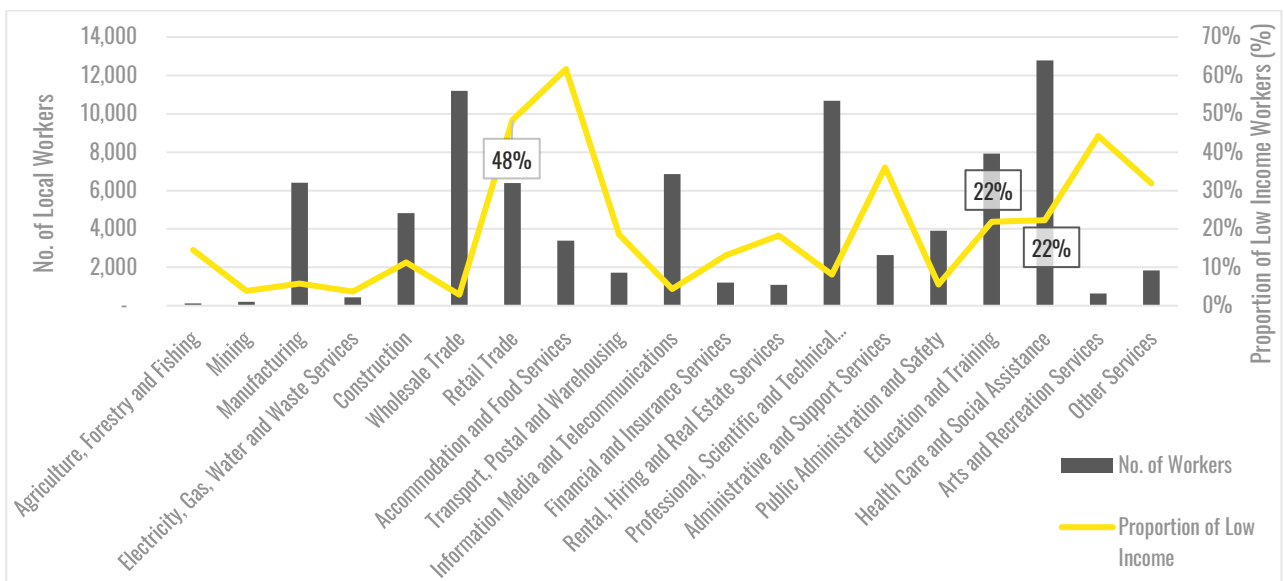
- **Health Care and Social Assistance:** 14% of total employment;
- **Wholesale Trade:** 13% of total employment;
- **Professional, Scientific and Technical Services:** 12% of total employment;
- **Education and Training:** 9% of total employment.

In 2021, the Ryde LGA recorded a median personal income of \$967 per week, and a local worker population of approximately 88,600. Based on these figures, the following observations can be drawn:

- Despite being a dominant industry of employment, the **22%** of workers employed in health care and social assistance, and education and training were low-income earners (earning below the median weekly income of \$967/week).
- Whilst retail trade accounted for 7% of employment in Ryde, **48%** workers in the industry were low-income earners.

Figure A1-9 depicts the proportion of low-income workers across industries of employment in the Ryde LGA in 2021.

