

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

Submission: Explorer Street Rezoning Proposal

The Community Housing Industry Association NSW (CHIA NSW) welcomes the opportunity to provide a submission on the rezoning proposal for the Explorer Street social housing estate.

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 5,600 new homes across NSW, representing an investment of over \$2 billion.

More than 57,000 people are currently on the waiting list for social housing in NSW, including 2,258 applicants within the City of Sydney and adjoining suburbs. The City of Sydney has some of the highest housing costs in Australia. Beyond those on the Housing Register, it is estimated that 10,700 households in the area (7%) do not currently have their housing needs met. Without significantly more social and affordable homes being built, unmet housing need is forecast to grow to 18,000 households by 2041.¹

The renewal of public housing estates provides an opportunity to increase the supply and quality of social, affordable and culturally appropriate housing.

In this regard, CHIA NSW supports the proposed requirement for 30% of floorspace on the site to be social housing, and a further 20% to be affordable housing. This is a welcome increase over the previous rezoning proposal for this site. The commitment to 20% of the affordable housing being delivered as Aboriginal affordable housing is also supported.

CHIA NSW has identified the following opportunities to strengthen the rezoning proposal to deliver better outcomes:

- To provide certainty to stakeholders and the community, the social and affordable housing requirements need to be included in the site-specific LEP provision for the site, not just in the Design Guide. Relegating this important requirement to a 'consideration' in a guidance document risks the provision of social and affordable housing being watered down in future development applications. It is further noted that the draft Design Guide only outlines the requirement for the provision of affordable housing.
- The LEP site-specific provision must identify the social and affordable housing requirements as minimums. Maximising social and affordable housing needs to be included as a matter for consideration in assessing design excellence of development within the site.

- CHIA NSW recommends an amendment being made to the Environment Planning and Assessment Regulation to prescribe a condition of development consent requiring:
 - Any affordable housing delivered on the site is to be owned and managed by a not-for-profit CHP that is registered under the National Regulatory System for Community Housing.
 - The affordable housing is to be retained over the long-term and managed in accordance with the NSW Affordable Housing Ministerial Guidelines.

Such an approach is consistent with the provisions under section 82 of the Regulation, that apply in-fill affordable housing under the Housing SEPP. As purpose-driven and highly regulated organisations with an established track record of over 40 years, CHPs are best placed to ensure the homes delivered continue to be operated as affordable housing over the long term, that properties are appropriately allocated to eligible tenants, and maintained at a reasonable standard in accordance with legislative, regulatory, and compliance requirements. Benefits will be maximised when the CHP is a not-for-profit provider, who reinvest every dollar earned back into creating and sustaining affordable housing supply.

- The Design Guide needs to include a requirement for the end owner/manager of the social and affordable housing to be engaged in its design. This is essential to ensure the needs of future tenants are accounted for, operational costs are reasonable, and to consider management and maintenance arrangements. Similar planning controls are proposed for other estates undergoing renewal, including the Waterloo Estate (South).
- CHIA NSW notes that it is proposed to apply the Sydney LEP 2012 Design Excellence provisions to the site, including the need for a Design Competition, but to exclude application of the floor space and height bonuses under these provisions. While CHPs are committed to delivering design excellence, the experience of our members is that competitive design processes add considerable costs and delays to the development process. These processes do not necessarily achieve better outcomes than architect-designed schemes that are subjected to review by a design review panel. CHIA NSW notes recent announcements by the NSW Government to remove the need for design competitions where a pre-approved designer is used. It is recommended that such an approach be adopted for this site.

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

Kind regards,



Michael Carnuccio
Manager - Policy

¹ City & Inner South SA4 from *Quantifying Australia's unmet housing need - Regional snapshots* (December 2022) Prepared for the Community Housing Industry Association by Ryan van den Nouwelant, Laurence Troy, and Balamurugan Soundararaj; UNSW City Futures Research Centre.