Figure A1-9: Low Income Workers by Industry (2021), Ryde LGA



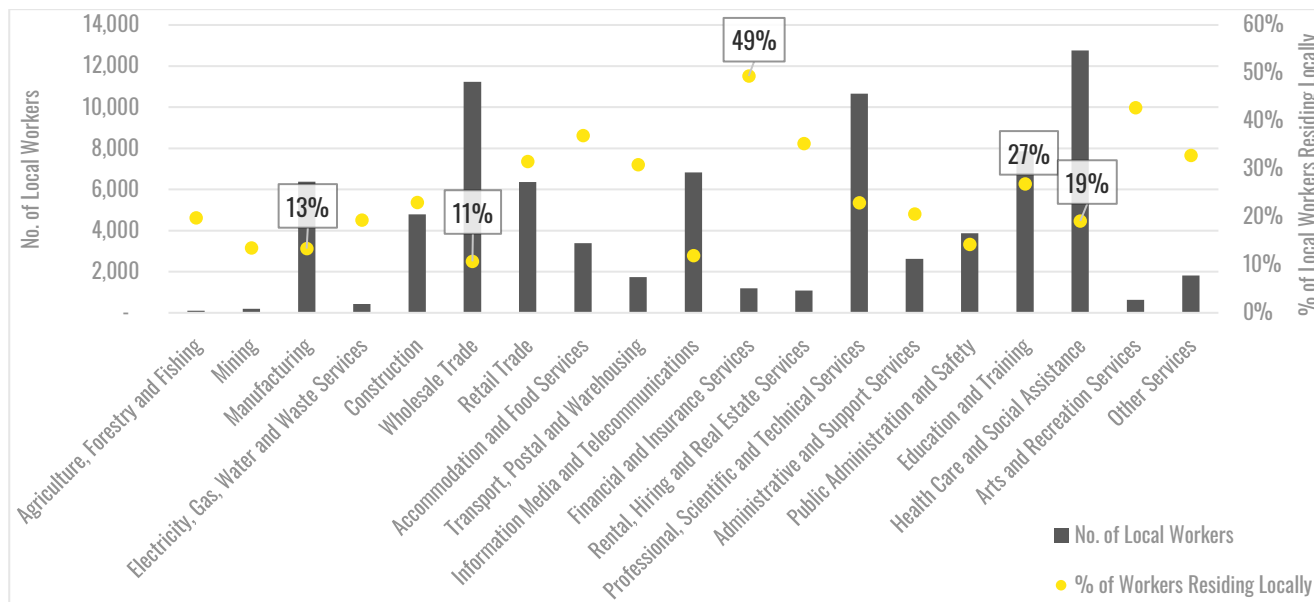
Source: ABS (2021)

## Employment Self-Containment?

In 2021, the Ryde LGA recorded an employment self-containment rate of some 21%. Almost 80% of workers were non-residents, travelling to Ryde for work. Parramatta LGA 'contributed' the highest proportion of workers, with 11% of Ryde workers being Parramatta residents, followed by the Blacktown LGA (7%).

Figure A1-10 provides a breakdown of employment self-containment by industry across the Ryde LGA in 2021.

Figure A1-10: Employment Self-Containment by Industry (2021), Ryde LGA



Source: ABS (2021)

Based on the analysis, it is apparent that a high proportion of local workers employed in dominant industries, travel from outside the LGA to work. Based on the analysis of employment self-containment and worker income levels, it is observed that a high proportion of low-income workers travel from outside the LGA to work. The following insights are drawn:

- In 2021, only 27% of Ryde workers employed in the **Education and Training** industry resided locally. These workers employed in Education and Training also reported income levels which fell below the median wage of the LGA.
- Only 19% of Ryde workers employed in the **Health Care and Social Assistance** sector resided within the LGA. Similarly, over 20% of these workers earned below the median LGA income level.
- Conversely, almost 50% of Ryde workers employed in **Financial and Insurance Services** also lived within the LGA.

The analysis suggests that workers employed in dominant industries in the Ryde LGA reside outside the LGA.

## Journey to Work

In 2021, the Ryde LGA recorded a median personal income of \$967 per week, with approximately 9,410 workers in Macquarie Park earning below median personal income levels ('low-income workers') across industries.

Of these low-income workers, only 23% resided locally within the Ryde LGA in 2021. Specifically, low-income Macquarie Park workers travelled from the following LGAs for work:

- **Parramatta LGA:** accommodating some 1,280 low-income workers (14%).
- **Blacktown LGA:** accommodating some 660 low-income workers (7%).
- **Hornsby LGA:** accommodating some 650 low-income workers (7%).

Table A1-3 categorises Macquarie Park worker income by place of residence as at 2021.

**Table A1-3: Low-Income Workers by Place of Residence (2021), Macquarie Park**

Weekly Personal Income Brackets (\$)	Worker Place of Residence			
	Ryde LGA	Parramatta LGA	Blacktown LGA	Hornsby LGA
Negative income	5	-	-	-
Nil income	27	8	9	8
\$1-\$149 (\$1-\$7,799)	189	71	12	55
\$150-\$299 (\$7,800-\$15,599)	200	75	36	80
\$300-\$399 (\$15,600-\$20,799)	214	99	41	50
\$400-\$499 (\$20,800-\$25,999)	240	134	54	67
\$500-\$649 (\$26,000-\$33,799)	385	225	102	111
\$650-\$799 (\$33,800-\$41,599)	432	276	165	123
\$800-\$999 (\$41,600-\$51,999)	499	387	239	159
<b>Total Low-Income Workers</b>	<b>2,191</b>	<b>1,275</b>	<b>658</b>	<b>653</b>

Source: ABS (2021)

Collectively, the Parramatta, Blacktown and Hornsby LGAs accommodated almost 30% of Macquarie Park workers earning below the median personal wage.

The employment profile of the Ryde LGA demonstrates that low-income workers included those employed in health care and social assistance (14% of workers), wholesale trade (13%), education and training (9%) and manufacturing (7%). As at 2021, these were also industries which recorded lower self-containment rates, i.e. these roles filled by non-resident workers.

Table A1-4 illustrates the dominant places of residence of Ryde workers by industry in 2021.

**Table A1-4: Industry of Employment by Place of Residence (2021), Ryde LGA**

Industry of Employment (Ryde LGA)	Worker Place of Residence						Total (No.)
	Ryde LGA	Parramatta LGA	Blacktown LGA	Hornsby LGA	The Hills Shire	Ku-ring-gai LGA	
Manufacturing	11%	9%	10%	7%	7%	5%	2,125
Wholesale Trade	10%	8%	8%	7%	8%	5%	3,983
Education and Training	20%	11%	5%	10%	6%	6%	2,663
Health Care and Social Assistance	14%	13%	11%	7%	7%	4%	3,437
<b>Total (No.)</b>	<b>3,117</b>	<b>2,416</b>	<b>1,996</b>	<b>1,756</b>	<b>1,691</b>	<b>1,232</b>	<b>2,125</b>
<b>Total (%)</b>	<b>13%</b>	<b>10%</b>	<b>8%</b>	<b>7%</b>	<b>7%</b>	<b>5%</b>	<b>3,983</b>

Source: ABS (2021)

Amongst the dominant industries of employment in the Ryde LGA, the following observations were made:

- **Manufacturing:** 11% of Ryde workers resided locally within the LGA, followed by 10% and 9% of workers residing in the Blacktown and Parramatta LGAs respectively.
- **Wholesale Trade:** 10% of workers resided locally within the Ryde LGA, followed by 24% being accommodated within the Parramatta, Blacktown and The Hills LGAs equally.
- **Education and Training:** 20% of workers resided locally within the Ryde LGA, followed by 11% residing in the Parramatta LGA and 10% in the Hornsby LGA.
- **Health Care and Social Assistance:** 14% of Ryde workers resided locally, followed by 13% and 11% residing in the Parramatta and Blacktown LGAs respectively.

This suggests only 13% of workers employed in dominant industries in the Ryde LGA also reside locally, with a large proportion travelling to Ryde for work.

## Demand for Affordable Rental Housing

The demand for Affordable Housing is a subset of the demand for subsidised housing in general. In this section the Study examines various components of that demand, which can be inferred from a number of observations:

- Wait times for social housing.
- Residents with special needs.
- Residents in housing stress (as owner or renter households).
- Future residents and their needs.

### Social Housing Wait Times

Based on the most recent housing data supplied by the Department of Communities and Justice (DCJ), there is a significant waiting list for social housing across the Ryde LGA. As at June 2022, there were some 1,540 households waiting for social housing within the LGA. Approximately 28% of these households in waiting were defined as priority applicants<sup>1</sup>.

The average wait time for social housing in the Ryde LGA is 10 years. This applies to all property types and sizes. These wait times are generally in line with that observed across other parts of Northern Sydney.

A comparison of wait times (as at June 2022) in various regions of Greater Sydney is provided in **Table A1-5**.

**Table A1-5: Average Social Housing Wait Times, Select Areas of Greater Sydney (2022)**

Allocation Zone	Waiting Time (Years)			
	Studio/1 Bedroom	2 Bedrooms	3 Bedrooms	4+ Bedrooms
Inner City	5-10	5-10	5-10	10+
Eastern Suburbs	5-10	10+	10+	10+
Leichardt/Marrickville	5-10	10+	10+	10+
<b>Northern Suburbs</b>	<b>5-10</b>	<b>10+</b>	<b>10+</b>	<b>10+</b>
Northern Beaches	5-10	5-10	5-10	5-10
Canterbury	5-10	10+	10+	10+
Inner West	10+	10+	10+	10+
Sutherland	5-10	10+	10+	10+
St George	10+	10+	10+	10+
Riverwood	5-10	10+	10+	10+
Parramatta/Baulkham Hills	5-10	10+	10+	10+
Auburn/Granville	5-10	5-10	10+	10+
Blacktown	5-10	10+	5-10	5-10
Mount Druitt	5-10	5-10	5-10	5-10
Penrith	5-10	5-10	5-10	5-10
Richmond/Windsor	10+	5-10	5-10	5-10
Holroyd	5-10	10+	10+	10+
Bankstown	5-10	10+	10+	10+
Fairfield	10+	10+	10+	10+
Liverpool	10+	10+	10+	10+
Campbelltown	5-10	5-10	10+	5-10
Camden	5-10	5-10	5-10	5-10
Wollondilly	5-10	2-5	5-10	5-10

Source: DCJ (2022)

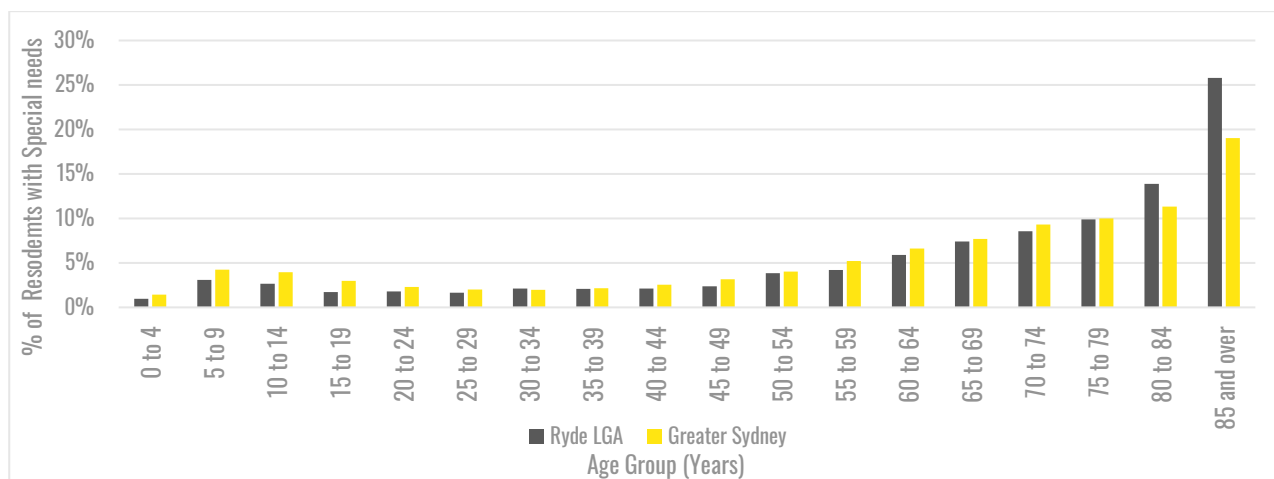
<sup>1</sup> Priority applicants are defined as those with an urgent and ongoing housing need with a requirement to live within a certain area.

## Residents with Special Needs

In 2021, approximately 6,090 residents (~5% of the Ryde LGA population) were identified as having some form of need for assistance<sup>2</sup>. Notably, the proportion of elderly residents aged >80 years in the Ryde LGA with a need for assistance (50%) is higher than that in Greater Sydney (40%).

Figure A1-11 illustrates the proportion of residents with special needs (by age group) across the Ryde LGA in 2021.

Figure A1-11: Residents with Special Needs by Age Group (2021), Ryde LGA



Source: ABS (2021)

## Housing Stress

The NSW and Victorian Governments have developed new income brackets to assess the number of households experiencing housing stress. These brackets follow the income benchmarks presented in Table A1-2 and will replace the National Centre for Social and Economic Modelling's (NATSEM) 'bottom 40% of incomes' definition.

### Capacity to Pay for Housing

As at 2021, some 28,400 households in the Ryde LGA fell within the Very Low to Moderate income benchmarks. This is equivalent to an estimated 58% of households across the LGA.

A review of the household income bands against the median housing costs in the Ryde LGA highlights the difficulty for households on Very Low and Low incomes to be accommodated in the private rental market or to afford home ownership.

Table A1-6 considers the ability of Very Low, Low and Moderate income households to afford housing in the Ryde LGA.

Table A1-6: Capacity to Pay for Housing (2021), Ryde LGA

Income Bands	Median Weekly Household Income	No. of Households	Maximum Tolerance (30% gross income) per week		Housing Affordability in Ryde LGA (based on Median Rents/Mortgage Repayments)*	
			Weekly	Monthly	Rent (\$460/week)	Mortgage (\$2,600/month)
Very Low (50% median)	<\$1,039	10,897	\$312	\$1,352	No	No
Low (50%-80% median)	\$1,039 to \$1,662	6,170	\$499	\$2,162	Yes	No
Moderate (80%-120% median)	\$1,662 to \$2,492	11,362	\$748	\$3,241	Yes	Yes

\*Median monthly mortgage repayment/weekly rent as per ABS (2021)

Source: Atlas/ABS (2021)

<sup>2</sup> Residents with special needs can be defined as those with a form of disability with a need for assistance in self-care, body movement, or communication (excluding healthy young children). Accordingly, a resident with special needs could equally include a young person with a physical disability or an elderly resident suffering from old age.



## Mortgage Stress

In 2016, approximately 8% of households across the Ryde LGA spent more than 30% of income on mortgage repayments. By 2021, this proportion of households nearly tripled, accounting for some 23% of households.

This was directly aligned with the significant increase in monthly mortgage repayments over 2016-2021. In 2016, this was recorded at \$2,200, rising to \$2,600 in 2021 - reflecting an average annual growth rate of 3%.

Whilst a similar trend was observed in Greater Sydney, more modest patterns of change were observed (Table A1-7).

**Table A1-7: Median Monthly Mortgage Repayments (2016-2021), Ryde LGA**

	2016		2021		Change (2016-2021)	
	% of Households	Median Monthly Mortgage Repayment	% of Households	Median Monthly Mortgage Repayment	% of Households	Avg. Annual Growth in Mortgage Repayment
<b>Ryde LGA</b>	8%	\$2,200	23%	\$2,600	+15%	+3%
<b>Greater Sydney</b>	14%	\$2,167	20%	\$2,247	+6%	+1%

Source: ABS (2021)

Based on the Greater Sydney median weekly household income of \$2,077, approximately 28,430 households in the Ryde LGA were considered to experience housing stress in 2021 (income benchmarks as outlined in Table A1-2). This is equivalent to 53% of all households across the Ryde LGA.

Table A1-8 describes the proportion of households in the Ryde LGA experiencing housing stress in 2021.

**Table A1-8: Mortgage Stress (2021), Ryde LGA**

Income Band	Income Level	No. of Households	Households Spending >30% of Income on Mortgage Repayments	
			No.	Proportion (%)
Very Low	Less than \$1,039	10,897	745	7%
Low	\$1,039 to \$1,662	8,837	971	11%
Moderate	\$1,662 to \$2,492	8,695	762	9%
<b>Total</b>		<b>28,429</b>	<b>2,478</b>	<b>9%</b>

Source: ABS (2021)

## Rental Stress

In 2021, approximately 7,130 households (~25% of households) were considered to experience rental stress. This is significantly higher than the number and proportion of households experiencing mortgage stress. The prevalence of rental stress experienced generally relates to households renting in the private market.

**Table A1-9: Rental Stress (2021), Ryde LGA**

Income Band	Income Level	No. of Households	Households Spending >30% of Income on Rental Repayments	
			No.	Proportion (%)
Very Low	Less than \$1,039	10,897	4,140	38%
Low	\$1,039 to \$1,662	8,837	2,420	27%
Moderate	\$1,662 to \$2,492	8,695	565	6%
<b>Total</b>		<b>28,429</b>	<b>7,125</b>	<b>25%</b>

Source: ABS (2021)

## Population and Household Projections

### Population and Dwellings

Official population and household projections for the Ryde LGA have been carried out by the NSW Department of Planning, Housing and Infrastructure (DPHI). Over the 2021-2041 period, the Ryde LGA is expected to:

- Grow by ~47,000 residents at an average annual rate of 1.5%.
- Accommodate an additional ~20,500 households expected to grow at an average annual rate of 1.7%.
- Require ~22,100 new dwellings, reflecting around 1,100 additional dwellings per annum.

Table A1-10 illustrates the population, household and dwelling projections in Ryde LGA over the coming decades.

**Table A1-10: Population, Household and Dwelling Projections (2021-2036), Ryde LGA**

	2021	2026	2031	2036	2041
<b>Population</b>	<b>133,360</b>	<b>140,690</b>	<b>155,864</b>	<b>165,992</b>	<b>180,341</b>
Change (5-yrs)		7,329	15,175	10,127	14,349
Average annual change (%)		1.1%	2.1%	1.3%	1.7%
<b>Households</b>	<b>50,390</b>	<b>53,712</b>	<b>59,945</b>	<b>64,751</b>	<b>70,928</b>
Change (5-yrs)		3,322	6,233	4,805	6,178
Average annual change (%)		1.3%	2.2%	1.6%	1.8%
<b>Dwellings</b>	<b>53,745</b>	<b>57,302</b>	<b>63,992</b>	<b>69,163</b>	<b>75,809</b>
Change (5-yrs)		3,557	6,690	5,171	6,646
Average annual change (%)		1.3%	2.2%	1.6%	1.9%

Source: NSW DPE (2022)

### Composition of Households

Household projections carried out by DPE (2022) expect demographic change as the LGA accommodates some 20,500 new households. This includes:

- **Couple families with children** are expected to continue representing the largest household type, although in decreasing proportions (33% in 2021 compared to 26% in 2041).
- **Lone person and Couple-only households** are expected to grow significantly and collectively represent 53% of households by 2041 (compared to 49% in 2021).
- **One parent family households** are anticipated to increase modestly and account for 9% of households by 2041.

**Table A1-11: Household Type Projections (2021-2041), Ryde LGA**

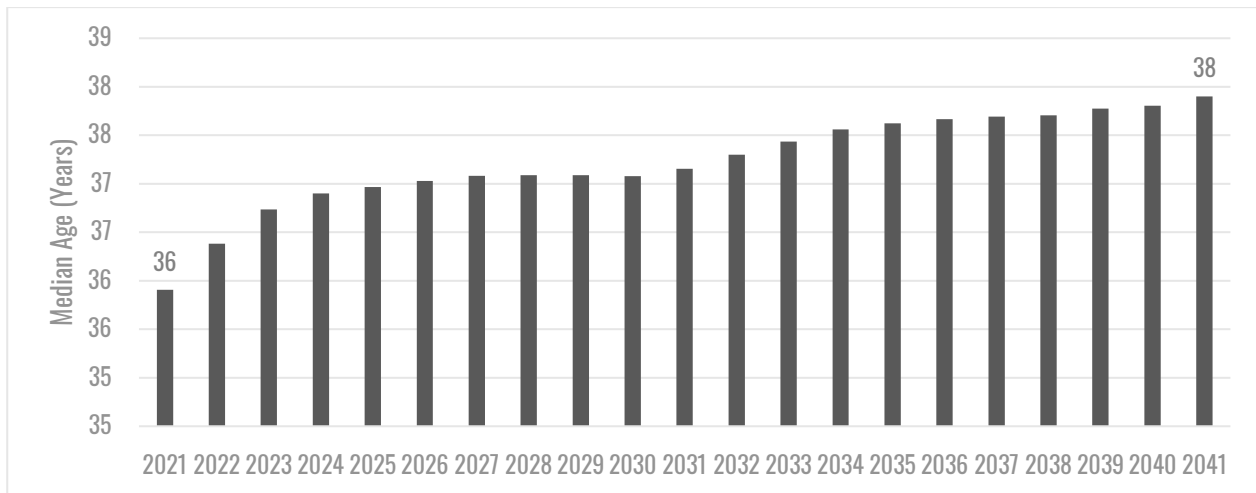
Household Cohort	2021		2031		2041		Change (2021-41)
	No.	%	No.	%	No.	%	
Couple only	12,417	25%	15,149	25%	18,097	26%	5,680
Couples with children	16,739	33%	18,562	31%	20,901	29%	4,162
Single parent	4,260	8%	5,068	8%	6,045	9%	1,784
Multiple/other family households	2,207	4%	2,561	4%	2,910	4%	703
Lone person	11,934	24%	15,115	25%	18,897	27%	6,964
Group	2,833	6%	3,490	6%	4,079	6%	1,246

Source: NSW DPE (2022)

## Age Projections

The median age of Ryde residents is expected to increase gradually over the coming decades, rising from 36 years in 2021 to 38 years in 2041.

Figure A1-12: Median Age Projections (2021-2041), Ryde LGA



Source: DPE (2022)

Whilst the projected age profile in the Ryde LGA in **Figure A1-12** suggests that residents will likely continue to remain relatively young, there is also a growing proportion of elderly residents (many of whom require assistance). This is observed in the resident age cohort trends over 2016-2021 (**Figure A1-2**) which is aligned with the expected growth in lone person and couple-only households.

## Affordable Housing Supply

### Social Housing

Social housing is owned and managed by the DCJ. Prospective tenant eligibility is assessed against a set of defined criteria. Applicants are generally only eligible if they earn very low or low incomes. Successful applicants pay a rent equivalent to 25%-30% of their gross income.

The most recent community housing data is sourced from NSW Community Housing Industry Association (CHIA) (2021). Based on the data, there are approximately **1,675 social housing** dwellings being managed by various community housing providers (CHPs) across the Ryde LGA.

Across the broader Northern Sydney region, there were approximately 6,090 social housing dwellings recorded in 2023.

**Figure A1-13** summarises social housing stock by management and dwelling type in Northern Sydney in 2023.

Figure A1-13: Social Housing Dwellings (2023), Northern Sydney

Tenancy managed by	Dwelling type	Studio/1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms	Total
Public housing (PH)	Unit	48	9			57
	Villa			<5		<5
	Cottage		<5	16	10	27
	Sub-total	48	10	18	10	86
Community housing (CH)	Unit	2,945	1,468	204	19	4,636
	Villa	23	92	130	6	251
	Townhouse	91	159	252	18	520
	Cottage	21	156	298	103	578
	Sub-total	3,080	1,875	884	146	5,985
Aboriginal Housing Office (AHO)	Unit		<5			<5
	Townhouse		<5	<5		<5
	Sub-total		<5	<5		<5
Aboriginal Community Housing (ACH)	Cottage		<5	5	<5	9
	Sub-total		<5	5	<5	9

Source: DCJ (2023)

### Affordable Housing

Based on the most recent 2021 housing data by CHIA, there are only **2 affordable housing dwellings** managed by CHPs in the Ryde LGA. This excludes affordable housing provided by non-profit organisations and private developers.

Table A1-12: Community Housing managed by CHPs (2021), Ryde LGA

Housing Type	Dwelling Count
Social Housing	1,675
Crisis Accommodation	14
Transitional Housing	2
Affordable Housing	2
<b>Total</b>	<b>1,693</b>

Source: CHIA NSW (2021)

### Boarding Houses

The State Environmental Planning Policy (Housing) 2021 encourages both the traditional form of boarding houses (accommodation with shared facilities) and new generation (New Gen) boarding houses (self-contained rooms).

The Office of State Revenue exempts boarding houses from land tax or allows a reduction in the taxable land value. Boarding houses need to be registered and must charge rental tariffs below published rates to be eligible for land tax concessions. Notwithstanding, boarding houses can still charge rental tariffs above the published rates which can be seen with increasing numbers of modern, new generation (referred to as 'New Gen') boarding houses.

A total of 9 registered boarding houses were identified in the LGA, mostly in the Ryde suburb. These existing boarding houses are estimated to supply 130 rooms across the LGA, with an estimated area breakdown reported in **Table A1-13**.

**Table A1-13: Boarding Houses, Ryde LGA**

Suburb	Boarding Houses	Rooms
Gladesville	1	12
Ryde	4	17
North Ryde	1	4
West Ryde	1	40
Marsfield	1	10
Meadowbank	1	48
<b>Total</b>	<b>9</b>	<b>131</b>

Source: Atlas/NSW Fair Trading (2023)

### Future Pipeline

A review of the development pipeline suggests the delivery of some 1,650 new social, affordable and other specialist type dwellings across the Ryde LGA. These are expected to be delivered through several proposed developments including:

- The delivery of some **1,090 new social housing** units (950 social housing apartments & 141 purpose-built social housing) being progressed as part of the Midtown Macpark mixed-use development in Macquarie Park.
- Some **220 new affordable housing** units proposed in Macquarie Park. These are being delivered through 2 proposed developments, including:
  - Landcom's Lachlan's Line project to deliver 95 purpose-built affordable housing units.
  - 128 affordable rental units to be supplied within the proposed Midtown Macpark development (Ivanhoe Estate).
- 6 new boarding house developments are underway, potentially delivering some **330 boarding rooms** over the coming years. These are planned within West Ryde, Meadowbank, Eastwood and Marsfield.

No new **special needs housing** is currently observed in the development pipeline.

**Table A1-14: Development Pipeline (Subsidised Housing including Boarding Houses), Ryde LGA**

Project	Suburb	Status	Dwellings/Rooms
<b>Social Housing</b>			
1 Ivanhoe Pl	Macquarie Park	Construction	1,091
<b>Total</b>			<b>1,091</b>
<b>Affordable Housing</b>			
1 Ivanhoe Pl	Macquarie Park	Construction	128
Lot 117 Lachlans Line	Macquarie Park	Construction	95
<b>Total</b>			<b>223</b>
<b>Boarding Houses</b>			
964-970 Victoria Rd	West Ryde	Site for sale (Development Approved)	40
85 Anzac Ave	Meadowbank	Development Approval	66
1-20 Railway Rd x 50 Constitution Rd	Eastwood	Documentation in Progress	162
60 Balaclava Rd	Eastwood	Development Approval Granted	12
598A-598B Blaxland Rd	Marsfield	Documentation in Progress	42
118 Balaclava Rd	West Ryde	Construction Commenced	10
<b>Total</b>			<b>332</b>

Source: Atlas/BCI (2023)

## Affordable Housing Gaps

### Demand for Affordable Rental Housing

#### Existing Need

The foregoing analysis demonstrates the depth of demand for subsidised housing across the Ryde LGA. The analysis suggests the pool of demand for Affordable Housing (as a form of subsidised housing) is observed from two main sources:

1. Households currently on the waiting list for social housing.
2. Households on Very Low, Low and Moderate incomes in the private market experiencing housing stress.

Households on the waiting list for social housing would meet the criteria for Affordable Housing and are likely being accommodated in some other form of subsidised housing (e.g. crisis housing, boarding houses) or experiencing housing stress in the private rental market.

- ~1,540 households are currently on the waiting list for social housing in the Northern Suburbs allocation area.
- As at 2021, at least 9% of households within the Ryde LGA experienced some form of housing stress (rental or mortgage). Specifically, 25% of households were considered to be in rental stress, reflecting 7,125 households.
- When combining these key demand cohorts, there is a potential **existing demand** for some 8,700 subsidised housing (social, community or affordable rental housing) across the Ryde LGA.

#### Future Projected Household Need

According to the projected household data illustrated in **Table A1-10** the Ryde LGA is expected to accommodate some 60,000 households by 2031, and 71,000 households by 2041.

The 2021 housing stress data indicates that 25% of Ryde households experience rental stress. If a same proportion were assumed, approximately **15,000 households** could potentially experience rental stress by 2031, and some **18,000 households** by 2041. This is significantly higher than the **8,665** households observed in 2021.

**Table A1-15: Projected Households in Housing Stress (2021-2041), Ryde LGA**

	2026	2031	2036	2041
<b>Households (Total)</b>	53,712	59,945	64,751	70,928
<b>Potential Households in Rental Stress (assuming similar 25%)</b>	<b>13,428</b>	<b>14,986</b>	<b>16,188</b>	<b>17,732</b>

Source: DPE/Atlas

#### Housing for Local Workers

Importantly, another source of potential need for subsidised housing would be for workers currently travelling into the Ryde LGA for employment. In Macquarie Park, only 23% of low-income workers (earning below the median personal wage) lived within the Ryde LGA in 2021. The opportunity to live locally particularly for lower income workers has economic and social benefits. This further contributes to the quantum of demand for subsidised housing in the LGA.

#### Supply of Subsidised Housing

Based on the existing supply and development pipeline of subsidised housing, the Ryde LGA is expected to provide approximately **3,500 dwellings by 2031**.

**Table A1-16** provides an overview of the existing and pipeline supply of subsidised housing (and boarding houses) in the Ryde LGA.

**Table A1-16: Existing and Pipeline Supply of Subsidised Housing (2021-2031), Ryde LGA**

Project	Existing Supply (2021)	Future Supply (2031)	Total
Social Housing	1,675	1,091	2,766
Affordable Housing	2	223	225
Boarding Houses	131	332	463
Other Subsidised Housing	16	-	16
<b>Total</b>	<b>1,824</b>	<b>1,646</b>	<b>3,470</b>

Source: DCJ/BCI

### Supply Shortfall

Assuming all dwellings in the supply pipeline were delivered, the analysis reveals a supply shortfall of subsidised housing in the Ryde LGA (Table A1-17).

**Table A1-17: Subsidised Housing Supply Shortfall (2021-2031), Ryde LGA**

	2026	2031	2036	2041
Projected Demand	13,428	14,986	16,188	17,732
Supply (Existing and Pipeline)	1,824	3,470	3,470	3,470
Shortfall	(6,841)	(11,516)	(12,718)	(14,262)

Source: Atlas

Based on projected demand as well as the existing and future housing supply, there could potentially be an overall gap of some 11,500 affordable rental housing in the LGA by 2031. By 2041, this gap is likely to grow to some 14,300 dwellings.

Addressing this supply gap is critical to properly addressing the broader housing continuum.

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